

**THE TOWN OF CROMWELL,  
OKLAHOMA**

**INDEPENDENT ACCOUNTANT'S REPORT ON  
APPLYING AGREED-UPON PROCEDURES**

**AS OF AND FOR THE FISCAL YEAR ENDED  
JUNE 30, 2024**

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Certified Public Accountant

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Independent Accountant's Report

To the Specified Users of the Report:

Town Board, Cromwell  
Cromwell, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

**Report on Applying Agreed-Upon Procedures**

I have performed the procedures enumerated below which were agreed to by the specified users of the report as identified above, and as defined within the applicable state laws of the State of Oklahoma solely to assist the Town in meeting its financial accountability requirements as prescribed by applicable Oklahoma law and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2024. The management of the Town of Cromwell, Oklahoma, are responsible for the Town's financial accountability and its compliance with those legal and contractual requirements. This agreed-upon procedures engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants to meet the requirements prescribed in Oklahoma Statutes §11-17.105-.107. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

**Procedures and Findings**

As to the Town of Cromwell as of and for the fiscal year ended June 30, 2024:

1. **Procedures Performed:** I determined the establishment of policies related to adjustments, write-downs, or write-offs for various receivables due to the municipality or the utility related trust and select a sample of adjustments to test for adherence to policies and procedures and for appropriate supporting documentation.

**Findings:** The Town doesn't have written policies on adjustments, write-downs or write-offs, but verbally doesn't allow any adjustments, write-downs or write-offs to the Landfill accounts receivable. I found no evidence of any adjustments, write-downs or write-offs to the landfill accounts receivable.

2. I obtained two (2) months of bank statements of the Volunteer Fire Firefighters Fundraiser and Landfill funds and confirm that cash deposits were made in the appropriate accounts. However, with QuickBooks there is no way to verify utility billing receipts and posting reports agree with daily deposits.

**Findings:** No instances of non-compliance were found with respect to the 2 months of bank statements agreeing that cash deposits were made in the appropriate accounts. There is no way to tell with respect to the verification of daily deposits agree with utility billing receipts. The Town is working with a consultant to try and get this in place at this time.

3. I agreed upon a pay rate for the City Manager or Town administrator, city or town clerk, city or town treasurer and payroll clerk, to be authorized and documented in the personnel file or in approved minutes. If any employee received compensation over and above his or her authorized salary or hourly rate, the payroll clerk, upon request, shall provide appropriate authorization for such pay. The requirements of this paragraph shall not include expense reimbursements but shall include any allowances considered taxable.

**Findings:** I found one instance of non-compliance whereby the former Clerk/Treasurer had a pay rate of \$25.50 for Holiday Pay. Holiday Pay isn't to be paid at time and ½. No other instances of non-compliance were found with respect to the Town Clerk and her assistant's documented and approved rates of pay.

4. I determined the establishment of policies of use, proper municipal purpose, and adherence to prescribed policies for entities that use debit or credit cards.

**Findings:** The Town doesn't have a written policy on the use of debit or credit cards only verbal policies. However, the Town closely monitors the use of debit or credit cards and I found no instances of non-compliance with the verbal policies.

5. I selected a sample of transactions to test for supporting documentation.

**Findings:** I selected a sample of 25 expenditures and found that 18 of 25 had supporting documentation with each transaction. Since we have a new Town Clerk, she has been taught the correct way to handle transactions and supporting documentation. The Town Clerk previously didn't attach invoices for items spent on grant projects and the invoices were in the grant files. Several of the invoices were not found due to scanning of documents and the destruction of the supporting paperwork, but no major invoices were found to be missing.

6. From the Town's trial balances and other accounting records, I prepared a cash basis schedule of changes in fund balances for each fund (see accompanying Exhibit 1) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

**Findings:** No instances of noncompliance noted.

3. **Procedures Performed:** I agreed the Town's material bank account balances to bank statements and traced the timely clearance of significant reconciling items to subsequent clearance and determine if any bank accounts exist that are not under city council purview.

**Findings:** No unusual reconciling items were noted that did not clear on a timely basis and all bank accounts are under Town Board purview.

4. **Procedures Performed:** I compared the Town's uninsured deposits to the fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

**Findings:** No instances of noncompliance were noted.

5. **Procedures Performed:** I compared the Town's use of material restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

**Findings:** No instances of noncompliance were noted.

I was not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion on compliance and an opinion or conclusion on the related financial statements and schedules. Accordingly, I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the information and use of the specified users, as identified above, and is not intended to be and should not be used by anyone other than these specified parties.

*Patti J. Clift CPA*

Patti J. Clift, CPA  
February 5, 2025

EXHIBIT 1  
TOWN OF CROMWELL, OKLAHOMA  
SUMMARY OF CHANGES IN FUND BALANCES - CASH BASIS  
FOR THE YEAR ENDED JUNE 30, 2024

	<u>Beginning of Year Fund Balances</u>	<u>Current Year Revenues</u>	<u>Current Year Expenditures/Expenses</u>	<u>End of Year Fund Balances</u>
<b>CITY:</b>				
General Fund	\$ 82,203	\$ 136,895	186,976	\$ 32,122
Fire Department Fund	11,382	32,944	30,136	14,190
Fire Department - Volunteer FF Donations	729	1,852	1,426	1,155
Bill Tilghman Fund	3,521	6,099	7,062	2,558
Landfill	3,516	43,393	42,239	4,670
Rainy Day Fund	-	12,680	2,676	10,004
Street & Alley Fund	-	3,231	329	2,902
Municipal Court Fund	-	3,070	-	3,070
<b>Town Total</b>	<u>\$ 101,351</u>	<u>\$ 240,164</u>	<u>\$ 270,845</u>	<u>\$ 70,670</u>

See Independent Accountant's Report on Agreed Upon Procedures  
NO ASSURANCE IS PROVIDED