



Specialty License Plate Audit
Fish and Wildlife Foundation of Florida, Inc.
Protect Florida Springs
Advisory Memorandum 202021-04

August 3, 2020

Executive Summary

The Office of Inspector General of the Department of Highway Safety and Motor Vehicles (Department) is responsible for monitoring the disposition of audit recommendations communicated to the Fish and Wildlife Foundation of Florida Inc., (Foundation) management.

The purpose of this review was to determine whether the Foundation's management implemented corrective action for the recommendation communicated in the Specialty License Plate Audit of the Fish and Wildlife Foundation of Florida Inc., Protect Florida Springs plate (201819-20), dated March 26, 2019.

Our follow-up review determined the Foundation's management has implemented corrective action related to monitoring its expenditures.

Results of Review

The following describes the status of the finding reviewed during the follow-up:

Reporting Accuracy

Finding 1: The accuracy of expenditures reported on the Schedule of Expenditures of State Financial Assistance can be improved.

Section 320.08062(1)(c), Florida Statutes (F.S.), requires any organization subject to audit pursuant to Section 215.97, F.S., to submit an audit report in accordance with rules promulgated by the Auditor General.

Chapter 69I-5.003, Florida Administrative Code (F.A.C.), Schedule of Expenditures of State Financial Assistance, requires a nonstate entity which receives or expends state financial assistance must, for the period covered by the entity's financial statements, prepare a Schedule of Expenditures of State Financial Assistance. The entity must provide the total state financial assistance expended for each individual state project.



The Foundation completes fund transfers to revert unused marketing and unissued grant funds into the Unallocated Grant Fund Account. A journal entry with a description of "Fund Transfer Expense" in the amount of \$9,861.88 was made to transfer unused marketing funds, and journal entries totaling \$15,147.14 with a description "Revert Closed Tag Grants Funds" were made to transfer the remaining unissued grant funds.

Recommendation

We recommend expenditures reported on the Schedule of Expenditures of State Financial Assistance are based on specialty license plate expenditures recorded in Foundation accounting records.

Management Response

The Foundation agrees with the finding and has modified its accounting procedures for internal transfers, so tag funds will no longer be charged as an expense. This will prevent any internal transfers of funds from being inadvertently reported as expenditures.

Management Corrective Action

The Foundation has modified the accounting procedure for internal transfers of Protect Florida Springs license plate funds. Retroactive to July 1, 2018, all transfers of unused tag funds will no longer be debited to the Fund Transfer Expense account. These transfers are now processed by changing the "class" assigned to the funds in the appropriate revenue account. This prevents internal transfers of funds from being inadvertently reported as expenditures.

Follow-up Progress

We reviewed the corrective action and determined the Foundation has instituted a process to properly account for fund transfers. Our review of the fiscal year-end June 30, 2019, financial records determined the Foundation expenses are properly recorded and comply with Chapter 69I-5.003, F.A.C., and Section 215.97, F.S. The statutory requirements are currently satisfied with management's corrective action.

Status: Closed



Purpose, Scope, and Methodology

The purpose of this review was to determine whether the Foundation's management implemented corrective actions for the recommendations communicated in the Specialty License Plate Audit of the Fish and Wildlife Foundation of Florida Inc. (201819-20), dated March 26, 2019.

The scope of this review included one finding from the Specialty License Plate Audit of the Fish and Wildlife Foundation of Florida Inc. (201819-20), dated March 26, 2019, and management's response to the recommendation which is included as an attachment to this report.

The methodology included:

- Reviewing findings and recommendations from the Specialty License Plate Audit;
- Reviewing applicable Department policies, procedures, and processes;
- Reviewing Florida Statutes related to specialty license plates;
- Interviewing appropriate personnel; and
- Reviewing other applicable documentation.



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

Andrew Walker, Chief Executive Officer
Will Bradford, Chief Financial Officer

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, Audit Director

Approved by:

A handwritten signature in blue ink, appearing to read "Mike Stacy", written over a horizontal line.

Mike Stacy, Acting Inspector General

ATTACHMENT – Management Response

Fish & Wildlife Foundation of Florida



July 24, 2020

Jill Sittig, Auditor
Office of Inspector General
Florida Department of Highway Safety and Motor Vehicles
2900 Apalachee Parkway
Tallahassee, Florida 32399-0500

Dear Ms. Sittig:

In response to your inquiry regarding the Follow-up Review of the Specialty License Plate Audit of the Fish and Wildlife Foundation of Florida, Inc., (Report # 201819-20), corrective actions taken for the audit findings and recommendations are provided below:

Statutory Allocation

Finding 1: The accuracy of expenditures reported on the Schedule of Expenditures of State Financial Assistance can be improved.

Recommendation

Ensure expenditures reported on the Schedule of Expenditures of State Financial Assistance are based on specialty license plate expenditures recorded in Foundation accounting records.

Corrective Actions

We modified our accounting procedure for internal transfers of Protect Florida Springs license plate funds. Retroactive to July 1, 2018, all transfers of unused tag funds will no longer be debited to the Fund Transfer Expense account. These transfers are now processed by changing the "Class" assigned to the funds in the appropriate revenue account. This prevents any internal transfers of funds from being inadvertently reported as expenditures.

Sincerely,



Will Bradford
COO

cc: Erin Mook, Audit Director



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