

IFTA CAC MEETING -06/18/2009

Participants: Jason DeGraf , Pat Platt , Scott Miller, Bill Kron, Debbie Stuart, Chis Nelson, Debbie Meise, Nikki Bachelder, Gary Frohlick, Randy Boone, Lonette Turner

Garry Hinkley and Scott Greenawalt did not participate.

Last conference call – May 21, 2009.

May Minute – May CAC minutes were approved with no changes.

ITAC Update – Scott M. – The committee welcomed a new member, Mike Albin. Thanks went to Jason Stein for having been on the committee. The conference call was changed to 11 A.M. and will be reflected in the ITTA Inc. meeting calendar. Debbie M. will write an article for the IFTA News. It was discussed who from the committee will be attending the Annual Business Meeting.

Mike A. led a discussion regarding GPS. There is a vendor who said that the GPS is IFTA compliant. Debbie M. explained to them IFTA Inc. has never and will never endorse products because that is not IFTA Inc.'s role. Mike A. presented the following: Information from a GPS can be influenced by changing the vehicle's tire pressure; if the GPS is factory installed or plugged into a cigarette lighter because the plug in type is very easy to disable; a professor from Iowa has done a study for the Federal government which may be helpful. It may be helpful to have the professor make a presentation. The committee may need to update section P600 (Electronic Data Recording Systems) in the IFTA procedures manual. The committee will try to identify any weaknesses of GPS so backup procedures can be defined. Debbie M. will reach out to the Audit Committee/Community for people to help work on this project. The meeting notes will be on the website once received approval. The next meeting will be 07/09/2009 at 11 A.M. EST.

Transmittals Dates – Solutions - This was added to the agenda because it wasn't officially closed out from the last meeting. It was agreed that it accomplishes what is needed – it names the cycle.

Access Agreements - All comments have been made on the agreements. Ontario commented on the confidentiality of decal database and inter-jurisdictional audit report. This has been discussed before and since it is in the user manual, the information will stay confidential and is for tax purposes only. This information is optional data – cannot make jurisdictions report it. The confidentiality of this information is not mentioned in the access agreement. A690 covers the confidentiality of the audit report. The committee agreed that the agreements will not be changed at this late date.

Ontario's legal council added having the funds held at a financial institution with an "A" standard. Our bank is rated and "A" and is the 3rd top financial institution. What happens if we go with another bank with an "A" rating and then the following quarter, the bank drops to an "A-" rating, we move the funds, then the rating goes back up? We are not going to change the bank where the funds will be held.

Connecticut's legal council sent in some definition corrections, which have been implemented.

Alabama suggested changing the definition of Funds Netting. Alabama's suggestion really just used more words and says the same thing as our definition. This change does not offer any improvement. No change will occur.

There really were so few comments made about the agreements, that it is believed all are ready to sign the agreement.

The agreements will be taken to the Board on 06/19/2009 for approval for distribution.

Funds Netting – The Board approved the Funds Netting Rules. The banking information is out there. Lonette has put all documents on the message board website. We are ready for the test.

Everything only needs the Board's approval, not ratification. That is why we asked for the jurisdiction comments.

Canadian Account - has been created and is referred to in the Test Plan. We have a Canadian account in Toronto. We are in the process of gathering the financial information. When a Canadian account transfers funds to a US account, the system will do the converting. Will also send out wire instructions for transfers.

Test Plan – The banking side will be set up and merge in October and actually transfer funds at the same time. Will have everything set up before October and do a "non-penny test". August and September is just trying to get everyone timely and the process set up. August transmittals will not be finalized until the end of August. An email will be sent out when it has been finalized. There will be an issue of getting jurisdictions to understand that during this testing period, they may be out of compliance. If the jurisdictions go according to the calendar, they should be alright.

On page 6 in the Funds Netting banking test, a step will be added in. This will require jurisdictions to tell us when the funds are requisitioned from their accounting offices. This will allow us to monitor the time it takes to get the funds from the accounting offices.

On page 8- when we get to Phase II and the full Funds Netting test, we may want to go ahead and have a small transfer to tie into the calendar. We could do another test the next month and that would leave December to fix any left over problems. If we sent funds late, that would allow the prorate function to be tested as well. In October and November, jurisdictions will have to suppress checks and turn them back on in December. This will allow phases I and II to be done together and not create a burden on the jurisdictions. It was decided we will shoot for a full Funds Netting in October if ready and then what happens in December will be based on the November results. We are not necessarily committed to December.

Lonette added to the overview and it will give the jurisdictions and idea where we are, starting with each month of the test plan period.

Lonette will finalize the plan and run by all to get quick responses before the ABM.

At the ABM, Lonette will address the Access Agreement, Gary F. is responsible for the Funds Netting Rules and Pat is presenting the test plan. There will be a panel to answer any questions

there may be. There have been very few comments on the Access Agreement since its been posted.

Bill Kron left the call.

Quality Control Review – Pat and Jason did Q.A. testing. Letters will be sent to the jurisdictions with mistakes and will be asked to clean it up before Funds Netting starts. It was suggested that IFTA Inc. be a Q.A. group somehow. Perhaps quality control can become part of the compliance overview and all 58 jurisdictions take turns reviewing. It took Jason and Pat about 6 hours to review all jurisdictions but it may not take that long in the future once it is streamlined. Will bring up the compliance review function will be addressed at the ABM. There could be a committee created, and people could take turns being on it. The jurisdictions concerns of quality of data will also be addressed at the ABM. Could have 3 jurisdictions at a time do a sweep quarterly of the data and report what was found to the CH Advisory Committee. If there is an issue and a jurisdiction is not cleaning up their data, then it could be turned over to the Program Compliance Review Committee. Each jurisdiction could get a list of errors and a formal letter asking to clean up the data.

Lonette will finalize the Funds Netting Test and then get the banking info completed. If Lonette is able, she will gather the list of errors as well.

Utah has a problem with their data and will be contacted.

Idaho Issue – Has been settled. This was not an everyday occurrence.

New Business – No new business.

Next conference call – Due to the timing of the ABM, the next call will be July 23, 2009 at 11AM EST.