



**Tax Recovery and Criminal Enforcement
Task Force Executive Board Meeting
621 Capitol Mall, Room 2114, Sacramento, CA 95814
June 21, 2017**

Meeting called to order at 10:07 a.m. by Randy Silva, Chairman TRaCE Executive Board

Members Present:

Randy Silva, Chairman, BOE
Dan Gonzalez, Chief, FTB Investigations
Tyrone Blanchette, Supervisory Special Agent, IRS
Tom Edwards, Proxy for Thomas Wilson, Deputy Chief, DMV
Michael Tsang, Proxy for Sir Streeter, Assistant Special Agent in Charge, DHS
Susan Ferensic, Asst. Special Agent in Charge, FBI
Frank Waldschmitt, Proxy for David Montoya, Chief, EDD Investigations
Jim Root, Supervising Deputy Attorney General, DOJ

Members Absent:

Jim Biscailuz, Special Agent in Charge, DOJ

Discussion Items:

- April 19, 2017 Minutes
Dan Gonzalez motioned to approve the April 19, 2017 Minutes. Motion was seconded by Tyrone Blanchette.
 - Vote: 7 in favor, 0 opposed
Resolved: Motion Carried
*Susan Ferensic, Asst. Special Agent in Charge, FBI arrived later in open session

- Discussion of Executive Board Chairman and Vice Chairman – Scheduled vote to occur August 16, 2017.
 - Jim Biscailuz has shown interest in the chairman position
 - Jim Root is potentially interested in the vice chairman position
 - TRaCE Bylaws indicate the vote will take place at the beginning of the fiscal year; it may be formalized by email or at the August Meeting.
 - Randy Silva motioned to hold the election of the Executive Board Chairman and Vice Chairmen at the August Executive Board Meeting. Motion was seconded by Tyrone Blanchette.
 - Vote: 7 in favor, 0 opposed
Resolved: Motion Carried
*Susan Ferensic, Asst. Special Agent in Charge, FBI arrived later in open session

- Outstanding TRaCE HSI Slot Agreement
 - Mike Tsang presented the Signed HSI TRaCE Slot Agreement to the Executive Board.
 - Outline the process in which TRaCE would receive reimbursement for expenditures relating to the joint HSI-TRaCE operations.
 - TRaCE would expend funds from the Special Deposit Fund and then request reimbursement from HSI.
 - TRaCE Task Force Commander will communicate with the HSI Supervisor regarding the expenditure via email or phone and seek approval for the expenditure. Upon approval, the purchase will be made and the invoice for the expenditure will be submitted to HSI and HSI will initiate the reimbursement for the expenditure.
 - The HSI reimbursement happens fairly quickly (within weeks); the submission of the invoice speeds things along.
 - The Los Angeles Task Force must sign their own Slot Agreement for Equipment with HSI in their region. Los Angeles can take the Northern California Slot Agreement as a template for their agreement.

Randy Silva motioned to approve the sign on to the TRaCE HSI Slot Agreement for the Northern California Task Force. Motion was seconded by Dan Gonzalez.

Vote: 7 in favor, 0 opposed

Resolved: Motion Carried

*Susan Ferensic, Asst. Special Agent in Charge, FBI arrived later in open session

- Consolidation of Regions for TRaCE/DOJ Annual Report
 - The suggestion has been made to have the DOJ mandated Annual Report, due in March of each year, consolidated into one report for the entire task force.
 - The consolidated annual report would be collaborative amongst the commanders of each task force.
 - A draft would be sent, via email, to the regional and executive boards for consensus of the contents and statistics for publication.

Randy Silva motioned to approve the Consolidation of the Annual Report, draft of the annual report to be sent via email for approval before publication and for costs to be paid from the special deposit fund. Motion was seconded by Dan Gonzalez.

○ Vote: 8 in favor, 0 opposed

Resolved: Motion Carried

Jim Root motioned to approve the process in which the annual report is drafted by the Northern and Los Angeles Task Force Commanders, then to be reviewed and approval by the Regional Board then brought to the Executive Board for final review and approval Motion was seconded by Randy Silva

○ Vote: 8 in favor, 0 opposed

Resolved: Motion Carried

- **Metrics**
 - Discussion regarding the approved metric/statistics for TRaCE Investigations
 - Randy Silva will provide a matrix at the August Executive Board Meeting with scenarios for discussion to get a consensus amongst the TRaCE Executive Board Members.

- **Federal BJA IPR Grant**
 - DOJ was able to get the administrative mechanism in place to disburse the money for the grant
 - The Grant is available for two years, beginning October 2016, and is for both the Northern California and Los Angeles Task Forces.
 - The interagency-reimbursement agreements are currently being drafted
 - Agencies will pay their employees for the overtime and will seek reimbursement from DOJ via an interagency agreement.
 - The agreement may be presented at the August Executive Board Meeting, if approved.

- **Status Reports**
 - Legislative Proposal Update
 - No current update

 - Tobacco Legislation
 - Prop 56 increased the tax on cigarettes by \$2 per pack.
 - We have already started to see more evasion activity and expect to see more evasion activity in the near and ongoing future.

Next Meeting is scheduled for August 16, 2017 at 10:00 a.m., at 621 Capitol, Mall Room 2114.

Open session meeting adjourned at 10:39 a.m. by Randy Silva, Chairman, TRaCE Executive Board.