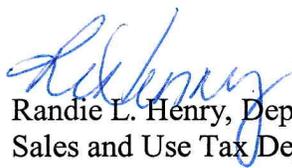


Memorandum

To : Mr. Ramon J. Hirsig
Executive Director

Date: September 2, 2008

From :  Randie L. Henry, Deputy Director
Sales and Use Tax Department (MIC 43)

Subject : **Enhancing BOE Collections - Task Force Update
September 17, 2008 Board Meeting Item P3(a)**

At the September 17, 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 September 17, 2008 Board Meeting agenda under P3.a.

RLH:ma

cc: Ms. Diane Olson (MIC 80)

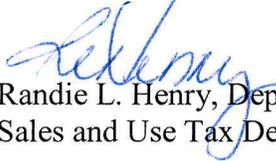
Approved: _____


Ramon J. Hirsig, Executive Director

Memorandum

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

Date: September 5, 2008

From :  Randie L. Henry, Deputy Director
Sales and Use Tax Department (MIC 43)

Subject : **Enhancing BOE Collections - Task Force Update
September 17, 2008 Board Meeting Item P3(a)**

This memo provides an update on the recent activities related to the Enhancing Collections Task Force. The Task Force was formed earlier this year to identify opportunities for enhancing our collections and to gather information regarding contract collections. To date, the Task Force has primarily been focused on identifying ways in which BOE can internally enhance its collections.

The Task Force was originally comprised of Sales and Use Tax Department (SUTD) and SEIU representatives but has been expanded to include members from the Property and Special Taxes Department (PSTD), the Taxpayers' Rights Advocate office, and SUTD field offices. The Task Force met several times in May and June to discuss the input SEIU gathered from collection staff during the worksite meetings held in early May. SEIU's findings were contained in the report they prepared and provided to us in late May.

In June, a survey was developed by management and distributed to SUTD and PSTD collection supervisors. The survey included over 50 questions, primarily pertaining to the issues and suggestions identified by SEIU. After receiving and compiling the responses to the survey, SUTD's Chiefs of Field Operations and I met with collection supervisors. Four all-day meetings were held, one in each equalization district, during which we met with essentially all collection supervisors, principals, and district administrators. During these meetings, we not only discussed the survey responses but also listened to the supervisors' concerns and suggestions on enhancing collections. Similarly, PSTD management will also be reviewing survey responses and meeting with their collection supervisors to identify improvement opportunities.

SUTD management has since met, and will continue to meet to develop strategies for addressing the issues identified by SEIU and to discuss the supervisors' concerns and suggestions. The Task Force plans to meet with SEIU by early October to discuss and obtain their input on the strategies that have been developed. Afterwards, we will prepare a written report which we plan to have available for discussion at the December Board Meeting.

In addition to the collection supervisor surveys and meetings, several items identified on the preliminary action plan were completed. The "Collection Tools" webpage available to staff on the BOE's intranet (eBOE) was revamped. This webpage provides staff with valuable information and links to information sources helpful for collection purposes. SUTD also completed an internal, random sample review of previously written-off liabilities for the purpose of identifying potential enhancements to our existing policies and procedures.

The Task Force is making good progress towards its goal and has provided us with an excellent opportunity to work with SEIU representatives, listen to our collectors, and meet with our collection supervisors. The Task Force is scheduled to meet with contract collection vendors on September 3 and 9, 2008 to obtain information regarding the services they offer. I have attached a copy of the revised action plan which identifies the items that have been completed as well as new actions that have been identified.

I will provide you with an update on the activities and accomplishments of the Task Force during the September 2008 Board Meeting. If you have any questions, please feel free to contact me.

RLH:ma:sm

Attachment: *Enhancing Collections, Revised Action Plan (September 2008)*

cc: Mr. Steve Shea (MIC 72)
Mr. Mark Ibele (MIC 72)
Mr. Alan LoFaso (MIC 71)
Ms. Barbara Alby (MIC 78)
Mr. Ken Maddox (MIC 77)
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)
Mr. Todd Gilman (MIC 70)

Ms. Nanci Bell
SEIU Local 1000, DLC 787
1325 S Street
Sacramento, CA 95811

**Enhancing Collections
Revised Action Plan (September 2008)**

CATEGORY/ ACTION	ESTIMATED COMPLETION DATE	COMPLETED
I. Staff Input		
A. SEIU – Worksite Meetings	5/16/2008	5/16/2008
1) Summarize and Provide Input Received	5/29/2008	5/29/2008
B. BOE Staff and Manager Input	5/13/2008	5/23/2008
1) Summarize Input Received	5/21/2008	5/31/2008
C. BOE Collection Supervisor Survey	7/15/2008	7/15/2008
1) Meetings with SUTD Collection Supervisors	7/23/2008	7/23/2008
2) Meetings with PSTD Collection Supervisors	9/12/2008	
D. Review Input Received from SEIU and Collection Supervisors and Identify Potential Improvements to Pursue	10/31/2008	
II. Information Gathering		
A. Obtain Information from FTB Regarding Their Contract Collection Program	6/30/2008	7/31/2008
B. Meet with Contract Collection Vendors to Obtain Information on Their Programs	7/31/2008	9/9/2008
C. Research Collection Processes Utilized by Other States	10/31/2008	
III. Potential Improvements		
A. Revamp Collection Tools Page on eBOE	6/30/2008	6/18/2008
B. Review of Written-Off Liabilities	6/30/2008	7/10/2008
C. Review of Current Wages for Taxpayers with Written-Off Liabilities	6/30/2008	7/10/2008
D. Develop and Begin to Implement Strategies for Enhancing Collections	11/30/2008	
E. Begin Offering Additional Lexis/Nexis and Accurint Training Specifically to Compliance Staff	12/31/2008	
F. Review Impact of 2006-07 Collection Program Enhancements	2/28/2009	