

Franchise Tax Board
Fiscal Year 2014/15
Proposed Budget Change Proposals

Priority	Proposed BCP Issue	2014/15 Cost Estimate	Positions	Summary
		(In Thousands)		
1	Enterprise Data to Revenue Project	\$73,523	36.0	Request 36 positions and \$73.5 million (\$68.5 million is the anticipated Prime Solution Provider (PSP) payment) to continue implementation of the Enterprise Data to Revenue (EDR) project. Revenue generated from the EDR project is anticipated to be \$684.6 million in FY 2014/15 increasing to \$1.1 billion in FY 2015/16. The EDR project is a five-year IT project that will modernize FTB's processes and systems (project 7:1 cost to benefit ratio) and will generate \$4.7 billion in revenue for the State over the life of the project.
2	Accounts Receivable Management Program	\$8,700	115.0	Request \$8.7 million to make permanent 115 expiring positions to address our Accounts Receivable inventory. FTB is using all available collection resources and strategies in an effort to reduce its accounts receivable inventory. Without the continued funding for these resources it will result in aged accounts, workload backlogs and loss in revenue that would otherwise benefit the state's General Fund. Providing continued funding will allow FTB to maximize our collection efforts and keep pace with the accounts receivable balance.
3	Asset Forfeiture Accounts	\$0	0.0	Request Budget Act Authority up to \$500,000 per fiscal year to utilize the funds deposited in our Special Deposit Fund - Asset Forfeiture Accounts. FTB's Criminal Investigation Bureau currently participates in three Asset Forfeiture Programs and our Special Deposit Fund balance is \$129,773. Without Budget Act Authority, we do not have the authority to spend the funds currently in these accounts.
4	Mainframe Triplex Printer Replacement	\$2,468	0.0	Request \$2.468 million to replace the end-of-life mainframe triplex printer with a comparable triplex printing system. Without the replacement of this printer system, FTB will lack the ability to provide the printing capacity needed by revenue-generating business areas. The printing and mailing of notices, bills and correspondence to taxpayers directly impacts the collection of tax dollars. Due to the current printing system's age, it is experiencing more frequent breakdowns that have resulted in longer downtimes. The current printer will no longer be supported beginning December 2015.
5	Data Security	\$1,799	0.0	Request \$1.799 million to procure and install a Data Security Monitoring and Auditing system that will provide a comprehensive data audit and protection suite for preventing data theft, strengthening data privacy, and managing user access rights. It is extremely important for FTB to protect taxpayers' data to gain public trust to encourage self compliance with tax laws.