

Juvenile Justice Services Can Improve Oversight of the Case Management System Contract

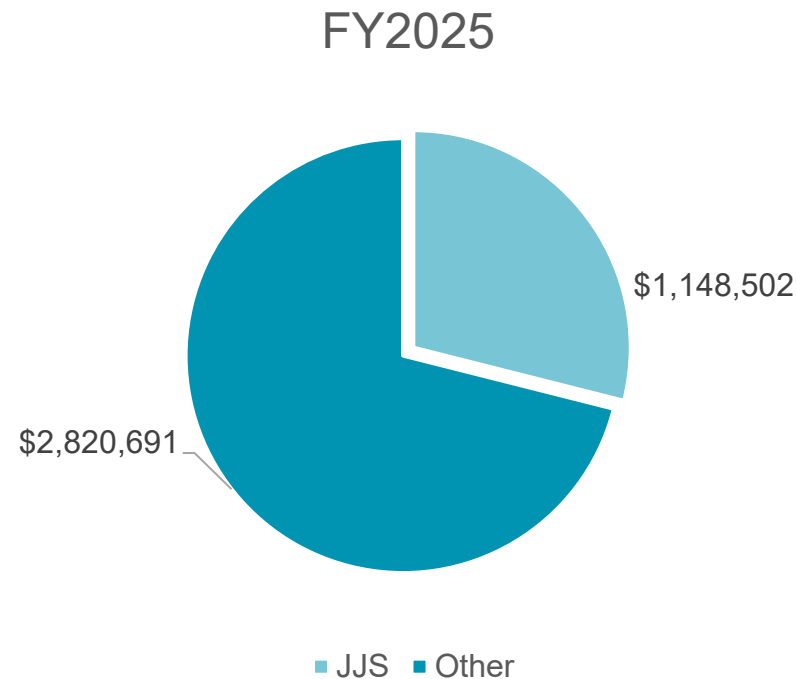
Audit Department
July 2026



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Background

- Tyler Technologies provides case management software to Juvenile Justice Services and various software to other County departments.



Objectives

Our objectives for this audit were to:

- Determine Tyler Technologies' compliance with contract terms and conditions, including general responsibilities and obligations for the contract
- Determine whether CCJS and Clark County Detention Services are providing sufficient oversight of contract performance and management of County resources.

Scope

The audit covered the period from July 1, 2018 (fiscal 2019) through May 1, 2026.

We considered processes in place as of October 1, 2023. The last day of field work was June 2, 2026.

Standards

We conducted this performance audit in accordance with generally accepted government auditing standards (GAGAS). 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 department is independent per the GAGAS requirements for internal auditors.

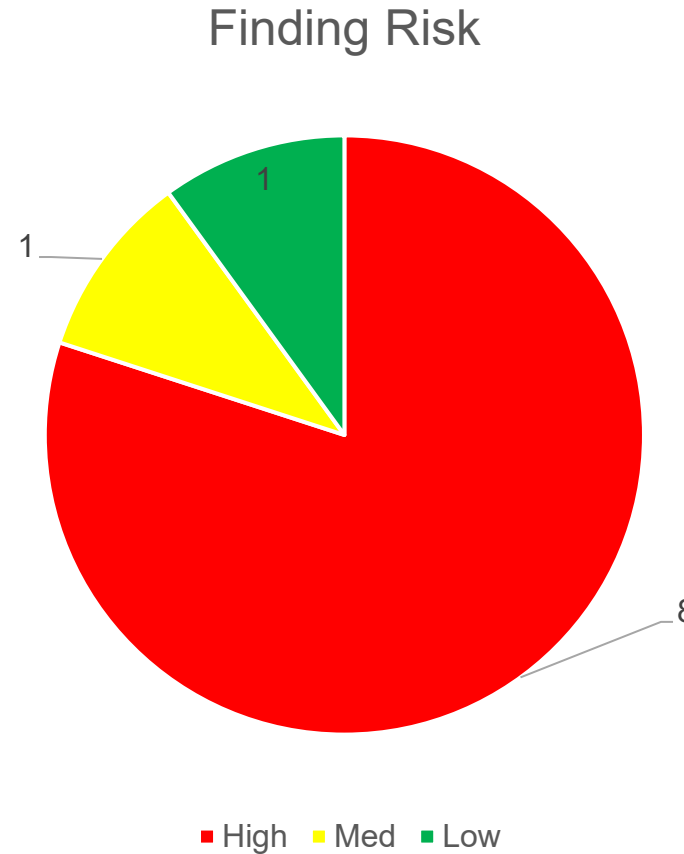
Conclusion

While Tyler Technologies is generally complying with contract terms and conditions, we found numerous areas where County oversight could be enhanced to ensure taxpayer funds are being used appropriately.

Findings

10 Total Audit Findings

24 Recommendations



Finding 1 – Conflict of Interest with Former Clark County Department Director Hired by Tyler (High Risk)

The Former Director of Juvenile Justice Services separated employment with Clark County on 8/31/2023.

He began employment with Tyler Technology on 9/11/2023.

In his County position he had significant input on awarding a request for funding increase that totaled \$8,887,122 for the extension period.

The Nevada Ethics in Government Law restricts this type of employment for 12 months of leaving service.

Although select employees, including directors are required to attend ethics training every two years that addresses this requirement, there is no such notification to vendors.

Finding 1 – Conflict of Interest with Former Clark County Department Director Hired by Tyler

Recommendations:

1. Report the suspected violation to the Nevada Commission on Ethics.
2. Add a clause to the standard contract template notifying vendors that County employees must comply with the Nevada Ethics in Government law pertaining to future employment with vendors.

Finding 1 – Conflict of Interest with Former Clark County Department Director Hired by Tyler

Corrective Action Plan:

Purchasing will work with the District Attorney's Office to craft a clause to address this recommendation.

Finding 2 – The Contract’s Development Credit Reduces Transparency (High Risk)

The contract for the CCJJS case management system provides for a 33% development credit based on subscription charges. This credit is intended to be used to offset development charges.

We found CCJJS and Tyler Technologies are applying developmental and service charges against the development credit without obtaining purchase orders or issuing invoices as required by County policy (Fiscal Directive 6).

Expenditures against the development credit are being approved solely by CCJJS officers via e-mail. Purchasing and Finance do not have a record of the expenditures against the development credit and are not involved in reviewing, documenting, or approving such expenditures.

Further, Information Technology is not included to assess the reasonableness of the charges.

Finding 2 – The Contract’s Development Credit Reduces Transparency

According to Tyler, the balance of the development credit as of 12/1/2025 was \$18,778.92.

Based on Tyler invoices from fiscal 2019 through the first half of fiscal 2026, the accrued total should have been \$396,308.23. If accurate, this means that \$377,529.31 was expended without a purchase order over that period.

Finding 2 - The Contract's Development Credit Reduces Transparency

Recommendations:

3. Account for the accumulated development credit as an asset in the County General Ledger.
4. Maintain documentation of credit balance along with any development or other expenses charged against the credit.
5. Include Information Technology in the consultation process and approvals of credit development expenditures to ensure amounts are reasonable.
6. Issue a purchase order for all charges against the development credit, following standard approval workflows.
7. Amend the contract to eliminate the development credit and revise the price to reflect the actual price paid for the software subscription.

Finding 2 - The Contract's Development Credit Reduces Transparency

Corrective Action Plan:

CCJS will seek guidance from Clark County Finance and Clark County Information Technology regarding how:

1. Account in the Clark County General Ledger, maintain documentation of credit balance.
2. Maintain documentation of credit balance along with any development or other expenses charged against the credit.
3. Issue a purchase order for all charges against the development credit, following standard approval workflows.
4. Work with Clark County IT, Finance, and Purchasing to amend the contract to eliminate the development credit and revise the price to reflect the actual price paid for the software subscription.

Finding 2 - The Contract's Development Credit Reduces Transparency

(IT)

While this issue does not directly involve IT, it highlights important consideration for all future technology contracts. For future contracts, we would like to work with purchasing on any form of development or service “credit” that must be formally tracked through a purchase order and standard invoicing processes rather than through informal or undocumented methods. IT will incorporate this requirement into future contract reviews and will educate IT staff accordingly. The implementation of Technical Directive 9 will further strengthen this control by ensuring IT oversight across all new technology procurements and standardizing contract specifications.

Finding 3 – The Customer Success Account Manager Contract Duplicates Original Contract Services (High Risk)

In the fall of 2024, Tyler began charging for a Client Success Manager.

The cost is \$99,000 for the first year and \$110,000 per year thereafter.

Services provided by this Manager are similar to services of the Account Manager required by the original contract.

Finding 3 – The Customer Success Account Manager Contract Duplicates Original Contract Services

Prior to this program, the County received bi-weekly updates, quarterly visits, and support for system help desk requests.

The same support is received under this new program, with the addition of a quarterly presentation.

Basically, we believe Clark County is effectively paying Tyler Technologies the equivalent of a full time employee to promote, manage, and sell its services under this contract.

Tyler also charges this fee for other software contracts with the County.

Finding 3 – The Customer Success Account Manager Contract Duplicates Original Contract Services

Recommendations:

8. Cancel the CSAM contract unless CCJS believes the CSAM deliverables are of benefit to the County outside of normally expected performance and responses under the original contract.
9. Determine whether such fees are appropriate for other Tyler contracts with the County and if so, at what rate is reasonable.

Finding 3 – The Customer Success Account Manager Contract Duplicates Original Contract Services

Corrective Action Plan:

CCJS will seek guidance from Clark County Purchasing to cease payment for management fees related to the CCJS contract.

Finding 4 – User Reviews Are Not Documented and Active User Reports to Support Billing are Not Created and Maintained (High Risk)

CCJS could not provide documentation to support regular reviews of active users for access or billing purposes.

Out of 1,472 user accounts, we found:

- 6 generic (.4%)
- 55 no longer employed (3.7%)
- 216 we could not validate (not CC or Eagle Quest employee) (14.7%)

Finding 4 – User Reviews Are Not Documented and Active User Reports to Support Billing are Not Created and Maintained

Tyler Technologies has employees with access to the application, and database, as well as the server that hosts the Clark County database. These employees include support and development staff who need to access the system for the performance of ticket troubleshooting and application testing. According to Tyler, they have 49 employees with system access. We were unable to independently verify this in the system.

There are numerous policies and requirements regarding access review. While CCJJS is currently not part of the County's hybrid entity for HIPAA purposes, we anticipate they will be added in the near future. The HIPAA Security Rule requires entities to remove access once it is no longer needed for job duties.

Further, Clark County IT Directive 1 requires departments to refrain from using generic accounts and modify access privileges any time there is a change to staff.

Finding 4 – User Reviews Are Not Documented and Active User Reports to Support Billing are Not Created and Maintained

Recommendations:

11. Document billable users on a monthly basis, reconcile to the invoice, and retain the reports in an archive file to provide support for invoiced charges.
12. Perform periodic reviews (at least quarterly) of all user accounts within the application to ensure that only authorized users retain access to the system and data.

Finding 4 – User Reviews Are Not Documented and Active User Reports to Support Billing are Not Created and Maintained

Corrective Action Plan:

CCJS will build a process to identify and document billable users, and reconcile with the invoices monthly, and retain reports in an archive file.

CCJS will work with CCIT for IT to support by scheduling and delivering recurring access reports for review and follow-up on monthly basis.

CCJS will conduct a quarterly review of all user accounts within the application to ensure that only authorized users retain access to the system and data.

Finding 5 – Clark County Overpaid \$17,685 Due to Invoicing Errors (High Risk)

Due to invoicing errors, the County overpaid \$17,685 in subscription fees for the Tyler Supervision DJJS and Tyler Supervision – The Harbor applications.

We found the following double payments for user access.

Document	Net Amount Paid	Description
3125032280	\$15,120	Nov 2024 Tyler Subscription
3125032276	\$15,120	Nov 2024 Tyler Subscription

Document	Net Amount Paid	Description
3125041826	\$2,565	Nov 2024 Tyler Harbor Subscription
3125032281	\$2,565	Nov 2024 Tyler Harbor Subscription

Prior to the completion of the audit, Tyler submitted a credit memo for the overcharge.

Finding 5 – Clark County Overpaid \$17,685 Due to Invoicing Errors

Recommendations:

13. Verify invoiced charges are correct and not duplicative prior to payment.

Finding 5 – Clark County Overpaid \$17,685 Due to Invoicing Errors

Corrective Action Plan:

CCJS has implemented a monthly invoice verification process to ensure correct and non-duplicative payments.

Finding 6 – Tyler is Billing CCJS and Eagle Quest for the Same Users (High Risk)

The contract with Eagle Quest requires they pay for subscription costs for their users of the CCJS case management system.

During our invoice testing we found Tyler Supervision is generally billing CCJS and Eagle Quest separately for their users of the Tyler Supervision – The Harbor application. We believe this approach to be accurate.

However, beginning in February of 2026, Tyler added the Eagle Quest users to the billing for CCJS. Eagle Quest was also invoiced for their users for February and March of 2026. This resulted in an overcharge to CCJS of \$3,487.50 for the Eagle Quest users.

Finding 6 – Tyler is Billing CCJS and Eagle Quest for the Same Users

Recommendations:

14. Obtain a credit for the overcharged amount.
15. Verify Tyler is billing the County for the correct number of active County users prior to paying invoices.

Finding 6 – Tyler is Billing CCJS and Eagle Quest for the Same Users (High Risk)

Corrective Action Plan:

See Tyler response.

Finding 7 – Tyler Staff Accesses CCJJS Client Data without Undergoing Sufficient Background Checks (High Risk)

CCJJS performs background checks of their employees due to NRS requirements. However, they do not document background checks of Tyler Technology employees with access to system data and we were unable to verify that those employees passed similar background checks.

NRS 62G.223 specifies the background check requirements for employees with the department of juvenile justice, including that they be conducted at least every 5 years after the initial review.

As we will be discussed in a later finding, Tyler personnel are accessing a significant number of CCJJS client records. The data stored within the application includes items such as name, age, sex, race, charges, services provided and pictures of the individual. This information could be misused against those individuals or their families.

Finding 7 – Tyler Staff Accesses CCJIS Client Data without Undergoing Sufficient Background Checks

The contract requires Tyler to conduct background checks on staff, but it does not reflect the same strict requirements as the NRS.

We requested proof that staff with access to CCJIS data successfully completed a background check and were not provided the information.

Finding 7 – Tyler Staff Accesses CCJJS Client Data without Undergoing Sufficient Background Checks

Recommendations:

16. Require Tyler Technologies to provide Clark County with up to date information on who is able to access County data and background check results for each person.
17. Amend the current contract to require Tyler staff to undergo background checks that comply with NRS for juvenile justice department staff.
18. Implement a procedure to ensure that future Tyler staff are subject to the required background checks prior to accessing system data

Finding 7 – Tyler Staff Accesses CCJIS Client Data without Undergoing Sufficient Background Checks

Corrective Action Plan:

CCJIS plans on requiring Tyler Technology to send a monthly report of who can access County data.

CCJIS will contact Civil DA regarding who will conduct the background checks and parameters.

CCJIS to discuss with Clark County Purchasing updating the contract to require background checks to comply with NRS.

Once the contract is updated it will include language ensuring future Tyler staff are subject to the required background checks prior to accessing system data.

Finding 8 – CCJJS Does Not Review Tyler Staff Access to Client Data (High Risk)

CCJJS has a review process in place when an employee accesses sensitive data to ensure it is appropriate for their business purposes. However, this review does not extend to vendor staff.

Due to the sensitive nature of the information, there are various security requirements CCJJS must follow. This includes NRS and the U.S. Department of Justice Criminal Justice Information Security Services (CJIS) security policy, and will eventually include the HIPAA Security Policy. These policies require access reviews and minimum necessary or least privilege access to data.

During 2025, Tyler staff accessed 26,121 CCJJS records.

We were provided with examples of reasons for this significant amount of access, but there was no way to verify that it was all for a legitimate work related purpose.

Finding 8 – CCJJS Does Not Review Tyler Staff Access to Client Data

Recommendations:

19. Conduct periodic reviews of data access by Tyler Technology employees to ensure that user access to sensitive data is for legitimate business purposes.
20. Ensure all staff have the least privilege required to perform their job duties.
21. Determine whether CCJJS can modify business practices to significantly reduce or eliminate the vendor's need to access data.

Finding 8 – CCJJS Does Not Review Tyler Staff Access to Client Data

Corrective Action Plan:

CCJJS will require Tyler Technology (added in the contract amendment) to provide, on a monthly basis, logs of data access by Tyler Technology employees to ensure that user access to sensitive data is for legitimate business purposes and ensure Tyler employees have the least privilege required to perform their job duties.

CCJJS will review and determine what practices might be implemented to reduce or eliminate the vendor's need to access data. To be added into contract language.

Generally, Tyler does not have access to client data. Strictly controlled. They access 26k records each year.

Juvenile justice to review access and make sure it is for business purposes.

Work with CC IT to support with reviewing vendor provided access listings and validating that access levels remain appropriate.

Finding 9 – CCJJS Does Not Perform Periodic Tests of System Backup or Complete Restoration of the Application Data (Med Risk)

The contract requires redundant datacenters for servers and regular backups to be stored in an alternate location and allows the County to request failover testing. However, CCJJS was not aware of this, and has not requested it. Therefore, a failover of the backup and complete restoration of the system was not completed.

Not completing a failover and doing a complete restore of the system could result in longer than expected recovery time when a disaster occurs. A non-function backup or configuration that take significant time to bring back up would significantly hinder their operations, as this is one of their critical systems.

Finding 9 – CCJJS Does Not Perform Periodic Tests of System Backup or Complete Restoration of the Application Data

Recommendations:

21. Conduct a complete failover and restoration of the system with Tyler Technology to ensure that it is working properly and ensuring that the downtime for doing so meets with the requirements of the CCJJS disaster recovery plan.

Finding 9 – CCJJS Does Not Perform Periodic Tests of System Backup or Complete Restoration of the Application Data

Corrective Action Plan:

CJJJS will request, on a yearly basis, Tyler technology to conduct failover testing, and provide any results.

CCJJS will work with CC IT with coordination and participation in overseeing full failovers and system restoration testing with the vendor.

Finding 10 – Certificate of Insurance Does Not Meet the Contract (High Risk)

The Purchasing and Contracts Division did not obtain and maintain a current Certificate of Insurance on file as of December 14, 2025.

Insurance coverage did not include the following that are required by the contract:

- A primary and non-contributory clause and waiver of subrogation for Commercial General Liability;
- Additional insured for Commercial General Liability and Automotive Liability; and
- Clark County, Nevada as a certificate holder.

Finding 10 – Certificate of Insurance Does Not Meet the Contract

Purchasing and Contracts deployed myCOI software in February 2025. After the system was put into place, the department required vendors with new and renewing contracts to be registered users of the platform to ensure proper tracking and verification of insurance.

However, there is no process in place to ensure timely submission and follow-up of Certificate of Insurance for vendors holding a contract with the County prior to February 2025.

Finding 10 – Certificate of Insurance Does Not Meet the Contract

Recommendations:

Purchasing and Contracts should do the following:

- 22. Implement policies and procedures for timely submittals and review of all Certificates of Insurance for compliance with contract terms;
- 23. Implement policies and procedures for follow-up of all certificates of insurance not received by the deadline; and
- 24. Obtain a valid certificate of insurance from Tyler that complies with the contract requirements.

Finding 10 – Certificate of Insurance Does Not Meet the Contract

Corrective Action Plan:

The primary focus of the insurance requirements in the Purchasing and Contracts Division is to ensure that prior to an actual award the certificates of insurance (COI) is accurate and complies with all contract requirements. This process ensures clarity and understanding from a legal perspective that the contract is complete in all respects upon contract execution.

Purchasing and Contracts does have a process and procedure for obtaining the COI for all contracts. For established contracts prior to the implementation of MyCOI the team would include with the renewal letter a request for updated insurance certificates. If we received notice that a vendor had cancelled their coverage, we would communicate with them and take measures up to contract termination if they failed to comply with the insurance requirements. This manual process could lead to delays in contract execution and a lack of timely review on renewal certificates. The implementation of the MyCOI process has greatly increased our ability to identify and track issues by contract and address them in a more streamlined and improved manner.

The contract with MyCOI does include a process where they follow up with all firms on a quarterly basis to ensure the vendors are maintaining the required insurance. My COI also follows up with firms as their various insurance policies expire. Should a vendor fail to respond to MyCOI then Purchasing and Contracts follows up with them in a tiered approach for contract award. If the vendor does not maintain the required coverage or drops required coverage there are contract remedies up to and including termination of the contract at the County's discretion. A failure of maintaining required coverage does not excuse the vendor from providing the coverage up to the insurance limits legally. If there were a claim and the vendor did not have the coverage the County would still require the vendor to honor the claim as a requirement of the contract.

Once a contract has been executed a failure to have a current COI does not put the County in any financial or legal liability. The County is covered by the indemnity provisions in the contract regardless of if the vendor has provided an up-to-date COI.



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