Clark County Audit Committee

Clark County, Nevada

Michael Naft, Chair
April Becker, Vice Chair
William McCurdy II

The committee members of Clark County Audit Committee, met in joint regular session at the regular place of meeting in Clark County, Nevada, on Wednesday, July 29, 2026:

CLARK COUNTY GOVERNMENT CENTER
PUEBLO ROOM
500 S GRAND CENTRAL PKWY
LAS VEGAS, NEVADA 89106

This document is an uncertified copy of the approved meeting minutes prepared by Executive Assistant, Ariana Garay, for the above referenced meeting.

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SEC. 1. CALL TO ORDER

CALL TO ORDER

The meeting was called to order at 9:33 a.m. by Chair Commissioner Michael Naft with the following members present:

Commissioners Present:
Michael Naft, Chair
April Becker, Vice Chair
William McCurdy II

Absent:

Also Present:
Abigail Frierson, Deputy County Manger
Lisa Kremer, Deputy County Manager
Olivia Denue, Deputy District Attorney
Les Lee Shell, County Manager
Jennifer Cooper, Chief Communication & Strategy Officer
Alfred Kermode, Juvenile Justice Deputy Director
Danilo Chaverria, Juvenile Justice Deputy Director
Daniel Stewart, Deputy County Manager
Jeffrey Rogan, Deputy District Attorney
Melisa De La Garza, Justice of the Peace
Candis Ware, Manager Fiscal & Revenue Operations
Derek Boyle, Outlying Justice Court Rural Court Admin
Rebecca Mossman, IT Manager (Security)
Krishaunna Williams, Senior Purchasing Analyst
Jessica Colvin, Chief Financial Officer
Eric Greene, Finance Manager
Jamie Sorenson, Director of Social Services
Brandon Thompson, Deputy District Attorney
Charles Mapp, Justice Court Administrator
Horacio Valdez, Juvenile Justice Manager
Rita Reid, Public Administrator (remote)
Darren Relyea, Senior Financial Analyst (remote)
Sherry Clark, Tyler Technology (remote)
Patrick Slaughter, Tyler Technology (remote)
Angela Darragh, Audit Director
Cynthia Birney, Manager, HIPAA & Audit
Felix Luna, Principal Auditor
Mary Yanez, Auditor
Daniel Partida, Auditor
Scott Routsong, Auditor
Chris Hui, Information System Auditor
Joshua Cheney, Information System Auditor (remote)
Tracy Banks, Auditor (Remote)
Ariana Garay, Executive Assistant

SEC. 2. PUBLIC COMMENT

There were no comments from the general public.

SEC. 3. AGENDA APPROVAL

MOTION

MICHAEL NAFT

Move to approval, all in favor say aye.

VOTE

VOTING AYE:	Michael Naft, April Becker, William McCurdy II
VOTING NAY:	None
ABSENT:	None
ABSTAIN:	None

MICHAEL NAFT

Motion carries.

SEC. 4. MINUTES APPROVAL FROM AUDIT COMMITTEE MEETING ON APRIL 29, 2026.

MOTION:

MICHAEL NAFT

Move for approval, all in favor say aye.

VOTE

VOTING AYE:	Michael Naft, April Becker, William McCurdy II
VOTING NAY:	None
ABSENT:	None
ABSTAIN:	None

MICHAEL NAFT

The motion carries.

SEC. 5. RECEIVE A PRESENTATION FROM STAFF REGARDING THE SOCIAL SERVICES CHAP FOLLOW UP AUDIT.

ANGELA DARRAGH

In October 2024, we audited Clark County Social Service's CHAP Rental Assistance program and identified the following 6 findings:

- Cases flagged as potentially fraudulent were approved and paid;
- Cases processed by Social Services staff were not reviewed prior to payment;
- Non-renter households received utility assistance even though they were not eligible under applicable grants;

- Direct payments to CHAP clients did not include a fraud team referral and some direct-to-tenant payments were questionable;
- Cases where the payment amount exceeded the average median rent and discrepancies were not resolved before approval; and
- A contracted employee did not provide income documentation and received a direct CHAP payment.

We conducted this audit to determine whether Social Services implemented corrective actions to resolve the original audit findings.

We found 4 of the 6 findings from the original audit were fully resolved, while 2 were not sufficiently resolved.

Some of the implemented corrective actions include:

- The department formed a risk mitigation team.
- Policies & procedures were updated to indicate utilities may only be paid on behalf of renters.
- The Eviction Prevention Training Manual was updated to indicate payments must be made directly to landlords.
- A monthly report was created to compare employee/contracted vendor employee names to names on all approved cases (for all programs) so that management can review these cases for conformance with eligibility criteria.

I am going to move ahead to slide number 11 to go over the issues that were partially and not fully resolved.

First Finding: The first issue that was partially resolved was cases flagged as potentially fraudulent were approved and paid. In the original audit, we found that Social Services had some anti-fraud measures in place, a little over $3 million dollars appeared in the department's log as of June 28, 2023. This is not the total amount this is the total questionable payments. Under the Clark County Code of Ordinances, a Social Services applicant who willfully commits fraud commits a misdemeanor. We have this as partially resolved; except for three cases, the department did not follow up with law enforcement to report suspected fraud. The department did create a mitigation team to focus on fraud identification and prevention, and the team is drafting Standard Operating Procedures that should include steps for referring suspected fraud to the District Attorney's Office or the U.S. Treasury.

Although CHAP program funding has been exhausted, a newly proposed federal reporting requirement may prompt renewed review of the program's expenditures. On February 4, 2026, the U.S. Department of the Treasury announced its intent to establish a separate reporting system for Treasury-administered financial assistance programs, including the Emergency Rental Assistance (ERA) program, which funded a significant portion of CHAP.
The recommendation to address this finding is included with the finding below

Second Finding: Non-Renter households received utility assistance even though they were not eligible under emergency rental assistance rules. We found 30 instances in the original audit where the client was a homeowner/mortgage holder and received utility assistance for waste collection services.

At the time of original audit, we recommended that Social Services contact the US Treasury Department for information on repayment requirements. Until our follow-up work, Social Services was unsuccessful in contacting Treasury and did not conduct any additional analysis of payments to determine the full extent of the error. As part of our follow up work, we reviewed the 30 previously identified cases for payments made to additional utility providers. We identified an additional $50 thousand dollars for those 30 cases.

While the original finding was an error was during a time of high volume activity failing to correctly address the issue in a timely manner compounded the problem. If issues like this are not resolved promptly, there is the potential for County liability under federal law, which may include penalties and interest and limits to future grants.

Recommendation: Our recommendation to resolve the two remaining open items is that Clark County Social Services determine the extent of the errors or fraudulent payments in accordance with federal guidelines and repay the US Treasury. Implement a comprehensive compliance program within the department. This should include the following:

- Designation of a compliance officer responsible for overseeing grant compliance.
- Training for management and staff involved with grants on compliance.
- A reporting structure for suspected fraud or noncompliance.
- Periodic monitoring procedures for grant compliance.
- Policies and procedures for responding to suspected fraud.
- Repayment policies and procedures for erroneous grant payments.

Jamie Sorenson is here from Social Services to provide his response.

JAMIE SORENSON
The program was administered during the Covid pandemic and over $300 million went out the door at the time people were working with unprecedent volume and rapidly changing requirements. Our ACES electronics is how payments are processed and eligibility criteria are built into the system it creates the guard rails. Updates for that system take some time and sometimes people had to work outside those guard rails to move money up. I think addressing the concerns here I think the recommendations are an improvement to our system. I think some of the policies and procedures that we were in the process of developing at the time will roll some responsibilities in these matters and give staff instruction on how to proceed moving forward.

I think people were doing their very best at the time but I think there was a lack of clarity for the people in that specific role. I appreciate the time and effort that the Internal Audit department put into this particular audit also our Social Services, Comptroller's and Finance. Everyone has really worked hard on this and it's been a lot of time and effort; these recommendations will improve our system and add additional guard rails.

MICHAEL NAFT
Thank you, any questions from the committee?

JESSICA COLVIN
The Comptroller's had to miss the meeting, but I did want to put on record that she does have the Recovery office that was established and since has transitioned into more of what they are providing now, they are standing up more received compliance, oversight and to provide guidance. We agree when suspicious activity was identified it should have been reported to authorities timely and if it wasn't by Metro then it should have been sent to the Attorney General's office.

Also, it was not mentioned but the Social Services department spent a lot of time going through the assistance payments that were made to homeowners who were not eligible. That money was sent back to Treasury, and it also has been sent back to the respective cities in the state with instructions on sending that money back to Treasury as well.

MICHAEL NAFT

Thank you for the clarification and the work, seeing nothing further for this audit we will move to the next item.

SEC. 6. RECEIVE A PRESENTATION FROM STAFF REGARDING THE FY2026 IMPREST PETTY CASH AUDIT.

ANGELA DARRAGH
Felix is going to go through the Imprest and petty Cash.

FELIX LUNA
NRS 354 provides for the Board of County Commissioners to establish petty cash accounts, imprest bank accounts, and revolving change banks to assist in the administration of government activities. These funds are in custody of the departments to which they are assigned and managed at the department level. Petty cash funds are for small immediate purchases, imprest accounts are checking accounts for payment of expenses, and revolving change banks are for making change at the department level. Clark County has approximately $1.44M for these accounts as of June 24, 2026.

The objective of this audit was to determine if departments are complying with Fiscal Directive 16 and the corresponding Board resolutions for managing their imprest, petty cash, and change funds. Also, determine if fund balances agree with SAP and the Comptroller's Schedule of Cash in Custody.

Overall, we found that department fund balances agree with Board-approved resolutions and the SAP. We found that reconciliations are timely and accurate across most departments. Replenishments are submitted on time and follow required procedures.

We did find three departments had findings. The departments are Public Administrator's Office, The Searchlight Justice Court and Las Vegas Justice Court.

First Finding: The Public Administrator petty cash reimbursements and reconciliations were not submitted timely and interest earnings need to be remitted back to the county. Untimely Petty Cash Reimbursement even though FD16 requires monthly reimbursement claims for petty cash accounts. Office submitted three petty cash reimbursement requests in FY 2026 and all three claims were submitted late, exceeding the 30-day requirement in FD16. Delays ranged from 49 to 329 days between the expenditure date and the date the claim was posted in SAP. When the petty cash fund is not replenished on time, the balance can drop too low to cover necessary expenses.

During our January 2026 observation, the petty cash account had not been reconciled since August 21, 2025, approximately five months prior. After the count, the Office provided evidence of the reconciliations for January, February, and March were done on time. Without monthly reconciliations, the petty cash fund could be depleted without detection. Delays could also slow urgent work that depends on these funds.

Interest due to the county, the Public Administrator's checking account has $104.06 in accumulated interest as of January 2026. $71.78 of this amount was earned prior to FY 2026, with monthly interest postings from February 2024 through January 2026. This adds unnecessary complexity to the monthly imprest reconciliation process. It also reduces staff's understanding of the annual interest remittance requirement.
Recommendations:

- Monitor staff compliance with procedures to ensure reimbursement requests are submitted within 30-day requirement.
- Cross-train an additional staff member to prepare the petty cash reimbursement voucher.
- Remit earned interest to the County annually.
- Monitor staff compliance with interest-remittance process.
- Ensure staff adhere to monthly reconciliation requirements.

We Clark County Public Administrator on the line, the committee has no questions currently.

MICHAEL NAFT
Thank you, are there any questions? No, okay.

FELIX LUNA
Second Finding: Searchlight Justice Court imprest account has a negative month-end reconciled balance. The Court maintains an imprest account within its operating bank account. The account is used to deposit fines, fees, and forfeitures collected by the Court. The imprest portion helps cover credit card processing fees. At month end, the Court remits all collected funds to the County via check — typically the only check issued from the bank account.

The Court's bank account showed negative reconciled balances at month end of December, November and October. Due to check float, delivery time, and ongoing deposits, the account has generally had enough funds to cover checks issued to the County. However, if deposits do not keep pace, the balance may be insufficient, and a check may not clear.

Recommendation: Our recommendation identify the loss amount (as reasonably as possible given its age) and work with Budget and the Comptroller to fix the issue.

The Court provided evidence that the issue has been fixed as March 2026. We do have someone form the court.

MICHAEL NAFT
Anything to add?

DEREK BOYLE
I am new here, so I don't have a lot of the history for this, I just assumed this position on July 13. But I do have some e-mails and bank accounts to show that $17,000 was put into the account. I watched that to make sure that it did happen. All the recommendations were followed and it looks good.

FELIX LUNA
Third Finding: Las Vegas Justice Court's imprest reconciliations are past due and unclaimed property submission was incorrect.

The Court maintains an imprest checking account with an ending balance of $1,115,199
The most recent reconciliation was completed in September 2025 approximately nine months overdue. Monthly reconciliations are required under Clark County Fiscal Directive 16. Delays were attributed to staff turnover, training of new personnel, and a high volume of transactions in October 2025. It is important to know that reimbursement requests continued during this period.

The Court issues checks from the imprest account; unclaimed checks must be remitted to the Nevada State Treasurer. For FY 2026, the Court submitted a payment request on November 21, 2025, remitting to about $354 thousand dollars consisting of 1,213 unclaimed checks. Because Clark County Finance

issues payment to the Treasurer, the Court must provide a credit to avoid the County paying twice for the same expenditure.

When we reviewed these unclaimed checks, we found some errors. We found that fourteen duplicate checks for the total amount of $7,330. We found 161 checks totaling $26 thousand that were not offset in any reimbursement request, and we found one check that cleared prior to submitting unclaimed property submission.

Although the Court voided the 161 checks, they did not appear on the void report and therefore were not deducted in the reimbursement request. This appeared to be because of a system issue. The Court also escheated unclaimed restitution to the District Attorney's Victim Witness Center. When we reviewed this unclaimed restitution escheatment, we found three duplicate checks totaling $3,550, resulting in overpayment.

Recommendations:

- Catch up on all outstanding imprest account reconciliations.
- Train the new staff member responsible for reconciliations and cross-train additional staff.
- Request refunds for overpayments, restore the funds to the imprest account, and adjust the reimbursement request accordingly.
- Review future unclaimed property check registers for duplicate entries.
- Provide the County with credit for unclaimed checks included in the register submitted to the State but not reduced on an imprest reimbursement request.

CHARLES MAPP

We accept the findings and we have already taken corrective action. We submitted the letter that is attached to the report which sets forth our corrective action. Since the audit we have made a lot of progress I want to acknowledge Candis for taking things in motion and making sure that we are not sitting here again in the future. Thank you for the report, I think it's given us a great opportunity to improve our operations, and we are taking the necessary steps to do so. Hiring an additional accountant to assist with fraud prevention measures and hiring a senior management analyst, which is one of the positions we were short on. I think we are moving in the right direction and thank you for the work of the Audit Committee.

CANDIS WARE

I just want to add, thank you Felix for your assistance with the audit it helped us recognize that issue that was in our system to allow us to know why the checks were not appearing in our report. Since then, I did credit the County on June 30th reimbursement request for the $26 thousand. We did reach out to the state for the $7,330 dollars they have decided that instead of going through the process of issuing us a credit they will deduct it from our 2026 payment we will short that. We are in the process of setting the payment for 2026 as we speak.

Regarding the DA for the $3, 350 that has also been credited back to the Justice Court, we did receive a check two days after your audit. As far as the cross-training reconciliations we just finished with January, we did October, November and December. We are in the process of catching up, we are rewriting the SOP, again your audit did help us uncover what we couldn't find because it wasn't showing up. I did have conversation with our internal IT department they have turned off that feature we don't expect that to happen again.

MICHALE NAFT

We are glad you are taking this seriously any other questions? No, thank you.

SEC. 7. RECEIVE A PRESENTATION FROM STAFF REGARDING THE JUVENILE JUSTICE TYLER TECHNOLOGY AUDIT.

ANGELA DARRAGH
Our objectives for this audit were to determine Tyler Technologies' compliance with contract terms and conditions, including general responsibilities and obligations for the contract. To determine whether CCJJS and Clark County Detention Services are providing sufficient oversight of contract performance and management of County resources. The audit covered the period from July 1, 2018, through May 1, 2026. We considered processes in place as of October 1, 2023. The last day of field work was June 2, 2026.

We conducted this performance audit in accordance with generally accepted government auditing standards (GAGAS).

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.

We had 10 total audit findings and 24 recommendations.

First Finding: Conflict of Interest with former Clark County Department Director hired by Tyler.

MICHAEL NAFT
Mrs. Darragh, given that this is a lengthy audit, I invite anyone who has questions to do so along the way.

ANGELA DARRAGH
Absolutely, interrupt me anytime.

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 after 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.
Recommendations:

- County report the suspected violation to the Nevada Commission on Ethics and that has been done.
- 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.

MICHAEL NAFT
Mrs. Darragh, it's standard practice that the County will be made aware of ethics violations that we would report it right? That is not an anomaly that would be standard practice.

ANGELA DARRAGH
This is the first time I have come across it in Audit; I can't really say that it has not been done before. I don't have any evidence to go either way, but it should be done. We have Purchasing here.

JESSICA COLVIN
Most of the Finance and Purchasing leadership are at demonstrations for the new ERP system replacement today, I will follow up with them as well.

ANGELA DARRAGH
They said that they would work with DA's office to craft a clause to address that.

Second Finding: The Contract's Development Credit reduces transparency. 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 that 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.

We also found that 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.

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.

Recommendations:

- Account for the accumulated development credit as an asset in the County General Ledger.
- That the Department maintain documentation of credit balance along with any development or other expenses charged against the credit.
- To include Information Technology in the consultation process and approvals of credit development expenditures to ensure amounts are reasonable.
- They issue a purchase order for all charges against the development credit, following standard approval workflows.
- Amend the contract to eliminate the development credit and revise the price to reflect the actual price paid for the software subscription.

And Juvenile Justice is here.

DANILO CHAVARRIA
We are going to follow through. Thank you for the audit we are going to get with County Finance and Purchasing to make sure that every point is followed through.

MICHAEL NAFT
Miss. Colvin, I think it's pretty clear that this notion of a development credit moves transparency to a minimum; are there other contracts County wide that you are aware that have a similar structure?

JESSICA COLVIN
No, I talked to the Comptroller's as well and she was not aware in regard to the majority of these findings the Comptroller's office, Budget office and Purchasing department. We definitely need to get the development credit off the books and identify with Purchasing other contracts that may have a similar credit so we can have a procedure to capture those credits to charge against them so we know the balance of the credit.

ANGELA DARRAGH
And IT was also on board with being involved in accessing what is reasonable for those charges.

Third Finding: The customer success account manager contract duplicates original contract services. 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. 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.

Recommendations:

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

Danilo, do you have a response?

DANILO CHAVARRIA
We are going to get with Clark County Purchasing to review it and remove it from the contract.

ANGELA DARRAGH
Is there anyone from Tyler on ?

MICHAEL NAFT
Please introduce yourself for the record.

SHERRY CLARK
Hi my name is Sherry Clark and we also have Patrick Slaughter from the Enterprise Unit joining us. We don't have anything that is different than the response we provided in our response to the County's audit. These are elevated support services that we provide that are separate and distinct than our standard support included in our contract. There is a lot of detail in Tyler's response I am happy to answer any questions if the County would like to terminate that contract, that separate contract we are certainly willing to do so.

ANGELA DARRAH
Do you have anything to add for the other two findings? Sorry I didn't realize that you were on mute.

SHERRY CLARK
For the first finding it seems that the County reported the alleged conflict of interest to the Ethics Commission. Tyler agrees in accordance to its response to this audit to amend the contract for Tyler to comply with this ethic rule and regulation that we were unaware of. For the second finding Tyler agrees with accordance to its response to remove the credit under the SAS agreement. This is the only supervision client that we provide the credit to it was something that was negotiated at the time we signed the original agreement, it reduces Tyler's fees under the contract, it's not something we would like to continue either. We are in agreement to remove that credit from the contract.

ANGELA DARRAGH

Fourth Finding: User reviews are not documented and active user reports to support billing are not created and maintained. CCJJS 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 user accounts
- 55 no longer employed
- 216 we could not validate they were not Clark County or Eagle Quest employee

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.

Recommendations:

- 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.
- Perform periodic reviews of all user accounts within the application to ensure that only authorized users retain access to the system and data.

I think you agreed with all those recommendations.

DANILO CHAVARRIA
Yes, we are going to review on a monthly and quarterly basis.

Fifth Finding: Clark County overpaid $17,685 due to invoicing errors. 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 two double payments for user access for the month of November 2024. Prior to the completion of the audit Tyler submitted a credit memo for the overcharge.

Recommendations: We only have one recommendation and that is for the department to verify invoiced charges are correct and not duplicative prior to payment. I think you agreed to do that also.

DANILO CHAVARRIA
The department agrees, we changed the way the invoices go, they will go to Juvenile Justice first so we can verify.

JESSICA COLVIN
Commissioners, so you are aware, Danilo has little control to make sure we are not duplicating invoice payments. We will dive a bit deeper to see what occurred, if there were two different invoice numbers, or if the invoice number changed, we are going to assist JJS to see what occurred and make sure it doesn't happen again.

ANGELA DARRAGH

Sixth Finding: Tyler is billing CCJJS and Eagle Quest for the same users. The contract with Eagle Quest requires they pay for subscription costs for their users of the CCJJS case management system.
During our invoice testing we found Tyler Supervision is generally billing CCJJS and Eagle Quest separately for their users we believe this approach to be accurate.
However, beginning in February of 2026, Tyler added the Eagle Quest users to the billing for CCJJS. Eagle Quest was also invoiced for their users for February and March of 2026. This resulted in an overcharge to CCJJS of $3,487 for Eagle Quest users.

Recommendations:

- That the department obtain a credit for the overcharged amount.
- Verify Tyler's billing is correct prior to paying invoices.

DANILO CHAVARRIA
The department agrees.

JESSICA COLVIN
Commissioners, the department of Juvenile Justice their finance department is not centralized. I think what came out of this audit is that we need to provide more guidance and training such as when you are reviewing an invoice what you are reviewing for because they are not going through that type of training when they are hired. We will do some outreach to the department and provide that to them.

ANGELA DARRAGH
Seventh Finding: Tyler staff accesses CCJJS client data without undergoing sufficient background checks. 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 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 individuals. This information could be misused against those individuals and their family.

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 CCJJS data successfully completed a background check and were not provided with the information.

Recommendations:

- 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.
- Amend the current contract to require Tyler staff to undergo background checks that comply with NRS for juvenile justice department staff.
- Implement a procedure to ensure that future Tyler staff are subject to the required background checks prior to accessing system data

SHERRY CLARK
Can you show us Tyler's response to that finding?

ANGELA DARRAGH
I don't have it as a slide.

MICHAEL NAFT

Do you want to tell us the response since you are the representative for Tyler.

SHERRY CLARK
Sure, our Enterprise Supervision employees undergo background checks that comply with requirements which is the applicable standard. We should have provided the requested information to you as part of this audit response, are you saying you did not get proof?

ANGELA DARRAGH
Right, we do have a copy of the SOC report which shows that they do review background checks, but Tyler did not provide any of the background checks support as part of the audit.

SHERRY CLARK
What are you looking for specifically?

ANGELA DARRAGH
We were looking for the type of background check employees underwent and that they successfully passed.

SHERRY CLARK
Records of the actual checks?

ANGELA DARRAGH
Yes

SHERRY CLARK
Is it the County's position that background checks performed in accordance under CJIS standards are insufficient?

ANGELA DARRAGH
Yes, Juvenile Justice would have to look into what their standards are and then work with you. I know when I spoke with you, you mentioned that in some cases you have other vendors that stricter background checks requirements that the staff have to undergo.

SHERRY CLARK
We are happy to allow our clients to perform their own background checks at their cost and we are willing to amend the contract to allow that. I am unaware If it's the county's position that CJIS requirements are insufficient is not something that Tyler agrees to but again, I don't think we have to have an agreement on that. If you would like to perform your own background checks on our employees who have access to County data, we are certainly willing to agree to that.

ANGELA DARRAGH
I don't have the NRS, do you remember the specific NRS? We will have to work with Juvenile Justice to get you what the NRS actually requires for that.

SHERRY CLARK
Our staff are fingerprinted every five years if CJIS changes that timeframe we would comply with it. I would be surprised if there is a more stringent background check that would be required. But if you would like to change it at your cost, we would be okay with that.

ANGELA DARRAGH

Eight Finding: CCJJS Does Not Review Tyler Staff Access to Client Data. 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.

Recommendations:

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

DANILO CHAVARRIA
We are going to request logs from Tyler Technology and review them on a monthly basis, people who access Juvenile Probation case management system.

WILLIAM MCCURDY
What were some of the reasons they provided for the access?

ANGELA DARRAGH
They said they were running reports, they were investigating issues that came up. Generally, vendors who have access to the program should not have access to the data, it's a separation of duties issue. We would like to have the vendor not having any access or have very limited control to access data compared to this large scale, being able to see whatever they want.

APRIL BECKER
It was accessed twenty-six thousand times and there is no record as to who accessed it?

ANGELA DARRAGH
Ther is a log of who accessed it and their name, and which record they accessed but it doesn't say why they accessed it. There is no record of what the purpose was we were only able to get generalities.

APRIL BECKER
Do we know if it was the same records over and over again?

ANGELA DARRAGH
We have a list and I did not notice any pattern, Scott is the one who worked most closely with this audit, and we did not notice any specific pattern.

APRIL BECKER
Do we know which specific Tyler employee it was?

ANGELA DARRAGH
There were several Tyler employees.

SHERRY CLARK
We are happy to answer any questions by County. We have Patrick Slaughter here to expand on the response that we gave.

MICHAEL NAFT
Maybe you can give us color as to why these records were accessed twenty-six thousand times.

SHERRY CLARK
Sure, there is a lot of buckets of services we provide, maintenance and support services, development services, conversions services and any time we go into a record that counts as view. It is not like we are crawling the data we are accessing, we have limited access depending on the services we are providing. This is where I want Patrick to weigh in.

PATRICK SLAUGHTER
As Sherry mentioned there are a lot of buckets of services, we provide such as running reports one of the primary initiatives that were working on with the County during this period was on enhancement and updates on reports for JJS every time we were working with county that would count as accessing a record because the report was created from the record. Additionally, one of the services we provided for JJS was electronic monitoring and electronically call center. When an individual was out of compliance with their terms on their ankle monitor, we would receive an alert and contact that person and document according to the policies and procedure that we worked on with JJS. That is going into the record, that is updating the record with the notes and then contacting the Juvenile Probation Officer of the notes that occurred. I would imagine that is the reason behind the high volume of twenty-six thousand and that is normal and expected thing given the services we provide.

MICHAEL NAFT
Thank you.

ANGELA DARRAGH
Ninth Finding: CCJJS does not perform periodic tests of system backup or complete restoration of the application data. 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 takes signification time to bring back up would significantly hinder their operations, as this is one of their critical systems.
Recommendations:

- 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.

I believe Juvenile Justice said that they will request this on an annual basis.

DANILO CHAVARRIA
Yes, we will work on IT to make sure to follow with that procedure.

SHERRY CLARK

Tyler has a response to this one too, I think we talked in our audit call that we do in fact do this not because County request it, but we do it as a normal disaster recovery procedure and Patrick can explain a bit more about it. Again, this response was included in the County's audit.

PATRICK SLAUGHTER
Yes Tyler tests its backup and recovery process monthly by restoring and verifying a complete back up of the County's current production environment into the staging environment that takes about two hours. Upon County's written request we can provide written confirmation of the backup and recovery testing. Secondly enterprise supervision platform is filled with extensive redundancies in addition to physical redundancy that the AWS cloud data center provides. Our software has redundancy configurations for each component of its infrastructure all customer data is stored in redundant servers with automatic fail over and automative snapshots.

MICHAEL NAFT
Thank you

ANGELA DARRAGH
I do want to mention that the full Tyler response is included in the appendix of the full report. I was not able to include it, we already had 43 slides, we would have been in the hundreds if I had and I knew Tyler would be here to provide their response in person.

Tenth Finding: Certificate of Insurance does not meet the contract. 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.

JESSICA COLVIN
Commissioners, Clark County Purchasing has spent a lot of work in this area when we identified this as a risk a couple of years ago, the manual process to identify when the Certificate of Insurance expired and reaching out to vendors to get the updated version. We did invest in myCOI it was on a going forward basis we will look into this to see what occurred. And bring a process if there are any contracts prior to 2025 to include it in the system

MICHAEL NAFT
Are there any questions regarding this audit. I think this often happens, we are as concerned with a specific department being audited with what County wide policies are, as it relates to things like development credits, contracts, violation of County data, decentralized finance, operations and the training of them. Not to speak for the whole committee, that is from my perspective I would hope we could get streamlined countywide. If something is not working in one contract in one department we should probably look at where that is being applied elsewhere. Mrs. Colvin this is mostly for you and it sounds like got that.

JESSICA COLVIN
Yes I think when we meet as group use what we find and apply it to similar instances across the board.

MICHAEL NAFT
If you do find cases where that does occur will you let the committee know

SHERRY CLARK

I would like to add that the County has a current and updated Certificate of Insurance on file. I think what happened with that, I mean that is just an easy fix, Tyler has multiple contracts with the County and our insurances are written on the basis of the Insurance terms that are in the contract, and they are not the same. We probably provided a different certificate of insurance for a different contract, but we got it corrected and it will renew every year in accordance with the insurance terms in the contract.

MICHAEL NAFT
Thank you, Mrs. Clark.
Moving on the next items in the agenda.

SEC. 8. PUBLIC COMMENTS

No public comment was made by the general public.

END PUBLIC COMMENTS

SEC. 9. ADJOURNMENT

This meeting was adjourned by Commissioner Naft at 10:24 a.m.

RESPECTFULLY SUBMITTED BY: _____
ANGELA DARRAGH, DIRECTOR OF THE AUDIT DEPARTMENT