

**IFTA AUDIT COMMITTEE TELECONFERENCE
FEBRUARY 10, 2009**

PARTICIPANTS:

AnnMarie Chamberlain
Dawn Lietz
Mark Byrne
Gene Hall
Bobbie Keller
Scott Bryer

Dan Young
Bob Turner
Tammy Trinker
Tony Dewell
Fred Alleman
Rick LaRose (Special Guest)

Absent: Charmin Tillman; Hoa Quach, Audrey Martel, and Debbie Meise

AnnMarie informed the AC that IFTA Inc., was assessed \$20K in attrition fees by the Tempe Mission Palms because we did not meet the minimum room block this year. As a result, IFTA Inc is negotiating a contract with Tempe Mission Palms to host the 2012 Audit Workshop. In lieu, they will cut the attrition fees in half.

Lonette is working with IRP Inc regarding a host rotation of the Workshop in the future. IRP would choose the location for the years they host. It has not been decided whether they will each host for 2 consecutive years, or if it will be rotated each year.

Review of the minutes of the Planning Committee Teleconference for the 2010 Workshop

- February Planning Committee Conference Call: (AnnMarie reported)
 - Mahlon Gragen is working on getting a volunteer from the Industry Advisory Committee as the IFTA Industry rep on the planning calls.
 - She has made contact with Jack Frehafer (PA) to see if someone is interested in giving an Attorney presentation.
 - She indicated during the planning call (Dawn) recommended reducing the breakout topics to 1hr 15min to allow for three concurrent sessions in a single afternoon. Current topics under consideration: 1) Distance; 2) Report Writing; 3) fuel/MGP. She also asked about other topics suggested and Dan indicated using the data book from the Department of Energy. AnnMarie will bring up during the next planning meeting.
 - DVD Subcommittee found enough funding to proceed. It sounds like the Webinars are not being considered. Dan volunteered to continue assisting on project.
 - ECM is another potential topic AnnMarie will discuss more during the next meeting.

Letter to MN Discussion:

AnnMarie asked how the AC felt about the letter prepared on behalf of the Joint Audit Subcommittee to Minnesota. Common consent was to go ahead and send it. Rick indicated that he has sent MN a letter from Connecticut with their specific concerns. MN indicated they are

interested in pursuing the concept presented in Tempe regarding the Regional Captains, etc. However, logistically, it may be delayed.

Committee agreed to send the letter as soon as the IRP Committee is in agreement. **Follow up** - Dawn forwarded the letter to Thom, Chris, and Gerald and asked if this has been discussed with the IRP Committee yet. Thom did not believe it had, and I have not had a response from Chris or Gerald.

Results of Commissioner Survey Letter Discussion:

AnnMarie asked how the AC felt about the letter prepared on behalf of the Audit Procedures Subcommittee to the IFTA Commissioners. Common consent was to go ahead and send it with the recommended changes from Dawn to add the section(s) of the survey the Commissioners were satisfied with and the couple of grammatical changes. AnnMarie suggested having the AC – Audit Procedures Subcommittee members assist in getting this out to the Commissioners. Rick indicated he is leaving on vacation and will be back on the 18th. He will contact her by the 19th and they will decide how to proceed with the notification.

Potential Ballots Discussion:

AnnMarie asked how the AC felt about the proposed ballots (prepared by Dawn) regarding; 1) The removal of permissive language granting the jurisdictions the authority to waive Routes of Travel or Odometers, and 2) Credit Denial.

Gene recommended we take out all reference to “names” so Rick LaRose was replaced with the “Audit Procedures Subcommittee” on both ballots. A change was also made to the second ballot to remove “or any jurisdictional tax liability” from the paragraph on A550.300. Both changes were made and the ballots were sent back out to the AC members at the close of the teleconference.

A great deal of discussion over the first ballot, specifically the section stating the licensee “shall” maintain the odometers and routes of travel. Bob’s concern is that a PRC would find a “Jurisdiction” out of compliance if they conducted a Best Information Audit (BIA) when the licensee did not maintain the required records. The consensus of the AC was that this would strictly be a “non-compliance” find for the licensee and a recommendation by the base jurisdiction in the audit.

Another concern was whether the 1st ballot should have the support of the Procedures Committee before moving forward. AnnMarie is going to send it to them for discussion.

The AC was given until February 28 to let Dawn know one way or the other whether they have any additional recommendations. The ballots will be discussed again during the March teleconference before a decision is made to submit them on behalf of the AC.

A200 Revisions Discussion:

Dan would like to work with Charmin to give some guidance with regards to definitions in GAO and other professional accounting organizations on the Auditor Independence section. Gene also expressed concern with the removal of the “Professional Care” section.

AnnMarie suggested we continue to work on A200 for this month and let Charmin know either way, if they have any additional changes or suggestions by February 28. We will continue the discussion in March.

Other Business

- Gene inquired on where we stand with regard to the NE vacancy:

AnnMarie indicated she contacted the jurisdictions who had attendance at the workshop to see if they would be interested in nominating a candidate. She will give them until February 28 to respond. If no response, we will move forward with the option of accepting an additional representative from another region.

The next IFTA Audit Committee teleconference is scheduled for **Tuesday, March 10th** at **11:30am** Eastern Time.