CRAWFORD & ASSOCIATES P.C.

April 22, 2026

Board of Regents
Northern Oklahoma College
1220 East Grand Avenue
Tonkawa, OK 74653-0310

Re: Report on Internal Audit Type Monitoring Activities – NOC

Members of the Board:

Northern Oklahoma College (NOC) engaged Crawford and Associates, P. C., to provide certain professional services as identified in the Scope and Objectives of Our Services section below. This report describes the scope and objectives of our services, the specific procedures we performed, our findings and recommendations, and NOC management's responses to our findings and recommendations.

Scope and Objectives of Our Services

The scope of our professional services was limited to performing certain consulting services designed to assist the NOC Board in meeting its fiduciary responsibilities. These services were performed in accordance with the standards applicable to consulting engagements of the American Institute of Certified Public Accountants. With regards to this specific engagement, the scope of our services included certain internal audit type monitoring procedures in the following areas at NOC:

- Miscellaneous Claims Encumbrance and Pre-Audit System
- Follow-up on Prior Year Recommendations

The objectives of our services in this engagement were to obtain information and review selected accounting records to determine whether any recommendations are warranted regarding the design of established internal control policies and procedures, and to report on the level of compliance with those policies and procedures as designed based on our test work.

Miscellaneous Claims Encumbrance and Pre-Audit System

Procedures Performed:

To accomplish the stated objectives, we performed the following procedures:

- Obtained and reviewed NOC policies and procedures, and State laws and regulations regarding the Miscellaneous Claims Encumbrance and Pre-Audit System as established by the Oklahoma State Regents for Higher Education (OSRHE) and the Office of Management and Enterprise Services (OMES).

- Obtained and reviewed prior OMES Quality Control Compliance Review reports for claims processed by NOC through the Miscellaneous Claims Encumbrance and Pre-Audit System; and

- Selected a random sample of claims processed by NOC through the Miscellaneous Claims Encumbrance and Pre-Audit System for testing compliance with the established internal control policies and procedures and applicable State laws and regulations. Such testing was designed to meet the OMES Internal Audit Procedures Minimum Requirements.

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Procedures Performed – continued:

We identified a population of 4,464 claims processed through the Miscellaneous Claims Encumbrance and Pre-Audit System for the audit scope period of April 2025 through March 2026. We randomly selected 30 claims to be tested. This represents approximately two-thirds of one percent (0.67%) of the total claims processed by the College for the period.

Findings:

- All claims tested were properly approved with the mandatory certification statement.
- All claims tested appeared to be for a public purpose and were expended appropriately.
- All claims tested contained documentation of proper receipt and evidence of payment approval.
- All claims tested were properly calculated and agreed to supporting documentation.
- All claims tested had proper vendor identification information that agreed to a vendor invoice and/or other supporting documentation.
- All claims tested were properly recorded in the appropriate fiscal year of expenditure.

- Twenty-nine (97%) of the 30 claims tested were properly encumbered prior to the receipt of goods and/or services. The following claim was not encumbered prior to the receipt of goods and/or services:

Claim Number	Payee	Invoice Date	Encumbrance Date	Amount
270941	Bee Line Heating and Air Cond LLC	05/10/2025	08/04/2025	$ 1,562.46

- Twenty-nine (97%) of the 30 claims tested included the proper State Account Code. The following claim had a minor misclassification:

Claim Number	Payee	Account Code Used	Correct Account Code	Amount
271092	OSRHE	543140	548110	$ 4,694.67

The following is a list of the State Account Codes referenced above with a brief description for each:

Account Code Number	Account Code Description
543140	Lease purchase – land and building
548110	Principal payments – bond debt

Recommendation:

We recommend College management reinforce with the appropriate staff compliance with the designed internal control procedure to ensure that all claims are properly encumbered prior to receipt of goods and services and recorded using the correct State Account Codes in accordance with the OMES Procedures Manual.

Management Response:

Management agrees with the recommendation.

Follow-up on Prior Year Recommendations

- **Miscellaneous Claims Encumbrance and Pre-Audit System**: Based on our follow-up procedures and discussions with management, although there are similar current period findings, it appears our recommendations regarding proper encumbrance, proper vendor invoice information, proper account coding, and proper fiscal year recorded, have been implemented.

We would like to express our appreciation for all the courtesy and assistance we received from staff during our work at the College and hope that this report will be of benefit to NOC.

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