



To: Audit Committee Members  
From: Louis Martensen, Internal Auditor  
[lmartensen@washoecounty.gov](mailto:lmartensen@washoecounty.gov); (775) 997-1791  
Through: Katelyn Kleidosty, Internal Audit Manager  
[kkleidosty@washoecounty.gov](mailto:kkleidosty@washoecounty.gov); (775) 830-2550  
Date: June 13, 2024  
Subject: Review of Washoe County Sheriff's Office Bail Procedures

---

The Minimum Accounting Standards (MAS) Audit, applicable to the Washoe County Justice Courts and the Second Judicial Court, was completed in fiscal year 2023. The MAS regarding bail payments were part of the procedures examined. There were no deficiencies noted during the audit and it was formally presented to the Washoe County Audit Committee on April 6, 2023. During the June 22, 2023, Audit Committee meeting, the three-year audit schedule was discussed. A review of the Washoe County Sheriff's Office Bail Procedures was added to the audit schedule for the fiscal year 2024. This review was added to the schedule to examine the MAS regarding their bail procedures as a follow-up to the MAS audits completed at the courts in fiscal year 2023.

Following the inclusion of the Washoe County Sheriff's Office Bail Procedures in the audit schedule for fiscal year 2024, the subsequent steps involved meticulous planning and execution of the review engagement. The objective is to delve deeper into the compliance with MAS concerning bail procedures.

The Internal Audit Division collaborated closely with the relevant staff within the Washoe County Sheriff's Office (WCSO), ensuring transparent communication and access to necessary documentation. The scope of the review encompassed a thorough examination of the bail procedures, documentation practices, and adherence to MAS, with a keen focus on any potential areas of improvement or best practices.

The (WCSO) bail payments and procedures were examined and found to be in compliance with the MAS. The review was expanded to include processes that are not included in the MAS that could be improved and reduce risks that affect the overall bail payments and procedures. The Internal Audit Division is recommending the following to the improve the processes currently in place:

- The WCSO utilizes an electronic bill machine that cash is inserted into to track and process payments for bail. Currently, it requires only one supervisor to unlock and gain access to the cash box. A report is also printed by the supervisor that shows exactly how much cash the machine should have in it. It is recommended that a

control is put into place to ensure that the person that collects the cash does not have access to the report that shows the amount of cash until the cash from the machine has been counted and recorded. It is also recommended that a control is put in place that requires two employees to gain access to the cash box.

- **Management Response:** *Management within the Washoe County Sheriff's office will begin the process of developing a new policy and procedure (P&P) for this recommendation. The fiscal manager will begin drafting the new P&P.*
- An examination of the bank deposit log and supporting documentation disclosed that deposits were not being completed within the next regular working day as required by Washoe County Code (WCC) 15.190 (1). It is recommended that a process is put into place to ensure compliance with this regulation or work with the Washoe County Treasurer's Office for an exception to this WCC.
  - **Management Response:** *Management within the Washoe County Sheriff's Office will work with the Washoe County Treasurer's Office to obtain an exception to WCC 15.190 (1) and a proposed time frame will be provided once we have reached out to the Washoe County Treasurer's Office.*
- An examination of the bank deposit reconciliation and supporting documentation disclosed that the reconciliation is being completed by the Account Clerk II. However, the bank deposit reconciliation is not being reviewed by WCSO fiscal division management. It is recommended that a review of the bank deposit packet be performed by a person not completing the initial reconciliation.
  - **Management Response:** *Management within the Washoe County Sheriff's office will begin the process of developing a new policy and procedure (P&P) for this recommendation. The fiscal manager will begin drafting the new P&P.*

This review of Washoe County Bail payments and procedures was given to the relevant stakeholders within the Washoe County Sheriff's Office, and they provided responses to the recommendations. Follow up will be provided and reported to the Washoe County Audit Committee during fiscal year 2025.