

**Specialty License Plate Audit**  
**University of Florida Foundation, Inc.**  
**University of Florida**  
Audit Report 201819-26

May 6, 2019

## Introduction and Background

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The purpose of this audit was to determine compliance with applicable laws and policies related to the annual reporting by the University of Florida Foundation, Inc., (Foundation) for the University of Florida (UF) specialty license plate. The Foundation is required to submit a Specialty License Plate Revenue, Expenditure, and Compliance Affidavit, or state single audit, to the Department of Highway Safety and Motor Vehicles (Department) within nine months after the end of the Foundation's fiscal year. The state single audit submitted by the Foundation for the 2018 Fiscal Year ended on June 30, 2018, was used for this audit.

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.

For every UF 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 established for accepting, managing and administering private gifts and resources to support the mission of the University of Florida.

Section 320.08058(3), F.S., specifies that annual use fees be distributed to the state or independent university foundation designated by the purchaser for deposit in an unrestricted account. These funds may be used only for academic enhancement, including scholarships and private fundraising activities.

The UF specialty license plate was established in 1987. There were 96,817 active UF specialty license plates as of June 2018. The Foundation reported receipts of \$2,496,749 in specialty license plate fees for the 2018 Fiscal Year.

## Results of Audit

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The Foundation materially complied with applicable laws and policies related to the annual reporting for the UF specialty license plate.

## Purpose, Scope, and Methodology

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The purpose of this audit was to determine the Foundation's compliance with applicable laws and policies related to the annual reporting by the Foundation for the UF specialty license plate.

The scope of this audit included specialty license plate expenditures reported on the Foundation's state single audit for the 2018 Fiscal Year, and specialty license plate revenue and expenditures reported in the Foundation's financial records for the 2018 Fiscal Year.

The methodology for the audit of the UF specialty license plate included:

- Reviewing Florida Statutes, Department policies, and Foundation policies;
- Reconciling the Department's distribution of specialty license plate fees to revenues reported on the state single audit filed by the Foundation;
- Reconciling the expenditures reported on the state single audit 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 or single audits; and
- Comparing expenditures to statutory requirements for annual allocation limits, and reviewing reasonableness of balances.

## **Distribution, Statement of Accordance, and Project Team**

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### **Distribution**

Terry L. Rhodes, Executive Director  
Jennifer Langston, Acting Chief of Staff  
Robert Kynoch, Director of Motorist Services  
Stephanie Duhart, Chief Administrative Officer, Division of Motorist Services

Shannon Carbone, Audit Committee Chairman, University of Florida Foundation, Inc.  
Michael Johnson, Controller, University of Florida Foundation, Inc.  
David Christie, Chief Financial Officer, University of Florida Foundation, 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:  
Jill Sittig, Auditor

Under the supervision of:  
David Ulewicz, Audit Director

Approved by:

  
Mike Stacy, Acting Inspector General