

**AUDIT COMMITTEE MEETING**

**PORTLAND, MAINE**

**JULY 30, 1996**

***PUBLIC SESSION:***

**I. CALL TO ORDER:**

Tom Atchley called the meeting to order at 8:00 AM and welcomed all those present.

**II. ROLL CALL:**

Present were the following members and guests:

AR Tom Atchley	UT Kim Ferrell
ID. Joe Randall	MT Lynn Chenowith
WA Ken Capek	NE Shaun Sookram
KS Carol Ireland	AL. Peter Petrillo
MI Stan Borawski	ND Harold Aldinger
WI Jack DeYoung	NJ Rich Schrader
NJ Lee Evans	CO Bob Glidden
OR Gary Friezen	UT Rod Marrelli
UT Julie Packard	SD Bruce Christensen
NM Rick Bejarano	NM Cindy Stearns
MA Robert Mood	MA Joe Lupica
MO John Feldman	MO Gerry Andert
ID Phil Aldape	ID. Dick McFarland
MN Kathleen Stewart	HI. Romald Randall
ME Eileen Beemis	ME Tim Paul
ME Jim Rivers	KY Jennifer Hays
KY Charlotte Quarles	AZ Leigh Cheatham
CA Glenn Bystrom	UT Val Oveson
AK Chuck Harlamert	AK Mark Grabek
MT Steve Austin	MT Shauna Bingham
MT Larry Sullivan	MTC Les Koenig
MTC Cathy Bernot	MTC Harold Jennings
MTC Jeff Silver	MTC Beau Baez
MTC Ken Morrow	MTC June Summers
MTC Steve Yang	MTC Mark Voyda
MTC Sam Moon	

### **III APPROVAL OF MINUTES**

The public section of the minutes of the March 14, 1996 Audit Committee Meeting in San Diego, California were accepted as submitted.

### **IV. EXECUTIVE DIRECTOR'S REPORT**

Dan Bucks welcomed Missouri and Massachusetts as new members of the Audit Program. Missouri is participating in both taxes while Massachusetts will participate in the sales tax portion of the program.

Dan talked about the audit budget for fiscal year end 6/30/97. Due to the increase in membership in the audit program, additional funds appear to be available for additional auditors. Two additional auditors are scheduled to be hired later in the fiscal year. In addition, the audit budget will be able to support a programmer to assist in developing software for the computer assisted audit project. Dan also recognized the efforts of the Computer Assisted Audit Sub Committee and especially the work of Stan Borawski in chairing that group.

Dan also reported that the MTC filed an Amicus Brief in the General Motors Vs Ohio Tax Case.

Finally, Dan explained the Public Participation Policy Guidelines. The Audit Committee Meeting will be open to the public except when the Audit Committee discusses taxpayer specific information or personnel issues.

### **V. AUDIT DIRECTOR'S REPORT**

Les submitted a written report to the Audit Committee. He also explained the status of the Regional Audit Pilot Program. Currently three of the four states have commenced the audit of the taxpayers. The fourth state will commence the audit it has been assigned in early October. None of the states have experienced any difficulties obtaining the necessary information to conduct the audits.

Les also reported on the status of the Joint Property Tax Audit Project. Originally 6 states were involved in the project. Recently one of the states decided it was not able to participate in the project. Additionally, the lead auditor has contacted the taxpayer to set up an audit appointment for the fall. The taxpayer raised concerns regarding legal issues that would permit the five states to conduct a joint audit. These questions are being addressed by MTC legal council and the individual states. Hopefully these problems will be worked out so that the audit can be conducted in early fall.

## **VI. NEW BUSINESS**

There was no new business items that were discussed. Tom Atchley asked if there were any questions or comments from the general public. There were none and Tom closed the public session of the meeting. The Audit Committee went into the confidential session of the Audit Committee Meeting.