



Electronic Records how Much is Enough



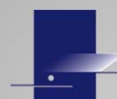
Rick DeMuynck (IA)

Bille Pierson (ID)

Lynden Landholm (KS)

General Discussion

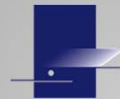
- How many of you have had a true GPS audit?
 - If you raised your hand, we are going to be looking for your assistance during this discussion!
- For those that have, at the onset, you probably didn't consider things like...
 - your workpapers may look a bit different
 - where to keep the detail provided by the carrier
 - is it necessary to keep all the raw data that's provided?



General Discussion (cont'd)

Remember, the focus of an audit, and the level of testing should always be determined by the system of controls

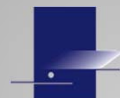
- Many small carriers with manual records – and even GPS records – lack a system, so more testing is necessary
- Carriers with a good electronic system should require less testing
- Proving the system doesn't necessarily mean the auditor won't find any errors or other issues – no system is perfect!



Let's talk about the impact of ping rates...

We want as much data as we can get to ensure accuracy, but:

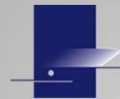
- the higher the ping rate the larger the data file
- a higher ping rate will potentially generate a significant amount of unnecessary info.



Let's talk about the impact of ping rates...

2 minute pings equate to

- 30 lines of lat/lon data per hour
- 240 lines per 8 hours
- 720 lines per 24 hours
- Many of those will not reflect a change in movement or status, so where's the value?



Let's talk about pings (cont'd)

On the other hand, the ping rate may be more often if the system is programmed to collect data at other times such as:

- Change of status (was the engine turned off or in idle mode)
- Did the vehicle cross a jurisdictional border (geofencing)?

ge·o·fenc·ing

/ˈjēōˌfensiNG/

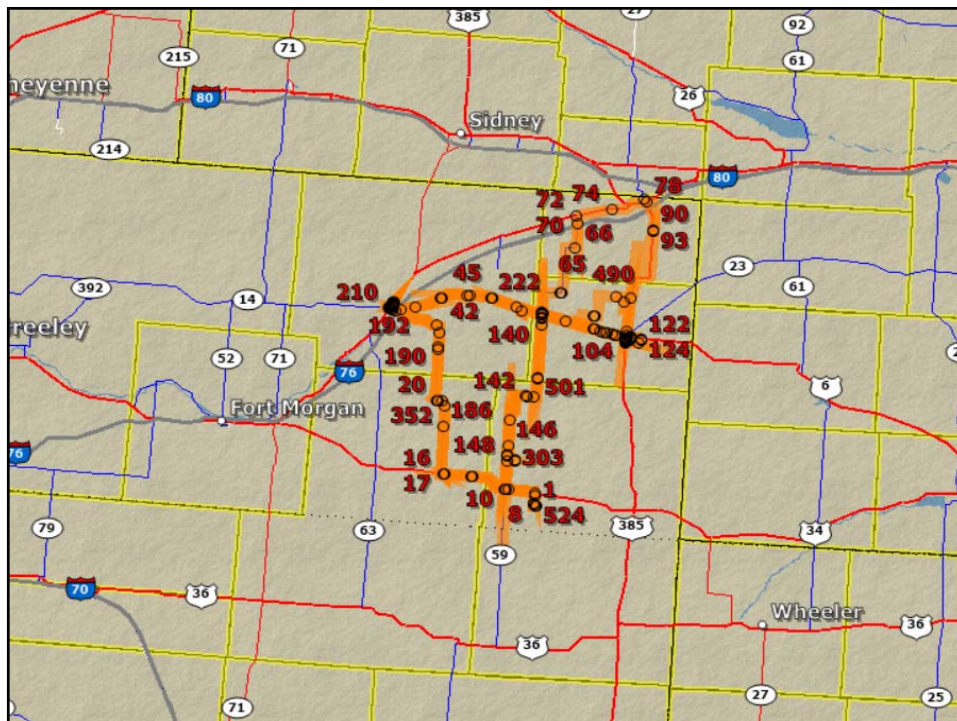
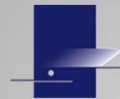
noun

the use of GPS or RFID technology to create a virtual geographic boundary, enabling software to trigger a response when a mobile device enters or leaves a particular area.
"geofencing turns the lights off when you leave and on when you get home"

General Discussion (cont'd)

Can distance software handle a multitude of data points?

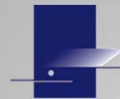
- If you copy/paste all the data for a "trip", you will have an excessive number of data points on the map
- Although much quicker than entering city data, it will still take some time
- Will it tell you any more than a shorter test would?



General Discussion (cont'd)

A few more things of note...

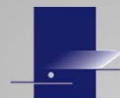
- The original DOT ELD mandate was December 18, 2017
- AOBRDs (automatic on-board recording devices) compliant with existing regulations that were put in use prior to 12/18/17 may be used until December 16, 2019, so...



A few more things of note (cont'd)

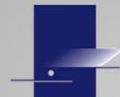
Your carrier may have had:

- A manual system prior to the mandate
- An AOBRD that was not compliant, so they had to change to an ELD
- An AOBRD that was compliant, but can't be used after 12/2019
- An ELD they tried and didn't like so they went to
- A new ELD....so



A few more things of note (cont'd)

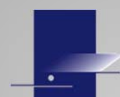
YOUR AUDIT PERIOD
MAY REFLECT 2 (or more)
DIFFERENT SYSTEMS,
EACH OF WHICH MUST
BE TESTED



General Discussion (cont'd)

Facts regarding a recently conducted electronic audit...

- The carrier had 25 – 30 IFTA/IRP vehicles
- They had approximately 60 vehicles that were locally base plated
- The IRP/IFTA vehicles were based out of 7 terminals
- Those 7 terminals were in 3 jurisdictions
- The detailed data reports reflected lat/lon and the ECM odometer readings



Vehicle	Name	Date & Time	Lat	Long	ECM Odometer
243	STR 243	3/1/2018 1:39	40.07615	-102.595	594225.4
243	STR 243	3/1/2018 1:39	40.07615	-102.595	594225.4
243	STR 243	3/1/2018 7:09	40.07608	-102.595	594225.4
243	STR 243	3/1/2018 7:09	40.07608	-102.595	594225.4
243	STR 243	3/1/2018 7:13	40.07614	-102.595	594225.4
243	STR 243	3/1/2018 7:13	40.07614	-102.595	594225.4
243	STR 243	3/1/2018 7:21	40.07551	-102.596	594225.5
243	STR 243	3/1/2018 7:21	40.07551	-102.596	594225.5
243	STR 243	3/1/2018 7:24	40.07831	-102.606	594226.2
243	STR 243	3/1/2018 7:24	40.07831	-102.606	594226.2
243	STR 243	3/1/2018 7:34	40.11871	-102.716	594234.6
243	STR 243	3/1/2018 7:34	40.11871	-102.716	594234.6
243	STR 243	3/1/2018 7:39	40.11871	-102.716	594234.6
243	STR 243	3/1/2018 7:39	40.11871	-102.716	594234.6
243	STR 243	3/1/2018 7:40	40.11861	-102.717	594234.6
243	STR 243	3/1/2018 7:40	40.11861	-102.717	594234.6
243	STR 243	3/1/2018 7:54	40.1491	-102.953	594248.1
243	STR 243	3/1/2018 7:54	40.1491	-102.953	594248.1
243	STR 243	3/1/2018 8:09	40.36469	-102.979	594263.9
243	STR 243	3/1/2018 8:09	40.36469	-102.979	594263.9
243	STR 243	3/1/2018 8:09	40.36516	-102.996	594264.8
243	STR 243	3/1/2018 8:09	40.36516	-102.996	594264.8
243	STR 243	3/1/2018 8:24	40.5842	-103.021	594280.9
243	STR 243	3/1/2018 8:24	40.5842	-103.021	594280.9
243	STR 243	3/1/2018 8:37	40.63369	-103.196	594292.2

General Discussion (cont'd)

The process...

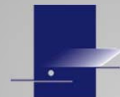
- As with any carrier, 1 of the 1st things to do is review the vehicle recaps or summaries

	A	B	C	D	E	F	G	H	I
1	3rd Qtr., 2017								
2	Tractor	Total Miles	CO	IA	KS	MO	NE	SD	WY
3	1000	5,361.7	0.0	0.0	4,600.5	761.2	0.0	0.0	0.0
4	123	9,745.3	0.0	0.0	0.0	0.0	9,745.1	0.0	0.2
5	165	27,236.7	0.0	1,500.7	0.0	276.1	25,442.9	17.0	0.0
6	171	17,529.9	0.0	11,989.1	0.0	257.8	3,153.0	2,130.0	0.0
7	184	8,692.2	3,530.4	0.0	0.0	0.0	5,161.8	0.0	0.0
8	190	7,992.3	0.0	0.0	162.7	7,829.6	0.0	0.0	0.0
9	192	10,297.5	0.0	3,240.5	0.0	0.0	6,666.5	390.5	0.0
10	194	2,317.6	2,317.6	0.0	0.0	0.0	0.0	0.0	0.0
11	2000	5,698.8	0.0	110.2	1,187.2	4,384.9	16.5	0.0	0.0
12	212	18,195.2	0.0	4,613.8	111.5	12,514.1	955.8	0.0	0.0
13	220	19,895.9	0.0	3,606.4	4,672.0	10,804.5	813.0	0.0	0.0
14	228	17,352.8	0.0	3,552.5	0.0	269.5	13,115.7	415.1	0.0
15	229	22,810.0	0.0	5,922.7	60.1	15,814.0	1,013.2	0.0	0.0

General Discussion (cont'd)

The process (cont'd)...

- We've reviewed the summaries, selected a sample of vehicles and we're ready to test
- What about testing "days" instead of trips?

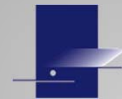


Tractor Units		243 Miles	
Date	Total Miles	CO	NE
1/1/2018	0.0	0.0	0.0
1/2/2018	270.2	270.2	0.0
1/3/2018	213.6	213.6	0.0
1/4/2018	248.4	248.4	0.0
1/5/2018	186.5	186.5	0.0
1/6/2018	5.1	5.1	0.0
1/7/2018	0.0	0.0	0.0
1/8/2018	214.7	214.7	0.0
2/15/2018	283.2	280.0	3.2
3/6/2018	274.5	271.8	2.7
3/19/2018	223.3	223.3	0.0
3/20/2018	264.9	261.9	3.0
3/21/2018	229.6	229.6	0.0
3/22/2018	253.0	253.0	0.0
3/23/2018	196.3	196.3	0.0
3/26/2018	180.1	180.1	0.0
3/27/2018	264.9	264.5	0.4
3/28/2018	182.9	182.9	0.0
3/29/2018	329.7	329.7	0.0
3/30/2018	209.5	209.5	0.0
3/31/2018	0.5	0.5	0.0
Total	14,596.3	14,587.0	9.3

General Discussion (cont'd)

By testing days, the auditor

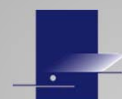
- could zoom in and determine those minimal miles were incorrect
- even though it was not a material error in comparison to the total, had it been an issue, it might have gone unnoticed if longer periods of time had been tested
- Overall, the GPS info was acceptable, although there were some minor adjustments.



General Discussion (cont'd)

Now what about the workpapers...

- The auditor did not duplicate the carrier's info
- They added the data sheet(s) as a separate tab
- Where they would normally have reflected location data, they referenced that tab



A good system should not require excessive testing; there is no need to test merely for the sake of testing when no issues are being discovered.

			BEG.	END.				TOTAL
UNIT	DATE	TRIP DESCRIPTION	ODOM.	ODOM.	IA	NE	SD	MILES
228	1/2	SEE RAW DATA REPORT TAB	559,066	559,352	32	247	7	286
228	1/3	SEE RAW DATA REPORT TAB	559,352	559,622	137	133		270
228	1/4	SEE RAW DATA REPORT TAB	559,622	559,877	111	135	9	255
228	1/5	SEE RAW DATA REPORT TAB	559,877	560,140	132	124	8	264
228	1/8	SEE RAW DATA REPORT TAB	560,140	560,399	197	55	7	259
228	1/9	SEE RAW DATA REPORT TAB	560,399	560,694	71	216	8	295
228	1/10	SEE RAW DATA REPORT TAB	560,694	560,978	114	169		283
228	1/11	SEE RAW DATA REPORT TAB	560,978	561,245	161	99	7	267

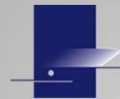
Questions / observations /
insights & helpful hints are all
appreciated!



Moving on Down the Road

Company Facts....

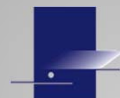
- Regional Household Goods Mover
- Global Positioning System (GPS)
- Fuel purchased over the road
 - Locally
 - Fuel card
- 5 Apportioned vehicles – 1 registered at 26K
- 4 Local and/or non-qualified vehicles



Moving on Down the Road

Company Facts (cont'd)....

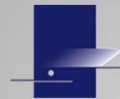
- All vehicles are equipped with GPS units
- The units are hardwired and tamper proof
- Carrier does not print copies of the GPS records
- Carrier does not generally save the info
- GPS provider only retains the data for 1 year
- All vehicles have been reported
- The base jurisdiction distance was incorrectly reported as non-taxable in 1Q2017



Moving on Down the Road

Company Facts (cont'd)....

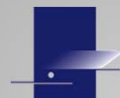
- Fuel cards are assigned by driver
- Drivers must enter a driver ID number to fuel
- Due to issues with the fuel card company, owner has told all drivers to enter the same ID number.
- Fuel purchased locally on account does not identify the vehicle on the receipts
- Initial Audit Period: 3Q16 – 2Q18



Moving on Down the Road

Available Records

- Detail reports from 07/01/16 – 12/31/16
- Summary reports from 2Q – 4Q 2017
- State Miles report from 11/01/17 – 06/30/18
- Receipts from 1/2018 – 12/2018
- Fuel Card Reports from 4/2017 – 1/2018



Example Detail Report

DATE_CREATED	EVENT_DATE	EVENT_TYPE	C_ADDRESS	CITY	STATE	ZIP	LAT	LONG	ODOMETER
7/1/2016 0:01	7/1/2016 0:01	MOVE_PER	US Hwy 431 N	Abbeville	AL	36310	31.55342	-85.2834	208014842
7/1/2016 0:05	7/1/2016 0:05	MOVE_PER	1290 US Hwy 431 N	Abbeville	AL	36310	31.61571	-85.2774	208021794
7/1/2016 0:07	7/1/2016 0:07	MOVE_PER	US Hwy 431 N	Abbeville	AL	36310	31.64766	-85.2805	208025364
7/1/2016 0:10	7/1/2016 0:09	MOVE_PER	131 Co Rd 85 W	Abbeville	AL	36310	31.67967	-85.2791	208028908
7/1/2016 0:12	7/1/2016 0:11	MOVE_PER	S Eufaula Ave	Eufaula	AL	36027	31.71084	-85.2737	208032440
7/1/2016 0:14	7/1/2016 0:14	MOVE_PER	1 Richards Crossroad	Eufaula	AL	36027	31.73673	-85.2513	208036048
7/1/2016 0:16	7/1/2016 0:16	MOVE_PER	4791 S Eufaula Ave	Eufaula	AL	36027	31.75349	-85.2196	208039598
7/1/2016 0:18	7/1/2016 0:18	MOVE_PER	88 Co Rd 40	Eufaula	AL	36027	31.76989	-85.1874	208043160
7/1/2016 0:22	7/1/2016 0:22	MOVE_PER	391 Dot Dr	Eufaula	AL	36027	31.82688	-85.1631	208050166

Date created

State

Event Date

Zip

Event Type

Lat

Address

Lng

City

Odometer



Example State Miles Report

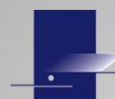
4496					
AL	Mar 01, 2018 1:41:26 PM	Mar 05, 2018 8:42:50 AM	655,792	656,114	321.2
	Mar 05, 2018 8:42:50 AM	Mar 06, 2018 7:46:39 AM	656,114	656,163	49.4
	Mar 06, 2018 7:46:39 AM	Mar 06, 2018 10:05:20 AM	656,163	656,199	36.1
	Mar 06, 2018 4:59:00 PM	Mar 08, 2018 6:00:40 AM	656,362	656,640	277.0
	Mar 14, 2018 4:53:27 AM	Mar 15, 2018 1:51:27 PM	659,142	659,365	223.4
	Mar 15, 2018 1:51:27 PM	Mar 15, 2018 3:28:11 PM	659,365	659,395	29.3
	Mar 16, 2018 5:59:39 PM	Mar 19, 2018 1:53:32 PM	659,955	660,014	58.6
	Mar 19, 2018 3:42:51 PM	Mar 19, 2018 4:42:26 PM	660,121	660,188	67.0
	Mar 20, 2018 4:05:30 PM	Mar 20, 2018 5:05:45 PM	660,462	660,529	67.0
FL	Nov 28, 2017 8:21:02 AM	Nov 28, 2017 4:04:40 PM	635,381	635,443	61.8
	Dec 06, 2017 9:46:02 AM	Dec 08, 2017 12:04:02 PM	636,871	637,731	859.6
	Dec 27, 2017 8:46:02 AM	Dec 27, 2017 11:37:17 AM	641,987	642,060	73.3
	Jan 12, 2018 9:19:12 AM	Jan 12, 2018 5:13:57 PM	646,524	646,673	149.5
	Feb 07, 2018 12:35:27 PM	Feb 07, 2018 2:39:30 PM	652,503	652,611	108.3

State	Vehicle Group	Vehicle	Drivers	Distance Traveled in State (MILES)
AL	No Group	4496	Unassigned	0
AL	No Group	4495	Unassigned	2,762
AL	No Group	4482 red	Unassigned	1,585
AL	No Group	2	Unassigned	2,060
AL	No Group	9 pack truck	Unassigned	2,628
AL	No Group	2961	Unassigned	3,100
AL	No Group	4483	Unassigned	1,000
AL	No Group	4 3500	Unassigned	1,502
GA	No Group	4495	Unassigned	1,330
GA	No Group	4482 red	Unassigned	314
GA	No Group	2	Unassigned	240
GA	No Group	2961	Unassigned	147
SC	No Group	4495	Unassigned	619
SC	No Group	4496	Unassigned	0
NC	No Group	4495	Unassigned	494
NC	No Group	4496	Unassigned	0
LA	No Group	4496	Unassigned	0
LA	No Group	4495	Unassigned	191
FL	No Group	9 pack truck	Unassigned	1,013
FL	No Group	4 3500	Unassigned	211

Moving on Down the Road

Although there were lots of parts & pieces...

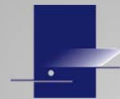
- There were no summaries to validate the detail reports
- There were no detail reports to validate the summaries
- The fuel could only be tied to the 2 vehicles that conducted the majority of the OTR activity



Moving on Down the Road

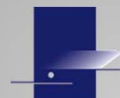
The audit was reduced to 4 quarters with an overall rating of inadequate.

- For the IRP registration year:
 - an inadequate records assessment was applied
- For the IFTA segment:
 - The 2017 vehicle summaries enabled the capture of the actual fleet vehicles for 3 quarters (best information available)

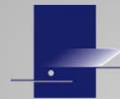


The IFTA Segment (cont'd)

- An estimate of activity was applied for the operating vehicle that had no distance
- The absence of a summary for 1Q 2017 led to the acceptance of that quarter as reported
- For the 2 vehicles that conducted the OTR travel, the fuel purchases were analyzed, and credit was allowed for those purchases that could be reasonably tied to the travel
- All other credit was denied
- The reported MPGs were reduced by 20%



What would you have done?

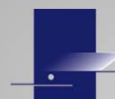


Global Positioning System
(GPS) Reports

GPS Insight



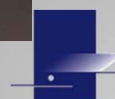
I F T A



Long way to go!

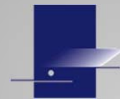


I F T A



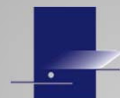
About the Company

- Private carrier
- Rental and Leasing Services
- IFTA fleet consists of 60 vehicles with a registered weight of 80,000 pounds
- Two IRP fleets : Fleet 001 consists of 51 vehicles and Fleet 002 consists of 9 vehicles
- Reported MPG's between 6.0 & 6.79



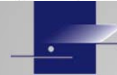
Distance Records

- The Company used GPS to report distance across each jurisdiction.
- Pings every two minutes.
- The Company provided GPS reports and summaries.
- Drivers maintained odometer readings.
- The company reconciled the odometer readings with the GPS reports monthly



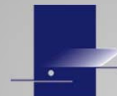
GPS Report

A	B	C	D	E	F	G	H	I	J	K	L
UNIT_ID	time_GMT	LAT	LONG	HEADING	IGN	ENGINE_C	GPS	CELL	STREET_NUMBER	ADDRESS	MPH
616688	04:58.0	33.37098	-111.944	0	0	0	EXCELLENT (3)	0	5741 US	85283 Arizona Tempe S Kyrene Rd	0
616688	09:58.0	33.37098	-111.944	0	0	0	EXCELLENT (3)	0	5741 US	85283 Arizona Tempe S Kyrene Rd	0
616688	09:58.0	33.37098	-111.944	0	0	0	NO FIX (1)	0	5741 US	85283 Arizona Tempe S Kyrene Rd	0
616688	04:58.0	33.37096	-111.944	0	0	0	EXCELLENT (3)	0	5743 US	85283 Arizona Tempe S Kyrene Rd	0
616688	09:58.0	33.37096	-111.944	0	0	0	EXCELLENT (3)	0	5743 US	85283 Arizona Tempe S Kyrene Rd	0
616688	09:57.0	33.37096	-111.944	0	1	1	EXCELLENT (3)	0	5743 US	85283 Arizona Tempe S Kyrene Rd	0
616688	11:41.0	33.37098	-111.945	268	1	1	EXCELLENT (3)	0	5741 US	85283 Arizona Tempe S Kyrene Rd	0.626343
616688	14:58.0	33.37083	-111.944	87	1	1	EXCELLENT (3)	0	5749 US	85283 Arizona Tempe S Kyrene Rd	0
616688	18:44.0	33.36983	-111.945	167	1	1	EXCELLENT (3)	0	5805 US	85283 Arizona Tempe S Kyrene Rd	0
616688	19:58.0	33.36983	-111.945	167	1	1	EXCELLENT (3)	0	5805 US	85283 Arizona Tempe S Kyrene Rd	0
616688	23:56.0	33.36983	-111.945	167	1	1	EXCELLENT (3)	0	5805 US	85283 Arizona Tempe S Kyrene Rd	0.626343
616688	24:58.0	33.37	-111.945	2	1	1	EXCELLENT (3)	0	5795 US	85283 Arizona Tempe S Kyrene Rd	5.59239



Focus on Distance

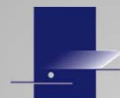
- Any questions about the records?
- How would you detect if the GPS recorded distance is accurate?





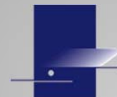
Distance Analysis

- The summary reports were used to file the Quarterly IFTA reports.
- Would you give the distance records an adequate or inadequate rating?
- What other information might you need/ask for?



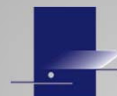
Let's take a closer look...

616688	5/19/2017 22:28	33.61090533	-84.40905702	617	US 30349 Georgia Atlanta Lees Mill Rd
616688	5/19/2017 22:31	33.61069343	-84.40858897	609	US 30349 Georgia Atlanta Lees Mill Rd
616688	5/19/2017 22:36	33.61069343	-84.40858897	609	US 30349 Georgia Atlanta Lees Mill Rd
616688	5/19/2017 22:36	33.61069343	-84.40858897	609	US 30349 Georgia Atlanta Lees Mill Rd
616688	5/19/2017 22:36	33.61069343	-84.40858897	609	US 30349 Georgia Atlanta Lees Mill Rd
616688	5/19/2017 22:41	33.61069343	-84.40858897	609	US 30349 Georgia Atlanta Lees Mill Rd
616688	5/19/2017 22:46	33.61069343	-84.40858897	609	US 30349 Georgia Atlanta Lees Mill Rd
616688	5/19/2017 22:51	33.61069343	-84.40858897	609	US 30349 Georgia Atlanta Lees Mill Rd
616688	5/19/2017 22:56	33.61069343	-84.40858897	609	US 30349 Georgia Atlanta Lees Mill Rd
616688	5/19/2017 23:01	33.61069343	-84.40858897	609	US 30349 Georgia Atlanta Lees Mill Rd



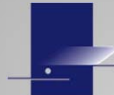
Edits to the data

616688	5/20/2017 4:46	35.84174161	-80.13400049	-1	US 27360 North Carolina Thomasville
616688	5/20/2017 4:46	35.84174161	-80.13400049	-1	US 27360 North Carolina Thomasville
616688	5/20/2017 4:48	33.61069343	-84.40858897	608	US 30349 Georgia Atlanta Lees Mill Rd
616688	5/20/2017 4:48	33.61069343	-84.40858897	608	US 30349 Georgia Atlanta Lees Mill Rd
616688	5/20/2017 4:51	35.85876425	-80.05966038	-1	US 27360 North Carolina Thomasville I-85
616688	5/20/2017 4:56	35.89699512	-79.96746078	-1	US 27370 North Carolina Trinity I-85
616688	5/20/2017 5:01	35.95650127	-79.89640638	-1	US 27407 North Carolina Greensboro I-85
616688	5/20/2017 5:06	36.00231877	-79.82352137	-1	US 27406 North Carolina Greensboro I-85 [I-85/Us-421]
616688	5/20/2017 5:11	36.02007365	-79.73251535	-1	US 27406 North Carolina Greensboro I-85



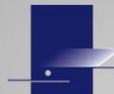
Fuel Records

Trip Number	Unit Number	Card Hub	Invoice Number	Invoice Date	Item	Unit of Measure	Item Qty	Item Price	Item Amt	Sales Tax	Tax Fee	Fuel Disc Amt	Total Amt	Cents/Gallon	Merchant Savings	Location
RAVO	660620	2	263580	10088	04/04/2017 19:08	Diesel 2	Gallons	123.0480	2.489	306.88	18.80	0.00	-13.80	314.16	0.11	NF 10235
																Petro Greensburg GREENSBURG IN
CHARLIE	660620	2	268161	20785	04/08/2017 23:13	Diesel 2 Bulk DEF	Gallons	112.7300	2.569	289.00	0.00	0.00	-1.13	313.91	0.01	NF 3000
								7.7800	2.829	22.04						TA Santa Rosa SANTA ROSA NM
	616889	5	166172	24577	04/05/2017 02:16	Diesel 2 Bulk DEF	Gallons	174.4900	2.450	428.68	0.00	0.00	-8.72	457.02	0.05	NF 6406
								12.9700	2.829	36.68						Petro Bordentown BORDENTOWN NJ
	616889	5	167247	77198	04/08/2017 00:29	Diesel 2	Gallons	149.8050	2.329	348.62	0.00	2.81	0.00	351.23	0.00	NF 8998
																Loves Travel Stop # WEST MEMPHIS AR
	616889	5	0	12410	04/08/2017 14:41	Diesel 2	Gallons	132.0030	2.530	335.16	0.00	2.51	0.00	337.67	0.00	NF 1844
																Loves Travel Stop # SANTA ROSA NM
	616889	5	0	8528811	04/10/2017 14:11	Diesel 2 Packaged DEF	Gallons Each	124.0910	2.589	322.51	0.00	2.89	0.00	361.85	0.00	NF 9013
								13.0230	2.788	36.45						Flying J #945 PONTIAC BEACH IL
	616889	18	0	31731	04/08/2017	Diesel 2	Gallons									



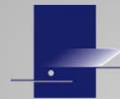
Overall Analysis of Audited Records

- Would you rate the records adequate or inadequate as a whole? Why?
- What additional information would change your mind?
- Want to know what happened?

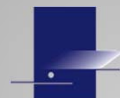


Audit Conclusion

- Overall, records were deemed adequate.
- Over reported Virginia miles during the 2nd quarter 2017 due to clerical errors.
- Underreported Texas, New Mexico, and Louisiana miles during the 2nd Quarter 2017 due to clerical errors.
- Fuel records were complete.



Any
observations
or questions?





The Case of the Electronic Logging Device (ELD)

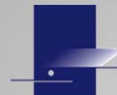
Company Specs:

- Common carrier
- IFTA/IRP fleet consists of one vehicle
- Company hauled vehicles
- Operations took the company to Arizona, Utah, California and New Mexico
- Reported MPG's between 7.56 & 11.53
- IFTA and IRP accounts are active and have been renewed for 2019



Distance Records

- The Company stated that they use an Electronic Logging Device (ELD) to record trips
- The Company prepares monthly summaries of the fleet's operations that include distance traveled during a quarter, in total, by vehicle, and by jurisdiction



Example of ELD Records

KE DRIVER'S DAILY LOG February 12, 2017
USA Property 60 hour / 7 day

Driver	Jere	Co-Drivers	
Distance	96 mi	Vehicles	549 Trailers
Carrier	KIN		
Main Office	13480		
Shipping Docs	None		

	M	1	2	3	4	5	6	7	8	9	10	11	N	1	2	3	4	5	6	7	8	9	10	11	M
OFF																									
SB																									
D																									
ON																									

No.	Status	Start (MST)	Duration	Location	Notes
1	Off Duty	12:00 AM	14 hr	Riverside, CA	
2	Driving	2:00 PM	1 hr	Riverside, CA	
3	On Duty	3:00 PM	30 min	Temecula, CA	Load
4	Driving	3:30 PM	45 min	Temecula, CA	
5	Off Duty	4:15 PM	7 hr 45 min	Perris, CA	

Recap	
2/06	0.00
2/07	0.00
2/08	0.00
2/09	8.75
2/10	0.00
Restart on 2/11	0.00
Total Hours Since Restart	0.00
Hrs Available Today	60.00
Hrs Worked Today	2.25

Odometers			
Vehicle	Start	End	Distance
549	43,664	43,760	96 mi

I certify that these entries are true and correct _____
Driver Signature



Example of ELD Records (cont'd).

No.	Status	Start (MST)	Duration	Location	Notes
1	Off Duty	12:00 AM	14 hr	Riverside, CA	
2	Driving	2:00 PM	1 hr	Riverside, CA	
3	On Duty	3:00 PM	30 min	Temecula, CA	Load
4	Driving	3:30 PM	45 min	Temecula, CA	
5	Off Duty	4:15 PM	7 hr 45 min	Perris, CA	

February 12, 2017 trip

Odometers			
Vehicle	Start	End	Distance
549	43,664	43,760	96 mi

No.	Status	Start (MST)	Duration	Location	Notes
1	Off Duty	12:00 AM	7 hr	Perris, CA	
2	Driving	7:00 AM	4 hr 45 min	Perris, CA	
3	On Duty	11:45 AM	30 min	Las Vegas, NV	Unload/Load
4	Off Duty	12:15 PM	30 min	Las Vegas, NV	
5	Driving	12:45 PM	5 hr	Las Vegas, NV	
6	On Duty	5:45 PM	45 min	Temecula, CA	Unload
7	Driving	6:30 PM	45 min	Temecula, CA	
8	Off Duty	7:15 PM	4 hr 45 min	Perris, CA	

February 13, 2017 trip

Odometers			
Vehicle	Start	End	Distance
549	44,010	44,312	302 mi

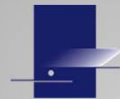
GAP Miles highlighted

IFTA / IRP MILEAGE - FUEL WORKSHEET
SCHEDULE # 02

ACCOUNT #:									
AUDIT PERIOD:		07/01/16-06/30/17							
AUDITOR:									
SAMPLE PERIOD:		1st Quarter 2017							
IRP YEAR:		2018							
PURPOSE:		To verify the accuracy of reported IFTA miles and fuel.							
SOURCE:		Driver's Daily Logs, ELD Summaries							
METHODOLOGY:		Use the worksheet below and mileage software to verify the taxpayer's reported mileage and fuel information.							
TRK #	DATE	ORIGIN - DESTINATION / HIGHWAYS TRAVELED	ST	BEGINNING ODOMETER	END ODOMETER	PER ODOMETER	REPORTED PER TAXPAYER	AUDITED MILES	AUDITED FUEL
	02/09/17	CA-Perris-CA-Riverside-CA-Mira Monte-CA-Mira Loma-CA-Buena Park-CA-Riverside/I-215, CA-91, CA-60, US-101, CA-33, CA-57	CA	43,410	43,578	168	168	168	
	02/10/17	GAP Miles/ Personal use	CA	43,578	43,664	86		86	
	02/12/17	CA-Riverside-CA-Temecula-CA-Perris/ CA-91, I-215	CA	43,664	43,760	96	96	96	
	02/12/17	GAP Miles/Personal Use	CA	43,760	44,010	250		250	
	02/13/17	CA-Perris-NV-Las Vegas/I-215, I-15	CA	44,010				170	
	02/13/17	NV-Las Vegas- CA-Temecula/I-15, I-215	NV					35	
	02/13/17	CA-Temecula- CA-Perris/ I-215	CA		44,312	302	302	97	
	02/14/17	GAP Miles/Personal use	CA	44,312	44,489	177		177	
	02/15/17	CA-Perris-CA-San Bernardino-CA-Lost Hills- CA-Walnut Creek- CA-Tracy/ CA-60, I-5, I-580, I-680	CA	44,489	45,071	582	582	582	
	02/16/17	CA-Tracy- CA-Tehachapi-CA-Riverside/ CA-206, US-395, CA-99, I-5	CA	45,071	45,646	575	575	575	20.000
	02/17/17	CA-Riverside-CA-Long Beach-CA-Mira Loma-CA-Riverside/ I-710, I-305, I-605, CA-60, CA-91	CA	45,646	45,786	140	140	140	18.000
	02/18/17	CA-Riverside- NV-Las Vegas/I-215, I-15	CA	45,786				210	
	02/18/17	NV-Las Vegas- NV-Jean/ I-15	NV					96	
	02/18/17	NV-Jean-CA-Perris/ I-15, I-215	CA		46,320	534	534	228	
	02/19/17	GAP Miles/ Personal use	CA	46,320	46,489	169		169	
	02/21/17	CA-Perris- CA-Tehachapi- CA-Fresno- CA-Riverside/ CA-Riverside- CA-Inyone-CA-Riverside-CA-Costa Mesa- CA-Riverside- CA-Perris/ I-405, CA-55, CA-91, CA-241, I-215	CA	46,489	46,782	293	293	293	61.000
	02/28/17	CA-Perris-CA-Bakersfield-CA-Victorville-CA-Perris/I-5, CA-58, I-395, I-15, I-215	CA	46,782	47,066	284	284	284	55.000
March	03/01/17		CA	47,066	47,489	423	423	423	50.000

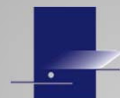
Fuel Records

- The Company provided Audit with quarterly fuel invoices
- Fuel invoices indicated truck number, number of gallons purchased, and the jurisdiction in which the driver purchased fuel
- Cursory review - Fuel invoice totals did not match reported Tax Paid Gallons totals



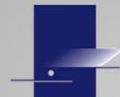
Findings - Distance

- underreported Arizona distance in the 1st Quarter 2017 – misreported to Alaska
- underreported California distance during the audit period – missing distance: personal conveyance
- over-reported distance for Nevada and Utah for the 1st Quarter 2017 due to clerical errors



Findings - Fuel

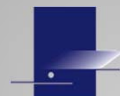
- Adjusted MPG for 1st Quarter 2017
- Over and underreported tax-paid gallons for the 1st Quarter 2017



The Wrap

The carrier received an ***adequate mileage*** rating and an ***adequate fuel*** rating, and here is why:

- Records were provided
- Records deemed adequate
- Internal Controls deemed reliable
- Audited MPG's resulted in a range of 7.59 to 11.53



Q & A

- Any other questions you may have?
- Would you have made a different decision

