

FRANCHISE TAX BOARD  
MINUTES  
JUNE 16, 2009 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 Hon. John Chiang, Chair, Hon. Betty T. Yee, and Chief Deputy Director Tom Sheehy for Hon. Michael C. Genest.

**Franchise Tax Board**

**Staff Participating:** Selvi Stanislaus, Geoffrey S. Way, Patrick Kusiak, Anne Miller, Debbie Langsea, Carole Rouin, Carl Joseph, and Colleen Berwick.

**Others Participating:** Eric I. Miethke, Nielsen, Merksamer, Parrinello, Mueller & Naylor

**Item 1. – Approval of Minutes**

The minutes of the March 19, 2009, Franchise Tax Board meeting.

**Item 2. – Filing Season Update**

The Board received a report on the 2009 filing season.

**Item 3. – Audit Update**

The Board received an update on the audit programs, methods used to streamline audit processes and current issues impacting audit workload.

**Item 4. – Regulation Matters**

a. Regulation 25137-8 (Motion Picture and Television Producers, Distributors, and Television Networks) – Staff report and possible Board action.

The Board heard from the following member of the public regarding this Agenda item:

Eric I. Miethke – Nielsen, Merksamer, Parrinello, Mueller & Naylor

The Board received a staff report and voted unanimously (3-0) to approve the staff request to proceed with the formal regulatory process, with an amendment to the staff explanation.

**Item 5. – Administrative Matters**

a. Contracts over \$1 million – Board approval.

1. Contract to upgrade FTB's current mainframe and storage capacity through the non-competitive bid process.

The Board voted unanimously (3-0) to approve the contract.

2. Contract to purchase approximately 4,500 Microsoft Office 2007 software licenses through the DGS approved Microsoft Select License Program using the RFO process.

The Board voted 2-0 (Sheehy abstained) to approve the contract.

b. Facilities Action Items – Board approval.

1. FTB Field Offices – Leased Space Rent Reductions

The Board voted unanimously (3-0) to approve the request.

2. FTB Central Office Campus/9646 Butterfield Way – Expansion of Command Center Services.

The Board voted unanimously (3-0) to approve the request.

c. Introduction of 2009/2010 Conceptual Budget Change Proposal – Information item.

The Board received information on the proposed budget change proposals that will be submitted to the Board at the next Board meeting.

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

There was no discussion under this Agenda item.

**Item 7. – Board Members' Time**

Deputy Controller, Marcy Jo Mandel, announced the retirement of Lynette Iwafuchi, AEO, and presented her with a Proclamation on behalf of the Board members. Member Yee congratulated Lynette and acknowledged her state service and accomplishments. Chief Deputy Director, Tom Sheehy, thanked Lynette for her excellent state service.

The Chair announced the agenda for and the Board convened in Closed Session commencing at 2:40 p.m. pursuant to Government Code section 11126.3.

The Board adjourned the meeting at 2:55 p.m.