State of California

Board of Equalization
Sales and Use Tax Department

Memorandum

To : Mr. Ramon J. Hirsig
Executive Director

Date: May 8, 2008

From : Randie L. Henry, Deputy Director
Sales and Use Tax Department

Subject : **Enhancing BOE Collections - Task Force Update**
May 29, 2008 Board Meeting Item P3(a)

At the May 29, 2008 Board Meeting, I will be providing an update with regard to the Task Force for identifying opportunities to enhance BOE's collections.

Please place this item on the May 29, 2008 Board Meeting agenda under P3.a.

RLH:ma

cc: Ms. Diane Olson (MIC 80)

Approved: _____
for Ramon J. Hirsig, Executive Director

State of California

Board of Equalization
Sales and Use Tax Department

Memorandum

To : Honorable Judy Chu, Ph.D., Chair
Honorable Betty Yee, Vice Chairwoman
Honorable Bill Leonard
Honorable Michelle Steel
Honorable John Chiang

Date: May 9, 2008

From : Randie L. Henry, Deputy Director
Sales and Use Tax Department

Subject : Enhancing BOE Collections - Task Force Update

At the March 19, 2008 Board Meeting, I suggested a Task Force be created for the purpose of identifying opportunities for enhancing BOE's collections and for determining whether or not the BOE should pursue a contract collection program. This memo is intended to provide you with an update on the activities of the Task Force.

The Task Force is currently comprised of staff from the Sales and Use Tax Department (SUTD), the Property and Special Taxes Department (PSTD), and representatives from SEIU Local 1000 (SEIU). To date, the group has met twice and a preliminary action plan has been created (see page 2). The action plan lists several activities for identifying opportunities to enhance BOE's collections. As identified in the plan, SEIU has scheduled several meetings statewide during the month of May to meet with staff and provide a forum for staff to share their ideas for improving BOE's collection program.

Tentatively, the Task Force plans to meet with staff from the Franchise Tax Board for the purpose of obtaining a better understanding of their contract collection program. Additionally, I believe it might be helpful for vendors performing contract collections to meet with the Task Force to explain how contract collection programs work and how they believe BOE could benefit from such a program.

The action plan provided in the memo is dynamic and will be updated to include additional improvement opportunities as they are identified. Additionally, the action plan will be updated to reflect additional activities necessary to implement those opportunities we believe will have a positive impact on BOE's collection program.

As the Task Force moves forward, the group will be expanded to include staff from other BOE departments which may wish to provide their input on enhancing BOE's collection program and/or sharing input with regard to BOE pursuing contract collections.

Enhancing Collections
Action Plan

CATEGORY/ ACTION	ESTIMATED COMPLETION DATE
I. Staff Input	
A. SEIU – Worksite Meetings	5/16/2008
1) Summarize and Provide Input Received	5/29/2008
B. BOE Staff and Manager Input	5/13/2008
1) Summarize Input Received	5/21/2008
C. Review Input Received and Identify Potential Improvements to Pursue	6/20/2008
II. Information Gathering	
A. Research Collection Processes Utilized by other States	5/28/2008
B. Meet with FTB	6/30/2008
C. Meet with Vendors	7/31/2008
III. Potential Improvements	
A. Review of Written-Off Liabilities	6/30/2008
B. Review of Current Wages for Taxpayers with Written-Off Liabilities	6/30/2008
C. Revamp Collection Tools Page on eBOE	6/30/2008
D. Review of Collection Notices	7/30/2008
E. Identify "Best Practices" for Collections	12/31/2008
F. Review Impact of 2006-07 Collection Program Changes	2/28/2009
G. Create Additional Lexis/Nexis and Accurint Training Specifically for Compliance Staff	3/31/2009
H. Ongoing Review of New Collection Tools	N/A

If you have any questions, please feel free to contact me.

RLH:ma:sr

cc: Mr. Steve Shea (MIC 72)
Mr. Mark Ibele (MIC 72)
Mr. Alan LoFaso (MIC 71)
Ms. Barbara Alby (MIC 78)
Mr. Erik Caldwell
Ms. Marcy Jo Mandel
Mr. Ramon J. Hirsig (MIC 73)
Ms. Kristine Cazadd (MIC 83)
Mr. David Gau (MIC 63)
Ms. Liz Houser (MIC 69)
Ms. Diane Olson (MIC 80)