

**AUDIT COMMITTEE MEETING
PUBLIC SESSION-Minutes**

HOUSTON, TX

DECEMBER 13, 2016

I. CALL TO ORDER:

Frank Hales, Audit Committee Chair called the meeting to order at 8;30 A.M. and welcomed the members and guests who were present.

II. ROLL CALL:

Present were the following members and guests:

NAME	STATE OR AFFILIATION	NAME	STATE OR AFFILIATION
Tracee Abel	MT	Jeff Silver	MTC
Lee Baerlocher	MT	Michael Smith	DE
Michelle Biermeier	WI	Marshall Stranburg	MTC
Karolyn Bishop	WA	Randy Tilley	ID
Krystal Bolton	LA	Christy Vandevender	AL
Gil Brewer	WV	Gene Walborn	MT
Michael Christensen	UT	Joan Wittig	NM
Richard Cram	MTC	Steve Yang	MTC
Latonia Dooley	KY		
Cathy Felix	MTC	Rebecca Berry*	LA
Josette Fullen	NJ	Anita Conner*	PA
Keith Getschel	MTC	Tommy Cooper*	GA
Frank Hales	UT	Chester Cook*	GA
Helen Hecht	MTC	Hal Jones*	TN
Richard Jackson	ID	Pat Kelly*	NJ
Harold Jennings	MTC	Geemon Kurian*	DC
Don Jones	OR	Kevin Lanham*	WV
Jayne Kulberg	WI	Scott Leary*	MO
Katie Lolley	OR	John McCarty*	MO
Greg Matson	MTC	Janice Shannon*	NM
Paul Mond	MTC	Pam Struble*	WV
Luke Morris	LA	Misgana Tesfaye*	CO
Marcia Ann Oakman	KY	Bryan Vargas*	KS
Matt Peyerl	ND	Jason Weimer*	PA
Billy Pittman	LA		

* Participated by telephone

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 of July 25, 2016, in Kansas City, Missouri were approved with a motion by Randy Tilley.

V. AUDIT DIRECTOR'S REPORT

Keith Getschel, Audit Director, referred to his written report on the status of the Audit Program. For the fiscal year end, 6/30/17, the MTC Audit Program has completed one income tax audit and parts of seven other income tax audits. They have also completed one sales tax audit and parts of six other sales tax audits. The proposed assessments for the fiscal year ended 6/30/17 through 10/31/16 are \$20,874,921 for income tax and \$285,783 for sales tax. There are nineteen (19) income and thirty-five (35) sales tax audits in progress.

Keith reported that the commission hired a new income tax auditor, Ali Pazand, who started October 1, 2016. Ali comes to us, highly recommended, from the state of New Mexico. Keith also reported that the interview pool had some high quality candidates, so to take advantage of this opportunity, the commission hired a second income tax auditor, Virginia (Kay) Mick. Kay came highly recommended from the state of West Virginia and she will start on January 1, 2017. Both Ali and Kay will report to Jeff Silver.

Keith reported on the MTC training opportunities that were held. A statistical sampling class was held September 19 -22, 2016 in Wheat Ridge, Colorado. Bob Schauer was the instructor for this class. The commission also held a Computer Assisted Audit Techniques Using Excel class October 18-19, 2016 in Hoover Alabama. Harold Jennings and L.D. Ridenour were the instructors for this class. Keith thanked the instructors for their work on putting on these classes. Keith reported that there is a Statistical Sampling Class scheduled for May 16-19 in South Dakota (See the MTC website for more information on this class). Keith also mentioned that there is discussion with Connecticut about hosting an income tax class this coming spring, but nothing finalized yet.

Keith introduced and welcomed Paul Mond to the committee. Paul is an MTC auditor who lives in the Houston area.

VI. AUDIT SATISFACTION SURVEY

Keith presented the MTC's audit satisfaction survey with the changes recommended by the states after the last meeting in Kansas City. The committee reviewed the changed MTC's audit satisfaction survey and approved the survey. The audit program will begin using the survey on completed audits after the first of the year.

VII. NEW BUSINESS AND ADJOURNMENT

There was no other new business to discuss and the public session was adjourned with a motion from Randy Tilley. The public session was adjourned at 8:30 A.M..