

Meeting Notes: Strategic Planning Compliance Project Work Team Session – Audit Nominations

Tuesday, January 22, 2013

11:00 a.m. to 1:00 p.m. Eastern Time

I. Welcome and Introductions: Attending – Harold Jennings, MTC; Randy Tilley, ID; Les Koenig, MTC; Lee Baerlocher, MT; Rick DeBano, WI; Melissa Copp, MT; Elizabeth Harchenko, facilitator.

II. Initial Public Comment Period - No public comment was offered.

III. Project Work - **See** MTC Audit Nomination Process, Version 2.0 1-25-13, for details of the discussion of agenda items III A, B and C.

A. Review and refine process “map” of the audit nominating process. The project team reviewed the steps in the audit nomination process “version 1.0” previously distributed. They added detail, clarified interaction between the states and the MTC Audit Director, and added a description of the work that is done in the states in response to the Audit Director’s inquiries. They also identified additional issues and concerns that must be addressed in a revised process.

B. The project team also identified opportunities for efficiency and time savings in the current process. They concluded that much of the data that is requested of the states during step 2 may not be needed for the states to select the taxpayers that should be added to the audit inventory.

C. The team members reviewed the criteria that are currently recommended for the states to consider in making nominations under the current process. Rick had sent out an e-mail with some suggested changes in the criteria and forms that are used today.

D. Review early input from states on existing process. Elizabeth had sent a summary of input received to date from states about the current process. The deadline for comments is January 31. Any additional comments will be added to the current summary, and the full summary will be distributed before the next meeting.

IV. Next Steps

Elizabeth will prepare a version 2.0 high level outline and distribute it to the group by 1/25/13.

Elizabeth will prepare a rough draft process (v 0.5) and distribute it to the group by 1/25/13. Team members will review the draft and discuss it on February 12. A new draft will be prepared for distribution to the Audit Committee members by 2/25/13.

The team asked Les and Harold to prepare data on recent voting history; how many companies were “priority” votes that didn’t get onto the inventory list, and what was the vote distribution for the companies that were included in the inventory.

Next Meeting: February 12th at 11:30 a.m. Eastern time. If we need a meeting late in February, it will be on 2/22/13 at 11:30 Eastern.

V. Adjournment