



Specialty License Plate and Voluntary Contributions Audit Florida Heart Research Foundation, Inc. and Miami Heart Research Institute, Inc. Stop Heart Disease Audit Report 201920-13

December 3, 2019

Introduction and Background

The purpose of this audit was to determine compliance with applicable laws and policies related to the annual reporting by the Florida Heart Research Foundation, Inc. (Foundation) and annual reporting by the Miami Heart Research Institute, Inc. (Institute) for the Stop Heart Disease specialty license plate and voluntary contributions. The Institute provides additional support and works in unison with the Foundation. The Foundation and Institute are 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 and Institute's fiscal year. The affidavits submitted by the Foundation and Institute for the 2018 Fiscal Year ended December 31, 2018, were 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.

Sections 320.02 and 322.08, F.S., permit applicants to make voluntary contributions of specified minimum amounts to various organizations for philanthropic and other causes during the motor vehicle and driver's license registration and renewal processes, respectively.

Sections 320.08062(3), 320.023(7), and 322.081(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.

For every Stop Heart Disease specialty license plate sold or renewed, a \$25 annual use fee is charged and distributed, as required by statute, to the Foundation. Section



320.08058(43), F.S., specifies that no more than 20 percent of fees collected may be used for administrative costs directly associated with the operations of Florida Heart Research Foundation, Inc., and marketing and promotion of the Stop Heart Disease license plate. The remaining of the funds shall provide for a peer review grant solicitation and award process to distribute fees for cardiovascular disease research, education, and heart disease prevention programs.

During the motor vehicle and driver's license registration and renewal processes, voluntary contributions of \$1 to be distributed to the Institute are permitted by Sections 320.02(16)(d) and 322.08(8)(g), F.S., respectively.

The Stop Heart Disease specialty license plate was established in 2003. There were 10,535 active Stop Heart Disease specialty license plates as of December 2018. The Foundation reported receipts of \$275,107.02 in specialty license plate fees for the 2018 Fiscal Year.

The Stop Heart Disease voluntary contributions for motor vehicles was established in 2006 and for driver licenses it was established in 2009. The Institute reported receipts of \$19,980.05 in voluntary contributions fees for the 2018 Fiscal Year. There were 9,878 voluntary contribution contributors for the 2018 Fiscal Year.

Results of Audit

The Foundation and Institute materially complied with applicable laws and policies related to the annual reporting for the Stop Heart Disease specialty license plate and voluntary contributions.

Purpose, Scope, and Methodology

The purpose of this audit was to determine compliance with applicable laws and policies related to the annual reporting submitted by the Foundation and Institute for the Stop Heart Disease specialty license plate and voluntary contributions.

The scope of this audit included expenditures reported on the affidavits for the 2018 Fiscal Year, and revenue and expenditures for specialty license plate and voluntary contributions reported in the Foundation's and Institute's records for the 2018 Fiscal Year.

The methodology for the audit included:

- Reviewing Florida Statutes, Department policies, and Foundation policies;



- Reconciling the Department's distribution of specialty license plate fees and voluntary contributions to revenues reported on the affidavits filed by the Foundation and Institute;
- Reconciling the expenditures reported on the affidavits to the Foundation and Institute financial records;
- Reviewing the use of funds by the Foundation and Institute 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
- Comparing expenditures to statutory requirements for annual allocation limits and reviewing reasonableness of balances.



Distribution, Statement of Accordance, and Project Team

Distribution

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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:
Erin Mook, Acting Audit Director

Approved by:



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