

IFTA AUDIT COMMITTEE TELECONFERENCE
MARCH 11, 2008

PARTICIPANTS:

Arthur Gumbs
AnnMarie Chamberlain
Mark Byrne
Bobbie Keller
Audrey Martel
Hoa Quach

Dan Young
Fred Alleman
Debbie Meise
Tammy Trinker
Bob Turner

At the request of Debbie Meise and Tammy Trinker we discussed the 2009 Audit workshop first.

Audit Workshop 2009

Update Planning Committee Conference Call held on March 6, 2008

The composition of the Workshop Planning Committee is the Chairs and Vice-chairs of both IFTA and IRP Audit Committees, the Materials Co-ordinator, two industry representatives and representatives from IFTA, Inc. and IRP, Inc. This year, Allen Cummings has been appointed as the scribe as well as the presenter's and breakout co-ordinator.

During the next Planning Committee teleconference, we will be discussing topics. If you have any ideas, please contact either Arthur or Chris Turnwall. Tammy stated that, at this point, we're on schedule. The key people are in place and will be discussing topics soon.

Arthur stated that in 2009 we will make every effort to keep to the time frame presented.

Debbie said that we indicated that we want to go semi-paperless, in that everything possible would be accessed electronically and/or be available on a CD. Consequently, due dates will have to be adjusted and the information will have to be available on line at least one month in advance of the Workshop. Tammy stated that the cost savings would be about \$30.00/person. The presentations will have to be in Adobe or PowerPoint. Tammy will issue a revised schedule of due dates.

Potential Topics

Bobbie said that she had been reviewing earlier Workshop topics and found one presented in 2001 called Hodge Podge. Topics included 4.00 MPG, trip permits and best information available. She suggested that this be a breakout session in 2009. Someone said that the Hodge Podge session in 2001 was fun and informative. This one will be included in topic discussions.

Regarding Auditor 201 or 301, I said that Chris Turnwall had called and suggested that she and I present this session as we are the only two on either committee who are auditors, not supervisors or managers. We also discussed adding another auditor or two and Joel Foreman's (NE) name came up. When asked, Mark Byrne, Joel's supervisor, said that Joel would be happy to help. Chris and I also discussed the idea

that, at least for the first year, this session should only be half a day. That would allow me to present the morning session of Auditor 101 as usual, and leave the afternoon session to Thom Rabaglia and Mark Byrne and whoever else may volunteer. Fred Alleman agreed to send someone to present the fraud case that was missed in the 2008 Workshop. He stated that it is a short powerpoint and the presentation is about ten minutes long. It was suggested that the topic be included in the Managing for Compliance session. It was pointed out that only a limited number of attendees would have the opportunity to attend the presentation at that venue and it was suggested it be held in the general session or even at both. Many jurisdictions were affected by the fraud perpetrated.

Review of Minutes of Last Meeting

The minutes were accepted as read, moved and seconded.

Update Joint Audit Subcommittee – Nebraska Joint Audit

Mark said that the carrier and service provider went to the Nebraska governmental office with information. Mark is to go to the carrier and obtain information not yet sent to him. There seem to be some unexpected bumps. There will be adjustments. This will be a “best information available” audit. Auditor discretion will be used during this audit. Everyone involved is comfortable with the sample and the issues. Feeling is that MPGs will be adjusted. There are issues because the carriers record-keeping lacks key pieces of information. A jurisdiction may look at any document it feels is necessary for the audit. If the carrier refuses, a penalty may be imposed. This audit is unique, Mark has not seen another one like it. The key issue is where to settle on an MPG. No one is comfortable keeping the reported figure. Nothing in IFTA or IRP covers the issue of verification. The auditors will not be able to verify some of the information they ordinarily rely on. The carrier uses GPS, there are no odometer readings, nor are there any waivers okaying the lack of odometer readings. Hoa may be able to host a teleconference with Audit Committee members interested in discussing the scenario. Mark will consult with his attorneys to see if he can send background information to interested committee members. Everyone will receive results of the audit, the carrier goes everywhere.

Update Draft Audit Committee New Member Orientation Guide

Scott sent the latest update to Arthur and he said it looks good. “Thank you” was given to Audrey, Mark and Charmin. A vote was taken and the draft was accepted, with no changes, unanimously.

Update Audit Committee Audit Procedures Subcommittee Survey/Survey of Commissioners.

Rick LaRose sent copies of the survey to the eleven non-responding jurisdictions. Members of the subcommittee followed-up with phone calls. AnnMarie called Maine and Tennessee. Maine responded, Tennessee had not, at the time of the phone call. Dan called Florida and New Mexico. Neither commissioner had seen or opened the survey. They each requested that the survey be emailed to them again. Hoa called Georgia and British Columbia. Georgia stated that they recently had a systems change

and would respond to the survey. British Columbia also stated that they would respond, as well. Arthur called New Foundland and Michigan. He could not reach the Commissioner in either jurisdiction. He spoke with secretaries who said they would pass the message along.

Request to Present at Managers' Workshop in September

--Need for Close Interaction Between Jurisdictions' IFTA Administrations and Audit Departments.

Arthur is to follow-up with Bill Cullen from Arizona.

Decal Reconciliation

AnnMarie (northeast) to email Gene (southeast), Bobbie (mid-west) and Dan (west) questions to email jurisdictions in their region regarding decals.

Other Business

There was no other business addressed at this teleconference.

Move was made and seconded to adjourn.

The next teleconference is scheduled for **Tuesday, April 8 at 11:30am EST.**