

chair John Chiang
member Jerome E. Horton
member Michael Cohen

State of California
Franchise Tax Board

11.13.13

To: Selvi Stanislaus

From: Jeanne Harriman

Subject: Board Approval for Contracts Exceeding \$1 Million –
Microsoft Software Maintenance Renewal

Memorandum

This memorandum provides information for your notification to the Board pursuant to the Board's resolution requiring approval for contracts exceeding \$1 million.

Microsoft Software Maintenance Renewal

This contract will be for the maintenance renewal of existing Microsoft software products. Our existing maintenance will expire on January 31, 2014 and FTB will be renewing via a Department of General Services Software License Program (SLP) contract. This renewal covers over 7,300 Microsoft licenses currently used by FTB, including SQL server enterprise licenses.

The current estimated cost of this renewal is \$1.2 million. The actual cost will be determined after the procurement is conducted and FTB obtains offers from authorized resellers named in the SLP Contract. The renewal will include three years of software assurance, with a term of February 1, 2014 through January 31, 2017. Software assurance provides FTB with version upgrades, technical support, rights to new software, incident and 24x7 problem resolution support services, and provides configuration managers with tools to support SQL Server database applications.

The renewal of this maintenance contract is critical to the department's operations as these Microsoft products are used enterprise-wide and assist in supporting mission-critical public facing applications and internal administrative systems. FTB's ability to efficiently serve our customers as we administer our tax programs and generate revenue would be negatively affected without the use of these software products.

If you have any questions regarding the above item, please contact me at 845-6431.



Director
Financial Management Bureau