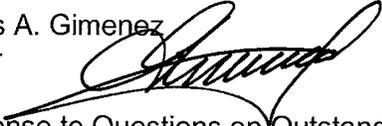


# Memorandum



**Date:** October 4, 2011  
**To:** Honorable Esteban Bovo, Jr.  
Commissioner, District 13  
**From:** Carlos A. Gimenez  
Mayor   
**Subject:** Response to Questions on Outstanding Accounts Receivable

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The following is in response to your September 7, 2011 inquiry regarding outstanding accounts receivable. More specifically, you expressed concern about the outstanding amounts that have continued over a certain number of years without any adjustment, and asked the following questions. Below are the responses to each of your questions.

- **Name of the County department that would oversee, report and determine outstanding accounts receivables be adjusted on a timely basis.**

*Each department with accounts receivables will be responsible to oversee, report and determine any adjustments needed to their receivables. Each department director will submit the recommended adjustments for uncollectible amounts outstanding after FY 2008 in accordance with Implementing Order (IO) 3-9. These will be reviewed and the final accounts receivable recommended for adjustment will be presented to the Board for consideration.*

- **Any audit report finding from County's internal auditors, Office of Budget and Management or the County's external auditors relating to outstanding accounts receivables. If any, then provide management response for those findings.**

*The County's external auditors have not reported any outstanding accounts receivable issues as each department maintains a sufficient reserve to cover bad debts. The Audit and Management Services Department has noted accounts receivable delinquencies in several enterprise department audits as well as in the Section 8 Housing Choice Voucher Program, Urban Economic Revitalization Task Force, and Miami-Dade Empowerment Zone Trust loans. These AMS reports are attached.*

- **Please list the number of positions dedicated to the County Finance Department's Credit and Collection section for the years 2007-08, 2008-09, 2009-10, and the proposed 2011-12.**

*Before the updated IO 3-9 was approved, the Credit and Collection Section of the Finance Department would sign interdepartmental agreements for those departments that solicited collections services. Now under IO 3-9 requires all departments to transfer accounts delinquent at 90 days to the Credit and Collection Section. Below you will find the positions by fiscal year and the number of departments with collection agreements.*

<b>No. of employees ( at year-end )</b>	<u>FY 2007-08</u>	<u>FY 2008-09</u>	<u>FY 2009-10</u>	<u>FY 2010-11</u>	<u>FY 2011-12</u>
	37	16	14	24	28

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Commissioner  
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*It should be noted that the Credit and Collection Section was collecting Jackson Memorial Hospital (JMH) delinquent accounts in FY 2007-09. Between FY 2008-09 and FY 2009-10, JMH withdrew the accounts from the Credit and Collections Section.*

*Just recently, JMH placed new accounts with the Credit and Collections Section, equal to 80 percent of all the accounts receivable placed for collection, which is the primary reason for the increase in full time positions. It should be noted that all the positions are fully funded by the fees generated by collections of multiple departments including, but not limited to, JMH, Animal Services, Fire Rescue, and Water and Sewer.*

If you have any additional questions or concerns, please feel free to contact Deputy Mayor Edward Marquez, or me directly.

c: Honorable Chairman Joe A. Martinez  
and Members, Board of County Commissioners  
R. A. Cuevas, Jr., County Attorney  
Office of the Mayor Senior Staff  
Jennifer Moon, Director, Office of Management and Budget  
Christopher Agrippa, Division Chief, Clerk of the Board  
Charles Anderson, Commission Auditor