



California State Board *of* Equalization

GOVERNANCE POLICY

Board Adopted on January 15, 2021



BOARD MEMBERS

TED GAINES
First District
Sacramento

MALIA M. COHEN
Second District
San Francisco

ANTONIO VAZQUEZ
Third District
Santa Monica

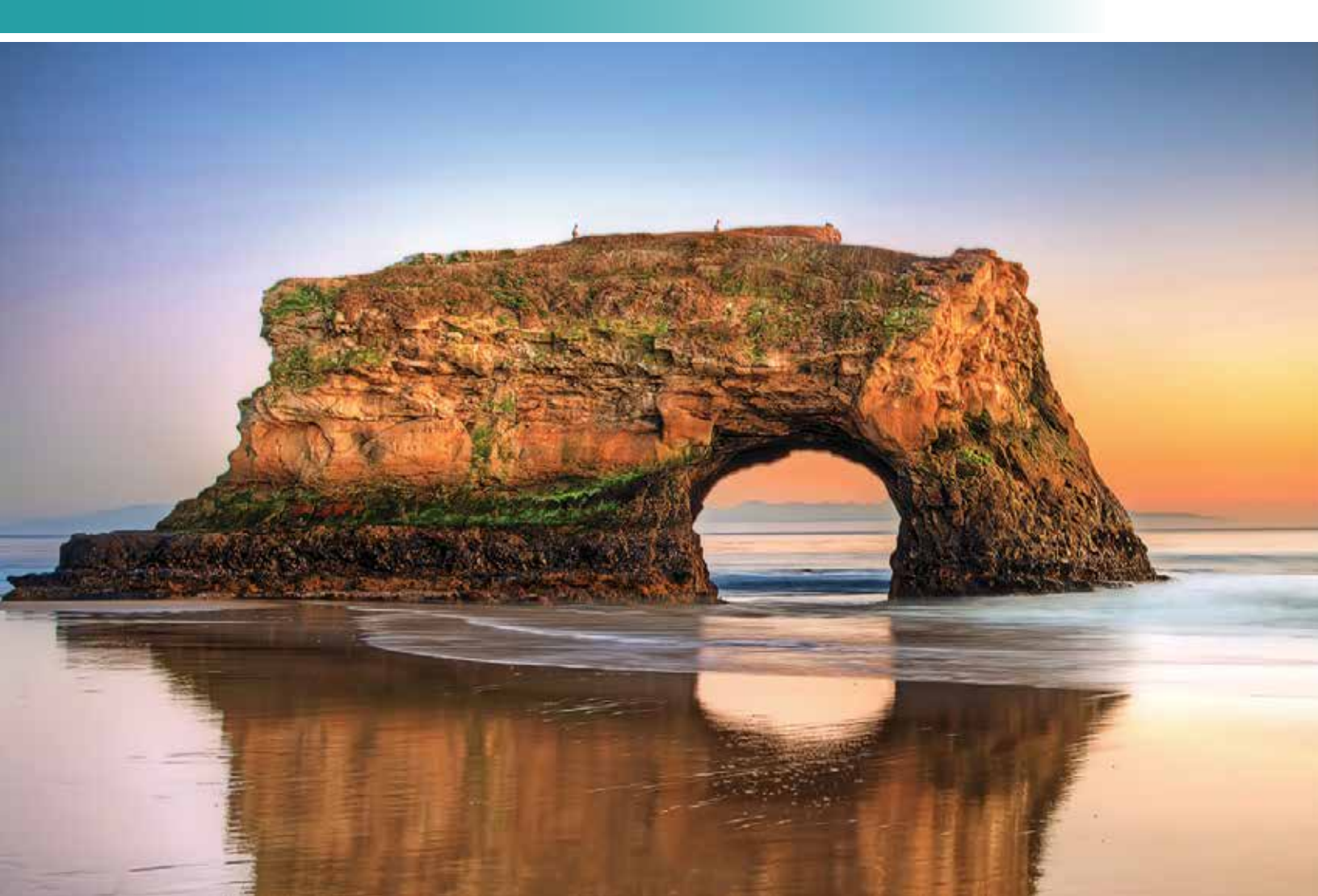
MIKE SCHAEFER
Fourth District
San Diego

BETTY T. YEE
State Controller

BRENDA FLEMING
Executive Director

CONTENTS

- I. Purpose 3
- II. Mission Statement 3
- III. The Board 3
- IV. Tax Programs 4
- V. Governance Principles 4
- VI. Avoidance of Conflicts of Interest 5
- VII. Role and Powers of the Board 9
- VIII. Role of the Chair and Vice-Chair 13
- IX. Board Member Roles, Responsibilities, and Conduct 14
- X. The Role of the Executive Director 16





I. PURPOSE

This Governance Policy is established to:

- A. Set forth the policies that govern the State Board of Equalization (the “Board”) consistent with its constitutional and statutory responsibilities.
- B. Guide the Board in managing the effectiveness and integrity of the Board’s processes, including oversight, accountability, transparency, efficiency, and decision-making.
- C. Identify and distinguish between the roles of the Board, Board Chair and Vice Chair, Board Members and Executive Director.

This Governance Policy applies to both Board Members and their staff.

II. MISSION STATEMENT

The mission of the Board is to serve the public through fair, effective, and efficient tax administration.

III. THE BOARD

Established in 1879 by a constitutional amendment, the Board was initially charged with responsibility for ensuring that county property tax assessment practices were equal and uniform throughout the state. Over the years, the Legislature expanded the Board’s subject matter to include many taxes and fees. In 2017 and 2018, the Legislature created two new tax administration and appeals agencies, reassigning some of the Board’s tax functions. As a result, the Board has rededicated itself to focusing on its historical responsibility of property tax oversight and its constitutional responsibilities.

As the nation’s only elected tax commission, the Board’s five elected members serve concurrent four-year terms. Their popular election ensures that the Board’s tax program administration remains directly accountable to the people. Four members are elected by district. The fifth member, the State Controller, is elected at large and serves in an ex officio capacity.

IV. TAX PROGRAMS

The California Constitution and the Revenue and Taxation Code vest in the Board the administration of three tax programs: (1) Alcoholic Beverage Tax, (2) Tax on Insurers, and (3) Property Tax.

The Revenue and Taxation Code vests the Board with the authority to hear appeals related to the constitutional tax programs:

- State-Assessed Property Appeals
- Appeals of Denials of Organizational Clearance Certificates/Supplemental Clearance Certificates
- Tax on Insurers Appeals
- Alcoholic Beverage Tax Appeals
- Appeals relating to Section 11 Property (Lands owned by local governments that are outside their boundaries.)

In addition to administering these programs, the Board plays a critical role with regard to California property taxes. The Board acts in an oversight capacity to ensure compliance by county assessors with property tax laws, regulations, and assessment issues. To perform the oversight functions, the Board's Property Tax Department conducts periodic compliance audits (surveys) of the 58 county assessors' programs and develops property tax assessment policies and informational materials to guide county assessors and local assessment appeals boards.

V. GOVERNANCE PRINCIPLES

The following governance principles will guide the conduct, decision-making and behavior of the Board and provide a framework for the development of policies and practices that will support the achievement of the Board's goals:

A. Ethical Leaders

The Board Members and the Executive Director share values about what is important and work together with mutual respect in a constructive partnership. Together, the Board Members and the Executive Director set the tone at the top that permeates the organization. The Executive Team, which is selected and directed by the Executive Director, also embrace the same values of respect and partnership.

B. Open and Accountable

The Board Members and Executive Director are accountable to the Legislature and taxpayers for assessing and collecting the proper amount of taxes due. The Board Members and the Executive Director shall be appropriately open in the way key decisions are made and publicly disclosed.

VI. CONFORMITY WITH STATE LAW AND AVOIDANCE OF CONFLICTS OF INTEREST

Board Members will, at all times, act in the best interest of the State of California and its taxpayers. As such, Board Members shall adhere to state laws, including the following:

A. Bagley-Keene Open Meeting Act (Gov. Code, section 11120, et seq.)

Board Members are subject to the requirements of the Bagley-Keene Open Meeting Act. A meeting includes any congregation of a majority of the members at the same time and place to hear, discuss, and deliberate upon any item within the subject matter jurisdiction of the state body.

A majority of the Board Members will not, outside an authorized meeting, use a series of communications of any kind, either directly or through intermediaries, to discuss, deliberate, or take action on any item of business within the Board's jurisdiction.

Board Members will avoid what is commonly referred to as a "serial meeting." This is the situation where instead of the Board Members meeting at one time, there is a series of meetings or communications of any kind (directly or through intermediaries) that collectively involve a quorum of Board Members.

B. Conflict of Interest

It is the policy of the State Board of Equalization (BOE) to be committed to service and accountable to the public. The public's confidence can be maintained only to the extent that the BOE's official activities and contacts with the public reflect the highest ethical and moral standards.

Board Members will not act where there may be a conflict of interest or appearance of a conflict of interest, unless legally required to do so. A conflict of interest is understood to be a situation where a relationship exists that could reasonably be expected to diminish independence of judgment in performance of official responsibilities as a Board Member.

Board Members will not seek nor accept any compensation or political contributions that would violate California Law, including without limitation: the Quentin L. Kopp Conflict of Interest Act of 1990 (Gov. Code, section 15626.), the Political Reform Act of 1974 (Gov. Code, section 81000, et seq.), and the Code of Ethics (Gov. Code, section 8920, et seq.) Conflicts of interest shall include receipt of compensation or gifts from private persons or entities for advice or other services relating to the taxation or assessment of property.





1. Conflicts of Interest (Political Reform Act of 1974)

(Gov. Code, section 87100, et seq.)

No Board Member shall make, participate in making, or in any way attempt to use his or her official position to influence a governmental decision in which the Member knows or has reason to know he or she has a financial interest. (Gov. Code, section 87100.)

Prior to participating in any proceeding before the Board, the Board Member will consider whether it is reasonably foreseeable that the governmental decision will have a financial effect on the Member's financial interests. If the personal financial effect is material and distinguishable from any effect that would apply to the public generally, the Board Member will refrain from making, participating in making, or in any way attempting to use their position to influence the outcome of the decision.¹

2. Quentin L. Kopp Conflict of Interest Act of 1990

(Gov. Code, section 15626.)

Board Members may not participate in adjudicatory proceedings in which they have received a disqualifying contribution of \$250 or more.²

Prior to rendering any decision in any adjudicatory proceeding pending before the Board, each Member who knows or has reason to know that he or she received a contribution or contributions within the preceding 12 months in an aggregate amount of two hundred fifty dollars (\$250) or more from a party or his or her agent, or from any participant or his or her agent, shall disclose that fact on the record of the proceeding pursuant to Government Code section 15626.

No Board Member shall make, participate in making, or in any way attempt to use his or her official position to influence the decision in any adjudicatory proceeding pending before the Board if the Member knows or has reason to know that he or she received a contribution or contributions in an aggregate amount of two hundred fifty dollars (\$250) or more within the preceding 12 months from a party or his or her agent, or from any participant or his or her agent, and if the Member knows or has reason to know that the participant has a financial interest in the decision, as that term is used in Article 1 of Chapter 7 of Title 9 of the Government Code (commencing with Gov. Code, section 87100.) However, a Member may participate in making the decision in any adjudicatory proceeding provided the contribution has been returned in the manner provided in Government Code section 15626, subdivision (d).

Violation of this provision by any Member of the Board shall constitute malfeasance in office. (Gov. Code, section 15625.)

¹ Unless a Member's participation is legally required for Board Action. (Gov. Code, section 87101.)

² Unless a Member's participation is legally required for Board Action. (Gov. Code, section 15626, subdivision (i)(5).)

3. Incompatible Activities and Ethical Guidelines for Professional Conduct

(Gov. Code, sections 8920 and 19990.)

Board Members shall comply with the Code of Ethics by not having any direct or indirect interest, financial or otherwise, or engaging in any business or transaction or professional activity, or incurring any obligation of any nature, that is in substantial conflict with the proper discharge of his or her duties in the public interest and of his or her responsibilities as prescribed in the laws of this state. (Gov. Code, section 8920.)

Board Members and staff shall not engage in any gainful profession, trade, business or occupation whatsoever for any person or entity, or be so engaged on their own behalf, in a profession, trade, business or occupation that is incompatible with or involves a conflict of interest with their property tax duties as members and employees of the Board. (Gov. Code, section 19990.)

Board Members and staff will abide by the State Board of Equalization's Incompatible Activities Policy and Ethical Guidelines for Professional Conduct.

C. Mass Mailing at Public Expense

(Gov. Code, section 89001.)

Pursuant to the Political Reform Act, Board Members will not mail newsletters and mass mailings at public expense. (Gov. Code, section 89001.) A mass mailing is defined as “over two hundred substantially similar pieces of mail” not including a “form letter or other mail which is sent in response to an unsolicited request, letter or other inquiry.” (Gov. Code, section 82041.5.) The Fair Political Practices Commission (FPPC) Regulations narrow this prohibition to those mailings featuring or including the name, office, photograph, or other reference to an elected official affiliated with the agency producing or sending the mailer. (Cal. Code Regs., tit. 2, sections 18901 and 18901.1.) Additionally, the prohibition applies to mailings that are campaign related, sent by governmental agencies and paid for with public moneys. Pursuant to the pre-election mail policy adopted by the Board on November 17, 2015, Board Members are restricted from any mailing 60 days prior to a general or primary election.³

D. Behested Payments

(Gov. Code, section 82015.)

Board Members will not seek nor accept any gifts (as defined in the California Political Reform Act), or reimbursement for travel or any other activities, that are prohibited pursuant to the Political Reform Act of 1974 (Gov. Code, section 81000, et seq.), the Board's Statement of Activities That Are Inconsistent, Incompatible, or in Conflict with the Duties of a Board Member and/or any other applicable Board policies.

The Political Reform Act of 1974 provides that behested payments are permissible, so long as they are not made for personal or campaign purposes. Board Members receiving behested payments totaling \$5,000 or more from a single source in a calendar year are required to report the behested payment on California Form 803 within 30 days of the payments.

³ November 17, 2015, Customer Service Committee Minutes, [Pre-Election Mail Policy](#)

E. Gift and Travel Restrictions and Limitations

(Gov. Code, sections 86203, 86204, 89502, 89503, and 89506.)

The Political Reform Act imposes limits and other restrictions on gifts and the receipt of travel payments by Board Members and employees who are designated in the agency's Conflict of Interest Code (COI Code). Board Members and staff designated in the COI Code cannot accept a gift or gifts totaling more than \$10 in a calendar month from any individual who is registered as a lobbyist under state law.

Board Members are prohibited from receiving a gift or gifts totaling more than \$500 (effective January 1, 2019 - December 31, 2020) in a calendar year from any source.

Board Members are prohibited from receiving honoraria payments. An honorarium is a payment received for making a speech, publishing an article, or attending any public or private conference, convention, meeting, social event, meal, or similar gathering.

F. Statement of Economic Interest

(Gov. Code, section 87200.)

The Political Reform Act requires Board Members to make a full disclosure of all economic interests located within California. Investments, interests in real property, business positions held, and income (including loans, gifts, and travel payments) received during a covered period must be reported.

G. Use of State Resources

(Gov. Code, section 8314.)

Pursuant to Government Code section 8314, it is unlawful for a Board Member to use or permit others to use state resources for a campaign activity, or for personal or other purposes which are not authorized by law. A state resource means any property or asset owned by the state or any local agency, including, but not limited to, land, buildings, facilities, funds, equipment, supplies, telephones, computers, vehicles, travel, and state-compensated time. (Gov. Code, section 8314, subdivision (b)(3).) Staff time of Board employees, including those on a Board Members' staff, is considered a state resource.

The use of state resources is appropriate and consistent with state law when it has a meaningful connection to the Board's areas of responsibility, and the use of those resources is not for a personal or campaign purpose.

Board Members are not free to spend public funds for any public purpose they choose. Appropriated funds may only be utilized in accordance with the Board's constitutional or legislative purpose. (*Stanson v. Mott* (1976) 17 Cal. 3d 206, 213.)

H. Use of Public Funds to Support or Oppose a Ballot Measure.

The Board and individual Board Members are subject to the prohibition against the use of public funds for any communications that advocate a particular result in an election on ballot measures, which the California courts have held is an interference with the free election of the people under article II, section 2 of the California Constitution. (*Vargas v. City of Salinas* (2009) 46 Cal. 4th 1.) However, since the courts have authorized public agencies to provide accurate, factual and impartial information about a ballot measure within their subject matter jurisdiction, the Board collectively may do so in a manner, style, tone, and specific timing that does not urge a particular vote.

VII. ROLE AND POWERS OF THE BOARD

A. The Board is authorized to and/or shall do all of the following:

1. Prescribe rules for its own governance and for the transaction of its business. (Gov. Code, section 15606, subdivision (a).)
2. Hold meetings each month at times and places within the state as the Chair directs. At least one regular meeting shall be held in Sacramento each quarter. The Board may hold special meetings at such times and places as the chairperson directs. At any meeting the Board may transact any and all business and perform all duties imposed upon it and give and enter any and all orders and decrees within its jurisdiction. (Gov. Code, section 15609.)
3. Meet at least once annually with county assessors to study or discuss property tax issues and promote uniformity of procedures throughout the State of California. (Gov. Code, section 15607.)
4. Keep a record of all its proceedings. (Gov. Code, section 15606, subdivision (b).)
5. Review, equalize, or adjust property tax assessment pursuant to section 11 of article XIII of the California Constitution and perform any duty, power, or responsibility conferred by statute on the Board in connection with that review, equalization, or adjustment. (Gov. Code, section 15600, subdivision (b)(1).)
6. Measure the county assessment levels and adjustment of secured local assessment rolls pursuant to article XIII, section 18 of the California Constitution and perform any duty, power, or responsibility conferred by statute on the Board in connection with that measurement and adjustment. (Gov. Code, section 15600, subdivision (b)(2).)
7. Assume responsibility for the assessment of pipelines, flumes, canals, ditches, and aqueducts lying within two or more counties and property, except franchises, owned or used by regulated railway, telegraph, or telephone companies, car companies operating on railways in the state, and companies transmitting or selling gas or electricity pursuant to article XIII, section 19 of the California Constitution, as well as the equalization of that assessment and any duty, power, or responsibility conferred by statutes on the Board in connection with that assessment. (Gov. Code, section 15600, subdivision (b)(3).)
8. Assume responsibility for the assessment of taxes on insurers pursuant to article XIII, section 28 of the California Constitution and any duty, power, or responsibility conferred by statute on the Board in connection with that assessment and equalization. (Gov. Code, section 15600, subdivision (b)(4).)



9. Assume responsibility for the assessment and collection of excise taxes on the manufacture, importation, and sale of alcoholic beverages in this state pursuant to article XX, section 22 of the California Constitution and any duty, power, or responsibility conferred by statute on the Board in connection with that assessment and collection. (Gov. Code, section 15600, subdivision (b)(5).)
10. Assume responsibility for the administration of the welfare exemption provided by section 214 of the Revenue and Taxation Code and the veterans' organization exemption provided by section 215.1 of the Revenue and Taxation Code, including issuing organizational clearance certificates and reviewing assessors' administration of those exemptions as required pursuant to sections 254.5 and 254.6 of the Revenue and Taxation Code. (Gov. Code, section 15600, subdivision (b)(6).)
11. Assume responsibility for receiving a change in ownership statement required to be filed due to a change in control or a change in ownership of a corporation, partnership, limited liability company, or other legal entity pursuant to sections 480.1 and 480.2, respectively, of the Revenue and Taxation Code. (Gov. Code, section 15600, subdivision (b)(7).)
12. Assume responsibility for the administration of Chapter 8 of Part 1 of Division 2 of Title 5 of the Government Code (commencing with section 54900), commonly known as the Tax-Rate Area System. (Gov. Code, section 15600, subdivision (b)(8).)
13. Prescribe rules and regulations to govern local boards of equalization when equalizing, and assessors when assessing, including uniform procedures for the consideration and adoption of written findings of fact by local boards of equalization as required by section 1611.5 of the Revenue and Taxation Code. (Gov. Code, section 15606, subdivision (c).)
14. Prescribe and enforce the use of all forms for the assessment of property for taxation, including forms to be used for the application for reduction in assessment. (Gov. Code, section 15606, subdivision (d).)
15. Prepare and issue instructions to assessors designed to promote uniformity throughout the state and its local taxing jurisdictions in the assessment of property for the purposes of taxation. The Board may adapt the instructions to varying local circumstances and to differences in the character and conditions of property subject to taxation when judged necessary to attain this uniformity. (Gov. Code, section 15606, subdivision (d).)
16. Issue rules, regulations, instructions, and forms relating to classifications of kinds of property and evaluation procedures described in subdivisions (c), (d) and (e) of Government Code section 15606. (Gov. Code, section 15606, subdivision (f).)
17. Prescribe rules and regulations to govern local boards of equalization when equalizing and assessors when assessing with respect to the assessment and equalization of possessory interests. (Gov. Code, section 15606, subdivision (g).)
18. Bring an action in a court of competent jurisdiction to compel an assessor or any city or county tax official to comply with any provision of law, or any rule or regulation adopted in accordance with Government Code section 15606, subdivision (c), by the Board governing the assessment or taxation of property. The Attorney General shall represent the Board in the action. (Gov. Code, section 15606, subdivision (h).)

19. Set, conduct and determine tax appeals related to its constitutional functions including but not limited to: petitions for reassessment of unitary or nonunitary property and for correction of an allocated assessment, with decisions of the Board on such petitions completed on or before December 31;⁴ petitions on a denial of a claim for an Organizational Clearance Certificate for the welfare exemption or a Supplemental Clearance Certificate (Rev. & Tax. Code, section 214, et seq.; Cal. Code Regs., tit. 18, section 140.1.); and Insurance tax appeals on the gross premium tax.⁵
20. Conduct the hiring, evaluation, and termination of the Executive Director (ED). Pursuant to Government Code section 15604, the Board may appoint its secretary/ED and prescribe and enforce his/her duties. The secretary shall hold office during the pleasure of the Board and shall receive such compensation as the Board prescribes. It may employ such expert and clerical assistants as it deems necessary in the performance of his/her powers and duties.
21. Authorize the initiation or settlement of litigation involving material sums or having a substantial impact on the program operations of the Board. Bring an action in a court of competent jurisdiction to compel an assessor or any city or county tax official to comply with any provision of law governing the assessment or taxation of property. (Gov. Code, section 15606, subdivision (h).)
22. Report annually to the Governor, showing: (a) the assessed value of state-assessed and locally assessed real and personal property in each incorporated city or town; (b) information concerning other taxes it administers; (c) further information and suggestions as it shall deem proper. (Gov. Code, section 15616.)

B. Agency Staff.

Except for the Executive Director position, the Board does not have the authority to appoint, remove, discipline, assign, reassign, promote, demote, or issue orders to any employee of the agency, including, but not limited to, the career executive assignment positions and other non-civil service managers. The Executive Director is solely responsible for selecting persons for career executive assignment positions and other non-civil service managers for the Board.⁶

C. Budget Change Proposals.

Neither the Board nor a Board Member can modify or approve budget change proposals for the agency. The Executive Director shall modify or approve all budget change proposals for the agency.⁷ However, all conceptual and actual budget change proposals constituting public records may be discussed in open session before the Board, including all costs, benefits, program enhancements, and other details, which the Members, BOE stakeholders and the public are entitled to know.⁸

⁴ Cal. Const. art. XIII, section 19; Rev. & Tax. Code 4876–4880, 5011– 5014, 5148; 23154; Gov. Code sections 54900–54916.5.

⁵ Cal. Const. art. XIII, section 28; Rev. & Tax. Code sections 12001– 13170; Ins. Code sections 132, 685–685.4, 995.5, 1530, 1531, 1774–1780, 10089.44, 12976, 12976.5.

⁶ Gov. Code, section 15600(h).

⁷ Gov. Code, section 15600, subdivision (i).

⁸ Cal. Const., art. I, section 3; Gov. Code, section 6252.5.

D. Legislative Analysis.

Neither the Board nor a Board Member can interfere with or influence the process of the agency's legislative analyses, revenue analyses, or any other form of technical assistance requested by the Governor or the Legislature.⁹ However, anything that constitutes a public record, including but not limited to legislative/revenue analysis and technical assistance may be distributed and discussed in open session before the Board, BOE stakeholders and the public; and the Board may vote to support, oppose or remain neutral on the language in any bill.¹⁰

E. Neither the Board nor a Board Member can reduce expenditures or redirect funding or personnel resources away from direct auditing or collection activities without prior approval of the Department of Finance.¹¹

F. All Board Member procurements shall be processed through the Department of General Services.¹² All acquisition and procurement, including the leasing of office space, shall be processed by the Executive Director through the Department of General Services. The Department of General Services has the final decision-making authority for all acquisition or procurements made by or on behalf of Board Members or Board Members' staff.¹³

G. As the Board has the authority to prescribe rules for its own governance, the Board may implement public disciplinary action against a Board Member whose conduct fails to meet the standards outlined in or in violation of this Governance Policy, or whose conduct is otherwise inconsistent with Board policies. Discipline will be at the discretion of the Board, after considering the nature and number of violations, and may include, but need not be limited to, admonishment, censure, and/or the requirement of additional training. Any public discipline will be imposed in open session at a duly-noticed meeting of the Board, and only acted upon adoption of a motion by the Board.¹⁴

⁹ Gov. Code, section 15600, subdivision (j).

¹⁰ Cal. Const., art. I, section 3; Gov. Code, section 6252.5.

¹¹ Sen. Bill No. 840, Chapter 29 (Budget Act of 2018), provision 1.

¹² Gov. Code, section 15600, subdivision (k).

¹³ Sen. Bill No. 840, Chapter 29 (Budget Act of 2018), provision 3.

¹⁴ Gov. Code, section 15606, subdivision (a).





VIII. BOARD CHAIR AND VICE-CHAIR

A. Election of the Board Chair and Vice Chair on Agenda

The Board shall automatically place on the agenda an election to take place in December for the offices of Chair and Vice Chair of the Board, or earlier if there is no December meeting. The Chair and Vice Chair shall serve a full 1-year term which shall begin January 1 of the following year and will end on December 31. There is no limit on serving consecutive terms. If there is a tied vote, the currently serving Chair or Vice-Chair, as the case may be, shall continue to serve.

B. Role of the Board Chair

The Chair approves Board meeting agendas and may add additional meetings to the Board's meeting calendar. Prior to the Board meeting and once the item has been noticed to the public, the Chair may remove from the calendar an oral hearing on an adjudicatory matter in which the parties themselves have requested that the matter be removed.

The Chair convenes and adjourns Board meetings and calls agenda items. The Chair conducts hearings on agenda items, including taxpayers' appeals, and conducts the subsequent Board vote. During an oral hearing on a taxpayer's appeal, the Chair may grant parties additional time to complete their presentations and the Chair may limit the time for a presentation that has no other purpose than to delay the Board's proceedings.

The Chair provides leadership to the Board in terms of collegiality, civility, and ethical conduct. The Chair may limit meeting discussion content to those issues that, according to Board policy, are within the Board's responsibility. The Chair ensures timely, fair, orderly, thorough, and efficient deliberations, including enforcement of Robert's Rules of Order.

The Chair serves as a member of the Franchise Tax Board along with the State Controller and the Director of Finance. Since the Franchise Tax Board was established by statute, the Chair may designate his or her Deputy to serve at meetings of the Franchise Tax Board.

C. Role of the Vice-Chair

In the absence or incapacity of the Chair, the Vice-Chair will have the authority delegated and established by Board policy and in general conformance with the authority of the Chair.



IX. BOARD MEMBER ROLES, RESPONSIBILITIES, AND CONDUCT

Each Board Member representing an equalization district must devote his or her entire time to the services of the state in performing the duties imposed upon the Board and its Members by the California Constitution and statutes.¹⁵

Each Board Member elected by a district will have only one office in Sacramento, and a staff consisting of two staff persons who are exempt from civil service pursuant to article VIII, section 4 of the California Constitution and any other civil service positions approved by the Legislature through the budget.¹⁶ Senate Bill No. 840, the Budget Bill Act of 2018, Chapter 29, provides for four civil service positions.

With the repeal of Government Code section 15623, a Board Member can no longer investigate the administration, enforcement, and operation within the district from which the Board Member was elected.¹⁷ However, upon a motion approved by the Board in open session, Board Members may individually or collectively inspect the work of any local officers whose duties relate to the assessment of property, as authorized by Government Code sections 15612, 15611, and 15613.

A. Governing Style

The Board and the Executive Director are responsible for creating and maintaining an atmosphere that encourages frank and collegial discussions both at the Board and as between the Board and management. The Board strives to achieve a governing style that emphasizes:

1. Strategic leadership.
2. Civility and courtesy, to both those with whom the Board Members interact and between Board Members.
3. Respect for diversity, recognizing the value of all input.
4. Governance by consensus.
5. Ethical conduct of Board business to avoid even the appearance of impropriety.

¹⁵ Gov. Code, section 15603.

¹⁶ Gov. Code, section 15600, subdivisions. (f) and (g).

¹⁷ Assembly Bill No. 102, "Taxpayer Transparency and Fairness Act of 2017," Chapter 16, Statutes of 2017.

B. Board Member Competencies

Board Members are expected to develop an understanding of the following Governance Competencies:

1. The role and responsibilities of Board Members;
2. The Board Governance Policy and other Board policies;
3. State laws regarding the Open Meeting Act, Public Records Act, conflicts of interest and other legal and ethical requirements;
4. The State Board of Equalization's organizational structure and the roles of Executive staff;
5. The role of the State Board of Equalization as a state agency; and
6. The proper conduct of Board Meetings, committee or other work/business meetings and appeals, in accordance with rules and decision-making processes adopted by the Board.

C. Questions on Agenda Items

Individual Board Members should direct questions at meetings regarding specific agenda items to the Executive Director, or to any person designated on the agenda or introduced to speak at the meeting.

D. Communications with Third Parties

Pursuant to Government Code section 15609.5, any contacts and communications between individual Board Members and parties with a proceeding pending before the Board shall be treated as "ex parte communications." These communications are restricted under Government Code section 11430.10, which provides that while a proceeding is pending there shall be no communication, direct or indirect, regarding any issue in the proceeding, to the presiding officer from an employee or representative of an agency that is a party or from an interested person outside the agency, without notice and opportunity for all parties to participate in the communication. A proceeding is pending from the issuance of the agency's pleading, or from an application for an agency decision, whichever is earlier.

An "adjudicatory proceeding" to which the ex parte prohibition applies is a proceeding that is an "evidentiary hearing for determination of facts pursuant to which an agency formulates and issues a decision. (Gov. Code, section 11405.20.) A decision is "an agency action of specific application that determines a legal right, duty, privilege, immunity, or other legal interest of a particular person. (Gov. Code, section 11405.50.) Thus, "adjudicatory proceedings" do not apply to quasi-legislative proceedings, or to quasi-legislative acts involving the adoption of rules of general application on the basis of broad public policy, nor acts involving the adoption of non-regulatory guidelines or publications.

E. Participation in Operations, Staff Meetings and Activities

Individual Board Members should not become involved in operational management nor participate in routine staff meetings or other staff activities unless specifically requested by the Executive Director or they are otherwise authorized to attend. (Gov. Code, sections 15600, subdivision (h)(1), 15610, and 15651-15652.)

F. Communications with Executive Director’s Designated Staff and Assistance in Responding to Inquiries and Correspondence

The Board Members will follow the communications protocol for the Board Members and their staff with the BOE Executive Management Team and Operations Memo 0001. ([Attached.](#))

G. Confidentiality

Board Members, the Executive Director and her staff will not reveal confidential matters and will not use confidential information for personal gain or for the benefit of outside interests. (Gov. Code, section 15619.)

H. Attendance at Meetings

Each Board Member or authorized deputy should attend every meeting of the Board, and every meeting of a committee of which s/he is a member. Periodic absences for illness or other non-avoidable personal and professional reasons are expected.

I. Board Member Vacancy

If a Member leaves office before his or her term expires, the Member’s Chief Deputy is authorized to discharge the constitutional and statutory duties of the office until a successor assumes office.¹⁸

X. THE ROLE OF THE EXECUTIVE DIRECTOR

The Executive Director is appointed by the five-member Board. The Executive Director is responsible for implementing policies adopted by the Board and the day-to-day operations of the agency. Through a conferring power resolution, the Executive Director performs all acts and things enjoined by law or required by the Board. The Executive Director holds the office at the pleasure of the Board. If the Board is not satisfied with the performance of the Executive Director, the Board may discipline or replace him or her, but will not otherwise get involved in the details of day-to-day operations.¹⁹ Consistent with the Resolution Conferring Powers, “all of the authority delegated to the Executive Director is to be exercised under the general direction of the Board and in accordance with policies enunciated by the Board,” including this Governance Policy, and “such delegation shall not constitute the relinquishment of any power, jurisdiction or responsibility of the Board Members.”

¹⁸ Gov. Code, section 1775 and Attorney General Opinion 96-1106, December 31, 1996.

¹⁹ Gov. Code, sections 15604 and 15605; February 26, 2019, [Conferring Power Resolution](#).



State Board of Equalization OPERATIONS MEMO

Number: 0001

Date: January 14, 2021

Subject: Communications Protocol for the Board of Equalization (BOE) Members and their staff with the BOE Executive Management Team

Authority: Government Code Sections 15600 et. seq.

This memorandum provides information regarding how the Board Members and their staff should communicate with the BOE's Executive Management Team.

The Executive Management Team consists of:

1. Executive Director
2. Chief Deputy Director
3. Chief Counsel, Legal Department
4. Chief, Taxpayers' Rights Advocate Office
5. Chief, Board Proceedings and Support Services Division
6. Chief, Legislative, Research and Statistics Division
7. Chief Communications Officer
8. Deputy Director, Property Tax Department
9. Chief, County-Assessed Properties Division, Property Tax Department
10. Chief, State-Assessed Properties Division, Property Tax Department
11. Diversity and Inclusion Officer (EEO)

Background

At the [October 21, 2020 Board Meeting](#), under [Chief Counsel Matters, Section I – Other Chief Counsel Matters, Board Governance Part 2](#), the Board¹ discussed their [Governance Policy](#).

During the discussion of *Article VII, Role and Powers of the Board, Section B, Agency Staff*, the Board voted and directed Executive Director Brenda Fleming to develop and recommend a communications protocol that would outline a process for the Board Members and their staff to appropriately interact with the Executive Management Team.²

¹ The Board is the nation's only elected tax commission comprised of four Equalization District Members and the State Controller.

² Government Code section 15604 provides that the BOE "may employ such expert and clerical assistants as it deems necessary in the performance of its powers and duties."

Consistent with Government Code section 15604, the Executive Director’s responsibilities include supporting and facilitating the Board Members’ needs and operations through the Executive Management Team’s assistance in executing their [constitutional and statutory duties](#).

When newly elected Board Members join the BOE, the Executive Director presents each Board Member with a Reference Manual titled “Introduction to the State Board of Equalization” (Publication 409).³ The Manual includes an overview of the BOE; administrative issues; the Board Meeting process; the interested parties, rulemaking, and appeals processes; and establishing Board Member Offices. In addition, a transition team contact list is also provided.

This operations memo provides a detailed communications protocol for the Board. The following information is meant to complement the Reference Manual and to assist Board Members in performing their duties.

Communications Protocol

To facilitate the Board in fulfilling their constitutional and statutory duties, the following communications protocol has been developed for Board Members and their staff to interact with the Executive Management Team:

1. All Inquiries to be Sent to the Executive Director

Board Members or their staff shall send an inquiry/request via e-mail to the Executive Director and may include a cc to the Executive Office.

The Executive Director or their designee will promptly respond and acknowledge receipt of the request as soon as possible (generally the same day).

2. The Executive Director will Direct the Inquiry/Request to the Executive Management Team

The Executive Director will direct the inquiry/request to the Executive Management Team based on their respective areas:

AREAS	DIVISIONS/DEPARTMENTS
General Administration	<p><u>Chief Deputy Director</u></p> <ul style="list-style-type: none"> •Member Office Day-to-Day Operations •Member Personnel / Recruitment •Member Facilities / Equipment / Supplies •Member Acquisitions / Procurements •Member Office Budget •Member Travel •Member & Member Staff Training

³ In January 2019, the Executive Director provided the Reference Manual to the Board Members elected to serve the January 2019 to December 2023 term.

AREAS (continued)	DIVISIONS/DEPARTMENTS (continued)
Legal	<p><u>Chief Counsel, Legal Department</u></p> <ul style="list-style-type: none"> • Legal Opinions • Disclosures • Appeals • Regulations, including: Property Tax Rules and Rules for Tax Appeals • Legislation • Board Meetings
Taxpayers' Rights Advocate Office	<p><u>Taxpayers' Rights Advocate Office</u></p> <ul style="list-style-type: none"> • Constituent Inquires • Taxpayer Education and Outreach <p>Please continue to send e-mails to: BdMTaxpayerAssistance@boe.ca.gov cc: The Executive Director</p>
Property Tax	<p><u>Deputy Director, Property Tax Department</u></p> <ul style="list-style-type: none"> • Property Tax Projects <p><u>Chief, State-Assessed Properties Division</u></p> <ul style="list-style-type: none"> • State-Assessed Properties Program • Tax Area Services Section <p><u>Chief, County-Assessed Properties Division</u></p> <ul style="list-style-type: none"> • Assessment Practices Survey • Letters to Assessors (LTAs) • Assessors' Handbook • Legal Ownership Entity Program • Welfare Exemption • Exemptions • Training & Certification • Exclusions • Disaster Relief
Legislative, Research and Statistics	<p><u>Chief, Legislative, Research and Statistics Division</u></p> <ul style="list-style-type: none"> • Legislation • Research and Statistics
Communications/Public Affairs	<p><u>Chief Communications Officer</u></p> <ul style="list-style-type: none"> • Media/Press Inquiries • Public Affairs/Communications • Agency's Website/Intranet Site • Agency's Social Media Platforms

AREAS (continued)	DIVISIONS/DEPARTMENTS (continued)
Board Proceedings and Support Services	<u>Chief, Board Proceedings and Support Services Division</u> <ul style="list-style-type: none"> • Board Meetings • Contribution Disclosure Statements • Member Recruitment and HR Matters

3. **Research and Process Phase**

The Executive Management Team will expeditiously research and make every effort to address and respond to all Board Member inquiries without delay. If additional information is needed, the Executive Team Member will contact the Board Member's Office directly via e-mail with a cc to the Executive Director.

At times, it may be more convenient to discuss the inquiry by phone or video conference. In these instances, after the conversation concludes, the Executive Team Member will immediately memorialize the discussion and send a summary via e-mail to the Board Member's Office with a cc to the Executive Director.

If a resolution or answer requires additional time to address, the Executive Director or their designee, will provide periodic updates to ensure Board Member Offices are aware of any progress.

4. **The Executive Director or Their Designee Provides Response/Resolution**

Resolution or responses to Board Member Office inquiries will always be provided via e-mail. If an Executive Team Member responds directly to a Board Member Office, the e-mail will always include a cc to the Executive Director.

Questions

For additional questions, please contact the Executive Director.



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