



Audit Department

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Angela M. Darragh, CPA, CFE, CISA, Director

May 22, 2014

Mr. Don Burnette
Clark County Manager
500 South Grand Central Parkway, 6th Floor
Las Vegas, Nevada 89106

Dear Mr. Burnette:

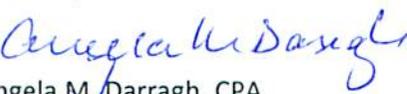
At the request of the Clark County District Attorney, Steven Wolfson, we conducted an audit of the District Attorney Victim Witness Fees and Expenses. The audit reviewed procedures for the period October 31, 2011 through December 31, 2013. The audit objective was to review current procedures for the preparation and retention of DA Victim Witness fees and expenses paid by voucher to determine whether payments to victims were appropriate.

To meet our objectives, we gathered information and examined District Attorney Victim Witness vouchers dated October 31, 2011 through December 31, 2013. We conducted interviews with key personnel, performed observations and walkthroughs, reviewed policy and procedures, and gathered sufficient evidence to conclude on the audit objective. We obtained Victim Witness Voucher listings from District Attorney Victim Witness and from District Court. Using statistical software to determine the sample size, we judgmentally selected 560 vouchers and examined for completion according to policies and procedures. We also judgmentally selected ten additional vouchers that were prepared by advocates in care of victims and witnesses who were unable to visit the Victim Witness Office for voucher payment during operating hours. These types of payments appeared to be extremely rare. We traced the case numbers and victims and witnesses paid to the case management system to verify court appearance.

Overall, it appears that the District Attorney Victim Witness Assistance Center prepared payment vouchers based on adequate supporting documentation. The current voucher form being used for victim and witness payment has been in existence for over twenty years and could benefit from a redesign. We found that while all information necessary for immediate explanation of expense payment may not be located on the face of the voucher, it was available in the supporting documentation or case files.

A draft report was provided to the District Attorney for comment and his response is included. We appreciate the cooperation and assistance provided by the District Attorney's Office.

Sincerely,


Angela M. Darragh, CPA
Audit Director



AUDIT DEPARTMENT

Audit Report

District Attorney Victim Witness Fees and Expenses

May 2014

Angela M. Darragh, CPA, CISA, CFE
Audit Director

AUDIT COMMITTEE:

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BACKGROUND The District Attorney Victim Witness Assistance Center is responsible for the guidance of victims and witnesses through the legal process surrounding criminal court appearances. Nine advocates, two of which assist out of state victims and witnesses, are available to those individuals called to testify in the roughly 45,000 cases that proceed through the court system each year.

Victims and witnesses may present subpoenas that have been validated by the prosecution to the Victim Witness Front Desk personnel for reimbursement of allowable expenses per NRS 50.225. These expenses may routinely include a \$25 Witness Fee and roundtrip mileage to attend the court appearance. Out of state victims and witnesses may be reimbursed for other fees, such as a food allowance (per diem), cab fare, and home airport parking fees. Expenses for hotel and transportation other than mileage are directly billed to the District Attorney's Office. Vouchers for fee and expense payment are prepared by the Victim Witness Office Front Desk personnel. Completed vouchers are then taken across the hall to the District Court Cash Window for cash payment.

Completed voucher copies from 2010 to present are kept in the District Attorney Victim Witness File Room along with the related validated subpoenas. Vouchers from 1990 until November 12, 2012 are retained digitally.

The Victim Witness Assistance Center utilizes the District Attorney General Fund for expenses. As of October 2013, Witness Fees were \$121,481.00 and Mileage Fees were \$107,780.00 for the fiscal year 2014.

OBJECTIVES, SCOPE, AND METHODOLOGY The audit objective was to review the processes in place for documenting the payment of witness fees and expenses, determine the departments involved in the process, the retention of related documents, and if process improvements are needed.

We gathered information and District Attorney Victim Witness payment listings, vouchers and support for the period October 31, 2011 to December 31, 2013. We conducted interviews with key personnel, performed observations and walkthroughs, reviewed Victim Witness Assistance Center policy and procedures, and gathered sufficient evidence to conclude on the audit objective.

We obtained the Victim Witness Voucher listings for vouchers prepared from October 31, 2011 through December 31, 2013 and judgmentally selected a sample of 560 to review. Statistical software was used to determine the sample size based on an estimate of 12,000 vouchers prepared each year. The software produced the sample amount of 250 based on the estimated preparation of 12,000 vouchers per year. We used the spreadsheets prepared by District Court of vouchers paid to select the sample. The spreadsheets were available for the years of 2012 and 2013. Thus, 250 vouchers were selected for each of 2012 and 2013. Since the listing for 2011 was available for October 31, 2011 through December 31, 2011, we chose to sample 60 vouchers, for one quarter of the year. The spreadsheet listings included the voucher number and dollar amounts for witness fee and mileage paid. The selection of the testing sample was based on variety of dollar amounts paid and with an effort to spread the sample out throughout the test period.

We reviewed vouchers for fee recording and compliance with policy. Attached subpoenas were reviewed for evidence that the victim or witness appeared in court and that the date of appearance matched the voucher date. We also reviewed mileage computations for victims and witnesses that drove to court, as well as expenses for other transportation taken, if applicable. We also verified that victims and witnesses being paid were associated with valid cases. All expenses reimbursed were reviewed against existing policies and procedures and Nevada Revised Statutes.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Our last day of fieldwork was March 21, 2014.

RESULTS IN BRIEF Overall, it appears that the District Attorney Victim Witness Assistance Center prepared payment vouchers based on adequate supporting documentation. All 560 vouchers selected for testing were located in file retention and none were found to be misfiled.

The current voucher form being used for victim and witness payment has been in existence for over twenty years and could benefit from a redesign. We found that while all information necessary for immediate explanation of expense payment may not be located on the face of the voucher, it was available in the supporting documentation or case files.

Each finding includes a ranking of high, medium, or low risk based on an assessment that takes into consideration the circumstances of the current condition including compensating controls and the potential impact on reputation and customer confidence, safety and health, finances, productivity, and the possibility of fines or legal penalties.

DETAILED RESULTS

No Voucher Calculation Review (MEDIUM)

Victim Witness payment vouchers are manually prepared and calculations are manually computed. In addition, calculations performed are not subject to review or verification. Mathematical errors can be made and not discovered which could potentially cause negative financial impact for the District Attorney's Office. We did not find any calculation errors during our testing. However, because of the great possibility of errors in the manual calculation process that would negatively impact the DA Victim Witness budget, we ranked this as a medium risk.

Recommendation

1. Implement a process to periodically review calculations.

Undistributed Voucher Log Procedures Need Revision (MEDIUM)

The Victim Witness Office has a log for vouchers that are distributed in batches to Front Desk personnel for use. This log contains the date, voucher numbers distributed and front desk employee that the vouchers are assigned to. Undistributed vouchers are kept in a drawer that is secured from front desk personnel access. The assigned batches are secured in a separate drawer to which the Front Desk employees have access. When the employees need vouchers for use, they take them from this second drawer and sign a separate log recording vouchers taken for that date and time, and the employee taking them for use. At this time, there is not a record of receipt of vouchers from the manufacturer or of a periodic inventory of vouchers on hand. Because of the importance of tracking all

vouchers available for use and to identify any misappropriation, we ranked this as a medium risk.

Recommendation

1. Include a record of vouchers received from the manufacturer on the undistributed voucher log, including amount and date of receipt.
2. Perform a periodic inventory of vouchers on hand.

Need Policy for Sequential Use of Vouchers and Void Voucher Documentation (LOW)

There is no policy pertaining to the sequential use of vouchers when there is more than one individual staffing the front desk at one time. In the past, when two individuals have staffed the District Attorney Victim Witness Front Desk, they were assigned different stacks of vouchers to work from. These voucher stacks were often not sequential, and often included a two or three hundred pre-printed number difference between stacks.

There also has not been a policy with respect to the procedure for and retention of void vouchers. Voided vouchers simply had “void” written over them and were filed with the rest of the completed vouchers in the file room. If voided vouchers do not contain clear information about the void, they can be misappropriated and used for erroneous voucher payments.

Due to other controls, we believe the risk for these weaknesses is low.

Recommendation

1. Front Desk employees should work out of the same stack of vouchers in order to avoid the using of non-sequential vouchers.
2. Keep a log of void vouchers to record the void. The void voucher should contain the reasoning for the void and the signature of the individual initiating the void.

Cash Advance Log Needs to be Established (LOW)

Out of state victims and witnesses are often given a per diem allowance for meals when they travel to Las Vegas for court appearances. At times, out of state victims or witnesses arrive in Las Vegas the evening prior to a court appearance, after the District Attorney Victim Witness office closes. Thus, they are unable to obtain

the per diem allowance that will cover dinner that evening and a meal the next morning. Additionally, at times, victims and witnesses are still in court when the Victim Witness Office closes and are not able to obtain the payment voucher. In these cases, the Out of State Advocates or the Administrator will cash a voucher made out to themselves in care of the victim/witness for the amount needed. They will then bring the cash in an envelope to the hotel front desk for pick up by the victim/witness when they check in or to the victim/witness that is still in court. These types of payments appear to be rare.

After an extensive search of the vouchers filed in the file room, we judgmentally selected ten cash advance vouchers for review dated from October 31, 2011 through December 31, 2013. We were able to trace the victim/witness name and case number to the case management system and were able to verify that the victim/ witness did appear in court in the time frame noted on the voucher.

There is currently no log or record of these voucher payments that can be reviewed.

Since it is likely the victim/witness would report if the cash advance was not available when he/she checked in with the hotel or was not brought to them in court if they attended court after Victim Witness hours, we ranked this as a low risk.

Recommendation

1. Establish a log that records the name of the client, the funds included in the envelope, the date and time of delivery, the name of the person delivering the funds, and the name of the hotel individual receiving the funds.

Voucher Form Needs Update/Redesign (LOW)

The current Victim Witness payment voucher has been in use for at least the past 20 years and has not been updated with any changes made in the Victim Witness Office. The current Victim Witness payment voucher does not contain pre-printed areas to document all necessary information. Front desk personnel are writing necessary information in blank areas of the voucher and combining expenses on the only available expense reporting lines.

We judgmentally sampled 560 vouchers prepared between October 31, 2012 and December 2013 and noted that a total of 135 out of the 560 (24.1%) sampled needed more information recorded on the voucher to clearly represent the witness fee being made.

We found that while all information necessary for immediate explanation of expense payment may not be located on the face of the voucher, it was available in the supporting documentation or case files.

Due to the fact that voucher payment information could be traced to other sources when it was not included on the face of the voucher, we ranked this as a low risk.

Recommendation

1. Redesign the voucher form to include the following at minimum:
 - a. Address line for address used to calculate mileage.
 - b. Additional "Pay To" lines to accommodate the names and distinction of minors and companions.
 - c. Check boxes beside the "Pay To" lines named "Companion", "Minor" or "Law Enforcement" to further identify the victim/witness.
 - d. A separate line to record the miles used to calculate the mileage reimbursed and a checkbox denoting if the address used to calculate mileage is from the attached subpoena.
 - e. Separate lines to denote mileage fee, evidence fee, taxi fee, per diem fee, parking fee and bus fare. An additional line may be necessary to identify other miscellaneous expenses.
 - f. Check boxes that identify the payment as resulting from a "Mail in Request" or "Attorney Request".
 - g. Signature line for Las Vegas Metropolitan Police Officers certifying that they are off duty and certifying that they are eligible for mileage reimbursement.

**Recording of Multiple
Subpoenas on a
Single Voucher
(LOW)**

Some law enforcement personnel submit several subpoenas for different court dates on one day. These then all get recorded on the same voucher for payment. During our testing, we found three vouchers out of the 560 (.535%) where this occurred. When subpoenas with different dates are paid on the same voucher, it becomes difficult to track the witness fees for a single subpoena. The vouchers are filed by day and it would be difficult to find the witness fee documentation for an appearance made several weeks before the date that the subpoena was submitted for payment.

Since witness court date information could be obtained by querying the case management system, the voucher would most likely be found in the files via the dates recorded in the system. Due to this compensating control, we ranked this risk as low.

Recommendation

1. Require that each court appearance mandated by subpoena be recorded on a separate voucher.



STEVEN B. WOLFSON
District Attorney

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M E M O R A N D U M

TO Angela M. Darragh, Audit Director

FROM Gregory M. Smith, Assistant Director

DATE May 20, 2014

SUBJECT Victim Witness Fees and Expenses Audit - Action Plan

In response to the recommendations outlined in your report dated May, 2014 please find our action plan below:

I. Voucher Calculation Review:

Effective immediately a random number of vouchers will be selected on a weekly basis to be reviewed to ensure that all calculations are completed correctly.

II. Undistributed Voucher Log Procedures:

Effective immediately a new log will be created to track the following information: date the voucher was requested; date received; number of vouchers received; voucher start and end number; manufacturing company. This information will be updated each time new vouchers are requested. Periodic inventories will be performed to determine the amount of vouchers on-hand.

III. Sequential/Void Voucher Procedures:

Effective immediately front desk staff will work out of the same stack of vouchers in order to avoid the use of non-sequential vouchers.

In addition, a spreadsheet will be created to log all voided vouchers. The log will include the voucher number, reason for the void, and the signature of employee voiding the voucher. The log will be kept in a locked file cabinet with limited access.

IV. Cash Advance Procedures:

As of May 6, 2014 a new log was created to track the following information with regard to cash advances: name of victim/witness, amount, date, time funds were delivered, name of person delivering the funds, name of person/location receiving the funds, and initials of the Victim Witness Advocate who verified all the aforementioned information.

V. Voucher Redesign:

Effective July 7, 2014 (anticipated return date from printers and training staff on the new format) the voucher will be redesigned to include the following information: a address line used to calculate mileage, additional "Pay To" lines to accommodate the names and distinction of minors and companions, check boxes beside the "Pay To" lines named "Companion," "Minor" or "Law Enforcement" to further identify the victim/witness, a separate line to record the miles used to calculate the mileage reimbursed and a checkbox denoting if the address used to calculate mileage is from the attached subpoena, separate lines to denote mileage fee, evidence fee, taxi fee, per diem fee, parking fee and bus fare, an additional line may be necessary to identify other miscellaneous expenses, check boxes that identify the payment as resulting from a "Mail in Request" or "Attorney Request," and a signature line for Las Vegas Metropolitan Police Officers certifying that they are off-duty and are eligible for mileage reimbursement.

VI. Multiple subpoenas on a single voucher:

All Law Enforcement officials have been notified that each court appearance mandated by subpoena will be recorded on a separate voucher in a memorandum dated April 25, 2014. This policy will be in effect as of July 7, 2014 in order to maximize participation and to allow time for questions regarding this new procedure.

Should you have further comments, questions or concerns, with regard to our policies and procedures, please do not hesitate to contact me.