

IFTA AUDIT COMMITTEE AGENDA

March 10, 2020

Dial in #: (866) 906-7447

Conference ID: 9179391#

Jurisdiction Representatives:

Beth Duda-Rel, Chair, AZ
Kelly Heaton, Vice Chair, AR
Regan Johnson, MB
Marsha Douglas Roy, QC
Joel Foreman, NE
Lynden Landholm, KS
Betsy McCabe, NV (ab)
Bille Pierson, ID
Christopher Lawson, NJ

Mason Simpson, TN
Lynn Resides, PA (ab)

IFTA Board Liaisons:

L. Michael Romeo, CT
David Nicholson, OK

IFTA Inc., Advisors:

Maria Coronado (ab)
Debbie Meise

Minutes: Marsha Douglas-Roy

Roll Call:

- Betsy McCabe, Lynn Resides and Maria Coronado were not present.

Approval: Approval of February 14, 2020 meeting minutes.

- Two corrections were made. *Motion to approve made by Mason and seconded by Regan to approve the minutes. The motion passed with all in favor.*

Updates:

IFTA/IRP Workshop –

- Workshop survey: Debbie will send out reminder to complete the survey. 92 responses have been received out of 240 attendees. The survey will tentatively close Friday, March 13th.
- Charge to Board - Keynote Speaker: A \$7500 budget has been allowed for a Keynote speaker. The IFTA Board would like to get proposals for the theme, Keynote speakers and the exact cost before the May meeting. A decision concerning the theme would be help full towards choosing a speaker, however we are awaiting the IRP committee concerning proposals we made for the theme. It was suggested that we look into the person who gave a course on audit report writing in Arizona last year.
 - Note: during the Feb. meeting two themes were suggested by the audit committee *“Today’s Ocean of Communication”* and *“Overcoming the language barrier/Auditing in a diverse world”*.

Best Practices Guide (BPG) – Lynden and Lynn to provide update on mock-up progress.

- Lynden and Lynn have been working on a mathematics example to be added to the BPG appendix. The example should help explain to the community the application of P570 when the records are inadequate and unreported fuel or distances are found. The Mock-up was presented to Beth and Kelly who sent a few comments. Lynden and Lynn are working on those suggestions and will present their mock-up to the committee as soon as they are able.

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Joint IFTA/IRP Audit Manager Roundtables – Feedback

- Many of the committee members were attendees of the roundtables. The meetings were appreciated. A loss of expertise was noted for some jurisdictions because of high turnover. Both the Tuesday and Wednesday meetings focused primarily on the audit count

- **Changing IFTA audit count**
 - **Concerns and observations:**
 - Concerns were voiced on the risk of audit resource reduction if the audit count were to be reduced.
 - It was noted that the inadequate assessments were on the rise and view this as a positive towards promoting compliance.
 - Reducing to 1 or 2 year audits may have influenced a jurisdictions ability to attain the 3% requirement.
 - It was noted that many jurisdictions are going through important personnel turnovers. The loss of expertise and/or number of resources can have an important impact on a jurisdictions ability to complete their 3% requirement.
 - Some question the reasoning for changing the audit count.
 - Is it to meet the 3% requirement?
 - To encourage more mega carrier audits?
 - To increase industry compliance?
 - It was noted that most Revenue Departments do not audit 3% of their population for tax and income tax.
 - Several on the audit committee voiced that any change should be towards industry compliance.
 - **Suggestions:**
 - Base the audit count on the number of units or the different fuels audited. The difficulty arises because industry is not proportionate between the jurisdictions.
 - Base the audit count on a point system. The difficulty would be in determining the point criteria and how many points for each jurisdiction.
 - It was suggested that we look into analytics/algorithms to determine from the clearinghouse the “at risk carriers” for audit. The difficulty is in finding the resources to help establish a system and analytics, as well as to get approval from all the jurisdictions.

GPS/ELD vendors seen in audits

- A request was made to all committee members to provide a list, before the next planning committee meeting of frequent ELD-GPS vendors used in their jurisdiction. The list will be forwarded to IFTA Inc. for soliciting possible presenters for next year’s workshop.

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Board Update – Updates (Michael/David).

New officers in the IFTA Board of Trustees:

- Scott Bryer, President; Antoinette Tannous, 1st Vice President; Helen Varcoe. 2nd Vice-President.
- The board has been very busy. They are working on policies to present at the August business meeting.
- The language concern for a section in the agreement will be presented to the board.

IFTA Inc.

- Carmen and team are working diligently to find ways to cut costs. For example, they are looking into buying equipment, for use at workshops, and they are actively looking into proposing changes to the bylaws.

New Board charges:

Industry representative on the audit committee

- The audit committee chairs received confirmation recently concerning Industry representation on the audit committee.
- We have been asked to decide the preferred quarterly meetings for Industry rep. participation. After discussion, June was chosen as the preferred first meeting. This would allow time to prepare an appropriate agenda, respecting where possible, the auditor conflict of interest, arms-length and confidentiality policies. This would representative would fall into the meetings where we are finalizing the workshop.
- The IAC, industry advisory committee will be contacted in order to obtain their representative proposals.

Board Charge - Educating the IFTA community

- The board has charged the audit committee to review the IFTA educational resources.
 - We should try to determine the needs. Whether for auditor, manager, service provider or carrier.
 - Review present resources.
 - Review how the resources are communicated.
 - Prepare our recommendations for July 1st, so they can be included in the August Board meeting.

GPS Standardized Data Output Working Group: Updates (David).

- The working group will be meeting the 4th and 5th of May, just before the IRP board meeting. They hope to get a lot done over these two days and present to the board.

IFTA/IRP workshop 2021

- Next year's meeting has not been decided, but they have narrowed the choices to New Orleans and St-Petersburg.

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Meeting attendance

- Because of COVID-19, some jurisdictions have suspended travel. This may affect attendance at future meetings.

IFTA, Inc. Update – Any updates (Debbie).

- Debbie has completed all requests for Continuing education Credit letters. If anyone on the committee wishes to receive the CE credit letter, please send her a request.

New Business: Omnitracs ebook – *Make IFTA Work for Your Operation*

- The document was found interesting by some members. Some inaccuracies were mentioned.

A motion to adjourn the meeting was made by Lyndon. Billie 2nd the motion. The motion passed with all in favor.