

STATE OF CALIFORNIA
Budget Change Proposal- Cover Sheet
 DF-46 (REV 03/13)

Fiscal Year 2014/15	BCP No. 4	Org. Code 7730	Department Franchise Tax Board	Priority No. 4
Program Tax Programs			Element N/A	Component N/A

Proposal Title
 Legislative – Hiring Credits – AB 93/SB 90 & Like Kind Exchanges – AB 92

Proposal Summary

The Franchise Tax Board (FTB) is requesting funding of \$954,000 and 6 limited term positions (two effective January 1, 2015) for fiscal year 2014/15 and \$961,000 and 8 limited term positions for 2015/16 to implement and administer two legislative bills that were recently chaptered. The legislation requires FTB to modify its systems and processes to accommodate these new tax law changes. The two legislative bills in this request include:

1. AB 92 – Like-Kind Exchange Information Reporting (Stats. 2013, Ch. 26)
2. AB 93/SB 90 – Create New Employment Tax Credit/California Competes Tax Credit/Franchise Tax Board (FTB) Provide Annual Report to Joint Legislative Budget Committee Regarding Total Credits Claimed (Stats. 2013, Ch. 69).

Requires Legislation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Code Section(s) to be Added/Amended/Repealed		
Does this BCP contain information technology (IT) components? <input type="checkbox"/> Yes <input type="checkbox"/> No <i>If yes, departmental Chief Information Officer must sign.</i>	Department CIO	Date	
For IT requests, specify the date a Special Project Report (SPR) or Feasibility Study Report (FSR) was approved by the California Technology Agency, or previously by the Department of Finance. <input type="checkbox"/> FSR <input type="checkbox"/> SPR Project No. Date:			

If proposal affects another department, does other department concur with proposal? Yes No
Attach comments of affected department, signed and dated by the department director or designee.

Prepared By	Date	Reviewed By	Date
Department Director	Date	Agency Use Only	Date

Pending Board Approval

Department of Finance Use Only	
Additional Review: <input type="checkbox"/> Capital Outlay <input type="checkbox"/> ITCU <input type="checkbox"/> FSCU <input type="checkbox"/> OSAE <input type="checkbox"/> CALSTARS <input type="checkbox"/> Technology Agency	
BCP Type: <input type="checkbox"/> Policy <input type="checkbox"/> Workload Budget per Government Code 13308.05	
PPBA	Date submitted to the Legislature

Fiscal Summary
(Dollars in thousands)

BCP No 4	DATE August 14, 2013	Proposal Title: Legislative – AB 93/SB 90 & AB 92	PROGRAM Tax Programs
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	Positions			FY 2013/14	FY 2014/15	FY 2015/16
	<u>CY</u>	<u>BY</u>	<u>BY + 1</u>	<u>CY</u>	<u>BY</u>	<u>BY + 1</u>
Total Salaries & Wages /1	.0	5.0	8.0	\$ 359,000	\$ 693,000	\$ 651,000
Total Staff Benefits /2				\$ 27,000	\$ 178,000	\$ 250,000
Total Personal Services				\$ 386,000	\$ 871,000	\$ 901,000

Operating Expenses and Equipment

General Expense /3	\$ 0	\$ 12,000	\$ 9,000
Printing	0	0	0
Communications /4	0	3,000	5,000
Postage	0	0	0
Travel-In-State /5	0	15,000	21,000
Travel Out-of-State	0	0	0
Training	0	0	0
Facilities Operations /6	0	8,000	0
Utilities	0	0	0
Cons & Prof Svs - Interdept'l	0	0	0
Cons & Prof Svs - External	0	0	0
Data Center Services	0	0	0
Information Technology /7	0	45,000	25,000
Equipment	0	0	0
Other/Special Items of Expense	0	0	0
Total Operating Expense & Equipment	\$ 0	\$ 83,000	\$ 60,000

TOTAL STATE OPERATIONS EXPENDITURES

\$ 386,000 \$ 954,000 \$ 961,000

Fund Source

	<u>Item No.</u>					
	Org	- Ref	- Fund			
General Fund	7730	001	0001	\$ 386,000	\$ 954,000	\$ 961,000
				0	0	0
				0	0	0
				0	0	0
				0	0	0
				0	0	0
				0	0	0
Totals				\$ 386,000	\$ 954,000	\$ 961,000

Total Local Assistance Expenditures

\$(0) \$(0) \$(0)

Fund Source

	<u>Item No.</u>					
	Org	- Ref	- Fund			
				\$ 0	\$ 0	\$ 0
				0	0	0
				0	0	0
				0	0	0
				0	0	0
				0	0	0
Totals				\$ 0	\$ 0	\$ 0

Grand Total, State Operations and Local Assistance

\$ 386,000 \$ 954,000 \$ 961,000

- /1 Itemized positions by classification on the Personal Services Detail worksheet.
- /2 Benefit detail on the Personal Services Detail worksheet.
- /3 General Expense @ \$910 per position. Plus minor equipment @ \$1184 per new position
- /4 Communication costs @ \$644 per position
- /5 Travel In-State - \$3050 per audit position
- /6 Facilities Costs
- /7 Software and Hardware for PCs

PERSONAL SERVICES DETAIL
(Whole Dollars)

BCP No 4	DATE August 14, 2013	Proposal Title: Legislative – AB 93/SB 90 & AB 92	PROGRAM Tax Programs
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Positions		Positions			Salary Range		CY	Dollars	
		CY 2013/14	BY 2014/15	BY + 1 2015/16				BY	BY + 1
Audit Division									
Assoc Tax Auditor	LT EXP 06/30/2016	0.0	3.0	3.0	\$ 4,619	\$ 6,074	\$ 0	\$ 192,000	\$ 192,000
Program Spec I	LT EXP 06/30/2017	0.0	0.0	2.0	\$ 5,076	\$ 6,670	\$ 0	\$ 0	\$ 141,000
* Program Spec I	LT EXP 06/30/2017	0.0	1.0	1.0	\$ 5,076	\$ 6,670	\$ 0	\$ 35,000	\$ 70,000
* Program Spec II	LT EXP 06/30/2017	0.0	1.0	1.0	\$ 5,573	\$ 7,326	\$ 0	\$ 39,000	\$ 77,000
Total Audit Division		.0	5.0	7.0			\$ 0	\$ 266,000	\$ 480,000
Adjust for Part Year Positions		.0	1.0	.0					
Net Positions		.0	4.0	7.0					

Part Year Positions

* Program Spec I	01/01/2015 BY start date for 0.5 P.Y.s.
* Program Spec II	01/01/2015 BY start date for 0.5 P.Y.s.

Filing Division									
Assoc Tax Auditor	OT				\$ 4,619	\$ 6,074	\$ 0	\$ 2,000	\$ 0
Program Spec II	OT				\$ 5,573	\$ 7,326	\$ 0	\$ 2,000	\$ 0
Total Filing Division		.0	.0	.0			\$ 0	\$ 4,000	\$ 0
Adjust for Part Year Positions		.0	.0	.0					
Net Positions		.0	.0	.0					

Technology Services Division									
Staff Info Sys Analyst Spec	OT				\$ 5,065	\$ 6,660	\$ 88,000	\$ 0	\$ 0
Staff Prog Analyst Spec	OT				\$ 5,065	\$ 6,660	\$ 120,000	\$ 0	\$ 0
Sr Program System Analyst Spec	OT				\$ 5,309	\$ 6,977	\$ 5,000	\$ 0	\$ 0
Assoc Info Systems Analyst	OT				\$ 4,619	\$ 6,074	\$ 29,000	\$ 0	\$ 0
Sys Software Spec II Tech	OT				\$ 5,561	\$ 7,310	\$ 56,000	\$ 0	\$ 0
Staff Prog Analyst Spec	OT				\$ 5,065	\$ 6,660	\$ 37,000	\$ 0	\$ 0
Staff Info Sys Analyst Spec	OT				\$ 5,065	\$ 6,660	\$ 17,000	\$ 0	\$ 0
Assoc Info Systems Analyst	OT				\$ 4,619	\$ 6,074	\$ 7,000	\$ 0	\$ 0
Staff Prog Analyst Spec	OT				\$ 5,065	\$ 6,660	\$ 0	\$ 180,000	\$ 2,000
Assoc Info Systems Analyst	OT				\$ 4,619	\$ 6,074	\$ 0	\$ 100,000	\$ 96,000
Staff Info Sys Analyst Spec	OT				\$ 5,065	\$ 6,660	\$ 0	\$ 73,000	\$ 3,000
Staff Prog Analyst Spec	LT EXP 06/30/2016	0.0	1.0	1.0	\$ 5,065	\$ 6,660	\$ 0	\$ 70,000	\$ 70,000
Total Technology Services Division		.0	1.0	1.0			\$ 359,000	\$ 423,000	\$ 171,000
Adjust for Part Year Positions		.0	.0	.0					
Net Positions		.0	1.0	1.0					

Total Salaries and Wages									
Positions		.0	6.0	8.0			\$ 359,000	\$ 693,000	\$ 651,000
Part Yr Adj		.0	1.0	.0					
Net Positions		.0	5.0	8.0					

Staff Benefits Detail

	2013/14	2014/15	2015/16
OASDI /8	\$ 22,000	\$ 43,000	\$ 39,000
Health/Dental/Vision Insurance /9	0	54,000	87,000
Retirement - Miscellaneous /10	0	69,000	112,000
Worker's Compensation /11	0	2,000	3,000
Industrial Disability Leave/12	0	0	0
Non Industrial Disability Leave /13	0	0	0
Unemployment Insurance /14	0	0	0
Medicare /15	5,000	10,000	9,000
Total Staff Benefits	\$ 27,000	\$ 178,000	\$ 250,000

- 8/ For permanent and overtime, 6.2% of salary.
- 9/ Health - For Permanent \$10,150 per position; Dental - For permanent \$587 per position;
Vision - for permanent \$106 per position.
- 10/ For permanent, 20.503% of salary.
- 11/ 0.55% of salary for permanent.
- 12/ 0.03% of salary for permanent.
- 13/ 0.06% of salary for permanent.
- 14/ 8.8% of salary for temporary help.
- 15/ 1.45% of salary for permanent.

**FISCAL YEAR 2014/15
 SUPPLEMENTAL INFORMATION
 (\$ in Thousands)**

Identify all proposed items which fit into the categories listed below.

	<u>Current Year</u>	<u>Budget Year</u>	<u>Budget Year + One</u>
<u>Proposed Equipment</u>	\$ 0	\$ 0	\$ 0
Total	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>Proposed Contracts</u>	\$ 0	\$ 0	\$ 0
Total	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>One-Time Costs</u>			
General Expense - Minor Equipment - (chair, calculator, telephone, data connection)	\$ 0	\$ 3	\$ 0
Information Technology	0	20	0
Personal Services - Overtime	0	252	101
	0	0	0
Total	<u>\$ 0</u>	<u>\$ 275</u>	<u>\$ 101</u>
<u>Future Savings</u>	\$ 0	\$ 0	\$ 0
Total	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>Full-Year Cost Adjustments</u>			
Limited Term positions effective 1/1/2015	\$ 0	\$ 110	\$ 0
Total	<u>\$ 0</u>	<u>\$ 110</u>	<u>\$ 0</u>
<u>Facilities/Capital Costs</u> - indicate one-time or ongoing			
Facilities - reconfiguring and purchasing additional workstations (one-time)	\$ 0	\$ 8	\$ 0
Total	<u>\$ 0</u>	<u>\$ 8</u>	<u>\$ 0</u>

Analysis of Problem

A. Proposal Summary

The Franchise Tax Board (FTB) is requesting funding of \$954,000 and 6 limited term positions (two effective January 1, 2015) for fiscal year 2014/15 and \$961,000 and 8 limited term positions for 2015/16 to implement and administer two legislative bills that were recently chaptered. The legislation requires FTB to modify its systems and processes to accommodate these new tax law changes. The two legislative bills in this request include:

1. AB 92 – Like-Kind Exchange Information Reporting (Stats. 2013, Ch. 26)
2. AB 93/SB 90 – Create New Employment Tax Credit/California Competes Tax Credit/Franchise Tax Board (FTB) Provide Annual Report to Joint Legislative Budget Committee Regarding Total Credits Claimed (Stats. 2013, Ch. 69).

B. Background/History

The Governor has signed two bills into law that FTB is required to implement. Information regarding current state laws related to the bills is included below:

AB 92: Like-Kind Exchange Information Reporting

Under federal and state law, an exchange of property, like a sale, generally is a taxable event. However, no gain or loss is recognized if property held for productive use in a trade or business or for investment is exchanged for property of a like kind that is to be held for productive use in a trade or business or for investment; such an exchange is referred to as a “like-kind exchange”.¹

Generally, no gain or loss is recognized at the time of the exchange. The amount of unrecognized gain or loss is deferred, and will generally be recognized upon the sale of the property acquired in the exchange, unless a taxpayer subsequently exchanges property acquired in an exchange for another property of like kind.

A gain or loss from the exchange of real or tangible personal property located in California is sourced to California at the time the gain or loss is realized, regardless of whether or not the taxpayer that realized the gain is residing in or doing business in California at the time that the gain is recognized or whether the gain is deferred under relevant tax statutes such as those pertaining to like-kind exchanges.

On June 27, 2013, Governor Brown signed legislation into law creating an annual information reporting requirement for taxpayers that claim non-recognition of gain or loss for a like-kind exchange when property in California is exchanged for property located outside of California. For such an exchange, taxpayers will be required to file an information return in the taxable year of the exchange and in each subsequent taxable year in which the gain or loss attributable to the exchange has not been recognized.

For taxpayers that fail to comply with that reporting requirement and fail to file a return to properly report the recognition of the gain or loss attributable to the exchange, FTB can make an estimate of the net income from the exchange using any available information, including the amount of deferred gain or loss reported in the year of the exchange, and may propose to assess the amount of tax, interest, and penalties due in the same manner as assessments that are proposed for the failure to file a return.

The like-kind exchange reporting requirement will be operative for exchanges of property that occur in taxable years beginning on or after January 1, 2014. If the taxpayer already has a California filing requirement, the information return will come in as an attachment to his/her return for the taxable year in which the exchange is made. If the taxpayer does not have a California filing requirement for any purpose other than the like-kind exchange, FTB will provide a stand-alone form to the taxpayer to file the information return.

¹ The federal rules for like-kind exchanges are under Internal Revenue Code (IRC) section 1031, to which California generally conforms under Revenue and Taxation Code (R&TC) sections 18031 and 24941.

Analysis of Problem

FTB requests \$379,000 in overtime for FTB staff to implement this bill.

Filing Division staff will:

- Modify our existing tax forms and create new information return forms.
- Add an indicator (check box) to all income/franchise tax returns for taxpayers to report that a like-kind exchange occurred and the property acquired in the exchange is outside of California.

Technology staff will:

- Work with the business area to understand, document and specify the user's needs to design the system.
- Design and develop specifications into an integrated system/application.
- Validate and document the various components of the developed system to ensure the system satisfies the requirements, specifications and design.
- Manage and support the system.

We continue to work with our Project and Oversight Guidance Section to determine if there is a need for a Feasibility Study Report (FSR) or Project Notice and will follow all such requirements.

AB 93/SB 90: Create New Employment Tax Credit/California Competes Tax Credit/Franchise Tax Board (FTB) Provide Annual Report to Joint Legislative Budget Committee Regarding Total Credits Claimed

Existing state and federal laws provide various tax credits designed to provide tax relief for taxpayers who incur certain expenses or to influence behavior, including business practices and decisions. These credits generally are designed to provide incentives for taxpayers to perform various actions or activities that they may not otherwise undertake.

On July 11, 2013, Governor Brown signed legislation that created a New Employment Tax Credit that would be available to a qualified taxpayer that hires a qualified full-time employee and pays or incurs qualified wages attributable to work performed by the qualified full-time employee in a designated census tract or former Enterprise Zone (EZ). The New Employment Credit may only be claimed on a timely filed original return of the qualified taxpayer. The credit will be specifically operative for taxable years beginning on or after January 1, 2014 and before January 1, 2021 and will remain in effect until December 1, 2024, and as of that date will be repealed.

To be eligible for the credit a qualified taxpayer would be required to request a tentative credit reservation from the FTB within 30 days of complying with the Employment Development Department's new hire reporting requirements, in a form and manner prescribed by the FTB. To obtain a credit reservation a taxpayer shall provide necessary information to the FTB, including the name, social security number, the start date of employment, the rate of pay of the qualified full-time employee, the qualified taxpayer's gross receipts from the previous taxable year, and whether the qualified full-time employee is a resident of a targeted employment area. A tentative credit reservation provided by the FTB to the qualified taxpayer would not constitute a determination by the FTB with respect to any of the requirements regarding a qualified taxpayer's eligibility for the New Employment Tax Credit.

Additionally, in taxable years subsequent to hire, a qualified taxpayer is also required to provide the FTB with an annual re-certification with respect to each qualified full-time employee hired in a previous taxable year, on or before the 15th day of the 3rd month following the close of the taxable year.

FTB is requesting three limited term audit positions to administer the provisions of the New Employment Tax Credit reservation and annual certification processes. Limited term positions are requested to allow FTB the opportunity to understand the magnitude of work and avoid any disruption to existing audit workloads. Estimates provided during the legislative process indicate up to 10,000 taxpayers may claim this credit in the first year with like growth expected in subsequent years. The bill mandates that FTB do the following:

Analysis of Problem

- Approve a tentative credit reservation request with respect to a qualified full-time employee hired during the calendar year.
- Determine the aggregate tentative reservation amount and the aggregate small business tentative reservation amount for a calendar year.
- Provide a searchable database for each taxable year beginning on or after January 1, 2014 and before January 1, 2019, that includes the employer names, amount of hiring tax credit claimed, and the number of new jobs created.
- Provide to the Joint Legislative Budget Committee an annual report regarding the amount of credits claimed during the previous fiscal year, by March 1, of each year.

The three limited term audit positions will:

- Create and maintain a form for qualified taxpayers to request a tentative credit reservation.
- Create and oversee an annual certification for taxpayers and their employees qualifying for a credit in the prior years (initial universe of 10,000 and growing each year thereafter).
- Approve a tentative credit reservation; determine the aggregate tentative reservation amount; priority process a tentative credit reservation request from a qualified taxpayer with respect to a qualified full-time employee who is a resident of a targeted employment area.
- Prescribe rules, guidelines, or procedures necessary or appropriate to carry out the purposes of this bill.
- Manage and maintain the process, verify compliance, contact taxpayers for additional information (if needed), and be available to answer taxpayers questions.
- Assist in the preparation of the annual report to the Joint Legislative Budget Committee to compare the total dollar amount of credits claimed with respect to the estimate, and identify recommendations to balance the credit.

In addition a limited term technology position is being requested to work with the audit staff to build the searchable database. The limited term position will:

- Understand, document and specify the user's business needs to a level of sufficient detail to design the system.
- Develop the design specifications into a complete and integrated system/application.
- Validate and document the various components of the developed system and determine that the system as a whole satisfies the approved requirements, specifications and design.
- Manage and support system.

Additionally, this legislation created the California Competes Tax Credit. The amount of the credit available to a taxpayer for a taxable year will be negotiated and set forth in a written agreement between the Governor's Office of Business Economic Development (GO-Biz) and a taxpayer and will be based on numerous factors. The California Competes Tax Credit will be allocated by GO-Biz for up to three additional calendar years, not to extend beyond December 31, 2020.

FTB is requesting four new audit limited term positions to administer the provisions as mandated in this bill. Limited term positions are requested to allow FTB the opportunity to understand the magnitude of work and avoid any disruption to existing audit workloads. GO-Biz has estimated FTB will review 50 contracts per year which is expected to take 125-175 hours per contract. These resources would do the following upon approval of the written agreement by the California Competes Tax Credit Committee:

- GO-Biz would inform the FTB of the terms and conditions of the written agreement and FTB would conduct an initial review of the written agreement to verify terms of the agreement can be measured and observed during an audit.
- FTB will schedule tasks associated with each agreement over the life of the agreement.
- Once the terms of the agreement have been reached, FTB will review the books and records of taxpayers allocated a California Competes Tax Credit to ensure that the taxpayer complied with the terms and conditions of the written agreement.

Analysis of Problem

- If FTB determines that a possible breach of the agreement has occurred, the FTB will provide the GO-Biz detailed information regarding the basis of the possible breach. The GO-Biz will then make a recommendation to recapture in whole or in part, the allocated tax credit, to the Committee with FTB providing assistance as requested. The Committee would approve or reject the recapture recommendation at a duly notice public meeting.
- If appropriate, FTB will recapture a previously allocated credit. The FTB will assess the amount of the recapture for the taxable year in which the Committee's recapture determination occurred, in the same manner as a mathematical error.

We continue to work with our Project and Oversight Guidance Section to determine if there is a need for a Feasibility Study Report (FSR) or Project Notice and will follow all such requirements.

C. State Level Considerations

This proposal will allow FTB to comply with the mandates of the legislative bills. This proposal supports FTB's mission to fairly and effectively administer the state's tax system. FTB's mission is "to provide the services and information to help taxpayers file accurate and timely tax returns and pay the proper amount owed. To accomplish this mission, we develop knowledgeable and engaged employees, administer and enforce the law with fairness and integrity, and responsibly manage the resources allocated to us." The proposal also supports our Strategic Plan goal of effective enforcement to administer and enforce the law effectively to ensure that all taxpayers meet their obligations to file and pay the proper amount owed.

D. Justification

FTB must implement the provisions of AB 92: Like-Kind Exchange Information Reporting requirements and AB 93/SB 90: Create New Employment Tax Credit/California Competes Tax Credit/Franchise Tax Board (FTB) Provide Annual Report to Joint Legislative Budget Committee Regarding Total Credits Claimed to be in compliance with these recently enacted statutes.

AB 93 creates an unfunded mandate for FTB, Board of Equalization, and GO-Biz. This proposal only addresses the resource needs as they relate to FTB.

E. Outcomes and Accountability

It is the responsibility of FTB to administer the provisions included in AB 92 and AB 93/SB 90. The creation of new tax forms as well as modification of existing tax forms will be handled under the direction of the Filing Division Chief. The changes to existing computer systems will be handled under the direction of the Technology Services Division Chief. The Audit Division Chief directs the examination of income tax audits of individuals and businesses.

As shown in the table below, revenue generated from AB 92 is anticipated to be \$200,000 in 2014/15; \$600,000 in 2015/16; \$1.1 million in 2016/17. AB 93/SB 90 identifies a loss of revenue of \$43 million in 2014/15; \$90 million in 2015/16; and \$140 million in 2016/17.

Projected Outcomes
(Dollars in thousands)

Workload Measure – Revenue	2014-15	2015-16	2016-17
AB 92 - Like-Kind Exchange Information Reporting	\$200	\$600	\$1,100
AB 93 - New Hiring Credit	-\$43,000	-\$90,000	-\$140,000

Analysis of Problem

F. Analysis of All Feasible Alternatives

Alternative #1: Augment FTB's budget by \$954,000 and 6 limited term positions to administer the provisions in both AB 92 and AB 93/SB 90.

The 2014/15 funding request of \$954,000 will provide the needed resources for FTB to comply with the mandates of both AB 92 and AB 93.

Alternative #2: Augment FTB's budget by \$379,000 to only carry out the provisions in AB 92.

The FY 2014/15 funding request of \$379,000 will provide the resources necessary for FTB to comply with the mandates of only AB 92 - Like-Kind Exchange Information Reporting. It will not provide the needed resources for FTB to comply with AB 93.

Alternative #3: Augment FTB's budget by \$575,000 and 6 limited term positions to only carry out the provisions in AB 93/SB 90.

The 2014/15 funding request of \$575,000 and 6 positions will provide the resources necessary for FTB to comply with the mandates of only AB 93/SB 90 - Create Tax Hiring Credit and California Competes Tax Credit/Franchise Tax Board Provide Annual Report to Joint Legislative Budget Committee Regarding Total Credits Claimed. It will not provide the needed resources for FTB to comply with AB 92.

Alternative #4: Do nothing.

This approach fails to comply with the mandates of both AB 92 and AB 93/SB 90.

G. Implementation Plan

- June 2014 – all documentation to establish 4 limited term positions are prepared and approved by the FTB Budget Officer and forwarded to the Department of Finance.
- June 2014 – Department of Finance notifies FTB of position approval.
- July 1, 2014 – Positions are established and FTB begins hiring.
- December 2014 – all documentation to establish 2 limited term positions are prepared and approved by the FTB Budget Officer and forwarded to the Department of Finance.
- December 2014 – Department of Finance notifies FTB of position approval.
- January 1, 2015 – Positions are established and FTB begins hiring.
- June 2015 – all documentation to establish 2 limited term positions are prepared and approved by the FTB Budget Officer and forwarded to the Department of Finance.
- June 2015 – Department of Finance notifies FTB of position approval.
- July 1, 2015 – Positions are established and FTB begins hiring.

H. Supplemental Information

None Facility/Capital Costs Equipment Contracts Other Limited-Term Costs

- Facility Costs – reconfiguring and purchasing additional workstations
- Other - Limited-Term Costs

I. Recommendation

FTB recommends that Alternative 1 be approved. Approval of this alternative will ensure that the FTB has the adequate resources to fully comply with the mandates and statutes of AB 92 and AB 93/SB 90.

TECHNOLOGY SERVICES DIVISION
PUC 777
Revised 07/18/2013

ENTERPRISE SERVICES S
SECTION
Daryl C Lee
DPM III
777-1393-002
(43/1)

SERVICE REQUIREMENTS & TESTING U

(1) DPM II	1384
001 Rayna L. Zanzi	
	(17)

INTERNET SERVICES U

(1) SSS III (Sup)	1559
002 Robert L Silvey	
	(14/1)

CCP ARCHITECTURE & DEVELOPMENT U

SSS III (SUP)	1559
004 Christine W Wu	
	(11)

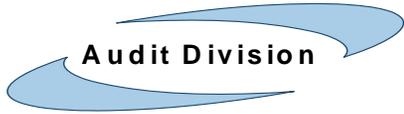
(2) Sr ISA	1337
(7) Staff ISA	1312
(7) Assoc ISA	1470
.	

(1) SSS III	1367
(7) SSS II	1373
(1) SSS I	1587
(1) SR ISA	1337
(1) Staff ISA	1312
(1) Sr PA	1583
(1) Staff PA	1581
(1) Staff PA	1581

Developers & Framework Support

(1) SSS III	1367
(4) SSS II	1373
(2) Sr. PA	1583
(3) Staff PA	1581

Total Positions:	43
Fiscal Year 14/15:	1

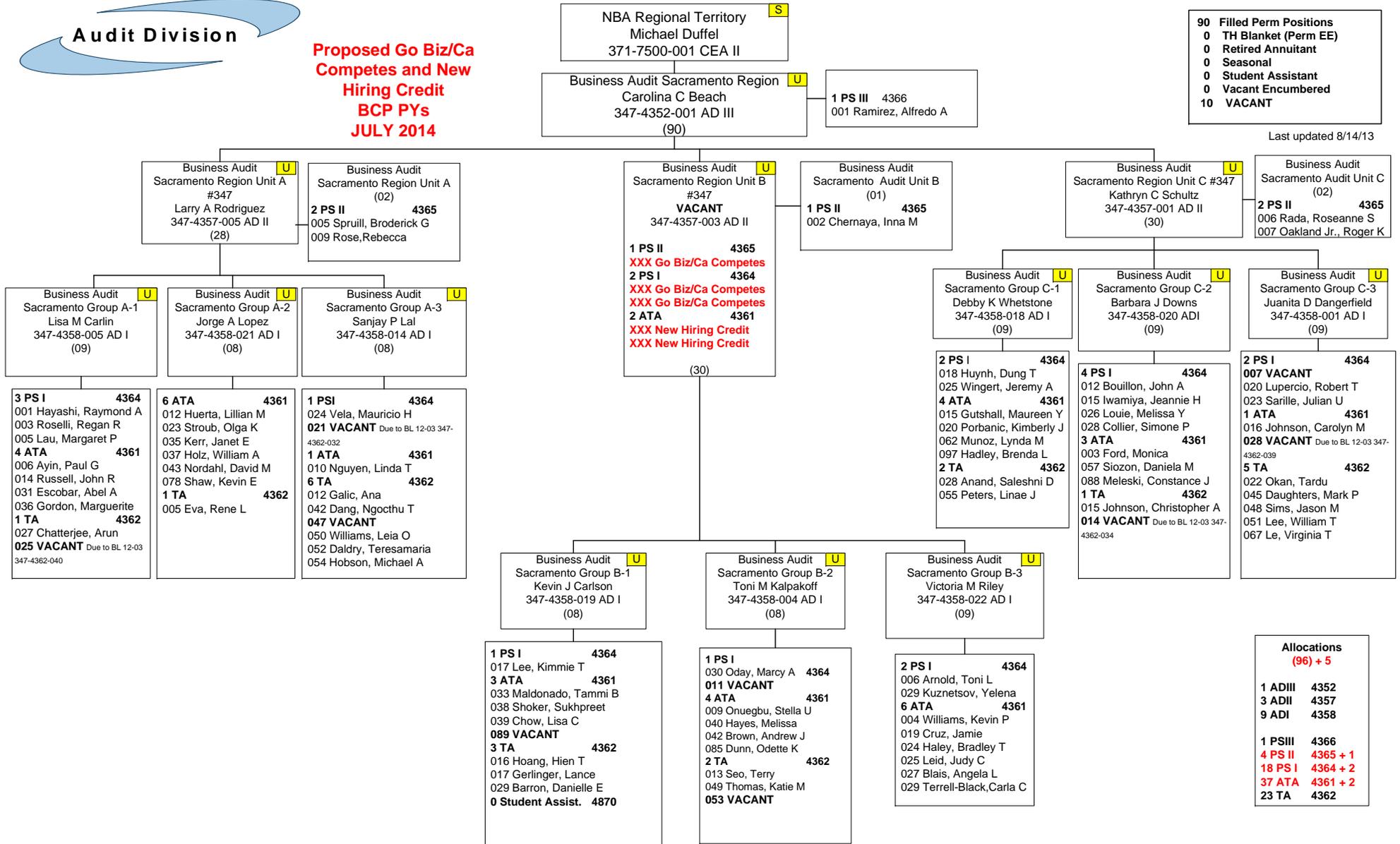


Audit Division

**Proposed Go Biz/Ca
Competes and New
Hiring Credit
BCP PYs
JULY 2014**

90 Filled Perm Positions
0 TH Blanket (Perm EE)
0 Retired Annuitant
0 Seasonal
0 Student Assistant
0 Vacant Encumbered
10 VACANT

Last updated 8/14/13



Audit Division

**Proposed Go Biz/Ca
Competes and New
Hiring Credit
BCP PYS
JULY 2014**

Pass Through Entity Audit Bureau
Brad S LaCour
355-4346-001 AD IV

(121)

4 PS III **4366**
001 Khong Long H 341-4366
003 Lee, Ronald N 363-4366
001 Curcuro, Cynthia D 356-4366
002 Illia, Steve J 356-4366

121 Filled Perm Positions
0 TH Blanket
121
0 Retired Annuitant
0 Seasonal
0 Student Assistant
2 Vacant Encumbered
10 VACANT

Last updated 8/14/13

Partnership, LLC, Estates &
Trust Audit Program
Elaine M. Abdallah
341-4352-001 AD III
(61)

PTE Central Office
(02) **4365**
001 Schillace, Joseph R.
003 Middleton, Douglas R

**S-Corporation Audit
Program**
Enrique Sanchez
353-4352-002 ADIII
(55)

PTE Central Office
(01)
1 PS I **341-4364**
001 Peterson, Dean O

PTE Central Office
Michelle K Kuphaldt
341-4357-002 AD II
(23)

1 PS I **4364**
XXX Go Biz/Ca Competes
1 ATA **4361**
XXX New Hiring Credit

PTE San Jose
James N Yamawaki
361-4358-006 ADI
(09)

5 ATA **4361**
005 Oquendo, Roderick
007 Trinidad, Mark
008 Li, Zhen
011 Zhao, JingJing
013 Lu, Junmei

3 TA **4362**
002 Ho, Waifan
008 Nguyen, Ngoc D.
018 Thompson, Nicole M
006 VACANT

PTE Los Angeles
Kathy J Miya
355-4357-004 AD II
(15)

PTE Los Angeles
5 PS II **4365**
008 Chen, Min Z 353-4365
016 Bazua Jr, Ruben 353-4365
002 Monteur, Kuniko M 355-4365
911 Zhou, Hongyan 355-4365
002 Bailey, Gary R 359-4365
016 Odusanya, Lillian O 371-4365
4 PS I **4364**
002 Fan, Xiaohe 355-4364
001 Buell, Jonathan C 367-4364
002 Fraser, Rochelle A 371-4364
017 Torres, Angela C 371-4364
1 ATA **4361**
004 Benson, Mary M 359-4361
3 TA **4362**
004 Nguyen, Tony 355-4362
007 Madrigal, Nataly O 355-4362
715 Stuart, Ryan 372-4362
1 TT **7505**
001 Johnston, Niva V 355-7505
0 Student Assist. **4870**

PTE West Covina Group C
Kimberly A Hopper
353-4358-004 AD I
(11)

3 PS I **4364**
005 Geck, Richard L
007 He, Xuefei
008 Lee, Genesis S 367-4364
012 VACANT
5 ATA **4361**
017 Bunn, Kimjew
031 Duong, Ivy B
034 Smith, Mary E
017 Vuong, Winly 363-4361
019 Levine, Nathan M 363-4361
2 TA **4362**
015 Diaz, Cecilia G. 355-4362
016 Domin, John A. 355-4362

PTE West Covina
Group A
Yusuf Abdur-Rashid
353-4357-006 AD II
(11)

2 PS II **4365**
007 Avila, Delia
018 Munshi, Ratan B
3 PS I **4364**
009 Ramirez, Alicia
017 Frederick, Howard E
043 Keshish-Moses, Roubina
5 ATA **4361**
006 Bae, SookJung
012 Lowe, Grace
025 Singh, Jasjwan
035 Hernandez, Susana
060 Reyes, Sergio M

S Corp Central Audit
Group
Christine A. Wylde
341-4358-005 AD I
(10)

2 PS I **4364**
004 Stephenson-Armenta, Alysia R
007 Ramirez-Castro, Mario A
5 ATA **4361**
010 Parmar, Sarita S
013 Herrera, Paul S
025 Tombalakian, Jack S
028 Antonelli, Jian X
032 Currie, Heather A
2 TA **4362**
001 Ott, Thomas H
021 Castaneda Valencia, Carlos D

PTE Oakland
Justin R. Tinnel
356-4358-002
AD I
(10)

1 PS I **4364**
006 Baez, Lucia C
5 ATA **4361**
001 Osborne, Arnaye
002 VACANT
006 Jew, John L
010 Tirado, Lydia E
012 VACANT
013 VACANT
015 Markiet, Michelle L
019 Nielsen, Derek J
3 TA **4362**
006 Adnan, Rania
007 Lee, Daniel C
016 Cross, Jarrod L

PTE Santa Ana
Claudia M Valenzuela
363-4357-002 AD II
(13)

3 PS II **4365**
003 Han, Maeline L 353-4364
001 Olmos, Leticia S 363-4365
002 Hayashi, Sandra E 363-4365
004 Vanshijndel, Donna L 363-4365
4 PS I **4364**
027 Gibbs, Betty L 353-4364
004 Malvar, Claudine M 363-4364
006 Salazar, Rosa M 363-4364
007 Chhay, Sothearith C 363-4364
4 ATA **4361**
014 Betancourt, Grace K
015 Gentry, Christy C
018 Nguyen, Thi M.
020 Parker, Erica M
0 TA **4362**
1 TT **7505**
002 Martinez, Yvette F

PTE West Covina Group B
VACANT
353-4357-002 AD II
(09)

6 PS II **4365**
002 Cantor, Michiko 341-4365
004 Palmer, Eileen M 341-4365
002 Penilla, Maria R 353-4365
005 Meza, Patricia 353-4365
010 Kim, Jennifer 353-4365
001 Perry, Tonia R 372-4365
3 PS I **4364**
020 Mitzengendler, Sergey 371-4364
042 Matsuda, Susan M 353-4364
1 TA **4362**
019 Thieu, Angel

Partnership Central Audit
Group
Araceli Ponce de Garcia
341-4358-001 AD I
(11)

3 PS I **4364**
008 Dhaliwal, Rupinder K
009 Luong, Hung Q
010 Walker, Izabella B
4 ATA **4361**
003 Mendoza, Venustiano M
015 VACANT
018 Nguyen, Jean T
019 Elsom, Seth A
038 Nguyen, Hung V
3 TA **4362**
003 Demario, Vilma
004 Pan, Stephanie J
019 Mann, Loveleen K

Estate & Trust Group
Prachi P. Vardhe
341-4358-003 AD I
(09)

3 PS I **4364**
002 Woodard, Kendra D
005 Embry, Mark A
011 Terra Jr., John D
3 ATA **4361**
001 Devriend, Kirsten D
005 VACANT
911 VACANT (341-4361-036)
011 Ramirez, Arturo L
034 Harrison, Heather N
037 VACANT
2 TA **4362**
002 Thickman, Erica
023 Sathyanarayanan Chitra T

PTE Allocations
ADIV – 1
ADIII – 2
ADII – 5
ADI – 6
PSIII – 4
PSII – 15
PSI – 30 + 1
ATA – 45 + 1
TA – 21
TT – 2
131 + 2