

IFTA, INC. BOARD OF TRUSTEES CHARGE TO THE AUDIT COMMITTEE (AC)

1. **History:** In accordance with IFTA Articles of Agreement Article XVIII Sections R1810.100 and R1810.200.020, and as stated in Sections II and III of the Committee Charter, the IFTA Audit Committee is responsible for maintaining the IFTA Audit Manual. This duty includes periodic reviews to determine if any changes or updates are needed and to make such recommendations to the IFTA, Inc. Board of Trustees. The duties of the Audit Committee also include a review of ballot proposals ratified by membership to determine whether any sections of the IFTA Audit Manual are impacted by the ratified language and to recommend changes if applicable.

With the passage of IFTA Ballots 8-2022 and 3-2023, IFTA has addressed the future of fuels used to propel qualified motor vehicles and to provide for the alternative method of taxing consumption based on applying a tax to taxable distance.

2. **Purpose of Charge:**

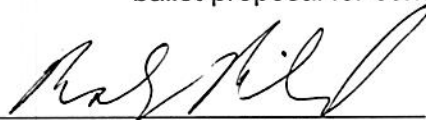
Research how the passage of Ballots 8-2022 and 3-2023 impact the language in the IFTA Audit Manual, determine if any changes are needed to the Audit Manual, and to research how the use of alternative fuels and the implementation of taxing consumption based on applying a tax to taxable distance impacts the audit process.

3. **Charge:**

- 3.1 Develop a sub-committee
- 3.2 Research
- 3.3 Provide results of research and recommendations to the Board including, if applicable, a ballot proposal for recommended changes to the Audit Manual

4. **Timeline for Completion of Project:**

- Provide an update on the progress at each IFTA Board of Trustee quarterly board meeting.
- Provide an update to the membership during the August 2024 Annual IFTA Business Meeting.
- Research completed and recommendations submitted to the IFTA Board of Trustees by the 4Q 2024 Board Meeting for review; including, if applicable, a ballot proposal for consideration in the 2025 ballot cycle.


Rodney Richard, President
IFTA, Inc. Board of Trustees

2-12-24
Date