



Specialty License Plate Audit
Florida State Lodge Fraternal Order of Police
Memorial Foundation, Inc.
Fraternal Order of Police
Audit Report 201617-03

October 4, 2016

Executive Summary

The purpose of this audit was to determine compliance with applicable laws and policies related to the annual affidavit prepared by Florida State Lodge Fraternal Order of Police Memorial Foundation, Inc. (Foundation) for the Fraternal Order of Police specialty license plate. The Foundation 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 Foundation's fiscal year. The affidavit submitted by the Foundation for the 2014-15 Fiscal Year ended September 30, 2015 was used for this audit.

For every Fraternal Order of Police specialty license plate sold or renewed, a \$25 annual use fee is charged and distributed, as required by statute, to the Foundation, a non-profit organization formed for the charitable purpose of holding a memorial for, and raising awareness of, fallen law enforcement officers, maintaining the memorial monument, providing support to the families of fallen law enforcement officers, and providing educational opportunities for the children of fallen law enforcement officers.

During our audit, we determined the Foundation generally complied with applicable laws and policies related to the annual affidavit for the Fraternal Order of Police 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, Florida Statutes (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.

Section 320.08062, F.S., grants the Department the 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.



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The Foundation reported receipts of \$79,813.24 in specialty license plate fees for the 2014-15 Fiscal Year.

We used the Foundation's 2014-15 Fiscal Year affidavit and financial records for this audit.

Results of Audit

During our audit, we determined the Foundation generally complied with applicable laws and policies related to the annual affidavit for the Fraternal Order of Police specialty license plate.

Purpose, Scope, and Methodology

The purpose of this audit was to determine the Foundation's compliance with applicable laws and policies related to the annual affidavit prepared by the Foundation for the Fraternal Order of Police specialty license plate.

The scope of this audit included revenues and expenditures reported on the Foundation's affidavit for the 2014-15 Fiscal Year, and specialty license plate revenue and expenditures reported in the Foundation's financial records for the 2014-15 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 Foundation's policies related to the use of specialty license plate fees;
- Reconciling the Department's distribution of annual use fees to revenues reported on the affidavit filed by the Foundation;
- Reconciling the expenditures reported on the affidavit to the Foundation's financial records;
- Reviewing the use of funds by the Foundation 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
Jamie DeLoach, Chief of Staff
Robert Kynoch, Director of Motorist Services
Rick White, Deputy Director of Motorist Services
Julie Larsen, Bureau Chief of Issuance Oversight

Robert Jenkins, President, Florida State Lodge Fraternal Order of Police, Inc.
Robert Pacchiarotti, Treasurer, Florida State Lodge Fraternal Order of Police, 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