

MINUTES
AUDIT COMMITTEE MEETING
PUBLIC SESSION
NEW ORLEANS, LA.
MARCH 18, 1999

I. CALL TO ORDER:

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

II. ROLL CALL:

Present were the following members and guests:

UT. Kim Ferrell	MN. Kathleen Stewart	WA. Forrest Bush
MI. Stan Borawski	NM. Frank Shaffer	NM. Ron Cruz
NM. R. Cameron Hull	OR. John Scott	SD. Bruce Christensen
NJ. Rich Schrader	NJ. Larry Gauges	CO. Bob Glidden
MD. Keith Akers	MD. Mary Evans	MT. Don Hoffman
AL. Chris Sherlock	AL. Louis Mills	AL. Dan Bass
MN. Larry Wilkie	DC. Greg Barcase	DC. Hattie Stancil
DC. Joseph Goosby	KY. Jimmie Greenwell	KY. Bob Clark
KS. Tom Hatten	KS. Bob Lewis	ND. Blane Braunberger
ID. Brenda Wolff	AR. Tom Atchley	ND. Harold Aldinger
ID. Dick McFarland	MO. John Feldman	ID. Joe Randall
OR. Doug Adair	NH. Chuck Redfern	MTC Les Koenig
MTC Harold Jennings	MTC Sheldon Laskin	MTC Beau Baez
MTC Elliot Dubin	MTC Jeff Silver	MTC Cathy Felix
MTC Steve Yang	MTC Dan Bucks	MTC Susan Ribe
MTC Tom Shimkin		

III. APPROVAL OF MINUTES:

The public section of the minutes of the November 18, 1998 meeting in Washington, DC 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 made a verbal report. Dan also encouraged the Audit Committee to consider various methods of joint auditing.

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 through January 31, 1999.

VII. WAIVER DISCUSSION:

Revised waiver forms were distributed to the Audit Committee members. After several minor suggested changes, the revised waiver form was approved.

VIII. AUDIT NEEDS SURVEY DISTRIBUTION:

Les distributed the results of a survey to the Audit Committee members concerning state audit needs. The results of the survey indicated that the states were highly interested in training needs in the area of sampling for sales and use taxes.

IX TECHNOLOGY AND AUDITING:

Forrest Bush, chairman of this subcommittee reported on its meeting held on March 15, 1999. Forrest stated that the committee continues to explore various sampling techniques for sales tax. The committee has asked that Harold Jennings continue on his work to develop this type of training for the states. Several states have volunteered staff to help Harold in this development.

The Audit Committee voiced its support to the reorganization of the MTC Audit Program. Under this reorganization, Harold Jennings will assume the responsibility of coordinating the training and assume the primary responsibility of coordinating the auditing of the electronic records of taxpayers. Steve Yang will move into the role of Supervisor of the sales and use tax auditors for the Commission.

X NEW BUSINESS:

There was no new business item brought before the committee.

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

Kim Ferrell adjourned the public session of the Audit Committee at 2:20PM.

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 close session because they involve the consideration of confidential taxpayer information or data the disclosure of which is prohibited by law.