

MINUTES
AUDIT COMMITTEE MEETING
PUBLIC SESSION
GIRDWOOD, ALASKA
JULY 25, 2000

I. CALL TO ORDER:

Kim Ferrell, Audit Committee Chairman called the meeting to order at 1:30 PM and welcomed the members and guests who were present.

II. ROLL CALL:

Present were the following members and guests:

UT. Kim Ferrell	AK. Larry Meyers	MI. Nancy Taylor
HI. Peter Fritz	WA. Linda Brooks	NM. Frank Shaffer
NJ. Bob Thompson	WY. Michael Geesey	ME. Stephen Murray
WY. Rick Scheer	OR. Stan McClain	AL. Dan Bass
WA. Forrest Bush	MN. Kathleen Stewart	MI. Dave Husted
NJ. Rich Schrader	MT. Don Hoffman	MT. Mary Coster
ID. Phil Aldape	ID. Joe Randall	KY. Jennifer Hayes
NM. Rick Bejarano	NM. Marilyn Hill	AR. Danny Walker
AR. Tom Atchley	MN. Larry Wilkie	MO. Diane Luebbering
MTC Cathy Felix	MTC Harold Jennings	MTC Dan Bucks
MTC Les Koenig	MTC Steve Yang	

III. APPROVAL OF MINUTES:

The public section of the minutes of the February 17, 2000 meeting in Tucson, Arizona was approved as submitted.

IV. PUBLIC COMMENTS:

Kim Ferrell opened the floor for any public comments. There were no public comments from the floor.

V. EXECUTIVE DIRECTOR'S REPORT:

Dan Bucks, Executive Director presented a verbal report on the Commission activities for the last 3 months. He reported that the Executive Committee established a new Technology sub-committee. He requested that the Audit Technology sub-committee members help build the new sub-committee for the Executive Committee.

Dan discussed the revised training costs for all Commission training classes. Under Commission by-laws, training must be self-sustaining. A lengthy discussion followed. A motion was made by Tom Atchley and seconded by Dave Husted that the MTC appropriate A sum of money from unappropriated funds to support training for Compact & Sovereignty member states. The motion failed by an 8 to 7 vote.

VI. AUDIT DIRECTOR'S REPORT:

Les Koenig, MTC Audit Director submitted a written report to the Audit Committee summarizing the activities of the Audit Program from July 1, 1999 through June 30, 2000.

VII. TECHNOLOGY AND AUDITING:

Joe Randall, chairman of this subcommittee reported on its meeting held on July 24, 2000. Joe reported that the sampling classes are meeting with great success. Joe said that there were plans for about 8 additional sampling classes for fiscal year 6/01.

Joe also reported that ideas for future work were discussed. There were four topics that will be explored in future meetings. These are:

- A. Encryption Technology
- B. Audit Selection Techniques
- C. Standards for Managed Compliance
- D. Audit Coordination by MTC & Joint Auditing

VIII. NEW BUSINESS:

There was no new business brought before the Audit Committee.

IX PUBLIC SESSION OF AUDIT COMMITTEE ADJOURNED; CLOSED SESSION ANNOUNCED:

Kim Ferrell adjourned the public session of the Audit Committee at 3:30PM.

Kim announced that, as previously described in the notice for the meeting, the Audit Committee would conduct a closed session to consider the items on the public notice of the meeting. These items are being considered in a closed session because they involve the consideration of confidential taxpayer information or data the disclosure of which is prohibited by law.