



**Specialty License Plate Audit
Florida Police Benevolent
Association Heart Fund, Inc.
Support Law Enforcement
Audit Report 201415-36**

June 29, 2015

Executive Summary

The purpose of this audit was to determine compliance with applicable laws, policies, and regulations related to the annual affidavit prepared by the Florida Police Benevolent Association Heart Fund, Inc. (Heart Fund) for the Support Law Enforcement specialty license plate. The Heart Fund 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 Heart Fund's fiscal year. The affidavit submitted by the Heart Fund for the 2014 Fiscal Year ended December 31, 2014 was used for this audit.

For every Support Law Enforcement specialty license plate sold or renewed, a \$20 annual use fee is charged and distributed, as required by statute, to the Heart Fund, a non-profit formed for the charitable purpose of providing support when law enforcement officers are killed in the line of duty or permanently and totally disabled as a result of a catastrophic injury sustained while acting in the line of duty. Section 320.08058(37), Florida Statutes (F.S.), specifies the specialty license plate fees shall be distributed to the Heart Fund which shall distribute moneys according to its articles of incorporation.

During our audit, we determined the Heart Fund generally complied with applicable laws, policies, and regulations related to the annual affidavit.

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.

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.

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non-profit formed for the charitable purpose of providing support when law enforcement officers are killed in the line of duty or permanently and totally disabled as a result of a catastrophic injury sustained while acting in the line of duty. Section 320.08058(37), F.S., specifies the specialty license plate fees shall be distributed to the Heart Fund which shall distribute moneys according to its articles of incorporation.

The Heart Fund reported receipts of \$309,636.00 in specialty license plate fees for the 2014 Fiscal Year. We used the Heart Fund's 2014 affidavit and financial records for this audit.

Results of Audit

During our audit, we determined the Heart Fund generally complied with applicable laws, policies, and regulations related to the annual affidavit for the Support Law Enforcement specialty license plate.

Purpose, Scope, and Methodology

The purpose of this audit was to determine the Heart Fund's compliance with applicable laws, policies, and regulations related to the annual affidavit prepared by the Heart Fund for the Support Law Enforcement specialty license plate.

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

The methodology included:

- Reviewing Florida Statutes related to specialty license plate fees;
- Reviewing Department policies and regulations related to specialty license plate fees;
- Reviewing the Heart Fund'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 Heart Fund;
- Reconciling the expenditures reported on the affidavit to the Heart Fund's financial records;
- Reviewing the use of funds by the Heart Fund 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
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Ernest George, Treasurer, Florida Police Benevolent, Association Heart Fund, Inc.

Melinda M. Miguel, Chief Inspector General
David W. Martin, 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