

IFTA Audit Committee Meeting Minutes
November 12, 2013, 11:30 am
Dial in #: (866) 906-7447 Conference ID: 9179391#

Jurisdiction Representatives:

Jeff Hood, IFTA Chair IN	Dave Nicholson, IFTA V-Chair, OK
Dawn Lietz, NV	Maxime Dubuc, QE
Bob Gattinella, RI	Stacey Hammock, WY
Diana Kay, FL	Robert Schwab, MO
Jimmy Tompkins, AL	Helen Varcoe, MT
Don Williams, ID	Kristie Zanis, NH
Sandy Johnson, North Star Fleet	

<u>Board Liaison</u>	<u>IFTA Representative:</u>	<u>Notes taken by:</u>
Scott Greenawalt, OK	Tammy Trinker	Monica Halstead, IN

Absent: Don Williams, Robert Schwab, Sandy Johnson

Action Items:

1. All presenters should email a rough draft of the presentations to Jeff by December 18. This will be discussed at the joint IFTA/IRP planning call on November 20, 2013.
2. Jeff will send meeting requests to a December 2 conference call for the IFTA 101 and 301 breakout group. He will need the phone numbers of the participants.
3. Jeff will make changes to the agenda and distribute it as version 8.
4. Jeff will ask Anthony Madsen and Drake Israel for Icebreaker topic ideas.
5. Stacey will invite Mark Howshar to attend future conference calls to update the group on his presentations.
6. Stacey will send the August draft of the proposed changes to the Re-audit/Re-examination language.
7. The information packets for the workshop should be posted on the IFTA website by tomorrow.

Workshop Discussion:

We have approximately three months to bring the audit workshop to our customers. Jeff expressed hope that the presentations were underway. The presenters' meeting was successful, judging from the October Workshop Planning Committee Meeting minutes.

During the presenters' conference call, it was suggested that a review of the previous presentations would be helpful to understand the topics that have been discussed.

If any of the presenters are having trouble getting started, they should contact Jeff or Dave.

Icebreaker

Stacey had a question regarding the icebreaker. She received information from Debbie about IFTA, but does not know who to contact for similar information about IRP. Drake Israel, Anthony Madsen and Tim Adams are good contacts for IRP information. Stacey is trying to develop good icebreaker questions, incorporating historical data. Debbie gave her previously used trivia information. Suggested items include people from particular regions and first-time attendees. Jeff will ask Anthony and Drake for ideas at the next Workshop Planning Committee meeting. Stacey will send the questions she develops to Jeff and Dave.

Auditing 101 and 301

The team has been looking at past presentations to develop their presentation. According to Diana, things are progressing well. The group members are getting started on it. Jeff can set up conference calls and host presenters' group meetings. IFTA can also host the conference calls.

Managing for Compliance

What can be added for the IFTA side? I-CAWG is later. Chester is from a joint shop and will be talking about preparing for peer review. His presentation should leave about fifteen minutes to discuss the history of items cited in peer reviews.

I-CAWG

Dave will highlight the changes. Ballot 371 can be discussed.

According to Jeff, two IRP ballots, one addressing free reciprocity and one dealing with rental vehicles passed. The new free reciprocity rules will change about one third of what we do and will lead to the creation of another ballot.

Pre-Audit

Jimmy, Helen and Mike have held a conference call and discussed how they would like to proceed. Jeff asked the group to forward their outline to him. The group has a conference call planned for December 2 at 9 am Mountain Time, 10 am Central Time and 11 am Eastern Time. Jeff will send out meeting requests via email. He will need the participants' telephone numbers.

Initial Conference

Kristie stated that a conference call is scheduled for tomorrow with Don Williams and Bob Gattinella.

Internal Controls

None of the presenters from this group were in attendance. It was suggested that Mark Howshar from Wyoming should be asked to join the Audit Committee conference calls to represent his presentation groups.

Sampling Techniques

Dawn stated that this group has had no contact yet. She would prefer hands-on work with sampling techniques to demonstrate how close they are to hitting the mark.

Auditing Distance

Maxime has spoken to Michelle and Mr. Robinson during two phone conferences. They will be addressing the technical aspects of GPS and the procedures manuals. They will have an outline ready.

Auditing Fuel

Bob and Diana have touched base and have some ideas, but nothing has been formalized. Jeff suggested a discussion of the ways mpg analyses should be completed and the projections used. Particularly useful

would be an mpg analysis involving a fleet with vehicles of different sizes that also addresses carry over fuel.

Report writing

Monica and Mike have spoken on the phone once and exchanged several emails. The presentation ideas involve a short review of areas of likely difficulty in writing followed by an open discussion of the pros and cons of different styles found in the inter-jurisdictional audit reports.

Final Conference

None of the presenters for this topic attended the conference call.

This covered all of the presenters on this conference call.

If any presenters need help, reach out to Dave, Jeff or any other Audit Committee member.

Other business:

Re-audit/Re-examination

A discussion of changes to the re-audit/re-examination wording began. The rephrasing of this topic has been attempted numerous times. It is likely that the existing language will go away, leaving jurisdictions and taxpayers with assessment questions to request clarification from the base jurisdiction. If the clarification does not satisfy the affected parties, they would proceed to dispute resolution. This procedure requires no new language. Jeff estimates that 95% of the situations should be resolved without dispute resolution. The last draft of the proposed changes is dated August 13, which Stacey will send to Jeff.

I - CAWG Survey

Dave explained that a survey was sent out to commissioners and audit contacts. In this survey, the concept of a 20% reduction in mpg for the first instance of inadequate records was introduced. A second instance of inadequate records would lead to a 50% reduction in mpg. Most of the respondents were not in favor of this change. Alternatives are being investigated, such as using industry standard mpgs.

IFTA Audit and Procedures Manuals

The Procedures Manual is ready for distribution. Dave's goal is to have the Audit Manual as close to ballot form as possible by the workshop.

Jeff suggested that the three quarters/three months language for sampling should be cleaned up since it generates confusion when three year audits are not conducted.

Workshop preparation

In regard to IFTA the I-CAWG will be a central focus of the workshop. All of the Audit Committee members should be familiar enough with the proposed changes to discuss them with other workshop participants. Even if the members do not agree with the changes, they should be well-versed in the theory and potential impacts of I-CAWG.

Kristy asked when the hotels could be reserved. Tammy stated that the pre-information packet will be posted on the IFTA website today or tomorrow. The agenda and hotel information will be included in that packet.

The next IFTA Audit Committee meeting is December 10 at 11:30 EST.

The conference call ended at 12:26 pm.