



STATE OF CALIFORNIA
Franchise Tax Board

08.10.2022

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.

Cisco Maintenance Renewal

This request seeks approval to renew our maintenance agreement for Cisco software and hardware products. Cisco products form the core of FTB's existing network infrastructure and are critical to our information technology environment and revenue generating functions. The existing agreement expires on October 31, 2022. FTB anticipates a one-year agreement estimated at approximately \$1.2 Million.

VMware Software License Agreement Renewal

This request seeks approval to renew our license agreement for VMWare software products. VMware is software utilized to virtualize FTB's servers, as well as provide remote access to many of our employees. All FTB's external facing services, electronic and paper filing, bank deposits, email, and authentication systems rely on the software under this contract. The existing agreement expires on December 31, 2022. FTB anticipates a one-year agreement estimated at approximately \$1 Million.

IBM Passport Advantage Software Renewal

This request seeks approval to renew our software agreement for IBM software products. These software products are critical to our tax systems and software developers within FTB. Our existing agreement expires on December 31, 2022. FTB anticipates a one-year agreement estimated at approximately \$12.5 Million.

Uninterrupted Power Supply and Power Distribution Unit

This request seeks approval to purchase replacement Uninterrupted Power Supplies and Power Distribution Units (UPS and PDUs) in support of FTB's Enterprise network devices that service critical tax processing systems. The UPS and PDUs will deliver emergency power supply to FTB's network devices in the case of a power failure. UPS and PDUs will allow network devices to keep running long enough for generators to engage or until a proper shut down can occur.

The existing UPS and PDUs are reaching an age where they will no longer receive vendor maintenance and support. This is a critical need because FTB risks losing critical tax applications and systems if the production systems are running on non-supported UPS during a power outage. The estimated cost for the replacement equipment is \$1.3 Million.

If you have any questions regarding any of the above items, please contact me at 916-845-6110.

Michael A. Banuelos
Director, Procurement Bureau