



MALIA M. COHEN
CHAIR
STATE BOARD OF EQUALIZATION

April 24, 2019

TO: Members of the Board of Equalization

FROM: Malia M. Cohen, Chairperson

RE: Board of Equalization Board Meeting, April 30, 2019
Item L.3. Board Member Strategic Plan

In view of discussions which have occurred at prior Board Meetings, I have requested that this item be placed on the agenda so that Members can have an opportunity to collegially express their views regarding the development of a Board Member Strategic Plan.

Strategic planning has been defined as “a structured approach to establishing an organization’s direction and to anticipating the future.”¹

For decades, the discipline of strategic planning has been essential to focusing the basic goals of an organization and charting a high-level framework for implementing these goals.

The Board of Equalization (BOE), as an agency, has periodically published strategic plans. The last agency strategic plan, envisioned for 2015 to 2020, highlighted three goals:

- Maximize Voluntary Compliance;
- Enhance Operational Effectiveness; and
- Invest in the Organization.²

Since then, legislative changes mandated in AB 102, have separated statutory functions once performed by the BOE from its constitutional functions. Nevertheless, the Board of Equalization, through its elected Board Members, is responsible for the fair and efficient administration of the state’s property tax system, which generates more than \$67 billion in revenue, through the annual enrollment of more than 13 million parcels of property, representing more than \$5.7 trillion in value.

Given the integral role the Board plays in ensuring that California’s property tax system runs well, it is entirely appropriate to engage in a strategic planning process so that Board Members can produce a focused document to guide our governance actions as a Board.

¹ See “Strategic Planning, Organizational Management,” Naim Kapucu, published in 250th edition of the Encyclopedia Britannica, linked at: <https://www.britannica.com/topic/strategic-planning-organization>

² See BOE Publication 382, R1 (2-17), linked at: <http://www.boe.ca.gov/pdf/pub382.pdf>

While the BOE as an agency has distinct administrative responsibilities, the Members of the Board also have constitutionally based responsibilities, which include:

- Adopting the rules and regulations followed by 58 elected county assessors;
- Valuing the property of our gas and electric companies, telecommunication companies, and railroads;
- Hearing state assessee appeals;
- Issuing County Assessment Practices Surveys;
- Reviewing Letters to Assessors (LTA); and
- Reviewing legal opinions for cities, counties, and business and non-profit stakeholders.

We, as elected Board Members, have a duty to inquire how we, functioning as a Board, can enhance our ability to execute these significant duties in a manner that is both most effective, and most responsive, to the needs of our stakeholders and the public. A Board Member Strategic Plan could contribute much towards focusing our actions so that we can achieve these goals.

The development of a Board Member Strategic Plan in open, public meetings would be an appropriate option for the Board to consider and collectively applaud Vice-Chair Vasquez's leadership on this Board initiative.

Therefore, it is in the best interest of the Board to direct the Executive Director to achieve the following items related to this initiative for review at our next meeting:

- Provide possible dates for a publicly noticed strategic planning session;
- Develop a proposed agenda in partnership with the Vice-Chair; and
- Propose a strategic planning process timeline in partnership with the Vice-Chair.