



Specialty License Plate Audit

Florida Chapter of the International Society of Arboriculture, Inc.

Trees Are Cool

Audit Report 201516-19

April 15, 2016

Executive Summary

The purpose of this audit was to determine compliance with applicable laws and policies related to the annual affidavit prepared by the Florida Chapter of the International Society of Arboriculture, Inc. (Society) for the Trees Are Cool specialty license plate. The Society is required to submit a Specialty License Plate Revenue, Expenditure, and Compliance Affidavit to the Department of Highway Safety and Motor Vehicles (Department) within nine months after the end of the Society's fiscal year. The affidavit submitted by the Society for the 2014 Fiscal Year ended December 31, 2014 was used for this audit.

For every Trees Are Cool specialty license plate sold or renewed, a \$25 annual use fee is charged and distributed, as required by statute, to the Society, a non-profit formed for the charitable purpose of promoting the scientifically based practice of arboriculture through research, education, and public awareness. Section 320.08058(62), Florida Statutes (F.S.), specifies that 20 percent of the proceeds from the sale of plates may be used for promotion and marketing of the plate, 5 percent of the funds may be used for administrative costs, and 75 percent of the funds must be used to fulfil the mission of the Florida Chapter of the International Society of Arboriculture, Inc., which is to provide education and training statewide with respect to tree care and tree safety.

During our audit, we determined the Society generally complied with applicable laws, policies, and regulations related to the annual affidavit for the Trees Are Cool specialty license plate.

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 more than 120 specialty license plates Florida offers.

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Section 320.08062, F.S., grants the Department authority to examine all records relating to the use of specialty license plate funds. The Office of Inspector General included the examination of specialty license plate recipient organizations in its annual work plan.

The Society reported receipts of \$88,486.01 in specialty license plate fees for the 2014 Fiscal Year.

We used the Society's 2014 Fiscal Year affidavit and financial records for this audit.

Results of Audit

During our audit, we determined the Society generally complied with applicable laws and policies related to the annual affidavit for the Trees Are Cool specialty license plate.

Purpose, Scope, and Methodology

The purpose of this audit was to determine the Society's compliance with applicable laws, policies, and regulations related to the annual affidavit prepared by the Society for the Trees Are Cool specialty license plate.

The scope of this audit included revenues and expenditures reported on the Society's affidavit for the 2014 Fiscal Year, and specialty license plate revenue and expenditures reported in the Society's financial records for the 2014 Fiscal Year.

The methodology included:

- Reviewing Florida Statutes related to specialty license plate fees;
- Reviewing Department policies related to specialty license plate fees;
- Reviewing the Society's policies related to the use of specialty license plate fees;
- Reconciling the Department distribution of annual use fees to revenues reported on the affidavit filed by the Society;
- Reconciling the expenditures reported on the affidavit to the Society's financial records;
- Reviewing the use of funds by the Society 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, single audits, or subrecipient monitoring; 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

Norman Easey, Executive Director, Florida Chapter of the International Society of Arboriculture, Inc.
Bonnie Marshall, President, Florida Chapter of the International Society of Arboriculture, Inc.

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

Statement of Accordance

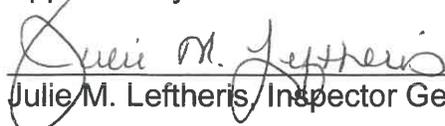
Section 20.055, Florida Statutes, requires the Florida Department of Highway Safety and Motor Vehicles' Inspector General to review, evaluate, and report on policies, plans, procedures, accounting, financial, and other operations of the Department and to recommend improvements. This audit engagement 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
Kyle Tolbert, Auditor

Under the supervision of:
David Ulewicz, Audit Director

Approved by:


Julie M. Leftheris, Inspector General