



WASHOE COUNTY

Integrity Communication Service

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STAFF REPORT

BOARD MEETING DATE: December 16, 2025

DATE: November 13, 2025

TO: Board of County Commissioners

FROM: Katelyn Kleidosty, Internal Audit Manager
775-830-2550, kkleidosty@washoecounty.gov

THROUGH: Abbe Yacoben, Chief Financial Officer

SUBJECT: Recommendation to acknowledge receipt of the completed audit for the Conflict Counsel program from the Internal Audit Division. The purpose of this audit was to evaluate the effectiveness, efficiency, and compliance of the program, ensuring indigent defendants receive constitutionally required legal representation. Finance. (All Commission Districts.) FOR POSSIBLE ACTION

SUMMARY

The Internal Audit Division conducted an audit of the Conflict Counsel program. The purpose of this audit was to evaluate the effectiveness, efficiency, and compliance of the program, ensuring indigent defendants receive constitutionally required legal representation; and provide recommendations to improve the control environment as scheduled by the Audit Committee and the Board of County Commissioners. The audit was presented to the Audit Committee at the November 2025 meeting.

Washoe County Strategic Objective supported by this item: Fiscal Sustainability

PREVIOUS ACTION

No previous action has been taken on this Board item.

BACKGROUND

The Washoe County Conflict Counsel program was selected for an audit during the fiscal year 2026 to be completed by the Internal Audit Division. The audit focus was to evaluate the effectiveness, efficiency, and compliance of the program, ensuring indigent defendants receive constitutionally required legal representation. While conducting audits, it is the responsibility of the Internal Audit Division to make any other recommendations based on the observations during fieldwork.

AGENDA ITEM # _____

All recommendations included in the audit report have been presented to management, as well as presented to the Audit Committee. Work is being completed to implement the recommendations and remedy the findings. Any recommendation which causes fiscal impact will be brought forth by the appropriate department during the normal budget request process and ultimately brought to the Board of County Commissioners for approval.

Below are the findings and recommendations from the audit:

Conflict Counsel Case Assignment and Model Plan Oversight

Findings:

- The Nevada Supreme Court ADKT No. 411 (the Model Plan) requires the establishment of the Appointed Counsel Selection Committee (ACSC), facilitated by the Second Judicial District Court (SJDC) Administrator. The ACSC is intended to consist of five to seven independent attorneys with experience in criminal defense and/or dependency cases. The SJDC Court Administrator has faced challenges in identifying qualified volunteers who both meet the eligibility criteria and do not present a conflict of interest. As such, there are no current appointments to the ACSC.
- The ACSC's responsibilities include vetting and monitoring Conflict Counsel attorneys, reviewing performance, and ensuring ongoing training, and meeting quarterly to carry out these duties. Since the ACSC has not been appointed, no meetings have been held, no attorney selection process has been conducted or maintained; consequently, the oversight function envisioned by the Model Plan has not been implemented.
- As a result of the ACSC not conducting their duties, the Appointed Counsel Administrator (ACA) has been reviewing and approving the Conflict Counsel attorneys for the authorized list for case assignments.
- After reviewing the Model Plan document, it appears that many of the processes outlined are outdated and require revision. It was mentioned that County management has attempted to update the Model Plan; however, progress has stalled during the Court's review. Notably, Court approval is not required to implement updates to the Model Plan.
- A discussion with County staff revealed that ACA faces challenges in assigning cases to Conflict Counsel attorneys, as many of the attorneys tend to "pick and choose" which cases they accept or decline. Consequently, the assignment process outlined in the Model Plan, which specifies that cases be distributed in a set order (i.e., Case 1 assigned to Attorney 1, Case 2 assigned to Attorney 2, etc. and continuing in rotation) is not followed.

Recommendations:

1. Determine if the ACSC is the most appropriate oversight body for the Conflict Counsel program or if another method would be more effective. If the ACSC

- is most appropriate, review the eligibility criteria for volunteering for the ACSC to broaden the volunteer pool.
2. Clearly define and implement the duties to be carried out by ACSC and ACA respectively. If necessary, update the Model Plan to reflect any changes.
 3. Revise the Model Plan to eliminate outdated processes to reflect current operations and best practices.
 4. Clarify that Court approval is not required for updates, allowing County management to implement revisions efficiently. Also consider implementing a formal review schedule (i.e., every 2 or 3 years) to ensure the Model Plan remains current.
 5. Determine an appropriate and realistic case assignment process. Implement procedures for if an attorney refuses a case and reassignment of cases.
 6. Offer training for ACSC, ACA, and Conflict Counsel attorneys on updated procedures, responsibilities, and Model Plan requirements.

Organizational Structure for the Conflict Counsel Program is Not Efficient

Findings:

- A review of County documents and discussions with staff indicated that the ACA position does not have formal job specifications comparable to other County employee positions. Without defined requirements, the County may continue to face challenges in recruiting qualified candidates for this role in the future.
- Based on observations and interviews, there appears to be a lack of clarity regarding the responsibilities of the ACA and the Account Clerk II. This has resulted in duplication of certain tasks while other responsibilities are overlooked entirely. Furthermore, it has created tension between the two positions leading to additional divide and strain on the program.
- Although the ACA position is designated as a part-time role, the ACA position has assumed responsibilities and workload that more closely align with full-time demands. However, improvement in operational efficiencies and increased utilization of technology may affect time demands.
- The Account Clerk II is intended to allocate a portion of their time to processing invoices for Conflict Counsel; however, it is estimated that approximately 90% of their work hours are devoted to this function. Additionally, due to limited communication and insufficient review process, the Account Clerk II is currently assessing the allowability of legal expenses; a determination that should be made only by a licensed attorney.
- Staffing for the program is limited to one ACA and one Account Clerk within the OCM, with little to no cross-training between them. This creates a risk that employee absences or turnover could result in delays in service delivery, late payments, or missed case assignments.

- In addition to operational inefficiencies, the Conflict Counsel program has continuously experienced higher than expected expenses, and current management oversight could be better aligned to maximize efficiency and ensure costs are controlled.

Recommendations:

7. Develop clear and comprehensive job descriptions for the ACA, include qualifications, responsibilities, and performance expectations to support recruitment and accountability.
8. Define clear responsibilities for the ACA and the Account Clerk II to prevent duplication of efforts and ensure all critical duties are covered. Maintain an updated workflow outlining each position's responsibilities and accountability measures.
9. Evaluate the ACA's workload and the Account Clerk II's workload and determine whether the part-time classification accurately reflects the scope of responsibilities. Notably, increasing efficiencies in other areas of the program or realigning responsibilities may impact classification. Consideration should be given to the effectiveness of creating an administrative (or legal) assistant position within the Conflict Counsel program to redistribute the workload from ACA and the Account Clerk II.
10. Cross train to ensure continuity of operations during absences, turnover, or peak workload periods. Additionally, develop documented procedures to support knowledge transfer and reduce dependency on a single individual.
11. Assess Conflict Counsel oversight and monitoring to identify opportunities for improved alignment. Consideration should be given to having the ACA report to the Chief Financial Officer (CFO), with the Account Clerk II periodically meeting with the CFO to promote cohesive processes and ensure consistency across the program's distinct functions.

Vendor Contract Management Not Effectively Utilized

Findings:

- Based on discussions with County staff and a review of the County's Professional Services Agreements, Conflict Counsel attorneys have not signed the agreements prior to providing services. The absence of executed contracts increases the County's risk of noncompliance with contractual requirements, reduces enforceability of key terms such as billing, service expectations, and may expose the County to potential liability. Additionally, without signed agreements, there is limited ability to hold attorneys accountable for adherence to County policies, fee structures, and reporting requirements, which can result in inconsistent practices, unapproved expenditures, and challenges in program oversight.
- County staff discussed the potential use of formal contracts for mental health, competency, and psychological evaluations as a way to standardize

costs across vendors. They also considered applying contracts to Conflict Counsel attorneys and moving away from the hourly rate model. Implementing such contracts could promote consistent pricing, reduce the risk of overpayment, improve budgeting and forecasting, and strengthen oversight and accountability. Without standardized agreements in place, costs and billing practices remain variable, increasing the potential for inequitable payments, inefficiencies, and reduced control over program expenditures.

- Internal auditors were informed that there is a breakdown in communication between Conflict Counsel attorneys, the Appointed Counsel Administrator (ACA), and the Office of the County Manager. This lack of clear and consistent communication can lead to misunderstandings regarding billing practices, approval processes, and program expectations, increasing the risk of inconsistent service delivery, delayed approvals, and potential noncompliance with County policies and contractual requirements.

Recommendations:

12. Require that all Conflict Counsel attorneys sign the County's Professional Services Agreement prior to providing any more services.
13. When considering contracts for mental health, competency, and psychological evaluations, weigh potential cost savings against the risk of compromising the quality of legal representation. Standardizing vendors may create efficiencies and reduce expenses, but it could also limit attorney choice and flexibility, potentially impacting the adequacy of defense services if attorneys are required to use the same resources as others.
14. When considering limited contracts for Conflict Counsel attorneys and transitioning away from the hourly rate model, it is important to reference nationwide best practices and guidance from the American Bar Association. Flat-rate contracts are generally not recommended, as they may incentivize underperformance, limit flexibility for complex cases, complicate monitoring of workload and hours, and potentially lead to challenges regarding the adequacy of representation. These arrangements also carry reputational risk and may result in under-compensation for services performed.
15. Conduct an analysis to compare hourly rate model versus flat-rate or contract-based approaches for attorneys and evaluations to determine which provides greater cost predictability and administrative efficiency but maintains client's rights are adequately represented.
16. Establish formal communication protocols between Conflict Counsel attorneys, the ACA, and the Office of the County Manager. Implement regular check-ins, updates, or newsletters to maintain consistent communication.

Ineffective Use of Case Management System

Findings:

- Based on interviews and a review of information contained within the Karpel CMS, the data appears to be compromised. Numerous duplicate defendant profiles were identified, along with cases that remain open despite resolution, and inaccurate or incomplete demographic information. These conditions suggest weakness in data entry controls and system oversight.
- Discussions with County staff indicated that the Karpel CMS is a complex platform designed to function most effectively when managed by a dedicated team. The system's breadth and configuration are not optimal for operation by only one or two individuals, as is currently the case within portions of the program.
- The ACA does not currently utilize the Karpel CMS as intended; resulting in Conflict Counsel attorneys not being established as users within the system. Consequently, these attorneys do not have access to information maintained in Karpel, including discovery materials, defendant demographics, and case data.
- Although County staff have discussed the potential use of Karpel's billing functionality, it has not been implemented. Internal Audit's discussions with Technology Services revealed that the current billing module within Karpel remains largely manual and lacks the ability to standardize processes or establish predefined parameters (i.e., preset hours for services). Additionally, full use of the billing module would require each Conflict Counsel attorney to have individual system access burdening the Technology Services department who does not have the bandwidth to take on support.
- Interviews with County staff confirmed that extensive manual data entry occurs at each point of case transfer. This process increases the potential for data inconsistency, duplication, and human error.

Recommendations:

17. Determine if Karpel is the best CMS to be utilized by the Conflict Counsel program. If so, implement procedures to identify and resolve duplicate profiles, unclosed cases, and inaccurate demographic information within Karpel. Regular system audits or automated validations checks could help ensure data accuracy and completeness across all offices.
18. If Karpel is continued to be utilized as the Conflict Counsel's CMS, provide access to the Conflict Counsel attorneys. Provide training and access for attorneys to use the Karpel CMS for case tracking discovery, and demographic information. Encourage full utilization of the system by the ACA to ensure case information is centralized and consistently updated.
19. Create a standardized invoicing form to be utilized by Conflict Counsel attorneys. For example, creating a Seamless Docs invoice with the required

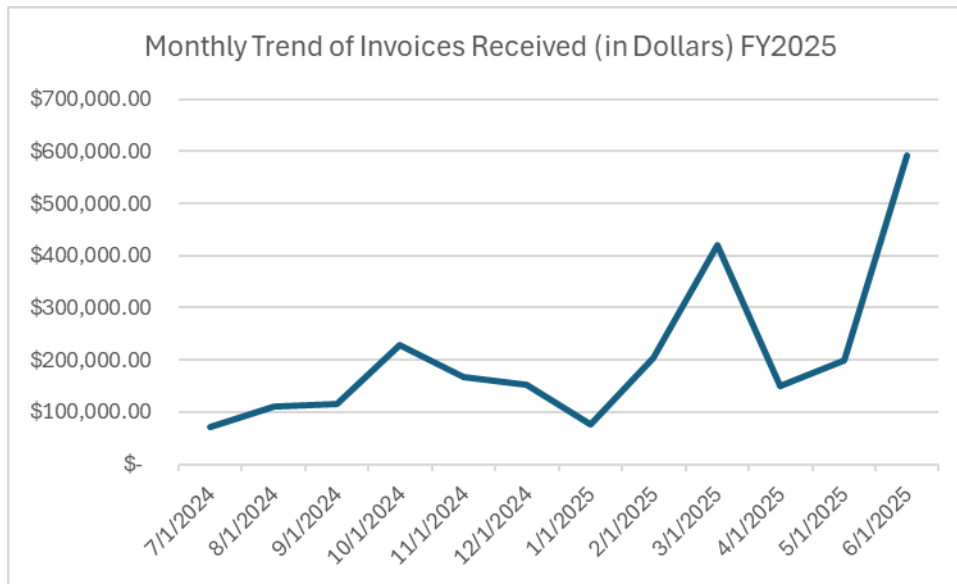
- information or utilizing the newly implemented SAP Concur for vendor invoice processing.
20. Explore opportunities and training to utilize Karpel's digital and automated workflow features, such as document generation, OCR, and event-triggering notifications, to minimize repetitive manual tasks, and ensure accurate information flows between offices and attorneys.
 21. Establish routine monitoring to verify the accuracy and completeness of data entered into Karpel. Assign responsibility for oversight to ensure system utilization aligns with intended processes, promotes accountability, and supports the effective management of the Conflict Counsel program.

Overall Internal Controls Are Weak; Compliance with Existing Billing Policies Inconsistent

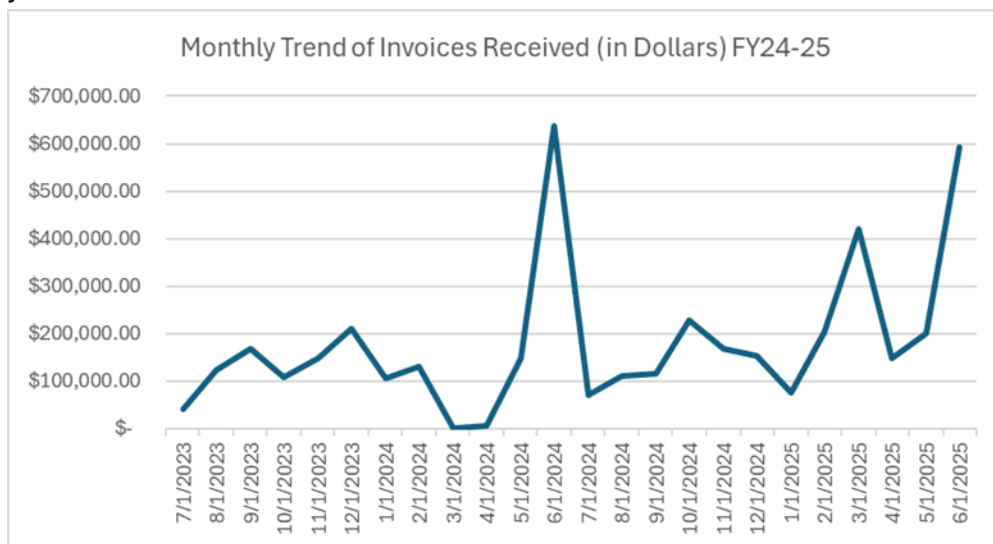
Findings:

- Discussions with County staff revealed that there are no formal standard operating procedures (SOPs) or internal control standards governing the Conflict Counsel program beyond what is outlined in the Model Plan and the established fee matrix. Refer to Appendix A for a copy of the most recently approved Model Plan.
- The Comptroller's Department maintains the *Washoe County Accounts Payable Manual* (updated May 2024), which governs the process of vendor invoicing; however, staff involved in the Conflict Counsel processes were not consistently familiar with or applying procedures outlined in this manual. Additionally, the preferred invoice workflow, where the Accounts Payable team receives the invoice prior to departmental review, is not clearly defined within the County policy.
- The absence of robust, documented processes has resulted in multiple variations in how tasks are completed to achieve the same outcome. This lack of standardization contributes to inefficiencies, inconsistent practices, and weakened internal controls that reduce the County's ability to prevent or detect potential errors or fraud. Additionally, the lack of a defined business flow results in misplaced or forgotten invoices and inconsistent recordkeeping.
- Discussions with County staff revealed that the County and attorney preferences for billing structure (contract versus hourly) are misaligned, and no unified policy has been adopted to standardized compensation practices. It appears that the County would prefer a flat-rate or contract-based approach, while the Conflict Counsel attorneys find it more advantageous for hourly billing. This lack of standardization complicates budgeting, oversight, and comparison of case costs, and increases the risk of inequitable payments for similar work performed.

- A review of the expenses for *Court Appointed Attorneys* for the last fiscal year reveals a significant year-end surge. For fiscal year 2025, over \$792,000, roughly 33% of the annual amount, of invoices were submitted during the final 60 days of the fiscal year, resulting in nearly \$400,000 in unanticipated budget overruns. Consequently, County staff were required to make critical decisions regarding funding sources to prevent the program from exceeding its budget. The charts demonstrates the monthly invoicing trends by month for fiscal year 2025.



The next chart demonstrates the monthly invoicing trends by month for fiscal year 2024 and 2025.



The charts illustrate invoice amounts fluctuate throughout the fiscal year, with noticeable spikes in the last 60 days of the fiscal year. These irregular

billing patterns indicate inconsistent submission practices amongst attorneys, which can complicate budgeting and forecasting.

Recommendations:

22. Develop and implement formal standard operating procedures (SOPs) for the Conflict Counsel program, including case assignment, approval, and payment processes in addition to what is outlined by the Model Plan. Ensure SOPs clearly define responsibilities for ACA, Account Clerk II, and other involved staff, including escalation procedures for disputes. Once complete, train all employees involved in the program to ensure awareness and consistent application of SOPs. If necessary, put Conflict Counsel attorneys on notice of the procedures applicable.
23. Reinforce the use of authorized attorney list and rotational assignment procedure as outlined in the Model Plan. Document all case assignments, including attempts to contact attorneys and final assignment decisions, to provide transparency and accountability.
24. Establish a standardized invoice approval process, in addition to adhering to the Comptroller's *Accounts Payable Policy*, including clear steps for ACA review, required supporting documentation, and method of approval (i.e., electronic signature through Adobe or approval through SAP rather than informal email).
25. Update the Comptroller's *Accounts Payable Policy* to include the preferred method of invoicing (i.e., all invoices are submitted directly to the AP team then processed by the department).

Invoice Inaccuracies and Incompleteness Evident

Findings:

- A review of the invoices and supporting documentation revealed that the ACA indicates approval by sending an email to the Account Clerk II with invoices attached. This can occur in a bulk or batch approval with several invoices or individually; it is not consistent approval process. This email serves as the primary evidence of ACA approval. To assess the consistency and adequacy of the approval process, multiple testing procedures were performed. The results are summarized in Table 1: Invoices Missing Evidence of ACA Approval below, showing the number and percentage of invoices missing ACA approval.

Table 1: Invoices Missing Evidence of ACA Approval

Testing Procedure Performed	# of Invoices Missing ACA Approval/Total Invoices in Sample	Percentage of Tested Invoices Missing Approval (rounded)
Round Testing	1/44	2%
Top 1% Testing	4/14	29%
Benford's Law Analysis (Digit 5)	14/123	11%
Benford's Law Analysis (Digit 7)	14/91	25%
Benford's Law Analysis (Digit 8)	16/47	34%

**Source: Internal Auditors testing of Conflict Counsel invoices.*

The testing results indicate inconsistent documentation of ACA approval, with a higher percentage of missing approvals observed in the Benford's Law samples compared to the other testing methods.

- Invoicing practices are inconsistent due to differing approaches among Conflict Counsel attorneys, with some submitting individual invoices and others batching multiple invoices together. Conflicting guidance has contributed to this inconsistency: the Assistant County Manager directed single-invoice submissions for approval, while the Appointed Counsel Administrator (ACA) instructed that invoices be batched in a single email. This has led to irregular compliance, processing delays, and confusion for County staff when processing payments, increasing the risk of errors and inefficiencies in the Conflict Counsel program.
- Policies defining reimbursable versus non-reimbursable expenses are either outdated or not formally documented, leading to inconsistent treatment of claims across attorneys and cases. For example, while some attorneys bill for supplemental items such as subpoena fees, postage, mileage, etc. others do not include these costs in their invoices.

A document delineating reimbursable versus non-reimbursable expenses could not be provided to auditors upon request. Based on discussion with County staff, items generally considered reimbursable include postage, subpoena fees, expert fees, psychological evaluations, and risk assessments. Mileage was cited as an example of non-reimbursable expense. The absence of a formally documented and approved policy contributes to inconsistent interpretation and application of reimbursable expense rules.

To evaluate the consistency of billing practices, testing procedures were performed as summarized in the table below.

Testing Procedure Performed	# of Invoices with Additional Expenses/Total Invoices in Sample	Percentage of Tested Invoices with Additional Expenses (rounded)
Top 1% Testing	3/14	21%
Benford's Law Analysis (Digit 5)	10/123	8%
Benford's Law Analysis (Digit 7)	5/91	5%
Benford's Law Analysis (Digit 8)	1/47	2%

**Source: Internal Auditors testing of Conflict Counsel invoices.*

The testing results indicate that most of the instances of additional billing were submitted by the same attorney, with only one occurrence involving a different attorney. This pattern suggests the absence of clear guidance and consistent enforcement regarding allowable expenses, which increases the risk of inequitable reimbursements and inconsistent applicable of County funds.

- Discussions with County staff and a review of the supporting documentation revealed that financial limits for each case category, as outlined in Table 2: Case Caps by Category below, are not consistently tracked or reconciled. In addition, supporting documentation accompanying invoices is frequently incomplete or contains inaccuracies.

Case Category	Case Caps
Category A	\$40,000
Category B	\$20,000
Category C, D, E, Gross Misdemeanor	\$5,000
Investigators	\$1,000
Evaluations (substance abuse, mental health)	\$3,000

** Source: Conflict Counsel Fee Matrix*

To facilitate monitoring, the Account Clerk II developed a *Conflict Counsel Invoice Draw Down for All Payments* form (reference Appendix B for sample). This form is intended to allow Conflict Counsel attorneys to track payments and remaining balances for each case. However, the form is not consistently utilized or included as supporting documentation for a majority of invoices reviewed. The lack of consistent tracking and documentation limits the County's ability to monitor cumulative costs, ensure compliance with established financial limits, and identify potential overpayments.

- In addition to the financial limits being exceeded, testing identified multiple instances where hourly billing rates deviated from established Conflict Counsel Fee Matrix without documented justification or approval. The

deviations included both undercharges and overcharges, as well as the use of mixed or flat rates inconsistent with approved standards. Examples are summarized in the table below.

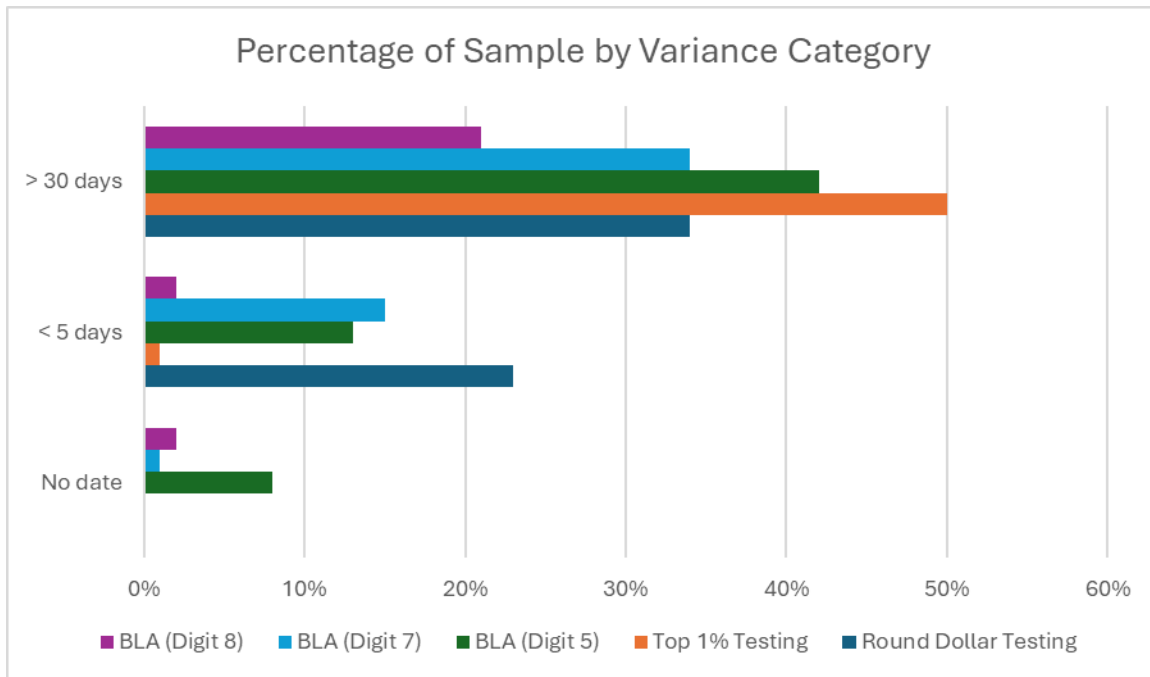
Transaction Identifier	Case Category	Rate Charged	Fee Schedule Rate	Variance
Round Dollar Testing				
813	Psychological Evaluation	\$5,000	\$3,000	Overcharged
Top 1% Testing				
709	A	\$150/hr	\$300/hr	Undercharged
710	B	\$150/hr	\$200/hr	Undercharged
Benford's Law Analysis (Digit 5)				
58	Juvenile	\$100/hr	\$150/hr	Mixed Rate
62	Juvenile	\$100/hr	\$150/hr	Undercharged
309	Juvenile	\$500 (flat rate)	\$150/hr	Unknown Impact
312	Juvenile	\$500 (flat rate)	\$150/hr	Unknown Impact
314	Juvenile	\$500 (flat rate)	\$150/hr	Unknown Impact
319	Juvenile	\$500 (flat rate)	\$150/hr	Unknown Impact
497	A	\$300/hr, \$150/hr	\$300/hr	Mixed Rates
668	A	\$200/hr	\$300/hr	Undercharged
767	A	\$200/hr	\$300/hr	Undercharged
924	B	\$500/hr	\$200/hr	Overcharged
934	A	\$200/hr	\$300/hr	Undercharged
973	B	\$500/hr	\$200/hr	Overcharged
1254	B	\$300/hr, \$200/hr	\$200/hr	Mixed Rates
Benford's Law Analysis (Digit 7)				
514	A	\$200/hr	\$300/hr	Undercharged
527	A	\$200/hr	\$300/hr	Undercharged
707	A	\$150/hr	\$300/hr	Undercharged

Audit testing revealed that rate discrepancies occurred in both directions; some attorneys billed below the established rates, while others exceeded approved limits or applied flat rates. In several cases, multiple rates were charged within the same invoice, suggesting a lack of standardized review or

documentation requirements. The absence of justification for these deviations indicates that rate approvals are not being consistently monitored, verified, or enforced by staff. Inconsistent application of billing rates increases the risk of inequitable payments to attorneys, inaccurate expenditure reporting, and non-compliance with County policy. Overcharges lead to excess County spending, while undercharges may obscure the true cost of case representation and affect budget projections.

- Additionally, analysis of invoices reviewed under Benford's Law testing revealed inconsistencies in the rate charged for comparable services, including mental health assessments, competency and psychological evaluations. The amounts billed for these services varied significantly, ranging from approximately \$800 to \$3,000, without documented justification for the differences.
- Discussions with County staff indicated uncertainty regarding whether Conflict Counsel attorneys are required to comply with the County's Travel Policy or adhere to federal GSA reimbursement rates. As a result, travel expense approvals and reimbursement practices vary among Conflict Counsel attorneys. The lack of clear guidance increases the risk of inconsistent reimbursements and potential noncompliance with County policies or fiscal standards.
- Internal auditors observed that billing submission practices among Conflict Counsel attorneys lack consistency. While some attorneys bill monthly, aligning with the County's preferred method that is compliant with GAAP, other submit invoices only at case conclusion, which can occur years after services have been performed. This inconsistency creates irregular expense patterns, complicated budgeting forecasting, and issues with GAAP compliant reporting on the financial statements.
- Audit testing revealed substantial variability in the timing of invoice submissions, with some invoice submitted quickly after services (as low 0 or 1 day), and others significantly delayed (up to 383 days). In addition, certain attorneys submit invoices in batches, resulting in bulk approvals that further contribute to unpredictable expense patterns.

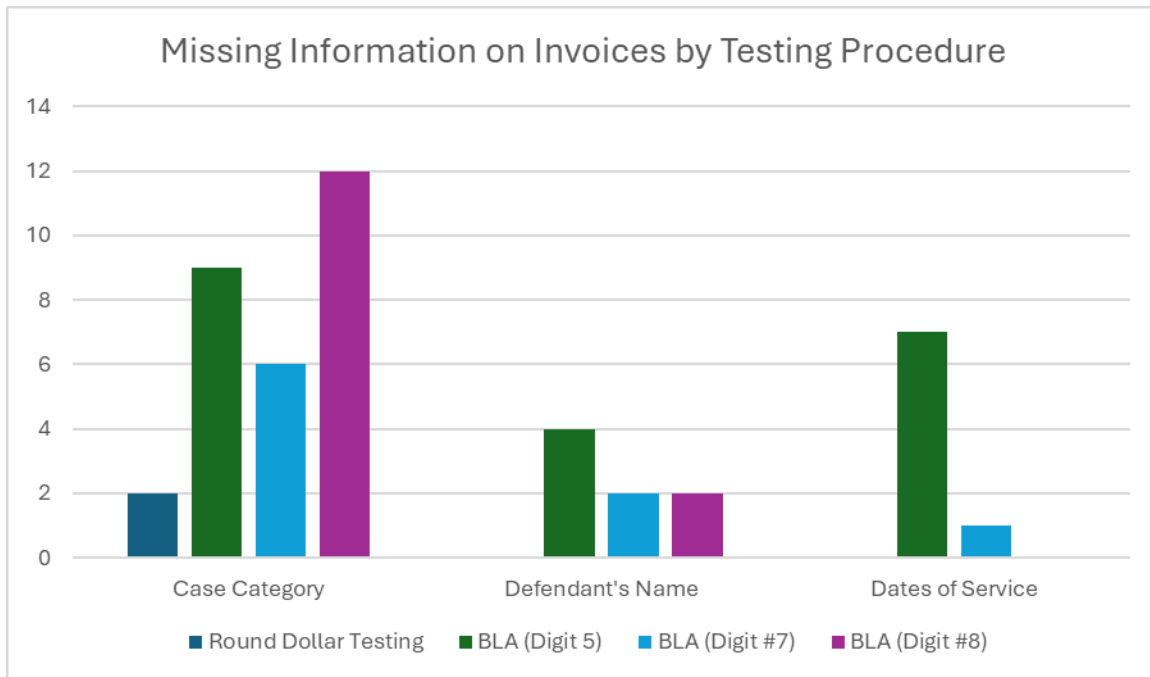
The chart below summarizes the differences between the dates services were performed and the dates invoices were submitted, broken out by testing procedure:



**Source: Internal Auditors testing of Conflict Counsel invoices.*

- A review of selected invoices during Internal Audit testing identified missing key information, including case category, defendant name, and dates of service. The absence of this information limits the County's ability to verify the accuracy, appropriateness, and compliance of billed charges with the established fee structure. The lack of a standardized invoice template or clearly defined billing requirements appears to contribute to these omissions. Additionally, the Appointed Counsel Administrator's (ACA) review process does not consistently identify or return incomplete invoices for correction prior to approval. Inconsistency in the format and level of detail provided on invoices, including a few instances of handwritten submissions, also increases the amount of time required for the ACA to review and verify submissions, reducing efficiency and diverting attention from higher-value oversight activities. Missing or incomplete invoice data hinders the County's ability to confirm that services billed were actually rendered, increasing the risk of payment errors or payments for ineligible services. These documentation gaps also reduce transparency, impede auditability, and weaken compliance with County billing policies and the Model Plan. County policy and financial management best practices require that invoices contain sufficient detail to support the nature, timing, and purpose of billed services.

The chart below summarizes the frequency and type of missing information identified during testing.



**Source: Internal audit testing of Conflict Counsel invoices.*

The chart illustrates the recurring issues in invoice submissions, highlighting areas where documentation is incomplete.

- Internal audit testing identified instances where invoices were incorrectly coded, resulting in charges being posted to the wrong general ledger subsidiary accounts. While these miscoding errors did not impact the overall budget totals, accurate coding is best practice and essential for reliable financial reporting. Inaccurate coding can distort expense tracking, hinder effective budgeting, and reduce accuracy of future forecasting.
- Discussions with County staff indicated that the Account Clerk II is responsible for coding invoices and processing billing for the Conflict Counsel, Public Defender's Office, and Alternate Public Defender's Office related to mental health, competency, physical evaluations, and transcript services as the budget authority for these services resides in the Conflict Counsel budget. Additionally, internal auditors noted during testing that billing for these services is inconsistent; some invoices are submitted through the attorney, while others are received directly from the vendor providing the service. Resulting in variability in processing and oversight.
- Discussions with County staff and a review of invoices during Internal Audit testing identified instances where Conflict Counsel attorneys utilized a second chair or "co-chair" on cases other than Category A, where such use is permitted, without obtaining direct written approval from the County. There does not appear to be a clearly defined policy on this practice beyond the guidance outlined in the fee matrix. The lack of formal authorization and clear policy creates the potential for inconsistent application, unauthorized

billing, and increased program costs, as well as challenges in ensuring compliance with established fee structures and oversight procedures.

Recommendations:

26. Require that all invoices include necessary details (case category, case number, defendant name, hours worked, and expense categories) and that ACA approval is consistently documented (i.e., on each invoice directly vs. an email approval). Require all Conflict Counsel attorneys to submit invoices in a standardized format, using a County-approved template (Seamless Docs or SAP Concur) that captures all required information (case category, case number, defendant name, dates of service, hours worked, etc.). Prohibit handwritten submissions except in rare, documented circumstances.
27. Develop and formally document a clear policy defining reimbursable and non-reimbursable expenses for Conflict Counsel, including examples of common allowable and unallowable items. Additionally, clearly define the travel policy applicable to Conflict Counsel attorneys and allowable reimbursements related to travel. Communicate these policies to all Conflict Counsel attorneys and require adherence as part of the submission process.
28. Require the consistent use of the *Conflict Counsel Invoice Draw Down for All Payments* form or a comparable tracking system to monitor expenditures against case category limits. Reconcile draw-down records regularly against invoices to ensure compliance with established caps and detect potential overpayments.
29. Develop guidance clarifying billing instructions (i.e., batching vs. individual submissions) to eliminate conflicting directives and ensure uniform practice across all attorneys. Document the guidance within a policy that is communicated to Conflict Counsel attorneys.
30. Require periodic reconciliation and variance reporting of billed rates versus approved fee schedules to identify outliers and ensure compliance with County policy.
31. Require documented justification and formal approval for any rate deviations (overcharges, undercharges, or mixed rates).
32. Ensure all invoices are correctly coded to the appropriate general ledger or subsidiary accounts. Provide training to the Account Clerk II, if necessary.
33. Require written County authorization for second chair usage outside Category A cases. Clearly define in the policy when second chair services are permitted and the approval process for exceptions.
34. Minimize ACA review time by standardizing invoice formats and implementing automated or semi-automated review tools where feasible. Ensure a single, consistent method for invoice submission and approval to reduce processing delays.

Miscellaneous Observations and General Findings

Findings:

- A review of the Nevada Department of Indigent Defense Services (DIDS) website indicated that *Application to Washoe County Indigent Defense Contract* is directed to Marc Picker, who is no longer employed by Washoe County.

Recommendations

35. Update the application to reflect the current Alternate Public Defender (Kate Hickman) or revise the language to use a more general designation, ensuring the document remains accurate and avoids the need for future updates.

Overall Internal Audit Conclusion

The internal audit identified multiple areas where the Conflict Counsel program could improve oversight, internal controls, and operational efficiency. While the program continues to provide constitutionally required legal representation, weaknesses in case assignment processes, organizational structure, billing practices, technology utilization, and contract management create financial, operational, and compliance risks.

Implementation of the recommendations provided in this report will strengthen governance, improve consistency and accountability, enhance financial controls, and ensure the program operates in alignment with the Model Plan and best practices. Management engagement and follow-up will be critical to achieving these improvements.

FISCAL IMPACT

No fiscal impact. However, the implementation of some recommendations may have a fiscal impact and those will be presented by the department as they are executed.

RECOMMENDATION

Recommendation to acknowledge receipt of the completed audit for the Conflict Counsel program from the Internal Audit Division. Finance. (All Commission Districts.) FOR POSSIBLE ACTION

POSSIBLE MOTION

Should the Board of County Commissioners acknowledge receipt of this audit report, a possible motion would be:

Move to acknowledge receipt of the completed audit for the Conflict Counsel program.

Attachments:

Internal Audit Report – Conflict Counsel Program – November 2025