

**AUDIT COMMITTEE MEETING
PUBLIC SESSION-Minutes**

Teleconference

July 28, 2020

I. CALL TO ORDER:

Frank Hales, Audit Committee Chair called the meeting to order at 2:00 P.M. Eastern Time and welcomed the members and guests participating in the meeting.

II. ROLL CALL:

Present were the following members and guests:

NAME	STATE OR AFFILIATION	NAME	STATE OR AFFILIATION
Matt Tidwell	AL	Nikki Elwood	NE
Wayne Harkins	AL	Julie Schluter	NE
Michael Williams	AK	Scott Spilinek	NE
Karen Hultqvist	AR	Debra Gusak	NE
Scott Fryer	AR	Debra Piaseczny	NH
Joel DiPippa	AR	Peter Roth	NH
Scott Hathaway	CO	Fred Coolbroth	NH
Misgana Tesfaye	CO	Colleen Chipman	NJ
Betsy Clancy	CO	Dawn Hornung	NJ
Sarah Roberts	CO	Matt Peyerl	ND
Kathy Mui	CO	Joseph Royston	OR
John Armstrong	CO	Julie Anderson	OR
Lindsay Cutler	CO	Katie Lolley	OR
Bharate Parmer	CO	Don Jones	OR
Warren Wood	DE	Victoria Johnson	OR
Robert Kindred	DC	Anita Conner	PA
Layne Hadlock	ID	Debra Houck	PA
Meg Inouye	ID	Sheila Becker	PA
Tom Shaner	ID	Bethany Whitmarsh	RI
Kurt Konek	IA	Susanna Coburn	RI
Michael Mertens	IA	Harold Jones	TN
Renae Walker	IA	Frank Hales	UT
Charla Wagner	KS	John Valentine	UT
Latonia Dooley	KY	Karolyn Bishop	WA
Marcia Ann Oakman	KY	Bryan Kelly	WA
Krystal Bolton	LA	Kevin Lanham	WV
Debra Guillory	LA	Holly Coon	MTC
Stacey Greaud	LA	Brian Hamer	MTC
Jay Maschas	MD	Lila Disque	MTC
Bridgette Thomas	MS	Ali Pazand	MTC
John McCarty	MO	Helen Hecht	MTC
Lee Baerlocher	MT	Bill LoCascio	MTC
Keith Broussard	MT	Steve Yang	MTC

Mark Schoenfeld	MT	Larry Shinder	MTC
Bruce Fort	MTC	Cathy Felix	MTC
Greg Matson	MTC	Jeff Silver	MTC
Kim Stewart	MTC	Lindsay Buerkle	MTC Illinois Chamber of Commerce
Loretta King	MTC	Keith Staats	
Nicholas Polimeros	MTC	Tripp Baltz	Bloomberg Tax
Nancy Prosser	MTC	Todd Lard	Eversheds Sutherland
Richard Cram	MTC	John Vecchiarelli	FAST
Sabrina Worthington	MTC	Will Rice	FAST
Scott Pattison	MTC	Virgil Helton	FAST
Shawn Rao	MTC	Andrew Soubel	Wolters Kluwer
Spencer Clarke	MTC	Scott Peterson	Avalara
Brian Staley	MTC	Paul Williams	Law 360

III. PUBLIC COMMENTS:

There were no Public Comments.

IV. APPROVAL OF MINUTES PUBLIC SESSION:

The minutes of the public session of the Audit Committee meeting on April 21, 2020 conducted via teleconference were approved unanimously with a motion by Lee Baerlocher, MT. Since the April meeting of the committee was conducted via teleconference, the public session was not reopened at the conclusion of the closed session. Instead, guests were instructed that any items to report from the closed session would be reported at the beginning of the next committee meeting scheduled for July. Frank notified members and guests that there were no items to report from the closed session in April.

V. AUDIT DIRECTOR'S REPORT

Holly Coon, Audit Director, referred to her written report on the status of the Audit Program. She noted that for the 2020 fiscal year, the Joint Audit Program proposed assessments of \$181,954,548 for completed and partially completed corporate income tax audits and \$1,625,565 for completed and partially completed sales tax audits.

Holly also reminded the Audit Committee that the Chicago Audit Office is now closed, and the Commission lost Michelle Becker as part of this process. Michelle served as the Joint Audit Program's administrative assistant and was assigned to the Chicago office. The Joint Audit Program does plan to hire a replacement for Michelle who will be assigned to the Commission's Washington DC office. However, the hiring process has been placed on hold due to the COVID-19 pandemic.

The third item Holly highlighted was the training portion of the report. She quickly referenced the training the Joint Audit Program staff conducted in last fiscal year and discussed in more detail the two upcoming training sessions the Commission plans to conduct in the coming months.

1. A multi-session, market-based sourcing training to be conducted by Holly and Michael Fatale (MA). This training will be provided virtually starting in late August or September.
2. A virtual general corporate income tax training course. This training will be provided in lieu of an in-person corporate income tax course originally planned as an in-person training in June 2020 in Virginia and then rescheduled for October 2020. The Commission is in the preliminary stages of planning this training.
Exact dates, times, and fees are still being determined for both trainings.

Finally, Holly remarked that this was the first meeting in which taxpayers could submit audit narratives to be included in the audit packet alongside staff provided audit narratives. Notices were sent to taxpayer contacts with on-going MTC audits notifying them of this opportunity. Two taxpayer narratives were received and those were included in the audit packet for discussion in the closed session of the meeting.

VI. NEW BUSINESS AND ADJOURNMENT

There was no other new business to discuss and the public session ended at 2:20 P.M. Eastern Time by a motion from Lee Baerlocher, Montana, so the committee could hold a closed session.

Due to complexities of holding the Audit Committee meeting via teleconference, the public session was not reopened at the conclusion of the closed session, as is customary. Frank notified meeting participants that any items from the closed session appropriate to be reported in public session would be presented at the next public session of the Audit Committee.