



CHIEF FINANCIAL OFFICER
BLAISE INGOGLIA
STATE OF FLORIDA

March 2, 2026

Mr. Steve Burch, Chief Financial Officer
Highway Safety and Motor Vehicles
2900 Apalachee Parkway, Suite B133
Tallahassee, Florida 32399

Dear Mr. Burch,

The Department of Financial Services has conducted an audit of the contract management and monitoring processes for the Department of Highway Safety and Motor Vehicle (Department) for the period of July 1, 2023, through June 30, 2024, pursuant to sections 17.03 and 287.136, Florida Statutes (F.S.).

Objectives and Methodology

The objective of this review was to determine whether the Department, who is authorized to provide highway safety and security, complied regarding contract deliverables and monitoring efforts. The Department is responsible for the procurement, contract management, and monitoring of all Department contracts. Our audit focused on purchase orders and grant agreements that were active and closed during the audit period. Our population included 1,886 contracts totaling \$70.7 million.

Summary of Recommendations

Our review of the Department's implemented internal controls for contract management and monitoring processes are adequate, except for a few areas noted during our review where improvement should be considered. Please note, this audit was performed for Fiscal Year (FY) 2023/2024; therefore, the policies, procedures, statutes, and Chief Financial Officer (CFO) Memoranda that were active during FY 2023/2024 were utilized during this audit. Historical CFO Memoranda are not available on the CFO's website; however, they can be provided upon request. The Department should utilize the current policies, procedures, statutes, and CFO Memoranda going forward. We recommend the Department take the following actions:

- Ensure the Department is following CFO Memoranda Number (No.) 5, effective July 1, 2021, and section (s.) 287.057(15)(a), F.S., by establishing and maintaining a formal monitoring process in place that includes a Risk Assessment and Monitoring Plan. The Department should also develop a monitoring tool to document and demonstrate the monitoring efforts performed by the contract manager.
- Ensure contract managers verify all required documentation and supporting deliverables are included with each invoice prior to approving payment, and that this documentation is maintained in the contract manager files via CFO Memoranda No. 5, effective July 1, 2021.

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- Ensure the Department complies with s. 215.422, F.S., by verifying that all applicable dates are included on the invoice or supported through other documentation, establishing the timeline from receipt through approval, and ensuring that all invoices are reviewed within the required 5-day timeframe.

These improvements will ensure contract management, monitoring efforts, and the maintenance of documentation are properly performed.

We appreciate the support and courtesy extended to our audit team. Completed reports are available at <https://www.myfloridacfo.com/division/aa/audits-reports>. If you have any questions, please contact Ms. Kim Holland, Bureau Chief, at (850) 413-5700 or Kim.Holland@myfloridacfo.com.

Sincerely,

A large black rectangular redaction box covers the signature area.

Renée Hermeling, Director

RH/avg

- c. Mr. Mike Stacey, Inspector General
Ms. Rita Ventry, Program Consultant