Audit of Specialty License Plate and Voluntary Contributions
Achievement and Rehabilitation Centers, Inc.
Support Autism
Audit Report 201516-07

Executive Summary

The purpose of this audit was to determine compliance with applicable laws and policies related to the annual affidavits prepared by the Achievement and Rehabilitation Centers, Inc. (ARC) for the Support Autism specialty license plate and voluntary contributions. The ARC 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 the ARC’s fiscal year for both the specialty license plate and voluntary contributions. The affidavits submitted by the ARC for the 2014, 2013, and 2012 Fiscal Years ended September 30, 2014, 2013, and 2012, respectively, were used for this audit.

For every Support Autism specialty license plate sold or renewed, a $25 annual use fee is charged and distributed, as required by statute, to the ARC, a non-profit organization formed for the charitable purpose of providing services to those with autism and related disabilities and their families. Section 320.08058(68), Florida Statutes (F.S), provides:

- Up to ten percent of the proceeds may be used for the cost of administration, marketing, and promotion of the specialty license plate, the Autism Services Grant Council, and related matters;
- Funds may be used as necessary for annual audit or compliance affidavit costs;
- Thirty-five percent of the proceeds shall be used to establish and operate programs to support individuals with autism and related disabilities and their families;
- Fifteen percent of the proceeds shall be used by the Center for Autism and Related Disabilities at the University of Miami for distribution to the seven regional autism centers to support the services they provide; and the
- Remaining proceeds shall be available to the Autism Services Grant Council for grants to non-profit organizations to operate direct services programs for individuals with autism and related disabilities and their families.

Voluntary contributions of $1 to the ARC for motor vehicle registrations and renewal registrations are permitted by Section 320.02(15)(p), F.S.

During our audit, we determined the ARC generally complied with applicable laws and policies related to the annual affidavits for the Support Autism specialty license plate and voluntary contributions.
Background and Information

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 Support Autism specialty license plate sold or renewed, a $25 annual use fee is charged and distributed, as required by statute, to the ARC, a non-profit organization formed for the charitable purpose of providing services to those with autism and related disabilities and their families. Section 320.08058(68), F.S., provides:

- Up to ten percent of the proceeds may be used for the cost of administration, marketing, and promotion of the specialty license plate, the Autism Services Grant Council, and related matters;
- Funds may be used as necessary for annual audit or compliance affidavit costs;
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- Fifteen percent of the proceeds shall be used by the Center for Autism and Related Disabilities at the University of Miami for distribution to the seven regional autism centers to support the services they provide; and the
- Remaining proceeds shall be available to the Autism Services Grant Council for grants to non-profit organizations to operate direct services programs for individuals with autism and related disabilities and their families.

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. Specifically, voluntary contributions of $1 to the ARC, Autism Services Fund, are authorized by Sections 320.02(15)(p), F.S.

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

The ARC reported receipts for the fiscal years as follows:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Specialty License Plates</td>
<td>$126,070.45</td>
<td>$98,570.75</td>
<td>$86,469.11</td>
</tr>
<tr>
<td>Voluntary Contributions</td>
<td>$86,478.72</td>
<td>$110,888.78</td>
<td>$22,038.27</td>
</tr>
</tbody>
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We used the ARC’s 2014, 2013, and 2012 Fiscal Year affidavits and financial records for this audit.
Findings and Recommendations

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

Purpose, Scope, and Methodology

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

The scope of this audit included revenues and expenditures reported on the ARC’s affidavits for the 2014, 2013, and 2012 Fiscal Years, and revenue and expenditures for specialty license plate and voluntary contributions reported in the ARC’s financial records for the 2014, 2013, and 2012 Fiscal Years.

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 the ARC’s 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 the ARC;
- Reconciling the expenditures reported on the affidavits to the ARC’s financial records;
- Reviewing the use of funds by the ARC 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

Dennis Haas, President, Achievement and Rehabilitation Centers, Inc.
Ken Gregson, Chair, Achievement and Rehabilitation Centers, 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