

chair John Chiang  
member Betty T. Yee  
member Ana J. Matosantos

State of California  
**Franchise Tax Board**

07.29.10

To: Selvi Stanislaus  
From: Jeanne Harriman  
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.

### **IBM Software Maintenance Contract**

This request seeks approval to renew and extend our annual licenses with the International Business Machines (IBM) to use their software products on the department's mainframe computer. In concert, these software products are important pieces within our department's operating system platform.

The estimated cost for the three (3) year annual license renewal will be \$8,000,000.

This Agreement is scheduled to expire September 30, 2010.

### **Software AG Maintenance Contract**

This request seeks approval to renew and extend our annual licenses with Software AG (SAG) to use their software products on the department's mainframe computer. In concert, these software products are important pieces within our department's operating system platform.

The estimated cost for a three (3) year annual license renewal will be \$6,000,000.

This Agreement is scheduled to expire September 30, 2010.

If you have any questions, please contact me at (916) 845-6431.



Director  
Financial Management Bureau