



State of Florida

DEPARTMENT OF HIGHWAY SAFETY AND MOTOR VEHICLES

BUREAU OF ACCOUNTING

PROCEDURE:
BA-6

SUBJECT:
INVENTORIES AND YEAR-END AUDITS

I. Authority

Section 320.03 (3), Florida Statutes, charges that each Tax Collector shall keep a full and complete record and account of all validation stickers, mobile home stickers, or other properties received by him or her from the department or any other source, and shall make prompt remittance of monies collected by him or her at such times and in such manner as prescribed by law.

II. Definition

Inventory is a true and accurate record of accountable items that are handled in the Tax Collector's office and the HSMV Offices on September 30. Inventory includes, but is not limited to:

- A. Regular Plates (Florida and Sunshine Plates)
- B. Special License Plates
- C. Specialized Plates
- D. Professional Sports License Plates
- E. Collegiate License Plates
- F. Disabled Person Parking Placards
- G. Temporary Disabled Person Parking Placards
- H. Temporary License Plates
- I. Temporary Employed License Plates
- J. Personalized Plates

III. Procedure

A. **Tax Collector Responsibility**

1. Inventory in your singles bin should be issued before September 30.
2. Generate a FRVIS Inventory Report at the close of business on September 30 or the last working day of September.
3. Verify the physical inventory on hand in the agency to the FRVIS Inventory Report. If the physical inventory on hand does not agree with the printed FRVIS Inventory Report, make notes on the inventory report to reflect the inventory you do not have on hand. Explain the differences beside each of the notes and attach supporting documents.
4. The Tax Collector, or designee, and two employees are to sign the last page of the FRVIS Inventory Report stating that the FRVIS Inventory Report has been verified to the physical inventory on hand. The County's Audit Representative should review each agency's inventory report to insure the inventory report has been completed correctly before they are mailed to DHSMV.
5. An original FRVIS Inventory Report for each agency should be combined and sent as one county submission by October 15th to:

Department of Highway Safety and Motor Vehicles
Audit Section – Room A125
Neil Kirkman Building – MS 24
2900 Apalachee Parkway
Tallahassee, FL 32399-0158

B. **Adjusting Inventory**

Listed below are the types of adjustments that will cause discrepancies to inventory. You will be billed for the associated inventory according to the attached price list.

Defaced:

There are three authorized reasons for defacing a plate:

1. A license plate is damaged when received from PRIDE.
2. A temporary license plate or Handicap Parking permit had to be voided, causing the license plate to be placed in the singles bin. In order for the license plate to be removed from the singles bin, you must deface the license plate.
3. Personalized plates that are not issued. A reason must be stated for the plate not being issued.

All defaced inventory must be sent to the Audit Section monthly, by the Audit Representative for each county, stating the reason for defaced as listed above. The plates must be listed on the **“Monthly Defaced Inventory Report”** (see attached). If the inventory is not sent to the Audit section listing reasons, the inventory will be considered unaccounted for.

The reasons **“inventory handed out incorrectly”** or **“clerk error”** are not valid reasons for defacing inventory and will cause inventory to be considered unaccounted for. In the latest FRVIS release, two new functions have been added to be used to avoid these issues: the Swap Plate and Owner ID functions. Be sure these functions are added to your profile to eliminate these types of errors.

Obsolete:

Inventory is considered Obsolete when designated in a technical advisory (TA) from the Department of Highway Safety and Motor Vehicles. After the TA has been received, the inventory should be moved to BIN 67, using the "Make Inventory Obsolete transaction," and then picked up by PRIDE (Do not return to the Department.) Any inventory moved to Bin 67 without proper authorization will be considered unaccounted for.

Missing Inventory:

Missing inventory is only considered missing when it was not received in the inventory shipped to you from Pride. A Missing Transaction can be completed when first receiving inventory from PRIDE into FRVIS or at the time of attempted issuance if not discovered missing until that time. Missing Transactions will be reviewed for timeliness. If the Missing Transaction date does not coincide with the date the inventory is received from PRIDE, or the date of the inventory item issued before and after in the inventory series, then the inventory will be considered unaccounted for.

Unaccounted For:

Inventory received from Pride but is not on hand and has not been issued. This inventory is considered unaccounted-for and will be billed to you based on the price list attached.

Transfers:

Check to make sure the inventory you transferred to another County or Agency shows as being received by that County or Agency. You are responsible for the inventory until the inventory is received into FRVIS by another entity. If this inventory is never received into FRVIS by the other entity, it will be considered unaccounted for on your inventory.

Obscene:

License plates considered obscene or objectionable must have written approval from Inventory Control before they can be returned to PRIDE. Once approval has been received they should be moved to bin 67 and picked up by Pride. (Do not return the license plates to the Audit Section). Any inventory disposed of as obscene or objectionable without proper authorization will be considered unaccounted for.

Stolen:

Take precautions to keep inventory as secure as possible. Immediately upon discovering your office has been broken into and inventories have been stolen, call your local law enforcement agency and complete a theft report. Contact the Bureau of Field Operations at (850) 617-3001 or SunCom 217-3001 to report the theft. Follow up in writing to the Chief of Titles and Registrations, with a copy to the Chief of Finance and Accounting. This will enable us to update our Law Enforcement System and remove those items from your inventory. Failure to follow proper notification procedures will result in this inventory being considered unaccounted for.

Manufactured Incorrectly:

The incorrectly manufactured plate, along with the signed confirmation form, must be returned to DHSMV to avoid being charged for the remake of the license plate.

Personalized License Plate:

All personalized license plates must be paid for in advance. Refunds will only be given when the request to manufacture was voided within the two-day time limit. A copy of the voided transaction and the plate must accompany the refund request.

EFS Returns:

Inventory from EFS Dealers returned to the Tax Collector's office must be in "RT" status. If for some reason it is not in the "RT" status, tax collector personnel should return the inventory to the Dealer to be reprocessed, voided, and a correct inventory status chosen (EFS-01). The Tax Collector personnel must process all inventory in a "RT" status to and "RR" status and list them on the "Monthly License Plate RR Status Report" (see attached) and return to the Audit Section. Inventory voided before September 1st, and still in an "RT" status on September 30th, will be considered unaccounted for.

Refunds of Initial Registration Fee:

Initial Registration Fee received by the Tax Collector from dealers in a completed transaction should not be voided. Florida Statute 215.26 states that an overpayment of any tax or license fee collected should be refunded to the person who paid the fee. In order for an audit trail to be followed, the refund should be requested from the DHSMV.

Failure to properly follow procedures for adjusting inventory, as outlined above, will result in the inventory being considered unaccounted for and your county will be charged for inventory.

C. Responding to Audit

All inventory reports must be mailed by October 15th. Once the inventory has been received and audited, a cleared letter or a bill listing the unaccounted for inventory will be mailed to the Tax Collector. Payment of the inventory should be made within 30 days from the date of the letter. After payment is made, a cleared letter will be mailed to you.

D. Refunds

You will have 3 months after the receipt of payment for unaccounted for inventory to present documentation in order to request a refund.

