

**IFTA, INC. BOARD OF TRUSTEES
FIRST QUARTER 2008 MEETING
JANUARY 17 - 18
CHANDLER, ARIZONA**

Board Members:

Scott Bryer	New Hampshire Department of Safety
Scott Greenawalt	Oklahoma Corporation Commission
Julian Fitzgerald	North Carolina Department of Revenue
Rena Hussey	Virginia Department of Motor Vehicles
Edgar Roberts	Nevada Department of Motor Vehicles
Sheila Rowen	Tennessee Department of Revenue
Robert Turner	Montana Department of Transportation
Sonia Sanders	Kentucky Transportation Cabinet

IFTA, Inc. Personnel:

Lonette Turner	Executive Director
Jason DeGraf	Information Services Administrator
Jessica Eubanks	Executive Assistant
Tom King	Webmaster
Debora Meise	Program Director
Tammy Trinker	Events Coordinator

Guests:

Gary Bennion	Con-Way Incorporated
Michael Dougherty	FHwA

Call to Order

Ms. Lonette L. Turner, IFTA, Inc. Executive Director, called the meeting to order. Eight (8) Board members were present. Ms. Turner welcomed the new Board members, Mr. Edgar Roberts (NV) and Ms. Sheila Rowen (TN). Mr. Gary Bennion (Con-Way, Inc.), Industry Advisory Committee representative was also present for the meeting.

Closed Session

The Board then went into a closed session for the purpose of the election of officers. The results of the election were: Mr. Julian Fitzgerald (NC), President, Mr. Scott Greenawalt (OK), First Vice President, and Mr. Scott Bryer (NH), Second Vice President. Following the conclusion of the closed session, the Board returned to open discussions and Mr. Fitzgerald officially welcomed the newest Board members.

Assignment of Committee and Jurisdiction Board Liaisons

The Board reviewed the committee and jurisdiction Board liaisons. All member jurisdictions were assigned a Board Liaison with the exception of the Canadian Provinces. The Provinces will be assigned following the replacement of Kim Craig (ON) on the Board. For the current eight Board members, the following appointments were approved:

STANDING COMMITTEES		
Agreement Procedures	Audit	Dispute Resolution
Scott Greenawalt (OK), Lead	Scott Bryer (NH), Lead	Bob Turner (MT), Lead
Rena Hussey (VA)	Bob Turner (MT)	Edgar Roberts (NV)
Sonia Sanders (KY)		

Industry Advisory	Law Enforcement	Program Compliance Review
Sonia Sanders (KY), Lead	Julian Fitzgerald (NC), Lead	Rena Hussey (VA), Lead
Sheila Rowen (TN)	Scott Greenawalt (OK)	Scott Greenawalt (OK)
Edgar Roberts (NV)	Bob Turner (MT)	

SPECIAL COMMITTEES		
Alternative Fuels	Attorneys Steering Section	Clearinghouse Advisory
Scott Bryer (NH), Lead	Rena Hussey (VA), Lead	Scott Greenawalt (OK), Lead
Sheila Rowen (TN)	Scott Bryer (NH)	
	Sonia Sanders (KY)	
Information Technology Advisory		
	Scott Bryer (NH), Lead	
	Sonia Sanders (KY)	

JURISDICTIONAL BOARD LIAISONS							
S. Bryer	J. Fitzgerald	S. Greenawalt	R. Hussey	S. Sanders	R. Turner	E. Roberts	S. Rowen
CT	AL	KS	AR	IL	ID	AZ	GA
MA	FL	MO	DE	KY	MT	CA	IA
ME	LA	NE	MD	MN	UT	CO	IN
NH	MS	NM	NJ	ND	WA	NV	MI
NY	NC	OK	OH	SD	WY	OR	TN
RI	SC	TX	PA	WI			
VT	WV		VA				

Approval of Meeting Minutes

Fourth Quarter 2007 Board Meeting

The Board reviewed and offered corrections to the minutes as written for the Fourth Quarter 2007 Board Meeting.

Motion: Ms. Sanders moved to accept the minutes as amended. Mr. Turner seconded the motion. The motion passed.

Board Actions by Email

During the Third Quarter 2007, the Board corresponded by email. The purpose of the correspondence was to consider the appointment of Mr. Brian Lehane (IN) as Vice Chair of the Information Technology Advisory Committee (ITAC).

Motion: Mr. Greenawalt moved to accept the minutes of the Board Actions by Email as amended. Mr. Bryer seconded the motion. The motion passed.

Outstanding Action Items from Prior Board Meetings

The Board discussed the Outstanding Action Items. All action items will be tracked by IFTA, Inc. until they are completed. At that time, the action items will be deleted from the list.

IFTA, Inc. Clearinghouse Update

IFTA, Inc. Clearinghouse

Mr. Jason DeGraf, IFTA, Inc. Information Services Administrator, provided this update. Iowa recently joined the Clearinghouse leaving only ten jurisdictions not participating in the Clearinghouse. Graphs provided reviewed the 2007 demographic and transmittal data hits to the Clearinghouse. Activity has been consistent for both features, with over 3,000 hits against the transmittal data on average and over 1,000 hits on average for the demographic data. The transmittal data will be upgraded to two servers that will increase performance for the end users by freeing up and sharing resources. No changes will be necessary by the end users.

Funds Netting

A test calendar has been developed for the funds netting project of the Clearinghouse. Three jurisdiction representatives from the Clearinghouse Advisory Committee (CAC) have committed to test the calendar. This testing will go into effect late February 2008. A presentation will be made during the July IFTA Annual Business Meeting to demonstrate the test calendar and the funds netting project.

NLETS

The National Law Enforcement Telecommunications Systems (NLETS) is working with IFTA, Inc. to provide access to roadside law enforcement. Jurisdictions would need to create a user interface that connects with NLETS which, in turn would grab data from the Clearinghouse and provide the revoked data back to the jurisdiction. Only IFTA, Inc. Clearinghouse members can access this information through NLETS. This connection would allow roadside enforcement to make a single inquiry to retrieve all relative data. The ITAC is currently working on procuring jurisdictions to test this connection.

CAC Report

Ms. Lonette Turner, IFTA, Inc. Executive Director, informed the Board that a meeting was scheduled with the Association's financial institution to discuss the test calendar and establishing the test accounts. A formal chair appointment to the committee was then discussed by the Board. It was understood that Mr. Garry Hinkley (ME), former CAC Board Liaison, would be interested in accepting the position.

Motion: Mr. Greenawalt moved to appoint Mr. Garry Hinkley (ME) as Chair of the Clearinghouse Advisory Committee. Ms. Rena Hussey (VA) seconded the motion. The motion passed.

IFTA, Inc. Website Update

IFTA, Inc. Webmaster, Mr. Tom King, provided a demonstration of the IFTA, Inc. website. The latest enhancements and features were reviewed, including the Annual Reports which includes seven years of data. Committee volunteer forms have been uploaded to the committee web pages. Additional enhancements to the website will include a simplified format for uploading files on the message boards as well as creating an archived folder for closed threads. It was explained that the purpose of requiring various login names is a control feature, similar to a firewall, to assist in preventing sensitive information from being posted on the wrong message boards.

IFTA, Inc. Meetings Update

2008 Meetings

Mrs. Tammy Trinker, IFTA, Inc. Events Coordinator, provided an update on the meetings. 178 persons attended the January 2008 IFTA / IRP Audit Workshop. 48 jurisdictions and 35 industry and private sector companies attended. The 2008 IFTA Attorneys' Section Meeting pre-information packet is in the process of being drafted and will become available following the Board Meeting.

Registration fees for the July 2008 IFTA Annual Business Meeting are in the process of being reviewed for the Board's consideration. The Sheraton New Orleans hotel will host this event in New Orleans, LA on

July 18 - 19. The federal government per diem will be honored at this hotel for the duration of this meeting.

The Hilton Phoenix East / Mesa will again host the 2008 IFTA Managers' and Law Enforcement Seminar in early September. The 2009 seminar is currently being negotiated and is scheduled to be hosted in North Carolina. IFTA, Inc. is working to secure the federal government per diem for this seminar.

Future Meetings

The 2009 IFTA Attorneys' Section Meeting is being considered in Salt Lake City, UT. However, hotels have been reluctant to sign early for this meeting due to its size. IFTA, Inc. will continue to research local hotels and other opportunities to host this meeting.

The 2009 IFTA / IRP Audit Workshop is the last workshop under contract at the Mission Palms hotel in Tempe, AZ. It is contracted for January 4 - 7, 2009. Locations for this workshop in 2010 are being considered by both IFTA, Inc. and IRP, Inc. Alternate locations being pursued include AR, CA, FL, and TX. The 2009 Board Meetings have been secured and the dates are posted on the IFTA, Inc. website. These meeting dates will be:

1Q09	January 22 - 23
2Q09	April 23 - 24
4Q09	October 22 - 23

Audit Committee Report

Mr. Bryer, Audit Committee Board Liaison, presented this committee report. The New Member Orientation Guide was reviewed.

Motion: Mr. Bryer moved to approve the IFTA Audit Committee New Member Orientation Guide with recommended amendments. Mr. Robert Turner (MT) seconded the motion.

During discussion of the motion, Mr. Bryer withdrew his motion and the Board decided to further review and provide additional amendments to the guide. Following the Board's review, the guide will be forwarded to the Audit Committee for discussion during their February teleconference.

Program Compliance Review Update

IFTA, Inc. Program Director, Mrs. Debora Meise, provided the Program Compliance Review update. The IFTA / IRP Combined Review Project process was successful in completing three test reviews. Jurisdictions that combined their reviews for this test were Minnesota, Oregon, and Wyoming. The audit reviews were ideal to combine, but the administrative reviews were more difficult. The largest benefit of a combined review is to the jurisdiction, but with additional concessions and work, future combined reviews might be beneficial for both organizations. Alabama will be reviewed by both IFTA and IRP in 2008. The reviews will be conducted at the same time.

The Board discussed drafting a letter to the IRP, Inc. Board of Directors regarding the upcoming Alabama reviews. Mr. Jay Starling (AL), Chair of the Program Compliance Review Committee (PCRC) spoke with the Board via teleconference to discuss the possibility of combining the IFTA and IRP reviews into one review for Alabama. The letter requested the IRP, Inc. Board of Directors consider working with IFTA, Inc. for the purposes of combining the administrative sample for the AL review.

Fuel Use Tax Study

Mr. Michael Dougherty, Federal Highway Administration (FHWA), offered a brief synopsis from a recent FHWA meeting. A recent study published in early January 2008 shows a favorable federal increase of fuel use taxes over a number of years. This study will be posted to the FHWA website later in the month.

Program Compliance Review Committee Report

Ms. Hussey provided the PCRC report. The committee continues its work on the roll off schedule and has, internally, approved the current schedule. Currently, the New Member Guide is being amended by the committee and will be available to the Board in the near future.

Additionally, the committee is utilizing the secure message board to share findings and recommendations with committee members. The IFTA, Inc. Clearinghouse is currently being considered as a possible tool for the committee to use in conducting actual reviews. Confidentiality remains a prime concern in this regard. Input from the CAC and ASSC has been requested by the committee regarding the use of the Clearinghouse data for program compliance reviews.

Dispute Resolution Committee Report

The committee submitted the nomination of Ms. Patricia Platt (KS) to replace Mr. Tim Galbraith (WI). Additionally, the committee presented its nomination of Mr. Kirk Davenport (TX) to replace Mr. Edgar Roberts (NV).

Motion: Mr. Turner moved to accept Ms. Patricia Platt (KS) and Mr. Kirk Davenport (TX) as members of the DRC. Mr. Greenawalt seconded the motion. The motion passed.

Discussion was had regarding a conceptual idea presented by Mr. Rick LaRose (CT) regarding non-compliance matters to be ratified by membership. It was decided that the Board would contact Mr. LaRose regarding proposing ballot language that best represents this consideration. The deadline for submitting ballot language is March 24, 2008.

Industry Advisory Committee Report

Mr. Bennion presented the IAC report. The committee nominated Mr. Garrett Coffee (UPS) and Ms. Sherry Krajca (FFE) to serve on the committee.

Motion: Mr. Greenawalt moved to accept Mr. Garrett Coffee (UPS) and Ms. Sherry Krajca (FFE) as members of the IAC. Mr. Bryer seconded the motion. The motion passed.

Two of the IAC members are serving as representatives on the Alternative Fuels Committee. These members are Ms. Donna Burch (Ryder Transportation Services) and Mr. Robert Pitcher (American Trucking Associations). Additionally, Ms. Connie Owen (J.J. Keller) is serving on the Industry Technology Advisory Committee.

Committee term limits were also discussed. It is the position of the IAC that term limits could restrict membership and create vacancies on the committee. IFTA, Inc. will continue to work with the IAC to modify the committee charter, and address the issue of term limits, for presentation to the Board during the 2Q08 Board Meeting.

The agenda topics during the IFTA / IRP Audit Workshop presented by the IAC were well received by the attendees. There had been the GPS breakout, household goods carriers breakout, and a discussion on engine control modules (ECM) during the general session.

Agreement Procedures Committee Report

Mr. Greenawalt provided the APC report. The Best Practices Guide was reviewed by the Board. It was recommended that the committee form a subcommittee to concentrate on this document and review the material contained in it. It was the position of the Board that the draft is not acceptable in its current form. The New Member Guide continues to be reviewed by the committee and is anticipated to be presented to the Board in April 2008.

The APC created a subcommittee to review the Annual Report and draft a membership survey. It is anticipated that the survey be completed for presentation to the Board during the April 2008 Board Meeting. Following the survey completion and review, ballot language may be forthcoming. The committee is also looking to increase the participation on the exemption database subcommittee in an

attempt to address several issues. The committee continues looking for volunteers from the Northeastern region.

Law Enforcement Committee Report

Mr. Fitzgerald presented the LEC report. The committee is continuing its draft of the Best Practices Guide and remains receptive to Board recommendations and incorporating them into the document. An April 2008 Face-to-Face Meeting has also been scheduled in North Carolina. During this April meeting, the committee will discuss the road show recommendation to raise awareness and encourage jurisdiction participation in enforcement of the IFTA. One of the objectives of the IFTA, Inc. Strategic Plan is to create awareness and encourage involvement with the LEC. It was hoped that jurisdictions will cooperate with the committee in preparing and hosting the road shows by encouraging attendance and participation.

North Carolina also continues its efforts to secure venues to host the 2009 IFTA Managers' and Law Enforcement Seminar.

Attorneys' Section Steering Committee Report

Board Liaison, Mr. Bryer, presented the ASSC report. The committee met via teleconference to discuss the preliminary agenda for the 2008 IFTA Attorneys' Section Meeting. Board attendance on the final meeting day was discussed.

Information Technology Advisory Committee Report

Mr. Bryer reported that, previously, the Board approved Ms. Beth Devlin (NY) as Chair and Mr. Brian Lehane (IN) as Vice-Chair. The ITAC holds monthly teleconferences. The committee will contact jurisdictions that have bar-coded decals to make general inquiries. While the bar-coding of decals is not a priority of the ITAC, it is a topic which interests membership and they would like to keep abreast of any developments regarding bar-coding of decals.

Revoked data is also being discussed by the committee. Data fields that would be provided to NLETS via a communication link to the IFTA, Inc. Clearinghouse "revoked only" database could include the following:

- Base Jurisdiction
- IFTA License Number / Taxpayer ID
- Taxpayer Name
- Taxpayer DBA Name
- Taxpayer Status (Revoked Only)
- Contact Number (for law enforcement to contact as necessary)
- USDOT Number
- IRP Number
- Status and Update Dates

It has been recommended that revoked data be updated on an hourly basis. This process would take a minimum of five minutes to complete. During this time, the Clearinghouse database would not be available to NLETS. Work will continue on this project.

Late Returns on Transmittals Project

The Board discussed the late returns on transmittals project. Upon request, IFTA, Inc. ran a report for VA data then presented the findings to the Board. This report was to determine the complexity of problematic returns and how widespread the problem may be. It was determined that further parameters would need to be incorporated into the report program before a conclusion could be clearly determined. IFTA, Inc. will review the manner in which the report is run so that the captured data will more accurately reflect the problem of jurisdictions' transmitting returns late. Once the parameters have been established, IFTA, Inc. will run a report for each participating Board member's jurisdiction. The Board will then revisit this issue and discuss the reports during the April Board Meeting.

Alternative Fuels Committee Report

Ms. Turner informed the Board that the Alternative Fuels Committee created two subcommittees. One is focusing on a database for alternative fuels while the other is concentrating on probable ballot language. The current ballot language being considered will be presented to the ASSC for discussion before the committee approves the ballot proposal for submission. The ballot proposal addresses alternative fuels receiving refunds.

NAFTA Fuel Tax and Registration Working Group

Ms. Turner informed the Board that the Federal Motor Carrier Safety Administration (FMCSA) website has provided a list of all carriers that have applied for and received their operating authority to cross the border for operations. Thirteen Mexican and five US carriers have received their operating authorities at this time. Congress has also passed a bill disallowing funds to be used to implement a demonstration project. These registered carriers have the authority to travel anywhere on a provisional operating authority which is valid for one year from date of purchase.

IRP, Inc. 3% Audit Requirement Project Update

Ms. Turner discussed the IRP, Inc. 3% Audit Requirement Project. IFTA, Inc. was interviewed by the IRP, Inc. contractors, Jefferson Wells, regarding IFTA's audit requirements. Results of the project's survey will be presented to the IRP, Inc. Board later this month and would then become available to the general public.

IFTA Ballot Review

Only IFTA Short Track Final Ballot Proposal's #6-2007 and #8-2007 passed. Both became effective January 1, 2008. The 2008 IFTA ballot deadline for submissions is March 24th.

IFTA, Inc. Financial Report

During the IFTA, Inc. financial report, Ms. Turner announced that IFTA, Inc. remains financially sound. It was further reported that the five year projected budget will require the expertise of the IFTA, Inc. financial advisor before finalizing for the Board's review later in the year. Referencing internal controls, it was explained that IFTA, Inc. communicates with the Board whenever a large ticket item is being considered for purchase. The Board instructed IFTA, Inc. to continue researching avenues of possible funding opportunities.

IFTA, Inc. Strategic Plan

A review of the IFTA, Inc. Strategic Plan was also conducted. The Board believes that another Strategic Planning Session should be considered for later in the year. Combining the Strategic Planning Session with the 4Q08 Board Meeting will be arranged. IFTA, Inc. will look into securing a facilitator for this session. The Board reviewed and revised deadlines to the current Strategic Plan accordingly.

New Business

Discussion of trip permits was held. Each jurisdiction issues trip permits for travel in that jurisdiction.

Adjournment

Motion: Ms. Sanders moved to adjourn the First Quarter 2008 IFTA, Inc. Board of Trustees Meeting. Mr. Turner seconded the motion. The motion passed.

ACTION ITEMS RESULTING FROM THE 1Q08 BOARD MEETING

ITEM	ACTION
1-1Q08	Board members will review the Audit Committee's New Member Guide and forward comments to Scott Bryer by 2-1-08; Mr. Bryer will forward Board comments to the Audit Committee for review.
2-1Q08	The IFTA, Inc. Board of Trustees will send a letter to IRP, Inc. recommending use of the same administrative sample for the Alabama IRP Peer Review and IFTA Program Compliance Review.
3-1Q08	Rena Hussey will request a draft of the Program Compliance Review Committee's New Member Guide for review at the 2Q08 Board meeting.
4-1Q08	Rena Hussey will follow up with the Attorney Section Steering Committee as to the inquiry from the Program Compliance Review Committee regarding use of the Clearinghouse in the review process.
5-1Q08	The Board members will contact the jurisdictions that voted "no" on Ballot 2-2007. The Board will then hold a conference call during the last week of February 2008 to discuss the findings and how to proceed with the Dispute Resolution Process issue in 2008.
6-1Q08	Gary Bennion and Lonette Turner will work on the Industry Advisory Committee (IAC) Charter revisions requested by the IAC for review at the 2Q08 Board meeting.
7-1Q08	Lonette Turner will contact Jay Befort (KS), Chair of the Attorneys Section Steering Committee to confirm that Sheila Rowen and Edgar Roberts will participate in the Dispute Resolution Process presentation at the Attorneys Section Meeting in April.
8-1Q08	IFTA, Inc. will contact the Agreement Procedures Committee to discuss adding a presentation regarding how to "fix" unprocessable returns.
9-1Q08	Lonette Turner will attempt to find a facilitator for IFTA, Inc.'s Strategic Planning session to be held in conjunction with the 4Q08 Board meeting.
10-1Q08	Lonette Turner will continue to review funding availability, including contacting Mike Dougherty at FHWA.