

**MINUTES**  
**AUDIT COMMITTEE MEETING**  
**PUBLIC SESSION**  
**SALT LAKE CITY, UTAH**  
**JULY 29, 2003**

**I. CALL TO ORDER:**

Rich Schrader, Audit Committee Chairman called the meeting to order at 8:00 AM and welcomed the members and guests who were present.

**II. ROLL CALL:**

Present were the following members and guests:

NJ Rich Schrader	AK Robyn Wilson	CO Bill Speckman
UT Frank Hales	OH Ed Philips	TN Joan Cagle
WY Rick Scheer	ND Blane Braunberger	WI Rick DeBano
UT Craig Sandberg	UT Rod Marrelli	AR Tom Atchley
AR Danny Walker	KY Jennifer Hayes	MO Carol Fischer
MO John Feldmann	WY Mike Geesey	AK Mark Graber
SD Bruce Christensen	UT Bruce Johnson	MN Larry Wilkie
OR Eric Smith	OR Janielle Lipscomb	ND Mary Loftsgard
ID Joe Randall	UT Shelley Robinson	UT Rod Boorgard
UT Kim Ferrell	ID Dick McFarland	MT Shona McHugh
MT Gene Walborn	WA Tremaine Smith	MTC Les Koenig
MTC Dan Bucks	MTC Beau Baez	MTC Harold Jennings
MTC Jeff Silver		

Present through teleconference:

KS Nick Kramer	DC Charles Wilson	CO Christine Manthey
MTC Cathy Felix	MTC Steve Yang	

**III. PUBLIC COMMENTS:**

There were no comments from the public sector present at the meeting.

**IV. APPROVAL OF MINUTES OF PUBLIC SESSIONS AUSTIN, TX**

The minutes from the Austin, Texas public session held on March 19, 2003 were approved as submitted.

**V. REPORT FROM EXECUTIVE COMMITTEE LIAISON**

Carol Fischer reported on the MTC State Compliance Initiatives instituted by the MTC Executive Committee. She encouraged Audit Committee Members to participate whenever possible. She also thanked the Audit Committee for its work during the last year.

**VI. EXECUTIVE DIRECTOR'S REPORT**

Dan Bucks, MTC Executive Director reported on the three work groups that were established to examine the problems in state taxation. One group is focusing on problems in the sales and use tax area. One group is working on problems in the Business Activity Taxes. The third group is working on problems in the Pass Through Entity area.

**VII. AUDIT DIRECTOR'S REPORT**

Les Koenig, MTC Audit Director issued a written report on the status of the Audit program. Les reported that 11 sales tax and 8 income audits were completed during the fiscal year.

**VIII. REPORT FROM AUDITING TECHNOLOGY SUB-COMMITTEE**

Bruce Christensen reported on the sub-committee's meeting on July 28, 2003. Bruce reported that Harold Jennings is developing a sampling manual that would be used by the MTC sales tax audit staff. He also reported that various classes are being conducted by the MTC.

Bruce further reported that the Task Force completed a draft on standards to certify Model 1 and Model 2 taxpayers under the Streamed-lined Sales Tax Project. This draft was presented to the audit work group of the Streamed-lined Sales Tax Project at their June meeting.

**IX NEW BUSINESS AND ADJOURNMENT**

There were no items under New Business The public session of the Audit Committee was adjourned at 9:00AM.