



Unified Carrier Registration Plan

Audit Subcommittee Meeting

Minutes

December 3, 2020
Noon – 2:00 p.m. ET

Subcommittee Members

Mike Hoeme, Chair x

Lydia Sahley, Vice Chair x

Robert Pitcher x

William Debord x

Suzanne Stillwell x

Eric Belford

Crystal Boies

Amanda Shehane x

Nicholas Wright

Verna Jackson x

Rod Moser x

Jessica Barnes x

Kyle Larson

Ryan Nance x

Jessica Kines x

Kurt Grajkowski x

Inga Johnson x

Abe Droste x

Others: Alex Leath, Sandy Bowling, Avelino Gutierrez, Elizabeth Leaman, Scott Morris, Lori Sobzac, Dave Lazarides

Lori Cummings, Tom Gooding, Daniel Choppa, Dave Scholz, Matt Mantione, Katherine Thurmond

**UNIFIED CARRIER REGISTRATION PLAN
AUDIT SUBCOMMITTEE MEETING**

Minutes

- I. Call to Order** – Mike Hoeme, Subcommittee Chair
The Subcommittee Chair welcomed attendees, called the meeting to order at 12:00pm ET, called roll for the Subcommittee, confirmed a quorum was present, and facilitated self-introductions.
- II. Verification of Publication of Meeting Notice** – Avelino Gutierrez, 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 e-mail on Nov 23, 2020 followed by the subsequent publication of the notice in the *Federal Register* on Nov 30, 2020 in vol. pg.
- III. Review and Approval of Subcommittee Agenda and Setting of Ground Rules** – Mike Hoeme, Subcommittee Chair
For Discussion and Possible Subcommittee Action
The Agenda was reviewed, and the Subcommittee considered adoption.

A MOTION was MADE and SECONDED to approve the proposed agenda.
The MOTION CARRIED.
- IV. Review and Approval of Subcommittee Minutes from the October 14, 2020 Meeting** – Mike Hoeme, Subcommittee Chair
Draft minutes from the October 14, 2020 Subcommittee meeting via teleconference were reviewed. The Subcommittee considered action to approve.

A MOTION was MADE and SECONDED to approve the October 14 meeting minutes. The MOTION CARRIED.
- V. Independent Auditor’s Final Report (2017 and 2018)** – Dave Scholz, UCR Depository Manager
The UCR Depository Manager discussed the outcome of the financial statement audits for each of the 12-month periods ended December 31, 2018 and 2017 for the Depository. The subsequent audit reports will be provided more expeditiously due to the greater familiarity of the Independent Auditors with UCR.
- VI. NRS Testing – Penetration and Vulnerability Testing** – Tom Gooding, UCR Technology Manager and Dave Scholz, UCR Depository Manager
The UCR Technology Director and UCR Depository Manager recommended plans to conduct a protocol of tests of the National Registration System (NRS) to include an appropriate audit and penetration and vulnerability testing of the NRS.
- VII. Consideration of the Addition of a UCR Auditor/Enforcement Manager** – Mike Hoeme, Subcommittee Chair and Dave Scholz, UCR Depository Manager
The Subcommittee Chair led a discussion considering the potential addition of a UCR Auditor/Enforcement Manager. The Subcommittee took action to recommend to the UCR Board that a UCR Auditor/Enforcement Manager be included in the budget for fiscal year 2021.

A MOTION was MADE and SECONDED to approve the addition of a UCR Auditor/Enforcement Manager. The MOTION CARRIED.

VIII. Guidance Regarding Steps to be taken on Foreign Based Motor Carriers' FARs – Mike Hoeme, UCR Subcommittee Chair

The Subcommittee Chair discussed the unique issues regarding Focused Anomaly Reviews (FARs) associated with Non-United States based motor carriers and motor carriers based in non-participating states. The Subcommittee took action to recommend to the Board FARs audit procedures to be utilized by participating states for these motor carriers.

A MOTION was MADE and SECONDED to approve the recommended steps to be take on Foreign Based Motor Carriers' FARs. The MOTION CARRIED.

IX. Next Steps Regarding the 2019 Audit Deficiencies by Idaho and Utah – Mike Hoeme, Subcommittee Chair

The Subcommittee Chair discussed the next steps regarding the 2019 Audit Deficiencies by Idaho and Utah with the Subcommittee. The Subcommittee took action to recommend to the Board that additional steps be taken against these two states.

An ACTION was PROPOSED for the Subcommittee to send letters regarding these Audit Deficiencies to the head of the individual State Agencies and the Secretary for which that department falls under, with the Governor of each state as the last step.

A MOTION was MADE and SECONDED to approve the next steps regarding these State Audit Deficiencies. The MOTION CARRIED.

X. Consideration and Possible Approval of a Recommendation to the Board to Approve an Audit Contract of the NRS by RSM – Avelino Gutierrez, UCR Executive Director

The UCR Executive Director led a discussion around the consideration and possible approval of a recommendation to the Board to approve an audit contract that includes penetration and vulnerability testing, of the NRS by RSM.

A MOTION was MADE and SECONDED to approve the Audit Contract of the NRS by RSM. The MOTION CARRIED.

XI. Other Items – Mike Hoeme, Subcommittee Chair

The Subcommittee Chair called for any other items Subcommittee members would like to discuss.

XII. Adjournment – Mike Hoeme, Subcommittee Chair

The Subcommittee Chair adjourned the meeting at 1:30pm ET.