



Unified Carrier Registration Plan
Audit Subcommittee Meeting
December 2, 2021

Subcommittee Members

Mike Hoeme, Chair
Eric Belford
Crystal Boies
William Debord
Verna Jackson
Inga Johnson
Jessica Kines
Rod Moser
Ryan Nance
Amanda Shehane
Suzanne Stillwell
Abe Droste
Kristen Burch

Others in Attendance:

UCR: Avelino, Gutierrez, Scott Morris, Tamara Young, Crystal Stevens, Suzanne Stillwell, Alex Leath
Kellen Company: Dave Scholz, Tom Lawrence, Matt Mantione, Jess Ku
Seikosoft: Toby Piquet

**UNIFIED CARRIER
REGISTRATION PLAN AUDIT
SUBCOMMITTEE MEETING**

**MEETING
MINUTES**

I. Call to Order – Subcommittee Chair

The Subcommittee Chair welcomed attendees, called the meeting to order at 12:00 pm ET, called role for the Subcommittee, confirmed a quorum was present, and facilitated self-introductions.

II. Verification of Publication of Meeting Notice – UCR Executive Director

The UCR Executive Director verified the publication of the meeting notice on the UCR website and distribution to the UCR contact list via email on November 24, 2021, followed by the subsequent publication of the notice in the *Federal Register* on November 26, 2021, in volume 86, number 225, starting on page 67584.

III. Review and Approval of Subcommittee Agenda and Setting of Ground Rules –

Audit Subcommittee Chair

The Agenda was reviewed, and the Subcommittee took action to adopt.

A MOTION was MADE and SECONDED to approve the agenda for the December 2, 2021 Audit Subcommittee Meeting. The MOTION CARRIED.

IV. Review and Approval of Subcommittee Minutes from the October 21, 2021 Meeting

– Audit Subcommittee Chair

Draft minutes from the October 21, 2021 Subcommittee meeting via teleconference were reviewed. The Subcommittee took action to approve.

A MOTION was MADE and SECONDED to approve the minutes from the October 21 Audit Subcommittee Meeting. The MOTION CARRIED.

V. Review Proposals Received for External Audit of the UCR Depository – UCR

Executive Director and UCR Depository Manager

The UCR Executive Director and the UCR Depository Manager discussed the proposals received from the respondents to the request-for-proposal (RFP) that was distributed to four selected firms in November. The purpose of the RFP was to begin a process to identify and engage a new independent auditing firm to conduct an assurance engagement of the UCR Depository's financial statements for the year ending December 31, 2021. The proposals received were tabulated, ranked, and then presented to the Subcommittee. The Subcommittee made a recommendation to the Board to engage a new auditing firm for the financial statements ending December 31, 2021.

A MOTION was MADE and SECONDED to recommend to the UCR Board that it authorize Warren Averett as the independent auditor of the UCR Depository financial statements for the year ending December 31, 2021. The MOTION CARRIED.

- VI. Discussion of the UCR Internal Controls Procedures Report Prepared by the Independent Audit Firm** – UCR Executive Director and UCR Depository Manager
The UCR Executive Director and the UCR Depository Manager led a discussion of the report on the Internal Controls Review that was performed by Williams, Benator & Libby (WBL). The response to the report from Kellen was also reviewed and discussed.
- VII. Motor Carriers Selecting Option B for UCR Renewals** – UCR Audit Subcommittee Chair, UCR Executive Director and DSL Transportation Services, Inc. (DSL)
The Subcommittee Chair, UCR Executive Director, and DSL discussed issues related to motor carriers who select Option B to renew UCR registration. The discussion included consideration of the “pros” and “cons” regarding the potential requirement on motor carriers to upload a list of intrastate exempt vehicles to the National Registration System when registering in the portal.
- VIII. Review 49 CFR § 392.2 Violations** – Audit Subcommittee Chair and DSL
The Audit Subcommittee Chair and DSL reviewed the 49 CFR § 392.2 violations in the State of Kansas (Kansas) for the month of October 2021. The discussion highlighted the financial value to Kansas by vetting these companies for UCR compliance, commercial registration, IFTA, intrastate, and interstate operating authority. 49 CFR § 392.2 requires commercial motor vehicles to operate in accordance with the laws, ordinances, and regulations of the jurisdiction in which they are operating within.
- IX. Vetting the Shadow MCMIS Report** – Audit Subcommittee Chair, Verna Jackson, and DSL
The Audit Subcommittee Chair, Verna Jackson, and DSL updated the Subcommittee on the value achieved by vetting the Shadow MCMIS report in Kansas. The discussion highlighted the financial value to Kansas by vetting these companies for UCR compliance, commercial registration, IFTA, intrastate, and interstate operating authority.
- X. Review States’ Audit Compliance Rates, Registration Renewal Percentages and Focused Anomaly Reviews (FARs) for Registration Years 2020, 2021, and 2022** – Audit Subcommittee Chair
The Audit Subcommittee Chair reviewed audit compliance rates for the states for registration years 2020, 2021, and 2022 and included compliance percentages for FARs, retreat audits, and registration compliance percentages.
- XI. Support States to Improve Registration Compliance** – Audit Subcommittee Chair and DSL
The Audit Subcommittee Chair and DSL led a discussion regarding methods to help participating states improve registration compliance percentages. Discussed methods included educating various constituents such as state registration offices, state motor carrier association offices, state highway patrols, etc.. New entrant audits were also discussed.
- XII. Seeking Vice-Chair for the UCR Audit Subcommittee** – Audit Subcommittee Chair
The Audit Subcommittee Chair led a discussion regarding interest in the vacant Subcommittee Vice-Chair position.

XIII. Other Business – Audit Subcommittee Chair

The Audit Subcommittee Chair called for any other items Subcommittee members wanted to discuss. The UCR Executive Director noted that the next Subcommittee Meeting will take place April 14, 2022 via teleconference. The UCR Executive Director also noted that he and Crystal Stevens created an informal survey on travel for training and meetings to gauge responses from members. A formal introduction of Kristen Burch as a member of the Subcommittee was announced by the Audit Subcommittee Chair.

XIV. Adjournment – Audit Subcommittee Chair

The Audit Subcommittee Chair adjourned the meeting at 1:45 pm ET.