

FRANCHISE TAX BOARD  
MINUTES  
JULY 7, 2011 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. Jerome E. Horton; and Chief Deputy Director Pedro Reyes for Hon. Ana J. Matosantos.

**Franchise Tax Board**

**Staff Participating:** Selvi Stanislaus, Geoffrey S. Way, Patrick Kusiak, Terre Davis, Susan Borgman, Jeanne Harriman, Michelle Fallon, Phillip Gray, Laurie McElhatton, Norman Scott, and Colleen Berwick.

**Item 1. – Approval of Minutes**

The minutes of the March 10, 2011, Franchise Tax Board meeting were approved 3-0.

**Item 2. – Voluntary Compliance Initiative 2 Update**

The Board received a staff report on the Voluntary Compliance Initiative 2 Update.

**Item 3. – Filing Season Update**

The Board received a staff report on the Filing Season Update.

**Item 4. – 2010 FTB Accomplishments**

The Board received a staff report on the 2010 FTB Accomplishments.

**Item 5. – Regulation Matters**

Proposed Regulation 25128.5 (Apportionment of Business Income; Single Sales Factor Election) – Staff report and possible Board action.

The Board received a staff report and voted unanimously (3-0) to approve the final regulation to submit to the Office of Administrative Law.

**Item 6. – Administrative Matters**

- a. 2012/2013 Budget Change Proposals – Information item.
  1. BCP #1 – Enterprise Data to Revenue Project.
  2. BCP #2 – Accounts Receivable Management Program.

The Board received a staff report for information only.

- b. Facilities Action Items – Board approval.
  - 1. Sacramento Data Center Three Page Estimate.
  - 2. Modular Furniture Purchase Delegation for Leased Facilities.
  - 3. Facilities Master Plan Update for Central Office Campus.
  - 4. Investigations Bureau Relocation to the Central Office Campus.
  - 5. FTB State-Owned Properties – Facility Sustainability Projects.

The Board voted unanimously (3-0) to approve the Facilities Action Items.

- c. Contracts over #1 million – Board approval.
  - 1. Genesys Software Maintenance Renewal.

Marcy Jo Mandel turned over responsibilities of the chair with respect to this item to Member Horton and abstaining from any participation due to a conflict of interest. The Board voted (2-0) to approve the contract.

- 2. Software AG.
- 3. IBM Mainframe Replacement.
- 4. Compuware.
- 5. Computer Associates.

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

**Item 7. – Executive Officer's Time**

There was no discussion under this Agenda item.

**Item 6. – Board Members' Time**

Marcy Jo Mandel presented Norm Scott, Director of the Franchise Tax Board's National Business Audit Bureau with a resolution commending him for his dedication to the Franchise Tax Board and for transfer to the Department of Health Care Services and his appointment as Director of Medi-Cal Litigation for that department.

Ms. Mandel announced the agenda for and the Board convened in Closed Session commencing at 2:45 p.m. pursuant to Government Code section 11126.3.

The Board reconvened in open session and adjourned the meeting at 2:54 p.m.

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Board Liaison

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Date