

FINANCIAL-COMPLIANCE AUDIT  
Office of the State Public Defender  
For the Two Fiscal Years Ended June 30, 2014

NOVEMBER 2014

14-28

REPORT SUMMARY

The Office of the State Public Defender provides legal defense services to low income Montanans. In fiscal years 2013 and 2014 combined, the office spent approximately \$55.9 million dollars to provide these services.

**Context**

The Office of the State Public Defender (office) is divided into three programs: the Public Defender Program provides non-appellate representation to qualifying individuals, including criminal defense, child abuse or neglect, and involuntary commitment services; the Appellate Defender Program provides appellate representation to qualifying individuals; and the Conflict Coordinator Office provides appellate and non-appellate representation to qualifying individuals in circumstances where a conflict of interest prohibits the other programs from representing the defendant.

The office’s operations are funded primarily by the state’s General Fund, although the office also collects public defender fees in the State Special Revenue Fund. Additionally, in fiscal year 2014, the office received a \$625,000 allocation from the Governor’s Operations Account established in the 2013 Legislative Session. Of the \$55.9 million spent in fiscal years 2013 and 2014 combined, \$54.6 million was charged to the General Fund.

**Results**

The current audit report contains four recommendations to the office. The first two recommendations relate to compliance with state law and state accounting policy

requirements governing the financial management and collection of public defender fees. We determined the office does not have procedures in place to manage and collect unpaid public defender fees. These unpaid fees approximated \$2.4 million as of June 30, 2014.

The third recommendation is related to establishing internal controls over payments received by mail. We determined the office’s procedures were not adequate to ensure all payments received by mail are deposited.

The final recommendation is related to properly accounting for reimbursements received. Based on our review, the office improperly accounted for approximately \$90,000 of reimbursements received during fiscal years 2013 and 2014, combined.

Recommendation Concurrence	
Concur	3
Partially Concur	1
Do Not Concur	0
<b>Source: Agency audit response included in final report.</b>	