

MINUTES

AUDIT COMMITTEE MEETING

PUBLIC SESSION

TUCSON, ARIZONA

FEBRUARY 17, 2000

I. CALL TO ORDER:

Kim Ferrell, Audit Committee Chairman called the meeting to order at 8 AM and welcomed the members and guests who were present.

II. ROLL CALL:

Present were the following members and guests:

UT. Kim Ferrell	AK. Larry Meyers	MI. Mike Steinman
MI. Stan Weber	NM. Ron Cruz	NM. Frank Shaffer
NE. Robert Hill	NE. Shaun Sookram	DC Joseph Goosby
CO. Bob Glidden	CO. Bob Mitchell	KS. Bryan Vargas
NJ. Rich Schrader	AR. Tom Atchley	CT. Joe Thomas
WA. Forrest Bush	ND. Harold Aldinger	ID. Dick McFarland
UT Shelley Robinson	MN. Larry Wilkie	DC Nancy Tucker
SD. Bruce Christensen	ND. Blane Braunberger	MT. Eugene Walborn
AL. Dan Bass	KY. Bobby Clark	KY. Lois Adams
ID. Joe Randall	OR. Don McNeal	OR. Stan McClain
WI. Jean Papenfuss	MN. Kathleen Stewart	MO. John Feldmann
WI. Anthony Kliemann	MA. Steve Gauvilles	AZ. Leo Gorny
AZ. Steve Wilkins	MT. Shona McHugh	NH. Chuck Redfern
AZ. Jack Magee	AZ. Peggy Halliday	CT. John Kotsokos
MTC Les Koenig	MTC Cathy Felix	MTC Jeff Silver
MTC Steve Yang	MTC Harold Jennings	MTC Elliot Dubin

III. APPROVAL OF MINUTES:

The public section of the minutes of the November 2, 1999 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 could not attend the meeting in person but reported via a conference call. Dan reported on member states and MTC personnel changes. Dan also provided an update on the Executive Committee's strategic planning session scheduled in May in Denver.

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 from July 1, 1999 through December 30, 1999.

VII. TECHNOLOGY AND AUDITING:

Joe Randall, chairman of this subcommittee reported on its meeting held on February 14, 2000. Joe reported that eight training classes on sampling techniques are in the process of being scheduled. The first class is anticipated being held in March 2000. Harold Jennings is coordinating the creation of the training programs with help from several states.

The Sub-committee recommended that representatives from Idaho, Arkansas, Missouri, Washington and Wisconsin be appointed to a joint sub-committee with representatives from the Uniformity Committee to develop statistical sampling procedures. The Audit Committee approved this recommendation. The names will be passed along to the MTC Executive Director to officially appoint them to this sub-committee. Harold Jennings will be the MTC staff person to work with this sub-committee.

Joe also reported that ideas for future work were discussed. There were four topics that will be explored in future meetings. These are:

- A. Encryption Technology
- B. Audit Selection Techniques
- C. Standards for Managed Compliance
- D. Audit Coordination by MTC & Joint Auditing

VIII. NEW BUSINESS:

The Audit Committee voted on preferences for the spring 2001 meeting location. The result was Florida 23, Charleston 9, Palm Springs 8, San Antonio 7 & Santa Fe 5.

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

Kim Ferrell adjourned the public session of the Audit Committee at 9:30AM.

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.