

IFTA AUDIT COMMITTEE TELECONFERENCE
June 8, 2010

PARTICIPANTS:

AnnMarie Chamberlain
Dawn Lietz
Jeff Hood
Hoa Quach
Bob Schwab
Dan Young
Diana Kay

Fred Alleman
Gene Hall
Debbie Meise
Audrey Martel
Bob Turner
Tony Dewell

Absent: Dave Nicholson, Scott Bryer

Minutes from the May 18 were read. A correction was made to replace RRWG with CAWG and minutes accepted by common consent as corrected.

Minutes from the May 19 Planning Committee Teleconference minutes were reviewed.

Minutes from the May 27 Webinar teleconference minutes. Dawn and Rick/Jeff and Thom will be working on the next two webinars. Dawn/Rick will be working on Internal Control Evaluations and Jeff/Thom will be working on Sample Selection.

Report: (Hoa, Dan, Dave & Dawn)

Interjurisdictional Audit Report: No meeting since last month. Recommend a call between CAWG and RRWG to discuss a focused approach. The CAWG meeting is this afternoon. A date/time to meet will be scheduled after that meeting this afternoon. The meeting participants will also be decided this afternoon.

RRWG: A meeting with Dawn, Gary Bennion, Dave Nicholson, and Doug Miller is being held on Thursday. An update will be available during the next months' meeting.

Review A310/A520 Ballot: Gene, Tony and Diana put together a draft for discussion on A300. They are looking to add multiple credits to the IFTA audit if a Sample Quarter is done for each Year audited. An audit would be defined as 4 consecutive quarters, unless the licensee was in business less than 4 quarters.

Hoa suggested looking at the 3% requirements, since it is an arbitrary number and does not generate much revenue. Debbie indicated that the purpose is compliance rather than revenue generating. Hoa referred to the Jefferson Wells study for IRP to look at the efficiency of the 3%.

Gene, Tony, and Diana will submit a draft for legal review prior to submitting a ballot. Right now, this is just for discussion. A recommendation to compare this draft to past ballot history and comments to discern the best approach was favored. AnnMarie will put out a poll to other

jurisdictions to see what the consensus is. Dan recommended the poll go to the policy makers as an opinion poll. Gene asked for everyone on the AC to give feedback on whether we believe the sample quarters should be “should” or “must” for each year audited in A520. Due to the Gene, Diana, and Tony by June 22.

Defining a Trip: Bob provided some history regarding the “need” to define a trip. Software system developing a GPS system was defining a trip as what occurred from the first day of the month to the last day of the month. Since IFTA is silent, there isn’t anything to stop a company from defining a trip as they see fit.

Bob suggested that the definition of a trip needs to be approached from a “tax purpose” and not a business purpose. Hoa suggested that the flexibility of determining a trip based on individual records is more preferred.

AnnMarie/Bob asked that we discuss this with our audit staff and see if there are any significant issues that would warrant us proceeding with this. We will discuss again next month.

New Business:

Suggestions for topics for Managing for Compliance and Auditor 301: Jeff and Dawn will start working on topics/presenters. Drake Israel and Bill Cullen have also volunteered for Managing for Compliance. Audrey is looking at past presentations to look for relevant topics. Diana has also volunteered to help. Chris Turnwall should also be contacted for ideas and participation. Past meeting materials/presentations can be found on the IFTACH website.

Meeting adjourned at 1:00 ET

Next Meeting is Tuesday, July 13, 2010 at 11:30 AM (Eastern).