

Pending Board Approval

FRANCHISE TAX BOARD MINUTES JUNE 19, 2006 MEETING

The Franchise Tax Board met in open session at 1:30 p.m. at the State Board of Equalization, 450 N Street, Hearing Room 121, Sacramento, California. Present were Hon. Steve Westly, Hon. John Chiang, and Hon. Michael C. Genest.

Franchise Tax Board

Staff Participating: Selvi Stanislaus, John W. Davies, Patrick Kusiak, Marlene White, Anne Miller, Cathy Cleek, Carl Joseph, Laurie McElhatton, Mark Shijo, and Colleen Berwick.

Others Participating: John McBeth, Franklin Templeton Investments; Joseph P. Galasso Jr., Silog, Inc.; Leigh Morris, Capitol Group Companies; and Roger Newman, Digital DataVoice Corporation.

Item 1. – Approval of Board Minutes

The minutes of the December 7, 2005, Franchise Tax Board meeting and Taxpayers' Bill of Rights Hearing, and the January 11, 2006, Franchise Tax Board meeting were unanimously approved (3-0).

Item 2. – 2006 Filing Season Update

The Board received a staff report on the 2006 filing season update.

Item 3. – Section 25137 Petition

The Board heard from Joseph P. Galasso, Jr., representing the Petitioner, Silog, Inc.

The Board voted unanimously (3-0) to deny the petition.

Item 4. – Regulation Matters

The Board received a staff report on a symposium and a request to proceed with the formal regulatory process.

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

John McBeth, Franklin Templeton Investments

Leigh Morris, The Capitol Group Companies

The Board voted unanimously (3-0) to approve the staff request to proceed with the formal regulatory process.

Item 5. – Administrative Matters

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

1. Enterprise-Wide Customer Service Platform (ESCP II)
2. Court Ordered Debt Collection (COD) Expansion Project.
3. Server License Renewal (*IBM Passport Advantage*).
4. Central Processing Unit (CPU) Hardware Upgrade.
5. CPU Software License Renewal (*IBM*).
6. CPU Software License Fee and Maintenance (*Software AG*).
7. Network Switches – Equipment Purchase (*Cisco*).

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

Roger Newman, Digital DataVoice Corporation

The Board voted 2-0 (Chair Westly abstaining) to approve contracts.

b. Space Action Request (Form 9) – Board approval.

1. San Jose District Office Relocation.
2. Chicago District Office Term Lease Reduction and Extension.

The Board voted unanimously (3-0) to approve the Form 9 requests.

c. Information Item – FY 2006/07 Budget Highlight Summary.

The Board received a staff report with respect to this item.

d. Information Item – Summary of FY 2007/08 BCP Concepts.

The Board received a staff report with respect to this item.

Item 6. – Child Support

The Board received a staff report on the child support project.

Item 7. – Executive Officer's Time

There was no discussion under this Agenda item.

Item 8. – Board Members' Time

Member Genest requested an update on the ReadyReturn Project.

Staff was directed to report back to the Board with recommendations regarding ReadyReturn.

The Chair announced the agenda and the Board reconvened in Closed Session commencing at 2:26 p.m. pursuant to Government Code section 11126.3.

The Board reconvened in Open Session and adjourned the meeting at 3:00 p.m.

Board Liaison

Date