



STATE OF CALIFORNIA
Franchise Tax Board

05.07.2021

To: Selvi Stanislaus
From: Michael A. Banuelos

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.

Microsoft Enterprise License Agreement

This request seeks approval to enter into a five (5) year Microsoft Enterprise License Agreement (MELA) for Microsoft products. These products are critical in FTB's productivity, collaboration, infrastructure, and security platforms. This 5-year enterprise agreement provides FTB access to the most current Microsoft software product versions and allows a more flexible software upgrade process that aligns with our business needs. The California Department of Technology has entered into a new enterprise license agreement with Crayon Software. This new agreement offers a higher product offering that will allow us to take advantage of new security and infrastructure components to keep FTB in compliance with State mandated security requirements. This agreement has been made available for all State agencies to use. FTB's proposed cost for the enterprise agreement is approximately \$18.6 million.

Software AG Software Maintenance Renewal

This request seeks approval to renew our software maintenance renewal with Software AG to use their software products on FTB's mainframe computer. These software products are critical within FTB's operating system platform and provide support for FTB's mission critical applications. The existing contract, which expires in September, was for five (5) years at \$7.5 million. Depending on the outcome of price discussions, we anticipate another multi-year renewal in the three (3) to five (5) year range.

Please contact me at 916-845-6110 should you have any questions regarding any of the above items.

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