

FRANCHISE TAX BOARD  
MINUTES  
SEPTEMBER 30, 2014 MEETING

The Franchise Tax Board met in open session at 1:30 p.m. at the Franchise Tax Board, 9646 Butterfield Way, Gerald Goldberg Auditorium, Sacramento, California. Present were Deputy Controller Marcy Jo Mandel for Chair Chiang, Hon. Jerome E. Horton, and Chief Deputy Eraina Ortega, Department of Finance, for Member Cohen.

**Franchise Tax Board**

**Staff Participating:**

Selvi Stanislaus, Jozel L. Brunett, Bruce Langston, Jeanne Harriman, Carl Joseph, Robert Moreno, Janelyn Nelson, Nancy Parker, Allen Wilson, and Colleen Berwick.

**Item 1. – Approval of Minutes**

The minutes of the July 1, 2014, Franchise Tax Board meeting were approved 3-0.

**Item 2. – 2013 Supervisory Bonus and 2014 Superior Accomplishment Award Recipients**

The Board received a PowerPoint presentation on the 2013/2014 award recipients.

**Item 3. – Taxpayer Centric Service Goal Update**

The Board received a PowerPoint presentation on the how staff is meeting the taxpayer centric service goal of FTB's strategic plan with customer service activities.

**Item 4. – Regulation Matters**

a. Proposed Regulation 18416.5 (Alternative Communication Method) – Staff report and possible Board action.

The Board received a staff report on the proposed regulation and voted unanimously (3-0) to approve the staff request to proceed with the formal regulatory process.

b. Proposed Regulation 25137-1 (Apportionment and Allocation of Partnership Income) and Proposed Regulation 17951-4 (Income from a Business, Trade or Profession) – Staff report and possible Board action.

The Board received a staff report on the proposed regulation and voted unanimously (3-0) to approve the staff request to proceed with the formal regulatory process.

**Item 5. – Administrative Matters**

- a. 2015/16 Budget Change Proposals – Board approval.
1. Mainframe Workload Growth.
  2. Enterprise Data to Revenue Project.
  3. AB 1424 – Delinquent Taxpayer Accountability Act (Stats. 2011, Chp. 455).

The Board voted 2-0 (Board Member Ortega abstaining) to approve the BCPs.

- b. Contracts Over \$1 Million – Board approval.
1. Enterprise SAN Fiber Channel Switch Replacements.
  2. Enterprise Storage Array (DMX-3) Replacement.
  3. Aastra – E-Private Branch Exchange (PBX) System Maintenance.
  4. Security Guard Services.

The Board voted 3-0 to approve the contracts.

- c. Facility Action Request – Board approval.
1. Field Office Relocation and Consolidation of Audit Programs.
  2. Field Office Lease Amendment to Incorporate Utility Costs.

The Board voted 3-0 to approve the facility action items.

**Item 6. – Executive Officer's Time**

There was no discussion under this Agenda item.

**Item 7. – Board Members' Time**

Member Horton extended his appreciation to Carl Joseph, Kimberly Bott, and Marian McKenna, who participated in the Ernst & Young Outreach and Education Program,

Deputy Controller Marcy Jo Mandel announced the agenda for and the Board convened in Closed Session commencing at 2:18 p.m. pursuant to Government Code section 11126.3.

The Board reconvened in open session and adjourned the meeting at 2:44 p.m.

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Board Liaison

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Date