State of Florida

Department of

HIGHWAY SAFETY & MOTOR VEHICLES

BUREAU OF ACCOUNTING

PROCEDURE #	SUBJECT:	PAGE 1 OF 4
BA – 6	INVENTORIES AND YEAR-END AUDITS	

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 moneys collected by him or her at such times and in such manner as prescribed by law.

I. INVENTORY

A. Definition

An 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.

1. Regular Plates
2. Special License Plates
3. Specialty License Plates
4. Disabled Person Parking Placards
5. Temporary Disabled Person Parking Placards
6. Temporary License Plates
7. Temporary Employed License Plates
8. Personalized Plates

II. INVENTORY PROCEDURE

A. Tax Collector Responsibility

- **Inventory in the singles bin should be used before September 30.**
  Singles are caused when transactions have been voided and the customer didn't leave with the plate. This allows for the plate to be issued to the next customer.

- Verify the physical inventory on hand in the agency to the FRVIS Inventory Report.

- Highlight discrepancies of the physical inventory on hand to the FRVIS Inventory Report identifying what FRVIS shows as being on hand.

- The highlighted discrepancies should have an explanation beside each tag stating what caused the plate to be a discrepancy and attach supporting documentation.

B. Tax Collector's Authorization on Inventory Taken

- The Tax Collector or designee and two employees should 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 the Agency's inventory reports to ensure the inventory report has been completed correctly before they are mailed to DHSMV.

1. The original FRVIS Inventory Report should be mailed by October 15 to the address below:

Department of Highway Safety and Motor Vehicles
Audit Section – Room B160
Neil Kirkman Building – MS 24
2900 Apalachee Parkway
Tallahassee, FL 32399-0158

C. Adjusting Inventory

Listed below are the types of adjustments to inventory that may cause a discrepancy when proper procedures are not followed. 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, or
2. A temporary license plate or 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.

Defaced inventory must be mailed to the Agency's Audit Section stating the reason for the deface referencing the three above reason. If inventory is not mailed to the Audit Section the inventory will be considered unaccounted for and a bill will be sent requesting payment.

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 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 received date from PRIDE or the issued date of the inventory item before and after in the inventory series, the inventory will be considered unaccounted-for.

Unaccounted-For: Inventory that has been received from Pride but is not on hand and has not been issued is considered unaccounted-for and will be billed to you based on the fee chart 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 the 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 police department and complete a theft report. Contact the Bureau of Motorist Services Support at (850) 617-3171 to report the theft. Follow-up in writing to the Chief of Bureau of Issuance Oversight with a copy to the Chief of 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 incorrect 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.

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

Failure to properly follow procedures for adjusting inventory, as outlined in **II B** above, will result in the County being charged for inventory considered unaccounted for.

When payment is made for any unaccounted for plates, Tax Collectors should retain a copy of the Transaction Detail and Summary Reports to submit with the inventory reports. This may be needed if the Agency needs additional information to complete the audit.

D. Procedures for Responding to Audit

All inventory reports must be mailed by October 15 each year. Tax Collector offices assisting dealers with year-end audits will have an additional four (4) working days to submit EFS inventory reports. Once the inventory has been received and audited, a letter will be sent informing you that the audit has been completed and either clearing your audit or requesting additional information. You will have 45 days from the date of the letter to provide the additional information requested or a bill will be sent to you for payment of the unaccounted-for inventory. The **FRVIS Transaction Detail Report** must be e-mailed to: RevenueAudit@flhsmv.gov, when payment is paid showing the transaction associated with the billing. **Please verify the inventory is removed from your inventory report after payment has been made.** If not please contact us for assistance at 850-617-3205. After all discrepancies are resolved or payment is made, a cleared letter will be mailed to you.

E. Refunds

You will have three months after the receipt of payment for unaccounted for inventory to present documentation in order to request a refund with appropriate documentation. Send Refund Requests to:

DHSMV Refund Section
Neil Kirkman Building, Room B160
2900 Apalachee Parkway
Tallahassee, FL 32399-0500

EFFECTIVE DATE	CHIEF, BUREAU OF ACCOUNTING
Revised September 1, 2012	Marilyn Tabanelli Marilyn Tabanelli