

**AUDIT COMMITTEE MEETING
PUBLIC SESSION-Minutes**

Teleconference

April 21, 2021

I. CALL TO ORDER:

Frank Hales, Audit Committee Chair called the meeting to order at 2:02 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	Krystal Bolton	LA
Brandy Offord	AL	Debra Guillory	LA
Timea Boros	AL	Stacey Greaud	LA
Melody Moncrief	AL	Jay Maschas	MD
Michael Williams	AK	Sal Tomaselli	MO
Deanna Munds-Smith	AR	Mark Schoenfeld	MT
Lynne Reynolds	AR	Scott Spilinek	NE
Scott Fryer	AR	Michaela Virchow	NE
Sarah Roberts	CO	Jennifer Anderson	NE
Kathy Mui	CO	Katherine Rich	NE
Robert Kindred	DC	Fred Coolbroth	NH
Charles Wilson	DC	Jacob Thom	NH
Jennifer Noel	DE	Colleen Chipman	NJ
Warren Wood	DE	Joan Grochala	NJ
Tom Shaner	ID	John Ristoro	NJ
Layne Hadlock	ID	Audrey Tyndall-Hoyle	NJ
Meg Inouye	ID	Matt Peyerl	ND
Erick Shaner	ID	Megan Martin	ND
Madelaina Lai	HI	Mikey Lucas	OR
Issac Choy	HI	Katie Lolley	OR
Ronda Detlefsen	IA	Debra Houck	PA
Kurt Konek	IA	Jonathan May	PA
Michael Mertens	IA	Kevin Milligan	PA
Teresa Miller	IA	Sheila Becker	PA
Charla Wagner	KS	Leo Lebeuf	RI
Michael Hale	KS	Harold Jones	TN
Scott Reed	KS	Christina Mason	TN
Brian D'Angelo	KS	Frank Hales	UT
Jordan Raye	KS	Angie Hillas	UT
Latonia Dooley	KY	Kelsey Gallacher	UT
Marcia Ann Oakman	KY	Tiffany Southworth	UT
Katy Jenkins	KY	Valerie Newson	UT

Rod Boogaard	UT	Lindsay Buerkle	MTC
Bryan Kelly	WA	Melissa Kopp	MTC
Karolyn Bishop	WA	Nancy Prosser	MTC
Kevin Lanham	WV	Nick Polimeros	MTC
Ali Pazand	MTC	Paul Mond	MTC
Bartt Stucki	MTC	Richard Cram	MTC
Brian Hamer	MTC	Bob Schauer	MTC
Brian Staley	MTC	Scott Pattison	MTC
Cathy Felix	MTC	Shawn Rao	MTC
Chris Barber	MTC	Spencer Clarke	MTC
George Fung	MTC	Steve Yang	MTC
Greg Matson	MTC	Kay Mick	MTC
Helen Hecht	MTC	Bill LoCascio	MTC
Holly Coon	MTC	Amy Hamilton	State Tax Notes
Sam Moon	MTC	Andrew Soubel	Wolter Skluwer
Jantha Jamison	MTC	Tanya Webb	Chevron
Jeff Silver	MTC	Tripp Baltz	Bloomberg Law
John Tracy	MTC	Virgil Helton	FAST
Kim Stewart	MTC	Will Rice	FAST
Ki Yun	MTC	Jake Hoffman	FAST
Larry Shinder	MTC	Olivia Schulte	Deloitte
Lila Disque	MTC		

III. REPORT ITEMS FROM CLOSED SESSION-NOVEMBER 17, 2020

Due to the virtual nature of the Fall Audit Committee meeting, the public session was not reopened after the closed session. Frank shared that there was one item to report from the November meeting: The committee approved a more detailed format for reporting audit results of the Joint Audit Program. New information includes tax refunds requested by taxpayers, recommended refund reductions, and any recommended changes to tax attributes such as tax credits and net operating losses.

IV. PUBLIC COMMENTS:

There were no Public Comments.

V. APPROVAL OF MINUTES PUBLIC SESSION:

The minutes of the public session of the Audit Committee meeting on November 17, 2020 conducted via teleconference were approved unanimously with a motion by Katie Lolley, OR.

VI. AUDIT DIRECTOR'S REPORT

Holly referred to her written report on the status of the Audit Program. She noted that for the first three quarters of the 2021 fiscal year, the income tax program proposed net assessments of \$24,245,486 (proposed assessments of \$25,377,620 less taxpayer requested

adjustments of \$1,132,133) for completed and partially completed corporate income tax audits. Income tax program staff also proposed tax credit and refund reductions of \$82,811. The sales tax program proposed net assessments of \$8,674,620 (proposed assessments of \$9,111,843 less taxpayer requested refunds of \$437,223) for completed and partially completed sales tax audits. Sales tax program staff also proposed \$203,571 in tax refund reductions.

Holly also highlighted the training portion of the report. She noted that the Commission is working to provide training via an online training platform and that a training on market-based sourcing will be available soon. Holly mentioned that subscribing to the MTC monthly newsletter is the best way to stay informed about upcoming MTC training events.

VII. DISCUSSION AND APPROVAL OF THE REVISED AUDIT COMMITTEE CHARTER

Holly indicated that the charter for the Audit Committee had been found and revised by the Commission's legal staff. She noted changes to the Membership and Voting Section that would allow the committee chair to limit the voting on a motion to those states affected by the motion. Some members of the committee voiced support for this change. Michael Williams, AK, submitted a motion to recommend that the Executive Committee approve the Audit Committee Charter as. The motion was approved by large margin with a roll call vote.

VIII. NEW BUSINESS AND ADJOURNMENT

As an item of new business, Holly will organize monthly roundtable discussions conducted via teleconference. These roundtable discussions are not meetings of the Audit Committee but considered training and informational sessions for Joint Audit Program member states. Some members of the committee voiced support. Kurt Konek, IA, suggested that a survey would be helpful to determine a day/time for the meetings. Holly said she will follow-up with a survey to committee members.

This was the only item of new business discussed and the public session ended at 2:35 P.M. Eastern Time with a motion from Krystal Bolton, LA, 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.