

**DEPARTMENT OF HIGHWAY SAFETY
AND MOTOR VEHICLES**

**HORSE COUNTRY
SPECIALTY LICENSE PLATE SURVEY**

Compliance Audit



EXECUTIVE DIRECTOR OF THE DEPARTMENT OF HIGHWAY SAFETY AND MOTOR VEHICLES

Section 20.24, Florida Statutes, designates as the head of the Department of Highway Safety and Motor Vehicles, the Governor and the Cabinet, which consists of the Attorney General, Chief Financial Officer, and Commissioner of Agriculture. Pursuant to Section 20.05 (1)(g), Florida Statutes, the Governor and Cabinet is responsible for appointing the Executive Director of the Department. The current Executive Director is Electra Theodorides-Bustle.

The audit team leader was Kathy Simmons, and the audit was supervised by Jennifer Reeves, CPA. Please address inquiries regarding this report to David R. Vick, CPA, Audit Manager, by e-mail at davidvick@aud.state.fl.us or by telephone at (850) 487-4494

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DEPARTMENT OF HIGHWAY SAFETY AND MOTOR VEHICLES

Horse Country Specialty License Plate Survey

SUMMARY

The Department of Highway Safety and Motor Vehicles (Department) received a scientific sample survey for the *Horse Country* specialty license plate. The Department reported that the requesting organization had met the survey requirements of Section 320.08053(1)(b), Florida Statutes, and concluded that at least 30,000 Florida motor vehicle owners intended to purchase the proposed specialty license plate.

Based on our audit, we determined that the *Horse Country* specialty license plate survey submitted to us on February 12, 2009, met the requirements of Section 320.08053(1)(b), Florida Statutes, and relevant Department procedures related to the conduct of scientific sample surveys of Florida motor vehicle owners. This audit is a follow-up to findings contained in report No. 2009-050 (*Horse Country Specialty License Plate Survey*).

BACKGROUND

Section 320.08053(1)(b), Florida Statutes, specifies the requirements that must be met by organizations requesting the establishment of specialty license plates for which an annual use fee is to be charged. Such requesting organizations must submit to the Department the results of a scientific sample survey of Florida motor vehicle owners. The survey results must indicate that at least 30,000 motor vehicle owners intend to purchase the proposed specialty license plate at the increased cost. The Statute defines scientific sample survey as information that is gathered from a representative subset of the population as a whole.

The Statute requires that the scientific sample survey be performed independently of the requesting organization by an organization that conducts similar sample surveys as a normal course of business. Prior to conducting a sample survey for the purposes of the Statute, a requesting organization must obtain a determination from the Department that the organization selected to conduct the survey performs similar surveys as a normal course of business and is independent of the requesting organization.

To implement the requirements in Statute, the Department established written procedures¹ governing the creation of new specialty license plates. In support of those procedures, the Department entered into a contract with the University of West Florida (Contractor) under which the Contractor is to statistically analyze the data collected by the survey organization and provide the Department with a report that indicates: (1) based on the data, at least 30,000 Florida motor vehicle owners intend to purchase the specialty license plate; or (2) based on the data, less than 30,000 Florida motor vehicle owners intend to purchase the specialty license plate.

Pursuant to Section 320.08053(1)(b), Florida Statutes, the methodology, results, and any evaluation by the Department of the scientific sample survey shall be validated by the Auditor General as a condition precedent to submission of the specialty license plate for approval by the Legislature.²

¹ Procedure RS-20, *Creation of a New Specialty License Plate*.

² Chapter 2008-38, Laws of Florida, established the *Horse Country* specialty license plate subject to the satisfaction of the requirements of Section 320.08053, Florida Statutes.

To accomplish the validation required by law, we evaluated for the specialty license plate survey submitted to us, the extent of compliance with the governing provisions of law and Department procedures. Our validation of the extent of compliance with the survey requirements does not ensure sales at the projected levels, as the survey measures public interest, and such interest may not be reflected in the actual sales of specialty license plates.

FINDINGS AND RECOMMENDATIONS

The Department submitted the completed scientific sample survey to the Auditor General for the *Horse Country* specialty license plate. In the transmittal letter to the Auditor General dated February 12, 2009, the Department reported that its procedures relating to survey methodology had been followed and concluded that the requesting organization had met the statutory survey requirements. The Department's conclusion was based on Department staff reviews of the survey received from the requesting organization and the report of the Department's Contactor that indicated, based on the results of the survey, at least 30,000 Florida motor vehicle owners intended to purchase the specialty license plate.

Based on our audit, we determined that the *Horse Country* specialty license plate survey submitted to us on February 12, 2009, met the requirements of Section 320.08053(1)(b), Florida Statutes, and relevant Department procedures related to the conduct of scientific sample surveys of Florida motor vehicle owners.

PRIOR AUDIT FOLLOW-UP

As part of our current audit, we determined that the Department had taken adequate corrective action for findings included in audit report No. 2009-050.

OBJECTIVES, SCOPE, AND METHODOLOGY

In accordance with the provisions of Section 320.08053(1)(b), Florida Statutes, we examined the methodology, results, and the Department's evaluation of the scientific sample survey for the specialty license plate within the scope of this audit.

The purpose of our audit was to determine the extent of compliance with the provisions of Section 320.08053(1)(b), Florida Statutes, which govern the conduct and evaluation of specialty license plate scientific sample surveys and relevant Department procedures. We conducted this audit in accordance with applicable generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. In conducting our audit, we:

- Interviewed Department personnel to obtain an understanding of the scientific sample survey process.
- Verified that the Department made a determination that the organization selected to conduct the scientific sample survey performed similar surveys as a normal course of business and was independent of the requesting organization, as required by Statute.
- Verified that the Department approved the scientific sample survey documentation (e.g., telephone scripts and mail-outs) used to complete the survey prior to the start of the survey.
- Determined the Department's Contactor possessed the necessary skills and knowledge to perform statistical analyses of the scientific sample survey.
- Performed analytical procedures on the scientific sample survey data to determine it was complete, reasonable and free of anomalies.

- Re-performed the statistical analyses performed by the Department’s contractor to ensure that the scientific sample survey requirements in the Statute had been met by the requesting organization.
- For 10 respondents to the scientific sample survey, re-performed a Department procedure by determining that the survey respondent was a registered Florida motor vehicle owner by matching respondent information to that shown by the Department’s Florida Real-Time Vehicle Information System.
- Evaluated Department actions taken to correct the survey deficiencies disclosed in audit report No. 2009-050.
- Performed various other procedures as deemed necessary in the circumstances.

AUTHORITY

Pursuant to the provisions of Sections 11.45 and 320.08053(1)(b), Florida Statutes, I have directed that this report be prepared to present the results of our audit



David W. Martin, CPA
Auditor General

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