

**2Q2020 IFTA, Inc.  
Board of Trustees Meeting  
April 2020**

Board Members

Scott Bryer	New Hampshire
Christie Chewing	North Carolina
Dany Couillard	New Brunswick
David Nicholson	Oklahoma
Rodney Richard	Arkansas
L. Michael Romeo	Connecticut
Antoinette Tannous	Quebec
Helen Varcoe	Montana
Richard Wagner	Nevada

IFTA Team

Carmen Martorana	CEO
Monica Halstead	IFTA Business Supervisor
Debora Meise	Communications & Training Director
Tammy Trinker	Events Administrator
Maria Coronado	Program Compliance Review Facilitator
Tom King	Webmaster

Guests

Tim Adams	IRP, Inc. CEO
Jeff Hood	IRP, Inc. Board of Directors Chair
Robert Pitcher	Consultant
Dennis Vanderslice	ARI Fleet, Industry Advisory Committee Chair
Rick LaRose	ProMiles

- 1) **Call to Order** – *Mr. Scott Bryer (NH), IFTA, Inc. Board of Trustees*
  - a) Mr. Bryer called the Second Quarter 2020 IFTA, Inc. Board of Trustees meeting to order
  - b) Due to the pandemic, this meeting was held virtually
  - c) All nine Board members were in attendance
  
- 2) **Approval of Minutes** – *Mr. Bryer*
  - a. Prior to the Board meeting, the Board reviewed and approved the 1Q 2020 IFTA, Inc. Board of Trustees meeting minutes

**Motion:** Ms. Antoinette Tannous (QC) moved to approve the Board Actions by Email as presented. Mr. David Nicholson (OK) seconded. The motion passed unanimously.

- b. These minutes will be posted to the IFTA, Inc. website following the conclusion of the Board meeting

3) **Discussion on COVID-19** – *Mr. Bryer and Mr. Martorana*

a. The Board members shared the status of the effect of COVID-19 in their jurisdictions regarding travel restrictions and timelines

- Quebec is gradually returning to work and schools are planning to reopen. In relation to IFTA, Quebec is not changing the April deadlines but is waiting on confirmation of payments being postponed until June. Government personnel are still working from home but there is a plan to return to the office in mid-May. Borders are anticipated to remain closed for another 30 days.
- Montana continues to have travel restrictions and a 14-day quarantine for anyone entering the state. Individual school districts will be able to vote on their reopening. State reopening's are being planned in stages and remote working status is planned to carry through to the end of May.
- Oklahoma has similar travel restrictions that remain in place and is planning a 3-stage reopening of the state.
- Nevada government employees are going into the office on a voluntary basis. No quarterly return extensions are being granted as numerous returns are being received and processed daily. State travel restrictions are still in effect through the end of the fiscal year and might be lifted in July.
- North Carolina continues to work from home as much as possible with limited personnel working in the office. While the state plans to reopen the office to the public by May 1<sup>st</sup>, there are no announcements at this time to confirm a reopening period. Currently there is no additional data on changing the travel restrictions status.
- New Brunswick is slowly beginning to reopen but emergency measures are still in place. Government Revenue Offices were deemed essential and have been staffed at 20% capacity and is anticipated to increase for full start in May. Schools are not planning to reopen before September 2020. The province is processing returns and a deadline change was not announced. Penalties and interest will be reviewed on a case-by-case basis. The province does not foresee the travel restrictions being lifted and no travel between the provinces is being permitted. Currently it is not likely that New Brunswick will be permitted to travel in August.
- Arkansas' Department of Finance and Revenue had remained open to the public and has been working with 50% capacity. Recently the department returned to full capacity. All due dates remain the same. Travel restrictions remain in place with the possibility of change over the next couple of months. Arkansas had no shut in or stay in place order and businesses may be reopening in the coming weeks.
- Connecticut closed most businesses and has been working with 10% dedicated staff identified as essential that would come to the office once or twice a week. All department staff have been addressing IFTA stats, new registrations, and processing forms. Returns are 100% electronic and have been received and addressed. Schools remain closed through May 20<sup>th</sup>.
- New Hampshire has not extended deadlines at this time but will address any issues on a case-by-case basis. Schools will remain closed through the end of the school year but will reopen in the fall. The governor extended the emergency declaration and it is unlikely that New Hampshire will reopen until the end of May. New Hampshire did enforce a stay-at-home order as the state has had more than 3,000 cases of COVID-19.

- b. Scheduling of the upcoming Annual IFTA Business Meeting this August in Tempe, Arizona was reviewed
  - Concern was expressed for extended travel restrictions and people that might not wish to travel and jurisdictions not permitting members to travel
  - Options for hosting the business meeting were presented and included a virtual meeting, postponing the business meeting, or cancelling the business meeting altogether
- c. Board members shared their viewpoints regarding the Annual IFTA Business Meeting
  - Mr. Bryer observed that restrictions may begin to lift and businesses might open up in June, but that there could be concern for a relapse in the fall. He opined that restrictions would be lifted by August so that the business meeting could be held while a postponement could be affected should there be a second wave of the pandemic. Mr. Bryer expressed concern regarding a virtual meeting even if limited to one voting member from each member jurisdiction.
  - Ms. Tannous noted that border closings are serious and might not open for everyone until June or July. Travel will remain a concern and be reviewed on a case-by-case basis by state and province. She opined that travel outside the states may be questionable.
  - Mr. Dany Couillard (NB) concurred with Ms. Tannous and stated that, once travel does open, it may be for essential travel only and travel may be problematic for Canadian members to travel to the states.
  - Mr. Nicholson also agreed with Ms. Tannous and recommended that the IFTA Team inquire about cancellation procedures and penalties for the business meeting.
  - Mr. Martorana stated that social distancing might be an issue and effect the number of attendees at the business meeting. The IFTA Team will consult with the Mission Palms regarding a Force Majeure and policies for social distancing.

4) **IFTA, Inc. Update** – *Mr. Martorana*

- a. Migration of the IFTA, Inc. LAN server was reviewed
  - IFTA, Inc. has completed the migration of the LAN system to a Microsoft 365 Cloud based system and has the most up-to-date Microsoft programming
  - The server at the co-location will be decommissioned pending the removal of the shelf
  - Final cost of the migration was \$5,000 and will save IFTA, Inc. \$1,000 a month with the release and decommission of this server at the co-location
- b. An update on the office move was presented to the Board
  - In preparing for the office move and release from the rental agreement at B-6, the IFTA Team has secured a post office box in Mesa
  - The IFTA Team will research the size of packages that can be accepted at the post office
  - Confirmation of the B-6 rental lease termination has been received
  - The IFTA Team continues to research a storage facility for the excess office equipment and materials
  - IFTA, Inc. advised the landlord that it is agreeable to an early release should a new tenant be secured for the office space at B-6

- c. The status of the new IFTA logo and trademark were discussed by the Board
  - An attorney was secured to assist IFTA, Inc. in filing for a trademark utilizing the new logo design and wording
  - The trademark application has been filed with United States Patent and Trademark Office (USPTO) and it is estimated that the process would take six months
- d. A new auditor has been secured as approved by the Board during the 1Q 2020 Board meeting
  - The firm, Ball & McGraw PC, has been retained and is currently working with the IFTA Team for the last three years' worth of audits
  - The IFTA Team is currently researching a different auditing firm that could conduct a SOC I audit
  - The IFTA Executive Committee is in favor of having a SOC I audit during the years when there is no SOC II audit being conducted
- e. Caritas Law Group PC, has been retained as the organization's attorney as approved by the Board during the 1Q 2020 Board meeting
  - The attorney reviewed and offered suggestions and comments on the IFTA, Inc. Bylaws, Articles of Incorporation, and the Employee Handbook
  - The IFTA Team will request that the attorney be present during the 3Q 2020 Board meeting taking place before, and after, the Annual IFTA Business Meeting
- f. The Clearinghouse modernization has been put on hold pending the Clearinghouse Advisory Committee (CAC) Board charge results
  - This charge remains a priority for the CAC, but due to the recent COVID-19 pandemic, the committee has not been able to meet and discuss the charge
- g. Programming continues for the new IFTA website with anticipation of a presentation during the Annual IFTA Business Meeting
  - This new website will include a Subscriber's web page and message board
  - Levels 1 – 3 have been totally redesigned
  - Jurisdiction Communication Lists have been updated, including editing features
  - Full release of the new website is anticipated by the end of 2020

5) **Ballot Review** – *Mr. Martorana*

- a. Full Track Preliminary Ballot Proposal (FTPBP) #1-2020 is sponsored by the jurisdiction of Illinois
  - The intent of this ballot is to provide a representative denominator on which a three-fourths vote of the IFTA membership needed for passage of ballots, CBIs, and roll-call votes at the annual meeting is based. The denominator will include only those jurisdictions whose status is active and considered eligible to vote
  - Instances of not being eligible to vote are those jurisdictions:
    1. having sanctions imposed upon them through the Dispute Resolution Process, thereby having lost their voting privilege
    2. not having a commissioner named, or
    3. not naming a delegate when not attending the ABM (voting proxy)

- Ms. Helen Varcoe (MT) commented that the Agreement Procedures Committee (APC) has a current Board charge to research and recommend possible changes to the actual IFTA ballot process. The subcommittee has worked with Illinois in the language for this ballot proposal
- b. Full Track Preliminary Ballot Proposal (FTPBP) #2-2020 is sponsored by the jurisdictions of British Columbia, California, Kentucky, Manitoba, Ontario, Pennsylvania, Quebec, Saskatchewan, Texas, Utah, and Wisconsin
- The intent of this ballot is to amend the Agreement to recognize an Attorney Committee as a standing committee so that it may continue providing support
- c. The Board reviewed and discussed four Short Track Preliminary Ballot Proposal (STPBP) drafts that resulted from the COVID-19 pandemic crisis. The purpose of these ballots was to address the need for the IFTA community to have the ability to quickly respond to a national crisis. These ballots would be sponsored by the Board
- Board Authority
    1. The intent of this ballot is to add a provision allowing the IFTA Board to make temporary emergency amendments to the IFTA governing documents without the need for membership vote and without going through the normal ballot process
    2. Further, this intent is to provide the IFTA Board the authority to extend carrier due dates, change due dates for jurisdictions to remit data and funds to the repository, change dates when funds will be remitted to all jurisdictions, allow extensions of other due dates if deemed necessary and/or temporarily reduce audit requirements if appropriate
    3. It was clarified that the Board would only be given the authority to temporarily amend the governing documents during the rare situations when both the President of the United States and the Prime Minister of Canada have both issued a national emergency declaration
  - Dispute Resolution Process
    1. The intent of this ballot is to add a provision that allows the IFTA, Inc. Board of Trustees to issue a directive that no jurisdiction will be found out of compliance for certain sections of the Agreement and for a specific time period corresponding to a national or jurisdiction declared emergency notice
  - Membership Vote
    1. The intent of this ballot is to provide a means with which the Board of Trustees or a jurisdiction can propose a ballot for a temporary amendment to extend due dates of IFTA tax returns, waive the requirement to collect interest for late filed returns on behalf of other jurisdictions, extend the due dates for transmitting data and funds to IFTA, Inc. and/or change the audit requirements for limited time period

- Waiver of Interest
  1. The intent of this ballot is to add a provision that allows a jurisdiction to waive the interest on behalf of other affected jurisdictions for carriers based in their jurisdiction if the base jurisdiction wants to issue an extension to file IFTA tax returns during an officially declared emergency within their jurisdiction
  2. It was clarified that, without a provision relieving the jurisdiction of the requirement to charge interest on behalf of affected jurisdictions during an emergency declaration, the jurisdiction can not extend the due dates without charging the carrier interest
  3. There was concern regarding the authoritative and statutory legislations that would affect a member jurisdictions ability to uphold this ballot proposal, even during an emergency event
  
- The Board was informed that these ballots are conceptual at this time
- It was queried if a survey would be best prior to presenting membership with any Agreement changes along the line of the conceptual ballots presented
- It was also noted that the issuance of a survey would greatly impact the release of the ballots and delay any action for another year
- It was observed that the ballots presented two different levels of circumstance: one that would affect both the United States and Canadian membership at a national level and one that would affect only at a jurisdictional level
- It was recommended that the Board address the circumstance at the national level immediately and bring the jurisdictional level issue to membership during the Annual IFTA Business Meeting
- The Board unanimously consented to proceed only with the Board authority ballot and include changes recommended by the Board with clarification that, only when both the President of the United States and the Prime Minister of Canada declare a national emergency, the IFTA Board will then have general authority to make temporary amendments to the IFTA governing documents

6) **Quarterly Financial Statements** – *Ms. Halstead*

- a. The Clearinghouse transmission period for both March and April had been deferred due to the current COVID-19 pandemic
- b. The liquidity investment dividends total, from July 2019 to March 2020 exceeded \$114,000
- c. A complete review of the organization’s quarterly financial statements indicated that IFTA, Inc. remains financially sound and that the total organization assets remain positive

7) **Closed Session** – *Mr. Bryer*

The Board went into a closed session for the purpose of reviewing the organization’s budget.

8) **2020 Annual IFTA Business Meeting** – *Mr. Martorana*

- a. A keynote speaker is being researched by IFTA, Inc. and a budget was requested
- b. IFTA, Inc. will ensure that any secured contract would include a clause indicating no penalties would be incurred should the event be cancelled

**Motion:** Ms. Tannous moved to approve a budget of no more than \$7,500 to secure a keynote speaker for the 2020 Annual IFTA Business Meeting. Ms. Varcoe seconded the motion. A vote by roll call was taken and the motion passed unanimously.

- c. Discussion was had regarding funding the IFTA Standing Committee Chairs to attend the 2020 Annual IFTA Business Meeting

**Motion:** Ms. Tannous moved to approve the funding for the IFTA Standing Committee Chairs to attend the 2020 Annual IFTA Business Meeting. Ms. Varcoe seconded the motion. A vote by roll call was taken and the motion passed unanimously.

- d. The Board discussed holding a quarterly Board meeting in conjunction with the 2020 Annual IFTA Business Meeting as they have not been able to meet in person since the 1Q Board meeting

**Motion:** Ms. Tannous moved to approve holding a 3Q Board meeting that begins on Monday, 8/10/20, and continues Friday, 8/14/20, in conjunction with the 2020 Annual IFTA Business Meeting. Ms. Varcoe seconded the motion.

- e. It was clarified that the motion was identified just for the 3Q 2020 Board meeting and not all future 3Q Board meetings at this time
- f. During discussion of the motion, the dates of the 2020 Annual IFTA Business Meeting were clarified with a start date of Wednesday, 8/12/20, and Thursday, 8/13/20

**Amended Motion:** Ms. Tannous moved to amend her original motion to indicate that Monday, 8/10/20, is a travel day for the Board and that the 3Q Board Meeting would begin on Tuesday, 8/11/20, and resume on Friday, 8/14/20, following the conclusion of the Annual IFTA Business Meeting. Ms. Varcoe seconded the motion. A vote by roll call was taken and the motion passed unanimously.

**Vote on Motion:** The Board then voted on the original motion to approve a 3Q Board meeting to be held. A vote by roll call was taken and the motion passed unanimously.

- g. The Board continued to review the agenda for the 2020 Annual IFTA Business Meeting and made Board assignments as necessary
- h. IFTA, Inc. is in contact with the Tempe Mission Palms hotel regarding the current pandemic and its affects, if any, on the signed contract for this event
- i. The hotel is being asked to review penalties, reduced attendance, and social distancing accommodations
- j. It was opined that the Board would have a better understanding of the travel status of membership by June 1
- k. The Election Committee and Board members eligible for re-election were reviewed
  - Board members eligible for re-election include Mr. Nicholson, Mr. L. Michael Romeo (CT), Ms. Tannous, and Ms. Varcoe
  - The Election Committee consists of Mr. Rodney Richard (AR), Chair, Mr. Bryer, Ms. Christie Chewing (NC), Mr. Couillard, and Mr. Richard Wagner (NV)
- l. A memorandum will be distributed to the IFTA Commissioners following the Board meeting advising them that nominations will be open

- m. A Board conference call will be scheduled for June 11 to review the status of the 2020 Annual IFTA Business Meeting and travel restrictions and concerns from membership

9) **IFTA Attorney Review of IFTA Documents** – *Mr. Martorana*

- a. Caritas Law Group PC has reviewed several documents for the Board including the Bylaws
- It was felt that more clarification of the attorney's recommendations to the Bylaws would be necessary before presenting their changes to membership for ratification
  - It was the position of the Board to not incorporate the attorney's changes to the Bylaws at this time, but to present the Board amended edition to membership for ratification at the 2020 Annual IFTA Business Meeting
  - Changes to the Bylaws made by the Board were a result of the 2019 Annual IFTA Business Meeting discussions
  - It was explained that, if the Bylaws amended by the Board were ratified by membership, the current rule for a simple majority would be changed to align with the super majority and three-fourths vote
  - The Board discussed the Bylaws presentation at the business meeting and felt that the discussion should be limited to the IFTA Commissioners and voting delegates only
  - It was decided that the amended Bylaws would be forwarded to the IFTA Commissioners two months prior to the Annual IFTA Business Meeting and allow a period for comments and discussion to be reviewed by the Board prior to the business meeting

**Motion:** Mr. Bryer asked for the Board's approval to proceed with the Bylaws release to the IFTA Commissioners, comment period, and presentation for ratification at the 2020 Annual IFTA Business Meeting. The attorney's comments and changes will not be presented as they are pending clarification. A vote by roll call was taken and the motion passed unanimously.

- b. Caritas Law Group PC also reviewed the Employee Handbook
- The attorney did not find anything of major concern in the handbook
  - It was recommended that the Employee Handbook be updated to include a section regarding the Coronavirus Family Act and incorporate other organizational policies
  - The Board was assured that the Employee Handbook remains in compliance with Arizona labor laws regarding sick leave accrual

10) **Committee Updates** – *Mr. Richard and Mr. Nicholson*

- a. Clearinghouse Advisory Committee (CAC) Charge
- The CAC has been charged by the Board with researching the validity of platforms under consideration for the clearinghouse modernization project
  - The committee has experienced a lot of turnover and recently filled four open positions and appointed Ms. Kalyn Gomez (NV) as committee Chair
  - Various platforms have been researched for use by the clearinghouse and all committee members are presenting the data to their jurisdictions' IT departments to ensure viability
  - The initial report and findings have been delayed due to the committee turnover and recent COVID-19 pandemic
  - The committee plans to report their findings to the Board following the 2Q Board meeting



- b. Dispute Resolution Committee (DRC) Charge
  - The DRC has been charged by the Board with researching, discussing, and making recommendations for any necessary changes to the Dispute Resolution Process
  - Ms. Dawn Lietz (NV) recently stepped down from the committee Chair position and now serves as a regular committee member
  - Ms. Katherine Ataman (WA) also stepped down from the committee Vice Chair position and serves as a regular committee member
  - Mr. Omer Guzman (MI) and Mr. Scott Greenawalt (OK) were presented to the Board for appointment as Chair and Vice Chair of the DRC respectively
  - The Board will vote on the appointments of Mr. Guzman and Mr. Greenawalt through the Board's message board
  - A subcommittee has been organized to research training tools such as webinars
  - A subcommittee will be organized to address the Board charge regarding the DRC process and changes

**11) Industry Advisory Committee (IAC) Report – Mr. Vanderslice**

- a. Following the IFTA/IRP Audit Workshop and the effects of the COVID-19 pandemic, the IAC has not been very active, but continues to work on and formalize IFTA related issues
- b. Industry appreciated the extensions provided by membership regarding IFTA related matters due to the pandemic and expressed concern that not all Commissioners have followed suit
- c. The pandemic and its effects have caused concern among many companies throughout industry
- d. Members throughout industry are hoping that IFTA membership will consider waiving interest during the pandemic
- e. The IAC will be updating the committee roster and working towards resuming monthly conference calls starting in June

**12) IRP, Inc. Update – Mr. Adams**

- a. A perspective of COVID-19 and its effects on the IRP community were noted
  - IRP continues to collaborate with its partners to ensure waivers and extensions have been provided for since the COVID-19 pandemic
  - Acknowledged that the Commercial Vehicle Safety Alliance (CVSA) set up a website where all waivers and extensions could be easily accessed in one general location
  - The IRP Annual Meeting, scheduled for early May in St. Paul, MN has been cancelled due to the pandemic
  - IRP, Inc. will be considering alternatives for the IRP Annual Meeting, including virtual options, or hosting the event live in September 2020
  - The IRP, Inc. Board of Directors meeting will be held virtually with limited discussions that will also focus on jurisdiction travel bans resulting from the pandemic
  - IRP, Inc. will issue a survey to membership regarding travel restrictions
  - IRP, Inc. Board of Directors vote may be rescheduled to a later date due to the effects of COVID-19
  - A joint IRP and IFTA Executive Committee meeting is still being considered and may be held virtually

- b. A Request for Proposal has been issued by IRP, Inc. regarding the modernization of their clearinghouse
- c. Responses are being received at IRP, Inc. and all proposals are due by May 18 with a decision being finalized in late June and the development then beginning in July 2020
- d. IRP, Inc. continues to plan for a fall event to host the IRP/IFTA Managers' and Law Enforcement Workshop with considerations that the event may need to be held virtually

13) **New Business** – *Mr. Bryer*

a. Board attendance

- It was clarified that, any Board member, attending an event paid for by IFTA, Inc. is expected to attend and participate in the full event

b. Board Charges

- Board charges were issued to the committees with specific due dates prior to the impact of COVID-19 and it was noted that these due dates may no longer be feasible
- IFTA, Inc. will review these Board charges and update the due dates accordingly to take into account the pandemic's effects of government offices being either shut down or employee statuses having been greatly reduced
- These changes will be posted to the Board's message board for their review, comment, and vote

14) **Adjournment**

**Motion:** Ms. Tannous moved to adjourn the Second Quarter 2020 IFTA, Inc. Board of Trustees meeting. Mr. Nicholson seconded the motion. A vote by roll call was taken and the motion passed unanimously.