05.23.2022

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.

**COBOL Programmers**

This request seeks approval to enter into a contract for Common Business-Oriented Language (COBOL) programming services. These services are required to support the mission-critical Business Entities Tax System (BETS), a highly complex system which is increasingly difficult to deliver on-time mandatory changes. The use of contracted services will ensure FTB maintains critical workloads. FTB estimates a three-year contract in the amount of $2.8 million for three full-time equivalent positions.

**Interagency Agreement with the California Department of Community Services and Development**

This request seeks approval to enter into an Interagency Agreement (IA) with the California Department of Community Services and Development (CSD). $10 million is allocated in the proposed 2022-23 budget for outreach to educate and encourage taxpayers to claim the California Earned Income Tax Credit (CalEITC). The total estimated cost of the agreement is $10.6 million, which includes $10 million distributed to non-profit grantees for education and outreach, and $600,000 for CSD’s operational costs during the 2022-23 fiscal year.

Your approval will support modifications to this contract consistent with any final grant funds awarded in the enacted 2022-23 budget should grant funding change during ongoing budget discussions.

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