

Issue Paper Number 00-030



- Board Meeting
- Business Taxes Committee
- Customer Services and Administrative Efficiency Committee
- Legislative Committee
- Property Tax Committee
- Other

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## The Board of Equalization's Translation Program: Proposed Methodology

### I. Issue

Should the Board adopt the staff's proposed methodology for determining when it is more appropriate to translate documents than to rely on staff interpreters? As part of the Board of Equalization's customer service program, staff provides assistance to non-English speaking taxpayers. This service includes a combination of one-to-one interpreter assistance and distribution of selected translated publications.

### II. Staff Recommendation

Staff recommends that the Board adopt a three-part strategy for expending funds from the annual translation budget:

1. Maintain existing base of translated documents which have an annual usage of more than 500;
2. Allocate 85 percent of remaining funds, after annual revisions, for document translation projects that are most cost effective<sup>1</sup>;
3. Allocate 15 percent of the remaining funds to create new introductory publications in languages that have not yet been translated.

The applied results are summarized on attachment A, *Proposed Methodology*.

### III. Other Alternative(s) Considered

Alternative 1: Translate documents only when it is determined to be cost effective.

Alternative 2: Translate publication 73, *Your California Seller's Permit*, or a similar introductory document, into all languages identified by the Board's *Statewide Language Survey, 2000*.

Alternative 3: Translate the Board's 50 most frequently used English publications into Spanish.

<sup>1</sup> Cost-effectiveness was determined by comparing the cost of staff interpreter assistance versus the cost of translating and publishing a document.

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## IV. Background

The 1973 Dymally-Alatorre Bilingual Services Act requires that state agencies directly involved with the public employ bilingual staff when a “substantial” portion of their clientele is non-English speaking. Substantial was later defined as at least five percent of the service population. In 1992, although the Board’s non-English speaking contacts fell below the five percent minimum, the Board authorized translations in the top four languages, Chinese, Korean, Spanish, and Vietnamese, based on the philosophy of customer service. A total of \$36,000 was allocated to translate selected publications into these languages.

Over the next five years, staff contracted with certified translators to translate a total of 54 documents. In 1997, the Board adopted the KPMG audit recommendation to discontinue translating and printing documents with an annual usage of less than 500. Later, the Board mandated that any addition to the existing publication base would require specific authorization from the Board.

Most recently, the Persian-American Society of CPAs asked the Board to translate *Your California Seller's Permit* and *Audits* into Farsi. The Board authorized the translations and directed staff to work with the Society to facilitate the process. The Board also directed staff to develop an assessment process to determine when it is appropriate to translate a document.

## V. Staff Recommendation

### A. Description of the Staff Recommendation

Staff recommends that the Board adopt a three part strategy, in priority order:

1. Maintain existing base of translated documents which have an annual usage of more than 500;
2. Allocate 85 percent of remaining funds, after annual revisions, for document translation projects that are most cost effective;
3. Allocate 15 percent of the remaining funds to create new introductory publications in languages that have not yet been translated.

In order to provide a comprehensive translation program that meets the needs of the taxpayer and is cost-effective for the state, staff recommends a multifaceted approach. This includes a combination of maintaining publications that have already been translated; identifying when it is cost effective to translate a new publication; and translating at least one introductory publication into new languages. The three components would be implemented over time, as funds are available. A more detailed description of each of these components follows.

#### **Priority Level One-*Maintain Currently Translated Documents***

Currently, there are 34 translated publications that consistently have an annual usage greater than 500. As a first priority, staff would continue to update these publications, as long as the usage levels do not drop below 500.

#### **Priority Level Two-*Determine Cost-Effective Translations***

Staff would use a break-even analysis to determine when it is more cost-effective to translate a document than to have a staff member provide interpreter assistance. All the languages that were identified by the Board during the *Statewide Language Survey, 2000* would be considered. Approximately 85 percent of the remaining funds not used for revisions would be used to translate the publications deemed most cost-effective. Projects with the greatest cost savings to the state would be given the highest priority.

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**Priority Level Three-Other Languages**

The remaining 15 percent of the funds would be allocated to translate an introductory document into languages not represented in the first or second component. This would ensure non-English speaking taxpayers receive at least one document that describes their reporting requirements and informs them of available interpreter services.

**B. Pros of the Staff Recommendation**

1. Staff would have a standardized assessment method to follow, based on cost-effectiveness, to determine which documents would be translated.
2. This method would allow for an introductory document for languages other than the most frequently spoken.

**C. Cons of the Staff Recommendation**

1. Initially, not all non-English speaking taxpayers would have access to a publication in their language.

**D. Statutory or Regulatory Change**

None.

**E. Administrative Impact**

There would be an increase in workload as a result of having additional publications to translate. The increase in workload would be absorbed with existing staff.

**F. Fiscal Impact**

None if implemented over time. If fully implemented immediately this alternative would cost \$114,481.

**1. Cost Impact**

None.

**2. Revenue Impact**

None.

**G. Taxpayer/Customer Impact**

Customer satisfaction and compliance levels should increase as more documents become available.

**H. Critical Time Frames**

None.

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## **VI. Alternative 1**

Translate documents based solely using the break-even analysis, see attachment B, *Most Cost Effective Document Translation Projects*.

### **A. Description of the Alternative**

Compare the cost of using existing staff to provide interpreter services to non-English speaking taxpayers to that of providing a translated publication to the taxpayers. Translate the publication only when it is cost-effective to do so.

### **B. Pros of the Alternative**

1. This alternative is cost effective.
2. The Board would be providing consistent customer service in an impartial manner.

### **C. Cons of the Alternative**

1. The Board would not maintain a few of the currently translated documents that are known to be widely used.
2. Introductory publications in languages that are not cost-effective would not be translated.

### **D. Statutory or Regulatory Change**

None.

### **E. Administrative Impact**

There would be an increased workload that would be absorbed by staff.

### **F. Fiscal Impact**

None, if implemented over time. If fully implemented immediately, this alternative would cost approximately \$109,481.

#### **1. Cost Impact**

Currently, the document translation program has an annual budget of \$36,000. To complete this alternative, an additional \$73,481 would need to be allocated.

#### **2. Revenue Impact**

None.

### **G. Taxpayer/Customer Impact**

Some non-English speaking taxpayers would have much more information at their disposal.

### **H. Critical Time Frames**

None.

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## VII. Alternative 2

Translate only publication 73, *Your California Seller's Permit*, or a similar introductory document into every language identified by the Board's *Statewide Language Survey, 2000*.

### A. Description of the Alternative

Translate *Your California Seller's Permit*, or a similar introductory document into, every language identified in the Board's *Statewide Language Survey, 2000* and discontinue translating existing documents.

### B. Pros of the Alternative

All non-English speaking taxpayers would have equal access to our introductory publication.

### C. Cons of the Alternative

1. The Board would no longer be able to provide existing publications in Spanish, Chinese, Korean, and Vietnamese.
2. Translated publications known to be used by more than 500 taxpayers annually would be discontinued.
3. Based on the number of contacts during the *Statewide Language Survey, 2000* we can expect usage in some languages to be well below 500.
4. Some identified languages do not exist in written form.

### D. Statutory or Regulatory Change

None.

### E. Administrative Impact

None.

### F. Fiscal Impact

None if implemented incrementally. If fully implemented, this proposal would cost \$143,441. Developing an alternative shorter introductory document could reduce the cost to \$8,441.

#### 1. Cost Impact

This would result in an expenditure increase of \$107,441.

#### 2. Revenue Impact

None.

### G. Taxpayer/Customer Impact

While this alternative would increase the number of languages covered by publications available, the Board would be decreasing its level of service to the four most prominently spoken language groups.

### H. Critical Time Frames

None.

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### **VIII. Alternative 3**

Translate the Board's 50 most frequently used English publications into Spanish.

#### **A. Description of the Alternative**

Translate the top 50 English publications into Spanish.

#### **B. Pros of the Alternative**

The Board would be meeting the needs of the Spanish speaking taxpayers to a much greater extent.

#### **C. Cons of the Alternative**

1. Translated publications in Chinese, Korean and Vietnamese with a known annual usage of at least 500, would be discontinued.
2. Usage rates have a direct bearing on cost-effectiveness; therefore there are approximately 18 of the top 50 publications that it would not be cost-effective to translate.

#### **D. Statutory or Regulatory Change**

None.

#### **E. Administrative Impact**

None.

#### **F. Fiscal Impact**

None, if implemented over time. However, if implemented immediately, this alternative would cost \$186,924.

##### **1. Cost Impact**

This alternative could result in an expenditure increase of \$150,924.

##### **2. Revenue Impact**

None.

#### **G. Taxpayer/Customer Impact**

Spanish speaking taxpayers would have many more publications available to them. Other non-English speaking taxpayers would have no publications available to them.

#### **H. Critical Time Frames**

None.

Prepared by: Customer and Taxpayer Services Division

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General/committee/translated methodology