



Statement of Work - Agreed-upon Procedures

December 13, 2023

This document constitutes a statement of work ("SOW") under the master service agreement ("MSA") dated December 6, 2023, or superseding MSA, made by and between CliftonLarsonAllen LLP ("CLA," "we," "us," and "our") and Mangum Regional Medical Center ("you," "your," or "the entity"). We are pleased to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services CLA will provide for the entity as of and for the years ended December 31, 2018 and 2019.

Greg Thelen is responsible for the performance of the agreed-upon procedures engagement.

Scope, objective, and responsibilities

We will apply the agreed-upon procedures which Mangum Regional Medical Center has specified and agreed to, listed in the attached schedule, to procedures as outlined in accordance with Oklahoma Statutes Citationized, Title 60. Property, Chapter 4- Uses and Trusts, Section 180.1- Annual Audits of Mangum Regional Medical Center as of or for the years ended December 31, 2018 and 2019. Mangum Regional Medical Center is responsible for procedures as outlined in accordance with Oklahoma Statutes Citationized, Title 60. Property, Chapter 4- Uses and Trusts, Section 180.1- Annual Audits.

Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require us to be independent of the entity or responsible party, as applicable, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our engagement. Mangum Regional Medical Center agrees to and acknowledges the procedures performed or to be performed are appropriate for the intended purpose of satisfy the requirements in accordance with Oklahoma Statutes Citationized, Title 60. Property, Chapter 4- Uses and Trusts, Section 180.1- Annual Audits. The intended users of the agreed-upon procedures report is the State of Oklahoma. Intended users in addition to Mangum Regional Medical Center will be requested to agree to the procedures and acknowledge that the procedures performed are appropriate for the intended purpose. Consequently, we make no representation regarding the appropriateness of the procedures enumerated in the attached schedule either for the purpose for which this report has been requested or for any other purpose. The intended users assume the risk that such procedures might be inappropriate for the intended purpose and the risk that they might misunderstand or otherwise inappropriately use findings properly reported by CLA.

This engagement is performed pursuant to regulation.

Our responsibility is to perform the specified procedures and report the findings in accordance with the attestation standards. For purposes of reporting findings, you specified a threshold of \$0.00 for reporting exceptions. Because the agreed-upon procedures listed in the attached schedule do not constitute an examination, audit, or review, we will not express an opinion or conclusion on procedures as outlined in accordance with Oklahoma Statutes Citationized, Title 60. Property, Chapter 4- Uses and Trusts, Section 180.1- Annual Audits or the Mangum Regional Medical Center's financial statements or any elements, accounts, or items thereof. Also, we will not express an opinion or conclusion on the effectiveness of Mangum Regional Medical Center's internal control over financial reporting or any part thereof. In addition, we have no obligation to perform any procedures beyond those listed in the attached schedule.

At the conclusion of the engagement, you agree to provide a written representation letter that includes your agreement and acknowledgement that the procedures performed are appropriate for the intended purpose of the engagement and, if applicable, that you have obtained from necessary other parties their agreement to the procedures and acknowledgement that the procedures performed are appropriate for their purposes.

We will issue a written report upon completion of our engagement that lists the procedures performed and our findings. This report is intended solely for the information and use of State of Oklahoma, and should not be used by anyone other than the specified parties. If, for any reason, we are unable to complete the procedures, we will describe any restrictions on the performance of the procedures in our report, or will not issue a report and withdraw from this engagement. Our report will include a statement indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

An agreed-upon procedures engagement is not designed to detect instances of fraud or noncompliance with laws or regulations; however, we will communicate to you any known and suspected fraud and noncompliance with laws or regulations affecting the procedures as outlined in accordance with Oklahoma Statutes Citationized, Title 60. Property, Chapter 4- Uses and Trusts, Section 180.1- Annual Audits that come to our attention, unless they are clearly inconsequential. In addition, if, in connection with this engagement, matters come to our attention that contradict the procedures as outlined in accordance with Oklahoma Statutes Citationized, Title 60. Property, Chapter 4- Uses and Trusts, Section 180.1- Annual Audits, we will disclose those matters in our report. Such disclosures, if any, may not necessarily include all matters that might have come to our attention had we performed additional procedures or an examination or review.

Management is responsible for providing us with (1) access to all information of which you are aware that is relevant to the procedures as outlined in accordance with Oklahoma Statutes Citationized, Title 60. Property, Chapter 4- Uses and Trusts, Section 180.1- Annual Audits and the agreed-upon procedures, such as records, documentation, and other matters, and for the accuracy and completeness of that information; (2) additional information that we may request for the purpose of performing the agreed-upon procedures; and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain evidence relating to performing the procedures. You agree to inform us of events occurring or facts discovered subsequent to the date of the procedures as outlined in accordance with Oklahoma Statutes Citationized, Title 60. Property, Chapter 4- Uses and Trusts, Section 180.1- Annual Audits that may affect the procedures as outlined in accordance with Oklahoma Statutes Citationized, Title 60. Property, Chapter

4- Uses and Trusts, Section 180.1- Annual Audits.

Engagement administration and other matters

A list of information we expect to need for the engagement and the dates required will be provided in a separate communication.

CLA will not disclose any of your confidential, proprietary, or privileged information to any persons without the authorization of your management or unless required by law. This confidentiality provision does not prohibit us from disclosing your information to one or more of our affiliated companies in order to provide services that you have requested from us or from any such affiliated company. Any such affiliated company shall be subject to the same restrictions on the use and disclosure of your information as apply to us.

Our engagement ends on delivery of our signed report. Any additional services that might be requested will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific SOW for that service.

Fees

We estimate that our professional fees will range from \$30,000.00 to \$36,000.00. We will also bill for expenses (including travel, other costs such as report production, word processing, postage, etc., and internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed. This estimate is based on anticipated cooperation from your personnel and their assistance with locating requested documents and preparing requested schedules. If the requested items are not available on the dates required or are not accurate, the fees and expenses will likely be higher. Our invoices, including applicable state and local taxes, will be rendered each month as work progresses and are payable on presentation.

Agreement

We appreciate the opportunity to be of service to you and believe this SOW accurately summarizes the significant terms of our engagement. This SOW constitutes the entire agreement regarding these services and supersedes all prior agreements (whether oral or written), understandings, negotiations, and discussions between you and CLA. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this SOW, please sign, date, and return the enclosed copy to us.

Sincerely,

CliftonLarsonAllen LLP

CLA
CLA

Greg Thelen

Greg Thelen, Principal

SIGNED 12/13/2023, 11:14:51 AM CST

Client
Mangum Regional Medical Center

SIGN:

Kelley Martinez

DATE:

**Procedures in accordance with Oklahoma Statutes Citationized, Title 60. Property, Chapter -
Uses and Trusts, Section 180.1- Annual Audits**

- 1.) Prepare a schedule of revenues, expenditures/expenses and changes in fund balances/net assets for each fund and determine compliance with any applicable trust or other prohibitions for creating fund balance deficits;
- 2.) Agree material bank account balances to bank statements, and trace significant reconciling items to subsequent clearance;
- 3.) Compare uninsured deposits to fair value of pledged collateral;
- 4.) Compare use of material restricted revenues and resources to their restrictions;
- 5.) Determine compliance with requirements for separate funds; and
- 6.) Determine compliance with reserve account and debt service coverage requirements of bond indentures.