



BOARD OF SUPERVISORS  
AGENDA LETTER

Clerk of the Board of Supervisors  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

Agenda Number:

Department Name: Probation  
Department No.: 022  
For Agenda Of: December 14, 2010  
Placement: Administrative  
Estimated Tme:  
Continued Item: No  
If Yes, date from:  
Vote Required: Majority

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**TO:** Board of Supervisors

**FROM:** Department Patricia J. Stewart, Chief Probation Officer  
Director(s) (805) 882-3652  
Bernice James, Treasurer Tax Collector

Contact Info: Patti Ball, Project Manager  
(805) 882-3728  
Clint Donati, Operations Manager  
(805) 568-2925

**SUBJECT: Franchise Tax Board Memorandum of Understanding**

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**County Counsel Concurrence**

As to form: Yes

**Auditor-Controller Concurrence**

As to form: Yes

**Other Concurrence:** Risk Management

As to form: Yes

**Recommended Actions:**

Approve and authorize the Chief Probation Officer to execute a Memorandum of Understanding agreement with the Franchise Tax Board for the collection of unpaid delinquent court ordered fines, fees, penalties, forfeitures or any other amounts imposed by the Court, for the period December 1, 2010 through November 30, 2013. The cost of the services provided to the County shall not to exceed 15% of the amount collected by the Franchise Tax Board, pursuant to Revenue and Taxation Code Section 19282.

**Summary Text:**

The Probation Department in conjunction with the Treasurer Tax Collector (TTC) has been referring unpaid delinquent accounts to the Franchise Tax Board (FTB) since 2003-2004. Since 2003-2004, the FTB has collected \$1,849,571 on behalf of Santa Barbara County. In 2009-10 the FTB collected \$293,562 for Santa Barbara County Probation to supplement the \$2,159,562 collected through the TTC. In 2009-2010 the FTB facilitated payment for Santa Barbara Probation by: sending 131 demand for payment letters, setting up 106 installment payment agreements, levying on 12 bank accounts, and garnishing 2,541 wages. Failure to continue to participate in FTB collection programs will result in a loss of approximately \$250,000 per year in revenues.

**Background:**

On January 21, 2003 the Board of Supervisors approved the first Memorandum of Understanding (MOU) agreement with the Franchise Tax Board and authorized the Chief Probation Officer to be the Contract Administrator for this MOU.

Both the Probation Department and the TTC consider the services provided by the FTB to be an effective collection tool for clients who fail to respond to local collection efforts, and for clients whose whereabouts are unknown. The FTB has access to more than 220 million income records and wage information on all California employees, and uses that information to collect from Probation clients. An unintended positive consequence of the FTB referral of unpaid Probation warrant clients has resulted in client contact and resolution of both legal and financial matters.

**Fiscal and Facilities Impacts:**

Budgeted: Yes

**Fiscal Analysis:**

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund			
State			
Federal			
Fees			
Other:			
Total	\$ -	\$ -	\$ -

Narrative: Failure to continue to participate in FTB collection programs will result in a loss of approximately \$250,000 per year in Probation Department revenues. Participation in the program will not result in an increase in the Probation Department General Fund contribution.

**Staffing Impacts:**

**Legal Positions:**

**FTEs:**

**Special Instructions:** Please return two (2) Certified Minute Orders to Patti Ball, Project Manager, Probation Department, 117 E Carrillo St, Santa Barbara, CA 93101.

**Attachments:**

- Attachment A: State of California Agreement number C1000146
- Attachment B: State of California General Terms and Conditions GTC 610 "Exhibit C"
- Attachment C: Probation Department Mandates

**Authored by:**

Project Manager Patti Ball