



STATE OF CALIFORNIA
Franchise Tax Board

08.01.25

To: Selvi Stanislaus
From: Michael A. Banuelos

Memorandum

Subject: Request for Approval – Contracts Exceeding \$2 Million

This memorandum provides information for your notification to the Board pursuant to the Board's resolution requiring approval for any procurement activity which would result in the award of a contract exceeding \$2 million.

IBM Passport Advantage Renewal

This request seeks approval to renew our software support agreement for IBM Passport Advantage software products, which include components such as licenses, subscriptions, version upgrades, and technical support. These software products are critical to our tax systems and software developers within FTB. Our existing agreement expires on December 31, 2025. We are anticipating a one-year agreement estimated at approximately \$16.3 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 California EITC and to encourage participation in claiming the California EITC, \$10 million has been allocated in the proposed budget for outreach activities by nonprofit and community-based organizations. CSD acts as FTB's agent in disbursing the funds, through their existing grant processes, to nonprofits. The total estimated cost of the agreement is \$10,718,000 million, which includes the \$10 million to be distributed, as well as reimbursement for CSD's operational costs during the 2025-2026 fiscal year.

If you have any questions regarding the above items, please contact me at 916-845-6110.

David A. Velo
Supervisor, Procurement Bureau