



**IFTA BALLOT PROPOSAL
#02-2025**

Sponsor

IFTA, Inc. Program Compliance Review Committee

Date Submitted

March 5, 2025 September 2, 2025

Proposed Effective Date

January 1, 2026

Manual Sections to be Amended

Procedures Manual Section P1230

Subject

Jurisdiction participation in program compliance reviews.

History/Digest

P1230 currently requires jurisdictions to participate in their appropriate share of program compliance reviews each year with no member jurisdiction being required to participate in more than two program compliance reviews per year. Assistance with these program compliance reviews is distributed equally across all jurisdictions based on the schedule established by the Program Compliance Review Facilitator.

The IFTA Board of Trustees issued a Board Charge to the Program Compliance Review Committee (PCRC) in March 2024 to develop new review procedures that include an annual Admin review of all member jurisdictions. The Charge directs the PCRC to streamline the review process with more of a focus on items that are of monetary importance to all member jurisdictions. The board charge was voted on during the 2025 Annual Business Meeting and was passed by majority vote.

With streamlined review procedures reviewers will spend less time conducting reviews. ~~The PCRC also is planning to have Committee members~~ will also participate in reviews, particularly in regard to analyzing Clearinghouse data for an Annual Admin review of all jurisdictions.

The current limitation, restricting jurisdictions to no more than two reviews per year, conflicts with this new process. While participation in reviews remains a program requirement, the existing cap limits flexibility, hinders team-based reviews, and slows completion of the required reviews.

~~The current limitation—restricting reviewers to participate in no more than two reviews per year—undermines the effectiveness of the updated approach. Although reviewers are required to participate as part of the program, the existing cap creates barriers to collaboration, limits the ability to conduct team-based reviews, and hinders completion of the reviews.~~

~~Removing this restriction will not increase the overall workload for jurisdictions, as the scope of each review has been streamlined. Instead, it will provide greater flexibility in scheduling and allow jurisdictions to participate in group reviews more effectively, enhancing consistency, efficiency, and the overall quality of compliance efforts.~~

FOR SECOND COMMENT PERIOD ENDING OCTOBER 27TH

Intent

This ballot proposes to remove the restriction that no member jurisdiction be required to participate in more than two reviews per year. Removing this limitation will not increase the overall workload for jurisdictions, as each review has been streamlined. Instead, it will enhance scheduling flexibility, allow for more effective group reviews, and improve consistency, efficiency, and the overall quality of program compliance efforts.

This structure ensures that all required reviews are completed annually, that the workload is equitably distributed among jurisdictions, and that expectations for reviewer participation remain reasonable and predictable.

~~This ballot is being submitted to consider changing the IFTA Procedures Manual to remove the restriction that no member jurisdiction may be required to participate in more than two program compliance reviews per year. This change will support the Board's directive for more frequent, collaborative, and efficient reviews—especially those requiring team-based analysis and execution under the revised streamlined procedures.~~

FOR SECOND COMMENT PERIOD ENDING OCTOBER 27TH

Interlining Indicates Deletion; Underlining Indicates Addition

*P1230 REQUIRED PARTICIPATION

Jurisdictions will be required to participate in their appropriate share of program compliance reviews each year through the assignment of jurisdictional reviewers. Assistance with these program compliance reviews is distributed equally across all jurisdictions based on the schedule established by the Program Compliance Review Facilitator.

~~No member jurisdiction will be required to participate in more than two program compliance reviews per year.~~

Jurisdictional reviewers will serve a two-year term, during which they will participate in the bulk review process. The majority of review responsibilities will be concentrated during one designated travel week per year, when administrative and audit reviews are conducted collaboratively per the program compliance review guide.

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Outside of the travel week, jurisdiction reviewers may be asked to participate in entrance meetings or limited follow-up discussions, but no additional extensive review obligations will be required.

Changes Following Annual Business Meeting

This ballot reflects changes based on concerns raised during the Annual Business Meeting. Commissioners noted that staff should not be required to conduct more than their fair share of reviews. Adjustments were also made following the majority vote to ratify the PCRC Board, ensuring this ballot supports fair and effective participation in competing reviews.

Additionally, language was updated for clarity. Reviewers are already required to participate, and the jurisdictional rotation schedule is posted on the IFTA website:

<https://www.iftach.org/procomp/Jurisdictions%20Participation%202020year%202019-2020%20through%202037-2038.pdf>