



STATE OF CALIFORNIA
Franchise Tax Board

08.02.2021

To: Selvi Stanislaus
From: Michael A. Banuelos

Subject: Board Approval for Contracts Exceeding \$1 Million

Memorandum

This memorandum provides information for your notification to the Board pursuant to the Board's resolution requiring approval for purchases exceeding \$1 million.

Interagency Agreement with the California Department of Community Services and Development

This request seeks approval to enter into an Interagency Agreement with the California Department of Community Services and Development (CSD). In order to help educate taxpayers about the Golden State Stimulus I and II, the California Earned Income Tax Credit, the Young Child Tax Credit, and to increase awareness of ITIN tax status eligibility, \$15 million has been allocated for outreach activities by nonprofit and community-based organizations. CSD acts as FTB's agent in disbursing the funds to nonprofits through their existing grant processes. The total estimated cost of the agreement is \$15.6 Million; which includes the \$15 million to be distributed, as well as reimbursement for CSD's operational costs during the 2021-2022 fiscal year.

VMware Software License Agreement Renewal

This request seeks approval to renew our license agreement for VMWare software products. VMware is software utilized to virtualize FTB's servers. All of FTB's external facing services, electronic and paper filing, bank deposits, email, and authentication systems rely on the software under this contract. In addition, these tools are also used to provide remote access to our employees. Our existing agreement expires on December 30, 2021. We anticipate a one-year agreement estimated at approximately \$1.1 Million.

IBM Passport Advantage Software Renewal

This request seeks approval to renew our software agreement for IBM software products. These software products are critical to our tax systems and software developers within FTB. Our existing agreement expires on December 31, 2021. We anticipate a one-year agreement estimated at approximately \$12.5 Million.

Cisco Maintenance Renewal

This request seeks approval to renew our maintenance agreement for Cisco software and hardware products. Cisco products form the core of FTB's existing network infrastructure and are critical to our information technology environment and

revenue generating functions. Our existing agreement expires on 10/31/21. We anticipate a one-year agreement estimated at approximately \$12.5 Million.

Please contact me at (916) 845-6110 should you have any questions regarding any of the above items.

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Director, Procurement Bureau

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