

**Audit of Specialty License Plate  
and Voluntary Contributions  
Support Our Troops, Inc.  
Support Our Troops  
Audit Report 201516-15**

March 24, 2016

## **Executive Summary**

---

The purpose of this audit was to determine compliance with applicable laws and policies related to the annual affidavits prepared by the Support Our Troops, Inc. (Support Our Troops) for the Support Our Troops (SOT) specialty license plate and voluntary contributions. Support Our Troops is required to submit Revenue, Expenditure, and Compliance Affidavits to the Department of Highway Safety and Motor Vehicles (Department) within nine months after the end of its fiscal year for both the specialty license plate and voluntary contributions. The affidavits submitted by Support Our Troops for the 2014 Fiscal Year ended December 31, 2014, were used for this audit.

For every SOT specialty license plate sold or renewed, a \$25 annual use fee is charged and distributed, as required by statute, to Support Our Troops, a non-profit organization formed for the charitable purpose of providing support and assistance to the members of the United States Armed Forces and their families. Section 320.08058(64), Florida Statutes (F.S.), specifies that 25 percent of the proceeds shall be distributed to Support Our Troops to offset marketing, administration, and promotion costs. The statutes further provide that from the remaining 75 percent, 65 percent shall be distributed to Support Our Troops, and 35 percent shall be distributed to the State Homes for Veterans Trust Fund within the Florida Department of Veterans' Affairs State Homes. The annual use fees are to be used for the benefit of Florida troops and their families in accordance with the Support Our Troops articles of incorporation. Section 320.08056(10)(a), F.S., provides that certain specialty license plates, including SOT, may expend funds for the benefit of troops outside of the state.

During the registration and renewal processes for motor vehicles and driver's licenses, voluntary contributions of \$1 to Support Our Troops are permitted by Sections 320.02(15)(q) and 322.08(7)(q), F.S., respectively.

During our audit, we determined Support Our Troops generally complied with applicable laws and policies related to the annual affidavits.

## Background and Introduction

---

Specialty license plates are license plates available to the general public with unique designs that promote philanthropic and other causes and require payment of an additional annual use fee. Section 320.08056, F.S., authorizes the issuance of all specialty license plates and specifies the annual use fee for the more than 120 specialty license plates Florida offers.

For every SOT specialty license plate sold or renewed, a \$25 annual use fee is charged and distributed, as required by statute, to Support Our Troops, a non-profit organization formed for the charitable purpose of providing support and assistance to the members of the United States Armed Forces and their families. Section 320.08058(64), F.S., specifies that 25 percent of the proceeds shall be distributed to Support Our Troops to offset marketing, administration, and promotion costs. The statutes further provide that from the remaining 75 percent, 65 percent shall be distributed to Support Our Troops, and 35 percent shall be distributed to the State Homes for Veterans Trust Fund within the Florida Department of Veterans' Affairs State Homes. The annual use fees are to be used for the benefit of Florida troops and their families in accordance with the Support Our Troops articles of incorporation. Section 320.08056(10)(a), F.S., provides that certain specialty license plates, including SOT, may expend funds for the benefit of troops outside of the state.<sup>1</sup>

Voluntary contributions of specified minimum amounts to various organizations for philanthropic and other causes are permitted by applicants during the registration and renewal processes for motor vehicles and driver's licenses. Specifically, voluntary contributions of \$1 to Support Our Troops are permitted by Sections 320.02(15)(q) and 322.08(7)(q), F.S.<sup>1</sup>

Sections 320.08062, 320.023(7), and 322.081(7), F.S., grant the Department authority to examine all records relating to the use of specialty license plate funds and voluntary contributions.<sup>1</sup> The Office of Inspector General included the examination of specialty license plate and voluntary contributions recipient organizations in its annual work plan.

Receipts for the 2014 Fiscal Year included \$75,552.12 for the SOT specialty license plate and \$101,547.64 for voluntary contributions.

We used Support Our Troops 2014 Fiscal Year affidavits and financial records for this audit.

---

<sup>1</sup> 2014 Florida Statutes

## Findings and Recommendations

---

During our audit, we determined Support Our Troops generally complied with applicable laws and policies related to the annual affidavits for the SOT specialty license plate and voluntary contributions.

## Purpose, Scope, and Methodology

---

The purpose of this audit was to determine compliance with applicable laws and policies related to the annual affidavits prepared by Support Our Troops for the SOT specialty license plate and voluntary contributions.

The scope of this audit included revenues and expenditures reported on Support Our Troops' affidavits for the 2014 Fiscal Year, and revenue and expenditures for specialty license plate and voluntary contributions reported in Support Our Troops' records for the 2014 Fiscal Year.

The methodology included:

- Reviewing Florida Statutes related to specialty license plate fees and voluntary contributions;
- Reviewing Department policies related to specialty license plate fees and voluntary contributions;
- Reviewing Support Our Troops' policies related to the use of specialty license plate fees and voluntary contributions;
- Reconciling the Department distribution of annual use fees and voluntary contributions to revenues reported on the affidavits filed by Support Our Troops;
- Reconciling the expenditures reported on the affidavits to Support Our Troops' records;
- Reviewing the use of funds by Support Our Troops to ensure there is adequate supporting documentation, and the expenditures are for purposes authorized by statute;
- Reviewing timing, availability, and content of reports such as affidavits, state single audits, or subrecipient monitoring; and
- Comparing expenditures to statutory requirements for distributions, and reviewing reasonableness of balances.

## Distribution, Statement of Accordance, and Project Team

---

### Distribution

Terry L. Rhodes, Executive Director  
Diana Vaughn, Deputy Executive Director  
Robert Kynoch, Director of Motorist Services  
Rick White, Deputy Director of Motorist Services  
Julie Larsen, Bureau Chief of Issuance Oversight

Martin Boire, President, Support Our Troops, Inc.  
Bruce Jonas, Vice President, Support Our Troops, Inc.

Melinda M. Miguel, Chief Inspector General  
Sherrill F. Norman, Auditor General

### Statement of Accordance

Section 20.055, Florida Statutes, requires the Florida Department of Highway Safety and Motor Vehicles' Inspector General to review, evaluate, and report on policies, plans, procedures, accounting, financial, and other operations of the Department and to recommend improvements. This audit engagement was conducted in accordance with applicable *International Standards for the Professional Practice of Internal Auditing* published by the Institute of Internal Auditors and *Principles and Standards for Offices of Inspector General* published by the Association of Inspectors General. Pursuant to Chapter 119, Florida Statutes, public records held by the Department's Inspector General are available upon request for inspection or copying.

### Project Team

Engagement conducted by:  
Cindy Fernald, Auditor

Under the supervision of:  
David Ulewicz, Audit Director

Approved by:

  
Julie M. Leftheris, Inspector General