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DADE COUNTY, FLA.
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OPERATIONAL DIRECTIVE NO. 04-05
Effective: August 31, 2004

**SUBJECT: MIAMI INTERNATIONAL AIRPORT (MIA) PARKING GARAGE
USER CHARGES – DELINQUENT ACCOUNTS RECEIVABLE**

PURPOSE: To establish a formal bad debt policy and uniform guidelines for determining delinquent accounts receivable resulting from parking garage user charges at MIA.

I. AUTHORITY:

- A. Miami-Dade County Code, Chapter 25, Aviation Department, Rules and Regulations.
- B. Miami-Dade County Administrative Order (A.O.) 3-9 Write-Off Accounts Receivable Arising from User Charges.
- C. Miami-Dade County Administrative Order (A.O.) 4-86 Worthless Checks.

II. POLICY:

The Management Company under contract with the Miami-Dade Aviation Department (MDAD) to oversee the parking garages at MIA must exhaust all practical means to recover outstanding accounts receivable. Therefore, the Management Company shall:

- A. Adhere to the procedures annexed to this Operational Directive (OD) for recording, tracking, and handling accounts receivable as well as for calculating bad debt expense and recommending write-offs.
- B. Maintain documentation of attempted debt recovery and collection efforts. This documentation must be provided to MDAD and auditors upon request.

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- C. Adhere to the procedures established by A.O. 3-9 to write off accounts
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- C. Adhere to the procedures established by A.O. 3-9 to write off accounts receivable arising from parking garage user charges and those in A.O. 4-86 which establishes fines, fees, and charges for uncollectible dishonored checks.

III. EFFECTIVE DATE:

This Operational Directive shall become effective 15 days after having been filed with the Clerk of the Circuit Court as required by Sections 2-3 and 2-4 of the Miami-Dade County Code.


IV. AMENDMENTS:

MDAD reserves the right to amend this OD at any time and from time to time. Notice of such amendment will be furnished to all affected parties who have registered their names and addresses with MDAD for the purpose of receiving such notices by direct mail from MDAD. Any amendment of this OD shall become effective 15 days after MDAD has caused it to be filed with the Clerk of the Circuit Court in the manner set forth in Section IV above.

V. SEVERABILITY:

If any court of competent jurisdiction determines that any provision in this OD is illegal or void, the remainder of the OD shall continue in full force and effect.

CROSS REFERENCE: None.



Angela Gittens, Aviation Director
Date: 8-13-04

ANNEX: Procedures to Handle Accounts Receivable and Related Bad Debt Expenses Resulting from Parking Garage User Charges at MIA.

PROCEDURES TO HANDLE ACCOUNTS RECEIVABLE AND RELATED BAD DEBT EXPENSES RESULTING FROM PARKING GARAGE USER CHARGES AT MIA

All accounts receivable from the parking garages at MIA result from customers who either had insufficient funds to pay for their charges or paid for their charges with a worthless check. In handling all accounts receivable, the Management Company (MC) overseeing the parking garages at MIA must adhere to the rules, regulations, procedures, and amendments thereto, listed under Section I. Authority of this O.D.

In addition, the MC must follow the following procedures:

I. Recording and tracking revenue collection:

- A. Enter all transactions into a program called the LARC System (Logistic Account Receivable Collection System).
- B. Post revenue collections daily.
- C. Generate an Aged Account Receivable report every month showing the month of transaction, amounts collected, uncollected, and the amounts approved by the MDAD Project Manager to be voided such as non-functioning Mag Card and disputed fees.

II. Collecting accounts receivable resulting from *insufficient funds*:

- A. After 10 days, send the first collection letter.
- B. After 30 days, send the second collection letter.
- C. After 45 days, send the third collection letter.

In addition, during this 45 day-period, place and document a minimum of three telephone calls requesting payment.

- D. After 90 days, the receivable is considered uncollectible and is classified as delinquent. All delinquent accounts are submitted to a Collection Agency for further attempt to collect.

III. Collecting accounts receivable resulting from *worthless checks*:

- A. Upon receiving notification that a check has been returned from the bank, the MC will contact the customer's bank to assess whether a re-deposit is possible. This step must be documented. If possible, a second deposit attempt must be made.

- B. If not possible, the MC shall adhere to the steps for collection delineated in Administrative Order No. 4-86.

IV. Calculating reserve of bad debt expenses:

- A. All accounts receivable balances over 90 days will be reserved 50%.
- B. Balances over 180 days will be reserved at 100%.

V. Writing off uncollectible accounts receivable:

The MC and the MDAD Project Manager must adhere to the procedures delineated in Administrative Order No. 3-9.