



Voluntary Contributions Audit **ARC of Florida, Inc.** Audit Report 201920-27

May 7, 2020

Introduction and Background

The purpose of this audit was to determine compliance with applicable laws and policies related to the annual reporting by the ARC of Florida, Inc. (Organization) for the ARC voluntary contributions. The Organization is required to submit a Voluntary Contribution 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 Organization's fiscal year. The affidavit submitted by the Organization for the 2019 Fiscal Year ended June 30, 2019, was used for this audit.

Sections 320.02 and 322.08, Florida Statutes (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.

Sections 320.023(7), and 322.081(7), F.S., grant the Department authority to examine all records relating to the use of voluntary contributions. The Office of Inspector General included the examination of voluntary contribution recipient organizations in its annual work plan.

Sections 320.02(16)(j) and 322.08(8)(i), F.S., require motor vehicle registration and driver license application forms, respectively, to include language permitting a voluntary contribution of \$1 to the Organization, a not-for-profit organization that provides services for persons with developmental disabilities. The ARC motor vehicle registration and driver license application voluntary contributions were established in 2010. The Organization reported receipts of \$9,171.12 in voluntary contributions for the 2019 Fiscal Year.

Results of Audit

The Organization materially complied with applicable laws and policies related to the annual reporting for the ARC 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 Organization for the ARC voluntary contributions.

The scope of this audit included expenditures reported on the affidavits for the 2019 Fiscal Year and revenue and expenditures for voluntary contributions reported in the Organization's records for the 2019 Fiscal Year.

The methodology for the audit included:

- Reviewing Florida Statutes, Department policies, and Organization policies;
- Reconciling the Department's distribution of voluntary contribution fees to revenues reported on the affidavits filed by the Organization;
- Reconciling the expenditures reported on the affidavits to the Organization's financial records;
- Reviewing the use of funds by the Organization 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

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

Bobbie Lake, Board President, ARC of Florida, Inc.
Kirk Hall, CEO, ARC of Florida, Inc.
DeAnn Scarborough, Executive Assistant, ARC of Florida, 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:
Erin Mook, Acting Audit Director

Approved by:


Mike Stacy, Acting Inspector General