

IFTA AUDIT COMMITTEE MEETING
April 11, 2017

Jurisdiction Representatives:

Helen Varcoe, Chair, MT
Dave Nicholson, Ex-Officio, OK
Bob Gattinella, RI
Joel Foreman, NE
Kristie Zanis, NH
Betsy McCabe, NV

Beth Duda Vice Chair, AZ
Kelly Heaton, AR
Jimmy Tompkins, AL
Lynden Landholm, KS
Marsha Douglas Roy, QC
Bille Pierson, ID

Board Liaisons:

Steve Nutter, VA
Joy Prenger, MO
Rick LaRose, CT

IFTA Inc., Advisors:

Debbie Meise
Tammy Trinker

Roll Call: Rick and Marsha, absent, Bob joined mid meeting. Joy had to leave after PCRC discussion.

Lynden volunteered to take minutes.

Meeting logistics: Helen and Beth asked that to avoid confusion regarding who is speaking during the call that we announce ourselves first.

Minutes of Meeting:

Approval of the February and March Meeting Minutes; Helen identified some minor changes that had been made to the original distribution of the February and March minutes. There was no discussion regarding these changes. Jimmy motioned and Joel second to accept the revised minutes.

Updates:

VP –Helen welcomed Beth as the new Vice chair and for the cooperation of the committee in the email approval process. Congratulations Beth!

Steve asked for a quick clarification of the spelling for Bille Pierson to ensure it is correct for Board purposes.

Betsy McCabe, NV (Western Region) and Bille Pierson, ID (Canadian, at large) were recognized as new committee members and later in the call gave a brief resume of themselves. They were welcomed by all to the AC.

IFTA/IRP Workshop – The 2017 workshop survey will be completed by April 25th.

Tammy is in the final phase of securing the hotel for 2018 and setting of the workshop dates. The tentative site is the San Marcos Hotel near the IFTA office in Chandler and the dates are February 12th thru February 16th.

Helen said Monica is continuing to work on the updated Best Practices Guide. Example spreadsheets, questionnaires or other work paper examples are still being sought. Please send them to Helen or Beth and they will get them to Monica.

Kelly asked if the NE MPG chart should be included in the Guide. It was suggested that the legal advisory committee should be consulted before this is put in the Guide.

Discussion then transitioned to, should the AC take on updating the MPG chart. Joel recalled that it took a couple of days for NE staff to make phone calls and other leg work to get the chart updated. It has not been updated for about four years. We will need to get Board approval to add this to our charter. David will see if this can be added as an action item for the April Board meeting. If we receive Board approval, Helen asked if Joel would head this up and he agreed.

Industry Advisory Committee, ELD Document – There was a brief discussion on the ELD provided by the IAC. The IRP audit committee should also be in agreement. It was agreed that with the exception of some extra wording in the comment box it was a good document and should be accepted. Helen asked for a motion that it be accepted. Kelly made the motion to accept the document if IRP committee also agreed with the document. Joel made the second and none of the committee opposed.

Questions from AC and community:

Joel – IFTA Decal question. Joel sent the AC a question about what members would do if a licensee acquired significantly more decals than units in the licensee's fleet. In this case the licensee needed seven but asked for 14. Several comments/suggestions were made about the issue. Joel said that after further discussions with the licensee it was learned that an employee of the licensee was distributing them for use by other carriers and that NE would be assessing the licensee for these unaccounted for decals.

- Bob sent a YouTube link related to the US ELD mandate coming in December 2017. <https://www.youtube.com/watch?v=TnJLSWoxtwU&t=73s>

Some committee members have been able to watch the video and Betsy commented that it was done by Sandy Johnson and included 6 tips for truckers regarding the purchase of an ELD, was well done, and did not take long to watch. AC members who cannot watch on their state computers because of IT restrictions could try sending the link to their personal computers.

PCRC – Joy discussed the PCRC meeting held at IFTA Inc. in April. Those at the meeting broke into two groups and compared the audit report with the new language in ballot 2014-3. New compliance review worksheets were drafted and have been provided to Beth, Dave and Helen. The PCRC wants feedback from the AC, and what does the PCRC need to do for a ballot to make modifications to how the compliance reviews as they are currently done. Helen will send to all AC members. There was discussion that what the PCRC would like to see happen is most of the review would be done using information provided by the jurisdictions to the clearinghouse via the audit reports. If during the reviews of audit reports it was determined that additional information was needed then the PC reviewer could ask for the audit file.

Committee members have concerns that the interjurisdictional audit reports do not often give much for details about what has been done. Some reports are better than others. Reports under 2014-3 are supposed to contain more information. Also it was noted that some of the compliance review requirements can only be verified by looking at the audit files, workpapers hold the answers. AC members seem to be skeptical of this approach.

NJ – Audit Example

New Jersey sent to Helen and Beth a request for some guidance on their audit processes subsequent to their auditor Kenneth Muits attending the Houston IFTA/IRP workshop. Mr. Muits emailed the audit example which Helen forwarded to the full committee. The scenario was discussed extensively with several thoughts and questions being generated by those on the committee call.

It was agreed that PA reported fuel should be corrected. There was no consensus on how the lack of bulk fuel withdrawals would be handled as some jurisdictions have their own procedures in place when no bulk fuel withdrawal records exist. NE would allow credit based on the ratio based on the number of IFTA and non IFTA trucks. Kelly, AR would allow credit up to a 4.0. Bille suggested that NJ try to get maintenance records for non-IFTA units to determine miles. Bob wanted to know if enough fuel was purchased, could do a 20% MPG reduction. Betsy wanted to know how you could determine if any off road fuel could be going into the units.

Dave suggested that PA fuel credit would be denied and lower MPG to 4.0 and verify that only clear diesel was going into the IFTA trucks.

Helen will send the questions that arose regarding specifics of the audit scenario to Ken and also ask the audit committee for any additional questions to be included in her email.

David suggested this might be a good one to keep in mind as an audit scenario for the 2018 workshop.

As a continuation of the NJ audit discussion, David suggested that an adequate inadequate records table should be developed. Beth suggested this would be a good addition to the Best Practices Guide.

New Business: There was no new business brought forward.

Adjourn: Helen thanked those participating on the call and asked for a motion to adjourn. Bob made the motion and Jimmy the second. Motion carried.