CONSOLIDATED AUDITED FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION

ROSWELL PARK CANCER INSTITUTE CORPORATION
D/B/A
ROSWELL PARK COMPREHENSIVE CANCER CENTER

(A COMPONENT UNIT OF THE STATE OF NEW YORK)

March 31, 2026

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Independent Auditor's Report

To the Board of Directors of
Roswell Park Cancer Institute d/b/a Roswell Park Comprehensive Cancer Center:

Report on the Audit of the Financial Statements

Opinion

We have audited the basic financial statements of the business-type activities and the discretely presented component unit of Roswell Park Cancer Institute Corporation d/b/a Roswell Park Comprehensive Cancer Center ("Roswell Park" or "Center"), a component unit of New York State, which as of and for the year ended March 31, 2026, and the related notes to the financial statements, which collectively comprise Roswell Park's basic financial statements as listed in the table of contents (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the business-type activities and the discretely presented component unit of Roswell Park as of March 31, 2026, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* ("GAS"), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Center and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matter

The financial statements of the Company as of and for the year ended March 31, 2025 were audited by FreedMaxick, P.C. On August 1, 2025, FreedMaxick P.C. joined with WithumSmith+Brown P.C. FreedMaxick P.C. expressed an unmodified opinion on those statements dated June 25, 2025.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Center's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and GAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and GAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Roswell Park's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Roswell Park's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America, require that the management's discussion and analysis on pages 3 through 16 and Schedules of Changes in the OPEB Net and Total Pension and OPEB Liabilities and Related ratios, and Schedules of Employer Contributions on pages 55 through 60 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the *Governmental Accounting Standards Board* ("GASB") who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's response to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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Other Reporting Required by *Government Auditing Standards*

In accordance with *GAS*, we have also issued our report dated June 29, 2026 on our consideration of Roswell Park's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to solely describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Roswell Park's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *GAS* in considering Roswell Park's internal control over financial reporting and compliance.

WithumSmith+Brown, PC

June 29, 2026

Our discussion and analysis of Roswell Park Cancer Institute Corporation d/b/a Roswell Park Comprehensive Cancer Center's ("Roswell Park" or the "Center") financial performance provides an overview of Roswell Park's financial activities for the fiscal year ended on March 31, 2026 and 2025. The consolidated financial statements include the accounts of Roswell Park Cancer Institute and the Roswell Park Clinical Practice Plan (also collectively referred to as the "Public Benefit Corporation" or "PBC"). Please read this management's discussion and analysis in conjunction with Roswell Park's consolidated financial statements. Unless otherwise indicated, all dollar amounts are in thousands.

1. Introduction

Roswell Park was established in 1898 on the principle of integrating clinical care, research and education focused solely on cancer. Dr. Roswell Park, a nationally prominent Buffalo, NY surgeon, was perhaps the first to describe the importance of translational research at a cancer center when he wrote in 1904 that *"Only* [through] *a deliberate, well-planned, combined attack from various directions by means fitted for such work could real advances be made and* [further] *the relationship of laboratory work, clinical study and education must be closely associated".* Dr. Park's commitment to patient care and the scientific study of cancer led to the establishment of a research facility and hospital unit which were recognized and partially funded by the State of New York in 1904; this was the first example of government support for cancer research in the world.

The Roswell Park campus is 29 acres located in the heart of the 120 acre Buffalo Niagara Medical Campus ("BNMC") near downtown Buffalo. The facilities are comprised of 16 major buildings totaling over 2 million square feet of space of which more than 600,000 gross square feet is dedicated to research in the form of laboratory, laboratory support, office and shared resource space, including buildings utilized for wet/dry research. The Center is a facility licensed with 157 beds. Roswell Park operates 16 ambulatory care centers offering 35 different specialties, including satellite clinics in Amherst, NY and Niagara Falls, NY, in addition to outpatient treatment centers for chemotherapy, imaging services, and radiation medicine. As part of Roswell's joint initiative with the John R. Oishei Children's Hospital of Buffalo and UBMD pediatric practice, the shared Pediatric Oncology/Hematology program delivers approximately 90% of all hematology/oncology services to children in the 8-county Western New York ("WNY") region.

Roswell Park, the only National Cancer Institute ("NCI") designated comprehensive cancer center in Upstate New York, consistently ranks among the NCI's top recipients of research funding. In May 2024, the Center's NCI Cancer Center Support Grant ("CCSG", also known as the "core" grant) was reviewed and renewed for another 5 years. Upon completion of the review, Roswell Park received its best application score and largest core grant monetary award in the center's history. This grant, which forms the foundation for Roswell Park's designation as an NCI comprehensive cancer center, is in its 49^{th} year of continuous funding by the NCI. Only two other cancer centers in the U.S. have held the designation, an important benchmark of excellence, for this length of time. Additionally, Roswell Park is a member of the prestigious National Comprehensive Cancer Network ("NCCN") a not-for-profit alliance of 34 of the world's leading cancer centers devoted to patient care, research, and education. The NCCN is dedicated to improving the quality, effectiveness, and efficiency of cancer care so that patients can live better lives.

Roswell Park has been recognized by various prestigious national organizations for its clinical care and research programs:

- Newsweek's 2025 "World's Best Specialized Hospitals for Oncology"
- US News & World Report – Best Hospitals for Cancer #34 in 2021, #14 in 2020 and 2019 (Top 50 in 2018, 2017, 2015, 2014, 2013, 2012, 2011 & 2010)
- Accreditation Council for Continuing Medical Education

1. Introduction (Continued)

- Accreditation Council for Graduate Medical Education - for Medical and Surgical Oncology Training Programs
- American College of Radiology Accredited Facility for Radiation Oncology
- American College of Radiology Breast Imaging Center of Excellence
- American Medical Association “Joy in Medicine” Recognized Organization
- Association for the Accreditation of Human Research Protection Programs
- Association for Assessment and Accreditation of Laboratory Animal Care International ("AAALAC" International)
- American Association of Blood Banks ("AABB")
- Blue Distinction Center for Cancer Care
- Blue Distinction Center for Transplants
- Cancer Immunotherapy Trials Network Member ("CITN")
- Commission on Cancer of the American College of Surgeons
- Forbes Best Employers for Diversity
- Foundation for the Accreditation of Cellular Therapy ("FACT")
- Lung Cancer Alliance Screening Center of Excellence
- National Accreditation Program for Breast Cancers (“NAPBC”)
- National Cancer Institute-designated Comprehensive Cancer Center
- National Comprehensive Cancer Network
- National Marrow Donor Program
- National Pancreas Foundation Center of Excellence
- Newsweek’s “World’s Best Specialized Hospitals for Oncology”
- Magnet® Recognition for Nursing Excellence
- Press Ganey “Pinnacle of Excellence for Patient Experience”
- New York State Department of Health
- Quality Oncology Practice Initiative ("QOPI") Certification from the American Society of Clinical Oncology ("ASCO")

1. Introduction (Continued)

- The Joint Commission
- The Joint Commission Certification for Palliative Care
- The Joint Commission Laboratory Accreditation

Roswell Park has approximately 4,000 employees including more than 370 faculty-level clinicians and researchers, as well as over 790 nurses. The interdisciplinary research programs – basic science, translational, and clinical – focus on six primary areas of investigation: Tumor Immunology and Immunotherapy, Cell Stress and Biophysical Therapies, Genetics, Genitourinary Cancers, Experimental Therapeutics, and Population Sciences.

For the fiscal year ended March 31, 2026 approximately 544 Clinical Fellows and Residents , 267 medical students, 411 clinicians, 65 researchers, and 159 non-medical students/interns received training at Roswell Park. Physicians included oncology fellows, residents, and visiting physicians. Clinicians included nurses, physician assistants, pharmacists, and other healthcare professionals. Most are enrolled at the University at Buffalo's School of Medicine and Graduate Medical Education programs. Trainees also come from academic programs at twenty regional colleges and universities. Researchers include postdoctoral fellows and visiting scholars. Non-medical students include over 100 masters' and doctoral students enrolled in the Roswell Park Graduate Division of the University at Buffalo's Graduate School.

Active patients diagnosed, treated, and/or seen in follow-up clinics increased 3.0% to 53,877 in 2026 and increased 4.7% in 2025. Outpatient visits increased 4.3% to 332,056 in 2026 and increased 5.3% in 2025.

The Roswell Park Care Network was established as a network of community cancer programs that allow patients easier access to Roswell Park's comprehensive cancer care — a level of care that can only be provided from a National Cancer Institute-designated comprehensive cancer center. Included within the Roswell Park Care Network is our group of community based practices located throughout Western New York which is delivered through RPCI Oncology, PC ("RPCIO"). RPCIO is a professional service corporation that is captive to the Center. RPCIO maintains the following ten physician practice locations — Jamestown Medical Oncology and Hematology in Jamestown, NY; Breast Care of Western New York in Amherst, NY; Roswell Park Hematology Oncology Southtowns in Orchard Park, NY; Roswell Park Hematology Oncology Northtowns in Amherst, NY; Roswell Park Urology of Niagara Falls, NY; and Roswell Park Dermatology in Depew, NY, as well as Care Network Member locations in Cheektowaga NY, Amherst, NY, Lockport NY, and Middleport ENT in Middleport, NY. To further its reach to the surrounding community, the Roswell Park Care Network includes Radiation Oncology services at Upper Allegheny Health System in Olean, NY and Bradford, PA; Radiation Oncology services at Oneida Health Cancer Center in Oneida, NY, Radiation Oncology services in Orchard Park, NY, and medical oncology and hematology services at Niagara Falls Memorial Medical Center in Niagara Falls, NY, Samaritan Medical Center in Watertown, NY, Oneida Healthcare in Oneida, NY, Ellis Medicine in Schenectady, NY and St. Joseph's Hospital in Syracuse, NY.

Additionally, Roswell Park Cancer Research Corporation ("RPCRC") was formed in January 2025 to advance cancer research in support of Roswell Park's overall mission. RPCRC is a New York charitable not-for-profit corporation with Roswell Park being the sole member. RPCRC provides effective pre and post award evaluation, solicitation and administration of external research support from federal agencies, nonprofit foundations and commercial firms in accordance with sponsor requirements.

2. Mission

To eliminate cancer's grip on humanity by unlocking its secrets through personalized approaches and unleashing the healing power of hope.

2. Mission (Continued)

Roswell Park intends to carry out this mission and vision, guided by values of innovation, commitment, integrity, compassion, respect, teamwork, quality, and safety, by:

- Pioneering promising therapeutic breakthroughs, using them to zero in on the most effective treatment for each patient, and sharing them with the world.
- Committing in every situation, and every decision we face, big and small, to choose our words and actions based solely on the needs of each patient, and nothing more.
- Actively seeking ways to share, inform, support, and inspire each other, our patients, and our community - so that collectively, we go well beyond the expected.
- Loudly, proudly sharing every success with the world, so more of the patients and families who need us, the dynamic people to want to join us, and those who want to support us, know the ongoing miracle that is Roswell Park.

3. Governance

Effective January 1, 1999, Roswell Park became a PBC of the State of New York (“NYS” or the “State”), operating under enabling legislation enacted under Title 4 of the Public Authorities Law. Roswell Park is owned by NYS and operated as a PBC and as such, is a component unit of NYS. Prior to January 1, 1999 Roswell Park was a division of the New York State Department of Health. As a PBC, Roswell Park continues to adhere to the NYS public employees’ collective bargaining agreements and is required to provide employee benefits consistent with the NYS Executive Branch.

4. Component Units

For purposes of the consolidated financial statements, the Roswell Park Alliance Foundation, Inc. (the “Foundation”) is considered a “component unit” of Roswell Park. The Foundation was established in March 1991 to solicit, receive and administer funds to support scientific and clinical research, delivery of state-of-the-art medical care and treatment, and patient-related activities at Roswell Park. The Foundation is tax exempt under Section 501(C)(3) of the Internal Revenue Code and is managed by a Board of Trustees of community leaders. This Board is independent of the Roswell Park Board of Directors and as such, Roswell Park's Board has no jurisdiction over the Board of the Foundation or the Foundation's assets. Periodically, the Foundation makes grants to Roswell Park for various purposes. These grant funds are typically administered by RPCRC.

The Governmental Accounting Standards Board ("GASB") issued Statement No. 61*, The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34* requires that the component unit’s financial statements be presented discretely from the consolidated financial statements of Roswell Park.

In addition, the consolidated financial statements of the Center include the financial results of Roswell Park’s blended component units, RPCIO, RPCRC, and Global Biotechnology & Cancer Therapeutics LLC ("GBCT").

5. Financial Highlights

- Total net position decreased $(46,643) or (16.3)% in 2026 and decreased $(24,193) or (7.8)% in 2025.

- Total assets increased $8,966 or 0.7% in 2026 and increased $48,549 or 3.9% in 2025.

- Total assets and deferred outflows of resources increased $12,673 or 0.9% in 2026 and increased $23,968 or 1.7% in 2025.

- Total operating revenues, including NYS support, increased by $89,865 or 7.1% in 2026 and increased by $99,824 or 8.6% in 2025.

5. Financial Highlights (Continued)

- Total support from NYS decreased from $110,767 in 2025 to $106,767 in 2026.
    - The total amount appropriated to support capital and related expenses decreased from $25,656 in 2025 to $6,848 in 2026. This amount is included within contributions for purchase of capital assets.
    - NYS operating support increased from $85,111 in 2025 to $99,919 in 2026. This amount is included discretely in operating revenues.

- Total other operating revenues, increased by $5,456 or 17.8% in 2026 and decreased by $(2,377) or (7.2)% in 2025.

- Total operating expenses increased by $84,612 or 6.4% in 2026 and increased by $101,736 or 8.3% in 2025.

6. Using This Annual Report

Roswell Park's consolidated financial statements consist of three statements – a consolidated statement of net position; a consolidated statement of revenues, expenses and changes in net position; and the consolidated statements of cash flows. These statements provide information about Roswell Park's activities including resources held by Roswell Park but restricted for specific purposes by contributors, grantors, or enabling legislation.

The Statements of Net Position and the Statements of Revenues, Expenses and Changes in Net Position

Both statements report information about Roswell Park's resources and its activities that describe the financial results of the fiscal years and Roswell Park's net position as of the year ends. They also report Roswell Park's net position and changes in it.

Net position is the difference between assets and liabilities. Over time, increases or decreases in Roswell Park's net position is one indicator of whether Roswell Park's financial health is improving or deteriorating. Other non-financial factors such as changes in Roswell Park's patient base, mix of services provided, local, state and federal economic factors should also be considered.

The Statements of Cash Flows

The statements report cash receipts, cash payments and net changes in cash resulting from operating, investing and financing activities. It describes sources of cash, uses of cash, and the change in cash balance during the fiscal years.

7. Related Parties

HRI is a not-for-profit corporation chartered under the laws of NYS in 1953 primarily to administer gifts or grants in keeping with the research, prevention, and treatment purposes of the New York State Department of Health (“NYSDOH”). HRI has divisions in Buffalo and Albany, New York which administer projects conducted at the NYSDOH and Roswell Park primarily financed by private and governmental contracts, grants and donations. During 2026, the research activities performed at Roswell Park, with the exception of those that are federally funded, were transitioned to RPCRC. HRI is tax exempt under Section 501(C)(3) of the Internal Revenue Code. HRI is not included in the Roswell Park consolidated financial statements, however is considered a related party for financial reporting purposes.

(in thousands of dollars, except as otherwise noted)

8. Roswell Park's Net Position

Roswell Park's net position is the difference between the assets and liabilities reported in the statement of net position. Roswell Park's net position decreased by $(46,643) in 2026 and decreased $(24,193) in 2025 as shown in Table 1: Summary of Statement of Net Position. The reasons for these changes are discussed below.

Table 1: Summary of Statement of Net Position

	2026	2025	2024
Assets:			
Current and other assets	$ 924,526	$ 908,847	$ 863,439
Capital assets, net	383,302	390,015	386,874
Total assets	1,307,828	1,298,862	1,250,313
Deferred outflow of resources	154,012	150,305	174,886
Total assets and deferred outflows	$ 1,461,840	$ 1,449,167	$ 1,425,199
Liabilities:			
Long-term debt outstanding	$ 180,127	$ 44,847	$ 59,688
Other liabilities	817,661	775,694	787,496
Total liabilities	997,788	820,541	847,184
Deferred inflow of resources	224,352	342,283	267,479
Net Position:			
Net investment in capital assets	203,175	345,168	327,186
Restricted expendable	51,261	63,236	75,577
Unrestricted	(14,736)	(122,061)	(92,227)
Total net position	239,700	286,343	310,536
Total liabilities, deferred inflows, and net position	$ 1,461,840	$ 1,449,167	$ 1,425,199

Overall, total assets and deferred outflows of resources increased $12,673 or 0.9% from 2025 to 2026 and increased $23,968 or 1.7% from 2024 to 2025.

- Current and other assets increased 1.7% in 2026 and 5.3% in 2025.
    - For both 2026 and 2025, this is primarily driven by growth in patient accounts receivable, partially offset by decreases in cash and equivalents.

- Capital assets, net decreased (1.7)% in 2026 and increased 0.8% in 2025.
    - For both years, the changes were driven primarily by the timing of capital additions, net of depreciation expense. For 2026, significant capital investments included the acquisition of a mobile breast and prostate screening unit, continued investment in the cGMP facility, as well as replacements of equipment used in radiation therapy and MRI scans. For 2025, significant capital additions included the implementation of a new Revenue Cycle System (Athena IDX) and construction work performed on the cGMP facility.

8. Roswell Park's Net Position (Continued)

- Deferred outflow of resources increased 2.5% in 2026 and decreased (14.1)% in 2025.
  - For 2026, this was primarily due to an increase in deferred outflows on post-retirement health obligations. The increase was driven by the actual cost of claims experienced during the year exceeding initial expectations which also led to revisions in healthcare trend rates used in the valuation. These factors were partially offset by an increase in the discount rate from 4.46% to 4.64%, which has an inverse effect on liabilities and deferred outflows. The fluctuations in post-retirement healthcare were also partially offset by a decrease in deferred outflows on pension assets, driven by favorable investment earnings as of the measurement date.

  - For 2025, this was primarily due to an increase in the discount rate on post-retirement health obligations from 3.92% to 4.46%, which has an inverse effect on liabilities and deferred outflows. This was coupled with a decrease in deferred outflows on pension assets, driven by favorable investment earnings as of the measurement date.

Overall, total liabilities and deferred inflows of resources increased 5.1% in 2026 and increased 4.3% in 2025.

- Long-term debt outstanding increased 301.6% in 2026 and decreased (24.9)% in 2025.
  - For 2026, the increase was the result of revenue bonds issued by the Dormitory Authority of the State of New York ("DASNY"), wherein Roswell Park is the obligated group. The previously existing DASNY bonds were defeased and a portion of the proceeds from the new issuance was used to repay an existing mortgage loan, which partially offset the overall increase in long-term debt. Refer to Note 7 of the consolidated financial statements.
  - For 2025, the decrease was a result of scheduled debt service payments on the outstanding mortgage loan and DASNY issued debt, in addition to the amortization of bond premium. Refer to Note 7 of the consolidated financial statements.

- Other liabilities increased 5.4% in 2026 and decreased (1.5)% in 2025.
  - For 2026, this is primarily due to increased pension and post-employment benefit liabilities. The increased pension liability is primarily due to updated benefit terms for Tier VI members which raised the average annual salary used to value expected pension benefit payments for those members. The increase in post-employment benefit liabilities was primarily driven by greater than expected net claims costs during the year, in addition to increased healthcare trend rates used in the actuarial valuation of the liability. The factors driving the increased trend rates include increased utilization and cost of prescription drugs as well as expected relative reductions in federal funding for certain Medicare programs. The increase in NYS-mandated benefit liabilities was partially offset by a decrease in short-term borrowings due to the repayment of the $50,000 balance on the revolving line of credit agreement with M&T Bank. Refer to Note 7 of the consolidated financial statements.
  - For 2025, this is primarily due to decreased pension and post-employment benefit liabilities. The decreased pension liability is due to favorable returns on plan investments. For 2026, investments returned 11.6%, compared to (4.1)% in 2025. The decrease in post-employment benefit liabilities was primarily driven by an increased discount rate, as discussed previously. The decreases in NYS-mandated benefit liabilities was partially offset by an increase in short-term borrowings due to the draw of $50,000 from a revolving line of credit agreement with M&T Bank. Refer to Note 7 of the consolidated financial statements.

- Deferred inflow of resources decreased (34.5)% in 2026 and increased 28.0% in 2025.
  - For 2026, this is primarily due to the factors discussed previously that drove the increases in pension and post-employment benefit liabilities.

8. Roswell Park's Net Position (Continued)

- For 2025, this is primarily due to differences between projected and actual investment earnings on pension plan investments (11.6% actual return vs (4.4)% projected). This was coupled with increased deferred inflows in the post retirement health plan, driven by the increased discount rate discussed previously.

Overall, total net position decreased (16.3)% from 2025 to 2026 and decreased (7.8)% from 2024 to 2025 as more fully described below.

Patient activity drives a significant portion of operating performance and the resulting changes in Roswell Park's net position. Roswell Park captures patient activity by various metrics, including both inpatient and outpatient activity.

- Active patients diagnosed, treated, and/or seen in follow-up clinics increased 3.0% to 53,877 from 2025 to 2026 and increased 4.7% from 2024 to 2025.
- New to Center patients decreased (1.2)% from 2025 to 2026 and remained unchanged from 2024 to 2025.
- Outpatient visits increased 4.3% from 2025 to 2026 and increased 5.3% from 2024 to 2025.
- Inpatient Admissions decreased (6.6)% from 2025 to 2026 and increased 5.2% from 2024 to 2025.
- Inpatient Days decreased (6.7)% from 2025 to 2026 and increased 0.9% from 2024 to 2025.

In 2026, Roswell Park's total net position decreased by $(46,643) or (16.3)% as shown in Table 2: Summary of Revenues, Expenses and Changes in Net Position. Total operating revenues, including NYS support, increased 7.1% and total operating expenses increased 6.4%. The total operating expenses base of $1,416,702 includes total annual Other Post-Employment Benefit ("OPEB") cost (benefit) of $(3,948) and annual pension cost of $30,215 in 2026. Combined OPEB and pension cost decreased (34.0)% from 2025 to 2026. Total support from NYS decreased (3.6)% from $110,767 in 2025 to $106,767 in 2026. Of that total, the amount appropriated to support capital and related expenses decreased from $25,656 in 2025 to $6,848 in 2026. This amount is included within contributions for purchase of capital assets, while the balance of NYS support is shown discretely within total operating revenues. The remainder of NYS support shown discretely within total operating revenues, increased from $85,111 in 2025 to $99,919 in 2026.

In 2025, Roswell Park's total net position decreased by $(24,193) or (7.8)% as shown in Table 2: Summary of Revenues, Expenses and Changes in Net Position. Total operating revenues, including NYS support increased 8.6% and total operating expenses increased 8.3%. The total operating expenses base of $1,332,090 includes annual OPEB cost (benefit) of $(7,548) and an annual pension cost of $47,358 in 2025. Combined OPEB and pension cost decreased (33.9)% from 2024 to 2025. Both of these employee fringe benefits are provided to PBC employees as required by NYS. Total support from NYS increased from $106,767 in 2024 to $110,767 in 2025. Of that total, the amount appropriated to support capital expenses decreased from $30,766 in 2024 to $25,656 in 2025. This amount is included within contributions for purchase of capital assets, while the balance of NYS support is shown discretely within total operating revenues. The remainder of NYS support shown discretely within total operating revenues remained unchanged from $76,001 in 2024 to $85,111 in 2025.

(in thousands of dollars, except as otherwise noted)

9. Changes in Roswell Park's Net Position (Continued)

Table 2: Summary of Revenues, Expenses and Changes in Net Position

	2026	2025	2024
Operating revenues:			
Net patient service revenue and net settlement and appeals	$1,195,453	$1,137,935	$1,043,961
NYS operating support	99,919	85,111	76,001
Equity interest in loss of joint ventures	(856)	(975)	(1,126)
Grants and contracts	16,206	4,242	5,276
Other operating revenue	36,139	30,683	33,060
Total operating revenues	1,346,861	1,256,996	1,157,172
Operating expenses:			
Salaries, wages and benefits	620,830	577,380	559,055
Supplies and purchased services	723,050	684,847	611,208
Depreciation	54,626	51,899	44,714
Amortization	18,196	17,964	15,377
Total operating expenses	1,416,702	1,332,090	1,230,354
Operating loss	(69,841)	(75,094)	(73,182)
Non-operating revenues (expenses) and changes in net position:			
NYS support for capital and related expenses/expenditures	6,848	25,656	30,766
Realized investment income	15,044	16,822	17,663
Interest expense	(9,461)	(4,775)	(2,833)
Unrealized investment gain	1,724	6,314	2,500
Contributions for purchase of capital assets	9,867	7,250	9,429
Other non-operating (expenses) revenues and changes in net position	(824)	(366)	1,017
Net non-operating revenues and changes in net position	23,198	50,901	58,542
Decrease in net position	$ (46,643)	$ (24,193)	$ (14,640)

Overall, operating revenues, excluding NYS support, increased 6.4% from 2025 to 2026 and increased 8.4% from 2024 to 2025.

- Net patient service revenue/net settlements and appeals increased 5.1% in 2026 and 9.0% in 2025 as a result of the following: Roswell Park hospital revenue increased in both 2026 and 2025 by 4.5% and 9.9%, respectively; Practice Plan professional revenues decreased (4.2)% in 2026 and remained unchanged in 2025; and government appeals and settlement revenue decreased in 2026 and 2025 by (47.4)% and (19.1)%, respectively. The 2026 results were driven by a number of factors including increased patient volumes, and higher reimbursements on drugs as a result of inflationary cost increases from manufacturers. The 2025 results were driven driven by many of the same factors. RPCIO revenues increased in both 2026 and 2025 by 22.5% and 7.8%, respectively. This amounted to approximately $93,737 and $76,512 in 2026 and 2025.

9. Changes in Roswell Park's Net Position (Continued)

- Grants and contracts revenue consists primarily of revenue recognized by RPCRC as the related requirements of sponsor agreements are satisfied. The increase in 2026 was in line with expectations as the first year of operations for RPCRC. Prior to 2026, grants and contracts revenue was comprised by salary recovery on grants administered through HRI for work by the medical staff whose salaries were paid by Roswell Park.

- Other operating revenue increased 17.8% from 2025 to 2026 and decreased (7.2)% from 2024 to 2025. Other operating revenue includes revenues received from various regional affiliate support agreements, the operation of the cafeteria and parking garage, rebates, and other ancillary activities. See “Other operating revenue” section in Note 2 of the consolidated financial statements.

Overall, total operating expenses increased 6.4% from 2025 to 2026 and increased 8.3% from 2024 to 2025.

- Salaries, wages and benefits costs increased 7.5% and 3.3% in 2026 and 2025, respectively, due to:
  - Salaries and wages increased 9.5% in 2026 and 7.1% in 2025, primarily driven by:
    - Step and cost of living increases required by labor contracts.
    - Recruitment of scientific and clinical faculty as well as staffing increases related to changes in patient volumes, acuity and new initiatives.
  - Benefits were 26.0%, 28.3%, and 33.1%, of salary costs in 2026, 2025 and 2024, respectively. OPEB and pension cost decreased (34.0)% from 2025 to 2026, primarily driven by a (36.2)% decreased annual pension cost, partially offset by a 47.7% increased annual OPEB cost as described above. Additionally, workers' compensation costs increased 49.5% from 2025 to 2026 (See Note 10).

- Supplies and purchased services increased 5.6% and 12.0%, in 2026 and 2025, respectively, due to:
  - Drug spend increased 6.7% from $430,765 in 2025 to $457,419 in 2026, mainly driven by increased outpatient volumes. This was coupled with increased spend on utilities 21.8% and supplies 6.7%.

Overall, non-operating revenues and expenses and other changes in net position (including funds received from NYS for capital assets) decreased (54.4)% from 2025 to 2026 and decreased (13.1)% from 2024 to 2025. The decrease in 2026 was due primarily to the following factors:

- Realized investment income decreased (10.6)% from 2025 to 2026, and decreased (4.8)% from 2024 to 2025, while unrealized investment income decreased (72.7)% from 2025 to 2026, and increased 152.6% from 2024 to 2025. These fluctuations are primarily due to volatility in fixed income markets driven by changes in interest rates over time.
- Interest expense increased 98.1% from 2025 to 2026, and increased 68.5% from 2024 to 2025. In 2026 this was primarily driven by interest paid on the bonds issued (See Note 7). 2026 interest expense was comprised of interest on debt $7,931, Subscription-Based IT Assets ("SBITA"s) $912, and leases $618.
- Other non-operating revenues (expenses) and changes in net position decreased (125.1)% from 2025 to 2026, and decreased (136.0)% from 2024 to 2025. The fluctuation in 2026 was primarily driven by non-operating expenses incurred in association with the bond issuance. The fluctuation in 2025 was partially driven by FEMA and Federal COVID-19 relief funding received (2025 - $4, 2024 - $1,157).

10. Capital Assets, Leases, Subscription-Based IT Assets, and Debt Administration

Capital Assets

At the end of 2026, 2025, and 2024, Roswell Park had $383,302, $390,015, and $386,874, respectively, invested in capital assets, net of accumulated depreciation, as detailed in Note 4 to the consolidated financial statements. The components of Roswell Park's capital assets are as follows:

(in thousands of dollars, except as otherwise noted)

10. Capital Assets, Leases, Subscription-Based IT Assets, and Debt Administration (Continued)

	2026	2025	2024
Land	$ 6,389	$ 6,389	$ 6,389
Building	809,671	792,318	752,668
Equipment/other	418,999	398,867	345,406
Construction in progress	23,072	14,502	54,749
	1,258,131	1,212,076	1,159,212
Less: Accumulated depreciation	(874,829)	(822,061)	(772,338)
Capital assets, net	$ 383,302	$ 390,015	$ 386,874

Leases

At the end of 2026, 2025, and 2024, Roswell Park had $11,364, $13,333, and $9,975, respectively, invested in right-to-use lease assets, net of accumulated amortization, as detailed in Note 16 to the consolidated financial statements. The components of Roswell Park's lease assets are as follows:

	2026	2025	2024
Real estate	$ 5,005	$ 4,988	$ 3,477
Parking structure (MiGo ramp)	4,467	4,467	4,467
Equipment and other assets	9,072	8,972	4,807
	18,544	18,427	12,751
Less: Accumulated amortization	(7,180)	(5,094)	(2,776)
Total lease assets, net	$ 11,364	$ 13,333	$ 9,975

At the end of 2026, 2025, and 2024, Roswell Park's total lease liabilities were $12,598, $14,210, and $10,206, respectively, as detailed in Note 16 to the consolidated financial statements. The components of Roswell Park's lease liabilities are as follows:

	2026	2025	2024
Real estate	$ 2,989	$ 3,692	$ 2,976
Parking structure (MiGo ramp)	4,238	4,299	4,352
Equipment and other assets	5,371	6,219	2,878
Total leases liabilities, net	$ 12,598	$ 14,210	$ 10,206

Subscription-Based IT Arrangements

Effective for fiscal year 2024, Roswell Park adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, which established new requirements for calculating and reporting Roswell Park's subscription-based assets and liabilities activity. At the end of 2026, 2025, and 2024, Roswell Park had $25,138, $24,714, and $27,140, respectively, invested in SBITA assets, net of accumulated amortization, as detailed in Note 16 to the consolidated financial statements. The components of Roswell Park's SBITA assets are as follows:

	2026	2025	2024
SBITA assets	$ 42,171	$ 49,424	$ 45,358
Less: Accumulated amortization	(17,033)	(24,710)	(18,218)
Total SBITA assets, net	$ 25,138	$ 24,714	$ 27,140

(in thousands of dollars, except as otherwise noted)

10. Capital Assets, Leases, Subscription-Based IT Assets, and Debt Administration (Continued)

At the end of 2026, 2025, and 2024, Roswell Park's total SBITA liabilities were $17,744, $19,167, and $20,944, respectively, as detailed in Note 16 to the consolidated financial statements.The components of Roswell Park's SBITA lease liabilities are as follows:

	2026	2025	2024
Current portion	$ 6,460	$ 9,029	$ 8,578
Long-term portion	11,284	10,138	12,366
Total SBITA liabilities, net	$ 17,744	$ 19,167	$ 20,944

Long-Term Debt

Roswell Park's total long-term debt, net was $180,127, $44,847, and $59,688, as of March 31, 2026, 2025, and 2024, respectively. For 2026, this includes revenue bonds issued by DASNY, wherein Roswell Park is the obligated group. For 2025 and 2024, this includes a Term Loan for the acquisition of the Scott Bieler Amherst Center and Roswell Park's allocated portions of certain New York State Department of Health outstanding bonds payable to DASNY. All DASNY bonds are collateralized by a first lien on the revenues of Roswell Park's hospital-based revenues.

	2026	2025	2024
Series 2025A Bonds, net of premium	$ 128,372	$ —	$ —
Series 2025B Bonds, issued at par	51,755	—	—
Series 2011A Bonds, net of premium	—	—	2,334
Series 2016 Bonds, net of premium	—	25,598	37,854
Term Loan Payable	—	19,249	19,500
Total long-term debt and capital lease obligations, net	$ 180,127	$ 44,847	$ 59,688

11. Postemployment Benefits

Funded Status and Funding Progress

The most recent actuarial valuation for the OPEB plan was as of April 1, 2025. As of March 31, 2026, the plan was unfunded. As discussed on the following page under “Matters Involving New York State," Roswell Park is seeking support from NYS to fund all or a significant portion of the unfunded OPEB liability. Roswell Park believes it will need some form of assistance from NYS in order to meet future OPEB obligations resulting from the benefits that have, and will continue to, accrue under the plan.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

(in thousands of dollars, except as otherwise noted*)

11. Postemployment Benefits (continued)

Actuarial Method and Assumptions

The Center's total OPEB liability was determined by an actuarial valuation as of April 1, 2025, using the following actuarial assumptions:

Inflation rate	2.50%
Salary scale	3.75%
Health cost	Entry Age Normal
Mortality	Pri.H-2012 Mortality Tables

The discount rate used to calculate the total OPEB liability as of March 31, 2026 was 4.64%. The discount rate is a single rate of return, when applied to all projected benefit payments is equal to the sum of: (1) The actuarial present value of benefit payments projected to be made in future periods where the plan assets are projected to be sufficient to meet benefit payments, calculated using the Long-Term Expected Rate of Return and (2) the actuarial present value of projected benefit payments not included in (1), calculated using the Municipal Bond Rate. Since the Plan is unfunded, the discount rate reflects the Municipal Bond Rate, which is a yield or index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

This valuation report reflects post-employment benefits that have been extended to current and future retirees and their dependents. Actuarial valuations involve estimates of the value of reported amounts, assumptions about the probability of events in the future and actuary-determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Examples include assumptions about employment, mortality and the healthcare cost trend.

In accordance with GASB 75, the Entry Age Normal cost method was used for determining service costs and the actuarial accrued liability. All benefits estimated to be payable through the OPEB plan to current active and inactive employees as a result of their past service and expected future service.

Matters Involving New York State

Roswell Park has recognized in its consolidated statements of net position and consolidated statements of revenues, expenses and changes in net position the amounts described below. In so doing, Roswell Park has assumed that it will be liable for the portion of benefits attributable to services provided by its employees for the period prior to January 1, 1999, the date at which Roswell Park became a public benefit corporation of the State of New York. As discussed elsewhere in these financial statements, Roswell Park is seeking relief from NYS for all or a significant portion of the unfunded OPEB liability. Roswell Park believes it will need some form of assistance from NYS in order to meet future OPEB obligations resulting from the benefits that have, and will continue to accrue under the plan. If NYS were to agree to assume all of the benefits for the time period it operated Roswell Park (e.g. prior to 1/1/99), Roswell Park would have the potential to recognize the reduction in its accrued liability for any amounts of that liability to which the State would agree to accept.

(in thousands of dollars, except as otherwise noted)

11. Postemployment Benefits (continued)

The following table illustrates the actuary-derived estimates of the post-employment benefit liability and associated cost for March 31, 2026, utilizing a cutoff date of January 1, 1999:

	Prior to January 1, 1999	Post January 1, 1999	Total
Total OPEB liability - beginning of year	$ 40,125	$ 310,668	$ 350,793
Service cost	32	18,940	18,972
Interest cost	1,918	15,430	17,348
Differences between expected and actual experience	4,493	27,681	32,174
Change of assumptions of other inputs	2,898	6,426	9,324
Actual benefit payments	(3,299)	(16,439)	(19,738)
Net OPEB liability - end of year	$ 46,167	$ 362,706	$ 408,873

ROSWELL PARK CANCER INSTITUTE CORPORATION
D/B/A ROSWELL PARK COMPREHENSIVE CANCER CENTER
(A COMPONENT UNIT OF THE STATE OF NEW YORK)

CONSOLIDATED STATEMENTS OF NET POSITION
As of March 31,
(in thousands of dollars)

ASSETS	2026	2025
Current assets:		
Cash and cash equivalents	$ 132,153	$ 209,387
Current portion of assets limited as to use	7,886	37,258
Patient accounts receivable, net	360,467	304,450
Inventories	23,885	23,225
Due from New York State and other affiliates, net	3,762	2,085
Prepaid expenses and other assets	57,820	25,129
Total current assets	585,973	601,534
Non-current assets:		
Assets limited as to use, net of current portion	292,546	259,541
Goodwill and other intangible assets	5,935	5,935
Capital assets, net	383,302	390,015
Investments in joint ventures	3,482	3,673
Lease and subscription-based IT assets, net	36,502	38,047
Lease receivable	88	117
Total non-current assets	721,855	697,328
Deferred outflows of resources:		
Pension	101,699	119,569
Other post-employment benefits	52,313	30,736
Total deferred outflows of resources	154,012	150,305
Total assets and deferred outflows of resources	$ 1,461,840	$ 1,449,167
LIABILITIES AND NET POSITION		
Current liabilities:		
Current portion of long-term obligations	$ —	$ 13,469
Revolving line of credit	—	50,000
Current portion of lease and subscription-based IT liabilities	9,202	11,455
Accounts payable	84,298	75,072
Accrued expenses and other current liabilities	158,096	114,023
Due to third-party payers	4,501	15,755
Third-party advance payment	—	33,497
Total current liabilities	256,097	313,271
Non-current liabilities:		
Long-term obligations, net of current portion	180,127	31,378
Post-employment benefits, net of current portion	395,962	338,787
Lease and subscription-based IT liabilities, net of current portion	21,129	21,916
Net pension liability	144,473	115,189
Total non-current liabilities	741,691	507,270
Deferred inflows of resources:		
Pension	11,686	68,938
Other post-employment benefits	212,585	272,775
Other deferred inflows	81	570
Total deferred inflows of resources	224,352	342,283
Total liabilities and deferred inflows of resources	1,222,140	1,162,824
Net position:		
Net investment in capital assets	203,175	345,168
Restricted expendable	51,261	63,236
Unrestricted	(14,736)	(122,061)
Total net position	239,700	286,343
Total liabilities, deferred inflows of resources, and net position	$ 1,461,840	$ 1,449,167

CONSOLIDATED STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Years Ended March 31,
(in thousands of dollars)

	2026	2025
Operating revenues		
Net patient service revenue/net settlements and appeals	$ 1,195,453	$ 1,137,935
New York State operating support	99,919	85,111
Grants and contracts	16,206	4,242
Equity interest in loss of joint ventures	(856)	(975)
Other operating revenue	36,139	30,683
Total operating revenues	1,346,861	1,256,996
Operating expenses		
Salaries and wages	492,787	449,863
Employee benefits	128,043	127,517
Supplies and purchased services	723,050	684,847
Depreciation and amortization	72,822	69,863
Total operating expenses	1,416,702	1,332,090
Loss from operations	(69,841)	(75,094)
Non-operating revenues (expenses)		
Interest and other income	11,444	16,440
Interest expense	(9,461)	(4,775)
Gain on debt defeasance	2,764	—
Gain on disposals	12	16
Investment gain	1,724	6,314
Net non-operating revenues	6,483	17,995
Deficiency of revenues over expenses	(63,358)	(57,099)
NYS support for capital and related expenses/expenditures	6,848	25,656
Contributions for purchase of capital assets	9,867	7,250
Decrease in net position	(46,643)	(24,193)
Net position at beginning of year	286,343	310,536
Net position at end of year	$ 239,700	$ 286,343

CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended March 31,
(in thousands of dollars)

	2026	2025
Cash flows from operating activities:		
Net patient service revenue/net settlements and appeals	$ 1,128,184	$ 1,040,621
New York State operating support	99,919	85,111
Grants and contracts	8,815	4,242
Other operating revenue	35,196	30,986
Third-party advance (repayment) receipt	(33,503)	27,421
Payments to employees and benefit providers	(652,339)	(580,346)
Payments to vendors	(699,390)	(663,203)
Payments for malpractice	(1,756)	(4,696)
Net cash used in operating activities	(114,874)	(59,864)
Cash flows from capital and related financing activities:		
Purchase of capital assets	(67,922)	(76,166)
NYS support for capital and related expenses/expenditures	6,848	25,656
Contributions for purchase of capital assets	8,244	8,495
Proceeds from the sale or exchange of capital assets	190	68
Proceeds from revolving line of credit	—	50,000
Proceeds from capital debt	180,149	—
Repayment of revolving line of credit	(50,000)	—
Repayment of long-term obligations	(21,957)	(14,449)
Repayment of term loan	(19,249)	—
Issuance costs paid on capital debt	(3,175)	—
Payments of interest	(8,441)	(5,387)
Net cash provided by (used in) capital and related financing activities	24,687	(11,783)
Cash flows from non-capital financing activities:		
FEMA funding	—	4
Cash flows from investing activities:		
Assets limited as to use, net	(1,680)	(31,573)
Interest and investment income	14,633	16,705
Net cash provided by (used in) investing activities	12,953	(14,868)
Net decrease in cash and cash equivalents	(77,234)	(86,511)
Cash and cash equivalents - beginning of year	209,387	295,898
Cash and cash equivalents - end of year	$ 132,153	$ 209,387
Non-cash investing and financing activities:		
Asset acquisitions not paid by March 31	$ 6,323	$ 6,462

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
For the Years Ended March 31,
(in thousands of dollars)

	2026	2025
Reconciliation of loss from operations to net cash used in operating activities:		
Loss from operations	$ (69,841)	$ (75,094)
Adjustments to loss from operations to net cash used in operating activities:		
Depreciation and amortization	72,822	69,863
Equity interest in loss of joint ventures	856	975
Provision for bad debts	49,525	19,722
Non-cash portion of pension expense	(10,198)	12,714
Non-cash portion of OPEB expense	(23,685)	(25,537)
Changes in assets and deferred outflows of resources:		
Patient accounts receivable	(105,541)	(120,526)
Inventories	(660)	2,180
New York State and other affiliates	(53)	304
Prepaid expenses and other assets	3,956	2,968
Deferred outflow of resources	(3,707)	24,580
Changes in liabilities and deferred inflows of resources:		
Accounts payable and other current liabilities	9,371	15,763
Accrued expenses and post-employment benefits	85,457	(29,934)
Net pension liability	39,482	(63,584)
Third-party advance (repayment) receipt	(33,503)	27,421
Deferred inflow of resources	(117,901)	74,832
Due to third-party payors	(11,254)	3,489
Net cash used in operating activities	$ (114,874)	$ (59,864)

STATEMENTS OF NET POSITION - COMPONENT UNIT
As of March 31,
(in thousands of dollars)

	ROSWELL PARK ALLIANCE FOUNDATION, INC	
ASSETS	**2026**	**2025**
Current assets:		
Cash and cash equivalents	$ 13,916	$ 16,264
Gifts and pledges receivable, current	7,533	5,835
Inventories and due from affiliates	1,498	1,271
Total current assets	22,947	23,370
Non-current assets:		
Assets limited as to use, net	147,659	132,710
Gifts and pledges receivable, net	7,278	5,561
Prepaid expenses and other assets	491	1,159
Total non-current assets	155,428	139,430
Total assets	$ 178,375	$ 162,800
LIABILITIES AND NET POSITION		
Liabilities:		
Current liabilities	$ 31,502	$ 28,633
Non-current liabilities	585	612
Total liabilities	32,087	29,245
Net position:		
Without donor restrictions	21,072	19,835
With donor restrictions	125,216	113,720
Total net position	146,288	133,555
Total liabilities and net position	$ 178,375	$ 162,800

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - COMPONENT UNIT
For the Years Ended March 31,
(in thousands of dollars)

	ROSWELL PARK ALLIANCE FOUNDATION, INC	
	2026	**2025**
Operating revenues		
Contributions	$ 34,496	$ 30,640
Other operating revenues	726	741
Total operating revenues	35,222	31,381
Operating expenses		
Supplies and other services	2,862	2,609
Grants	29,115	28,641
Fundraising	5,848	5,149
Total operating expenses	37,825	36,399
Loss from operations	(2,603)	(5,018)
Non-operating revenues (expenses)		
Investment and other income	15,336	5,101
Net non-operating revenues	15,336	5,101
Excess of revenues over expenses	12,733	83
Net position at beginning of year	133,555	133,472
Net position at end of year	$ 146,288	$ 133,555

NOTE 1. ORGANIZATION

Roswell Park Cancer Institute Corporation d/b/a Roswell Park Comprehensive Cancer Center ("Roswell Park" or "Center") is a public cancer hospital and medical research center located in Buffalo, New York. Roswell Park is one of only 52 National Cancer Institute-designated comprehensive cancer centers nationwide, providing total care to cancer patients, conducting research into the causes, treatment and prevention of cancer, and educating those who treat and study cancer. Roswell Park is licensed for 157 certified beds.

Effective January 1, 1999, Roswell Park became a Public Benefit Corporation of the State of New York (“NYS”), operating under enabling legislation enacted under Title 4 of the Public Authorities Law. The Roswell Park Cancer Institute facility is owned by the State of New York and is operated by a public benefit corporation, the Center, as such, is a component unit of NYS. Prior to January 1, 1999, Roswell Park was a division of the New York State Department of Health (“NYSDOH”). As a public benefit corporation, Roswell Park continues to adhere to the NYS public employees’ collective bargaining agreements and is required to provide employee benefits consistent with the NYS Executive Branch.

The Roswell Park Clinical Practice Plan (the "Practice Plan") was established for the management, including collection and disbursement, of clinical practice income resulting from the clinical practice of licensed health professionals employed by Roswell Park.

The Roswell Park Alliance Foundation, Inc. (the “Foundation”) was established in March 1991 to solicit, receive and administer donated funds to support scientific and clinical research, delivery of state-of-the-art medical care and treatment, and patient-related activities at Roswell Park. The Foundation is tax-exempt under Section 501(c)(3) of the Internal Revenue Code and is managed by a Board of Trustees of community leaders. This Board is independent of the Roswell Park Board of Directors and as such, Roswell Park's Board of Directors has no jurisdiction over the Board of Directors of the Foundation or the Foundation's assets.

Roswell Park Cancer Research Corporation (“RPCRC”) was organized in January 2025 to further the research objectives of Roswell Park. RPCRC provides effective pre and post award evaluation, solicitation and administration of external research support from federal agencies, nonprofit foundations and commercial firms in accordance with sponsor requirements. Roswell Park appoints RPCRC’s board of directors and retains certain reserved powers, thereby exercising control over RPCRC. Accordingly, RPCRC is included in Roswell Park’s consolidated financial statements.

RPCI Oncology, P.C. (“RPCIO”) was established in July 2012 as a vehicle for Roswell Park to acquire and operate community physician practices specializing in medical and surgical oncology and hematology services. This entity is in the customary corporate form of a captive professional corporation in which the entity is technically owned by a physician employee of Roswell Park, but such ownership is contractually tied to the continuation of that employment. Ownership is transferred to another physician employee of Roswell Park in the event the current owner’s employment with Roswell Park ends for any reason.

NR Physician Group, PLLC is a joint venture established to operate a physician-based radiation therapy service facility that offers advanced radiation therapy to patients in southern Erie County, New York. RPCIO’s ownership interest in the joint venture is 60%, however voting control is split evenly amount three owner entities. Therefore, this investment is recorded using the equity method of accounting.

Roswell Park is a majority owner of the membership interest of Global Biotechnology & Cancer Therapeutics LLC (“GBCT”). GBCT is a for-profit limited liability company that was formed to support and collaborate with established and emerging ventures interested in biotechnology and cancer therapeutics. GBCT is fully consolidated within Roswell Park’s consolidated financial statements and is considered a pass-through entity whereby the tax implications of GBCT’s operations are passed through to its owner/member.

NOTE 1. ORGANIZATION (CONTINUED)

Roswell Park is the sole member of GBCT Holdco LLC, a for-profit limited liability company that was formed as a holding company for GBCT to support new ventures arising out of the research of Roswell Park and affiliated entities. GBCT Holdco LLC is fully consolidated within Roswell Park's consolidated financial statements. It is considered a pass-through entity whereby the tax implications of its operations are passed through to its owner/ member.

GBCT II, LLC ("GBCT II") is a for-profit limited liability company formed to make investments in and provide services for emerging ventures in biotechnology and cancer therapeutics, including licensing inventions, and assisting with Food and Drug Administration approval of new therapies. GBCT is the sole member of GBCT II.

Innovative Immunotherapy Alliance S.A. ("IIA"), a joint venture biotechnology company established in Cuba, is jointly operated by GBCT's wholly owned subsidiary GBCT II and CIMAB S.A. (a majority owned marketing and commercialization subsidiary of the Center for Molecular Immunology ("CMI")). IIA was formed to research and develop innovative cancer immunotherapies. The joint venture provides Roswell Park with access to cancer medicines that were not previously accessible to patients or researchers in the United States. GBCT II's ownership interest is accounted for using the equity method of accounting. Refer to Note 14.

Roswell Park and Oneida Health System, Inc. each own a fifty percent (50%) membership interest in Oneida Health Roswell Park Oncology LLC ("OHRPO"), which owns and operates an outpatient radiation oncology facility to serve the oncology needs of patients in the Central New York area. Operations commenced in the summer of 2019. Funding to build the facility was provided by the joint venture partners and through a grant from New York State. Refer to Note 14.

Roswell Park has entered into a contractual joint venture agreement with Kaleida Health ("Kaleida"), a multi-hospital health system which owns and operates the Oishei Children's Hospital ("OCH") in Buffalo, New York. The agreement, which became effective December 1, 2017, established a clinically and financially integrated pediatric oncology program administered jointly by Roswell Park and OCH. Under the terms of the agreement with Kaleida, the net revenues and expenses of the joint program are shared 50/50 between Roswell Park and Kaleida.

Discretely Presented Component Unit: U.S. GAAP (as defined in Note 2) requires the inclusion within Roswell Park's consolidated financial statements, the financial statements of the Foundation as a component unit based on the nature and significance of the Center's relationship with the Foundation. The component unit information in the accompanying consolidated financial statements includes the financial data of the Roswell Park's discretely presented component unit. The Foundation is reported separately to emphasize that it is legally separate from Roswell Park.

The Foundation is a not-for-profit corporation organized to receive and administer gifts and bequests made on behalf of Roswell Park. Roswell Park utilizes these gifts and bequests in scientific and medical research, for the delivery of medical care to individuals suffering from cancer, and related charitable activities. Scientific and research grants made by the Foundation for use by Roswell Park are typically paid to and administered by RPCRC. The financial statements of the Foundation have been prepared on an accrual basis and their presentation has been modified to conform with Governmental Accounting Standards Board ("GASB") principles. The annual financial report can be obtained by writing to: Roswell Park Alliance Foundation, Inc., Elm and Carlton Streets, Buffalo, New York 14263.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in preparing the accompanying consolidated financial statements are summarized below:

Reporting Entity: Roswell Park Cancer Institute Corporation, the Practice Plan, RPCRC, RPCIO, GBCT (collectively referred to hereinafter as "Roswell Park") are consolidated for financial statement purposes in accordance with GASB. Collectively, Roswell Park Cancer Institute Corporation and the Practice Plan are referred to as the “Public Benefit Corporation” or the “PBC”. All significant intercompany balances and transactions have been eliminated in consolidation.

Accounting Principles: Roswell Park uses the proprietary fund method of accounting whereby revenues and expenses are recognized on the accrual basis.

All references to relevant authoritative literature issued by GASB, with which Roswell Park must comply, are hereinafter referred to generally as “U.S. GAAP.”

GASB Concepts *Statement No. 4, Elements of Financial Statements*, specifies that recognition of deferred outflows of resources and deferred inflows of resources should be limited to those instances specifically identified in authoritative GASB pronouncements. Consequently, guidance was needed to determine which balances being reported as assets and liabilities should actually be reported as deferred outflows of resources or deferred inflows of resources, according to the definitions in GASB Concepts Statement No. 4. Based on those definitions, GASB *Statement No. 65, Items Previously Reported as Assets and Liabilities*, reclassifies certain items currently being reported as assets and liabilities as deferred outflows of resources and deferred inflows of resources. In addition, this statement recognizes certain items currently being reported as assets and liabilities as outflows of resources and inflows of resources. This statement also provides financial reporting guidance related to the impact of the financial statement elements' deferred outflows of resources and deferred inflows of resources, such as changes in the determination of the major fund calculations and limiting the use of the term *deferred* in financial statement presentations.

As of June 30, 2009, the GASB has codified all sources of authoritative accounting literature pertaining to state and local government entities into a single set of authoritative literature, known as the GASB Codification. The GASB Codification includes all authoritative GASB pronouncements issued and effective as of June 30, 2009. Updates to the GASB Codification will be made from time to time as determined by the GASB pursuant to the GASB’s rule-making protocols and procedures. These updates may alter, amend, supplement, revoke or supersede the guidance contained in the GASB Codification as of the date of this report.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements.

Estimates also affect the reported amounts of revenues and expenses during the reporting period. Significant estimates made by Roswell Park include, but are not limited to, reserves for bad debts and third-party payor contractual adjustments and allowances, workers’ compensation and malpractice reserves, pension and post-employment benefit accruals and the fair value of investments. Actual results could differ from those estimates.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Risks and Uncertainties: Investment securities are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the fair value of investment securities, it is at least possible that changes in risks in the near term could materially affect the net position of Roswell Park.

Cash and Cash Equivalents: Roswell Park considers all highly liquid investments, with original maturities of three months or less, and short term investments (including certificates of deposit), excluding amounts limited as to use, to be cash equivalents. Roswell Park maintains funds on deposit in excess of amounts insured by the Federal Depository Insurance limits. In accordance with its investment policies and the NYS Comptroller's Investment Guidelines for Public Authorities, Roswell Park maintains collateral accounts with certain financial institutions to limit Roswell Park's exposure associated with Federal Depository Insurance limits.

Inventory Valuation: Inventories are stated at average cost on a first-in, first-out basis.

Assets Limited as to Use: Assets limited as to use include assets set aside for debt service as required by trustee or indenture agreements, assets held under the plan enabling legislation, assets set aside pursuant to donor stipulations, and assets designated by the Board of Directors for specific future purposes. If donated or contributed, assets limited as to use are reported at fair value as of the date of receipt, which is then treated as cost. Interest income on proceeds of borrowings that are held by a Trustee, and principally all other general fund investments, are reported as interest and other income. Classification in the consolidated statements of net position between current and non-current is generally determined by the purpose for which the assets are set aside.

Intangible Assets: Intangible assets consist of goodwill, patient charts and certain covenants not to compete. The goodwill represents an intangible asset to RPCIO that has an indefinite life, therefore, in accordance with accounting principles generally accepted in the United States of America, is not subject to amortization, but instead is subject to an impairment test. RPCIO performs an impairment test at least annually, unless events occur which would necessitate an impairment analysis to be performed more frequently. No impairment was identified as of March 31, 2026 and 2025. Patient charts and the covenants not to compete represent intangible assets with finite lives of 3 years. Amortization is provided on the straight-line method over the lives of the assets. All patient charts and covenants not to compete have been fully amortized.

Capital Assets: Capital assets are stated at historical cost. Depreciation is provided on the straight-line method over the useful lives of the assets ranging from 3 to 40 years, which are primarily determined based on the American Hospital Association's Guidelines. For certain buildings and equipment previously acquired or constructed, Roswell Park assigned composite lives which it believes will more appropriately reflect its financial results by better allocating costs relating to the major modernization project over the useful lives of the related assets. Amortization of equipment under finance leases is provided on the straight-line method over the term of the lease or the useful lives of the assets.

Investments in Joint Ventures: Roswell Park has invested in certain joint ventures that are recorded using the equity method of accounting, see Note 14.

Impairment of Long-Lived Assets: Under the provisions of GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*, Roswell Park evaluates its capital assets for financial impairment as prominent events or changes in circumstances affecting capital assets occur to determine whatever impairment of a capital asset has occurred. No adjustments were made in 2026 and 2025 as a result of performing these evaluations.

Net Position: Net position is classified into categories according to external donor restrictions or availability of assets to satisfy Roswell Park’s obligations, as discussed below:

(in thousands of dollars, except as otherwise noted)

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net investment in capital assets consists of capital assets reduced by accumulated depreciation and by any outstanding debt incurred to acquire, construct, or improve those assets.

Restricted expendable net position represents the net position with limits on their use that are externally imposed (by creditors, grantors, contributors, or laws and regulations).

Unrestricted net position consists of net position that does not meet the definition of any of the other two components.

Social Accountability: Roswell Park has a policy to provide financial assistance in the form of discounts from medical charges for patients who have been determined by Roswell Park to need treatment at Roswell Park and who do not have the ability to pay full charges, as determined under the qualifications criteria set forth in the aforementioned policy.

Net Patient Service Revenue and Patient Accounts Receivable: Net patient service revenue and patient accounts receivable are recorded at the estimated net realizable amounts from patients, third-party payors, and others for services rendered including estimated adjustments under various reimbursement agreements with third-party payors. The allowance for estimated uncollectible patient accounts receivable includes accounts referred to the NYS Attorney General for collection. Patient accounts receivable consist of the following at March 31:

	2026	2025
Patient accounts receivable	$ 471,118	$ 378,030
Allowance for estimated uncollectible receivables	(110,651)	(73,580)
	$ 360,467	$ 304,450

Third-party payors retain the right to review and propose adjustments to amounts recorded by Roswell Park. Such adjustments are accrued, when deemed probable and estimable, in the period the related services are rendered and adjusted in future periods as final settlements are determined. Management believes that adequate provision has been made in the consolidated financial statements for any adjustments that may result from final settlements. The impact of recording final settlements, pool payments and other third party payor adjustments resulted in the recognition of additional net operating revenues of $7,855 and $14,925 in 2026 and 2025, respectively.

Inpatient services rendered to Medicare program beneficiaries are based on a cost reimbursement methodology subject to certain ceilings for inpatient services. Roswell Park is reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports by Roswell Park and audits thereof by the Medicare fiscal intermediary.

Under the New York Health Care Reform Act (“NYHCRA”), hospitals are authorized to negotiate reimbursement rates with certain non-Medicare payors except for Medicaid, Workers' Compensation and No-fault, which are regulated by NYS. These negotiated rates may take the form of rates per discharge, reimbursed costs, and discounted charges or as per diem payments. Reimbursement rates for non-Medicare payors regulated by NYS are determined on a prospective basis. These rates also vary according to a patient classification system defined by NYHCRA that is based on clinical, diagnostic and other factors.

Outpatient services are paid under various reimbursement methodologies, including prospectively determined rates, cost reimbursement, fee schedules, and charges.

Approximately 14% and 16% of net patient service revenue was generated from the combined services rendered to patients under traditional Medicare and Medicaid programs in 2026 and 2025, respectively. Approximately 73% and 70% of net patient service revenue was generated from the combined services rendered to patients under managed care programs in 2026 and 2025, respectively.

(in thousands of dollars, except as otherwise noted)

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net patient service revenue, as reported on the consolidated statements of revenues, expenses and changes in net position is comprised of the following for the years ended March 31:

	2026	2025
Gross charges	$ 3,805,466	$ 3,321,468
Net settlements and appeals	7,855	14,925
Less:		
Discounts and allowances	(2,568,343)	(2,178,736)
Provision for bad debts	(49,525)	(19,722)
	$ 1,195,453	$ 1,137,935

Other Operating Revenue: Roswell Park considers revenues received from ancillary activities as other operating revenue.

The composition of other operating revenue is as follows for the years ended March 31:

	2026	2025
Regional support/affiliations	$ 14,564	$ 12,814
Pediatric joint venture	3,555	3,394
Alliance funding	2,259	1,652
Parking garage	2,925	2,801
Rebates	3,486	3,335
Rental income	1,748	1,540
Cafeteria	1,941	1,842
Other	5,661	3,305
	$ 36,139	$ 30,683

Grants and Contracts: Grant revenue consists primarily of research-related revenue recognized by RPCRC as the requirements of sponsor agreements are satisfied. For cost-reimbursement awards, revenue is recognized as qualifying expenditures are incurred. Certain grants may include advance payments or time and purpose restrictions; in such cases, revenue recognition is deferred until the applicable conditions are met.

Non-operating Revenues (Expenses): Interest and other income and investment gain, consist primarily of interest income and earnings on assets limited as to use, less amounts charged by the Dormitory Authority of the State of New York ("DASNY") for administrative services associated with Roswell Park's indebtedness, see Note 7.

Deficiency of Revenues over Expenses: The consolidated statement of revenues, expenses and changes in net position includes "deficiency of revenues over expenses." Changes in unrestricted net position, which is excluded from deficiency of revenues over expenses, include grants and contributions for the purchase of capital assets.

NYS Support for Capital and Related Expenses/Expenditures: This support consists principally of amounts appropriated annually by NYS for the payment of amounts relating to capital assets of the Center. These amounts totaled $6,848 in 2026 and $25,656 in 2025, and are included discretely in Changes in Net Position. Management considers these funds available to fund all expenses/expenditures relating to capital assets currently and previously placed into service.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions for Purchase of Capital Assets: Contributions for purchase of capital assets consist principally of amounts received by Roswell Park from the Foundation, which is a related party. Contributions from the Foundation were $7,867 and $7,141 in 2026 and 2025, respectively. Additionally, Roswell Park received grant funding for certain qualified capital project expenditures in 2026 and 2025. Roswell Park received $2,000 and $109 in 2026 and 2025, respectively, from the Department of Health and Human Services.

Taxes: As a public benefit corporation Roswell Park and the Practice Plan are exempt from federal and state income taxes as an instrumentality of the State of New York, as well as state and local property and sales taxes. As such, no provision for income taxes is made by either Roswell Park or the Practice Plan.

Both RPCRC and RPCIO are not-for-profit organizations as described in Section 501(c)(3) of the Internal Revenue Code and are generally exempt from federal and state income taxes on related income pursuant to Section 501 (a) of the Code. RPCIO’s federal Exempt Organization Business Income Tax Returns for tax years 2022, 2023, 2024 remain subject to examination by the Internal Revenue Service.

GBCT, GBCT Holdco LLC, and GBCT II LLC are all considered pass-through entities whereby the tax implications of the respective entities' operations are passed through to the respective owners/members.

Third-Party Advance Payment: In February 2024, Roswell Park was notified of a cybersecurity issue involving UnitedHealth Group’s Change Healthcare, which impacted the Practice Plan's billing process. On March 9, 2024 the Centers for Medicare and Medicaid Services ("CMS") and Optum Health announced new opportunities for physicians impacted by the cyberattack to request advance payments to help with cash flow disruptions. The Practice Plan received $27,421 and $6,076 in advance funding in 2025 and 2024, respectively. The balance of $33,497 was outstanding as of March 31, 2025 and was fully repaid during 2026.

Leases: In June 2017, GASB issued Statement No. 87, *Leases*. This statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments’ leasing activities.

The determination of whether an arrangement is a lease is made at the lease's inception. Under GASB 87, a lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. As a lessee and as a lessor, Roswell Park has assessed both of the following for each lease contract: (1) the right of the lessee to obtain the present service capacity from use of the underlying assets as specified in the contract, and (2) the right of the lessee to determine the nature and manner of use of the underlying asset as specified in the contract.

Leases whereby Roswell Park obtains ownership of the underlying asset by the end of the lease contract and do not contain termination options are designated as financed purchases of the underlying asset. Leases with terms in excess of 12 months are designated as intangible right-to-use assets. Financed purchase assets and intangible right-to-use assets are recognized at the lease commencement date based on the present value of lease payments over the lease term.

Subscription-Based Information Technology Arrangements ("SBITAs"): In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. The objective of this statement is to provide guidance on the accounting and financial reporting for SBITAs and is based on the standards established in GASB Statement No. 87, *Leases*, as amended.

(in thousands of dollars, except as otherwise noted)

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Under GASB 96, the definition of an SBITA is a contract that conveys control of the right to use another party's (a SBITA vendor's) IT software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

Roswell Park has assessed that a contract conveys control of the right to use the underlying IT assets if it has both of the following: (1) the right to obtain the present service capacity from use of the underlying IT assets as specified in the contract, and (2) the right to determine the nature and manner of use of the underlying IT assets as specified in the contract.

Certain Risk Disclosures: Effective for the year ended March 31, 2026, Roswell Park adopted GASB Statement No. 102, *Certain Risk Disclosures*. This statement requires governments to evaluate certain concentrations and constraints that could make the reporting entity vulnerable to the risk of a substantial impact if specified events associated with those concentrations or constraints have occurred, have begun to occur, or are more likely than not to occur within 12 months of the date the financial statements are issued. Roswell Park evaluated the requirements of GASB Statement No. 102 and concluded that no concentration or constraint met the criteria for disclosure as of March 31, 2026.

Recent Accounting Pronouncements: In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The requirements of this statement are effective for fiscal years beginning after June 15, 2025 (Roswell Park's fiscal year ending March 31, 2027). Management is currently evaluating the adoption of the accounting pronouncement and has not yet determined the impact this standard may have on the Roswell Park's financial statements.

Reclassifications: Certain prior year amounts were reclassified to conform to the 2026 consolidated financial statement presentation.

Subsequent Events: These consolidated financial statements have not been updated for subsequent events occurring after June 29, 2026, which is the date these consolidated financial statements were available to be issued.

NOTE 3. ASSETS LIMITED AS TO USE

Assets limited as to use consisted of the following at March 31:

	2026	2025
Assets with external restrictions (a)		
Bond proceeds held for future use (2025 series)	$ 33,608	$ —
Debt service reserve	—	29,695
Major modernization project	—	16,786
Malpractice reserve	16,730	16,101
TIAA/CREF escrow	923	654
Total assets with external restrictions	51,261	63,236
Assets with board designation (b)	249,171	233,563
Total assets limited as to use	300,432	296,799
Less: Current portion	(7,886)	(37,258)
Total assets limited as to use, net of current portion	$ 292,546	$ 259,541

(in thousands of dollars, except as otherwise noted)

NOTE 3. ASSETS LIMITED AS TO USE (CONTINUED)

Refer to Note 13 for the allocation of assets limited as to use.

(a) Assets with external restrictions are not available for general operational use and are subject to constraints imposed by external sources and/or enabling legislation.

(b) The Board designates funds for initiatives such as recruitment, capital projects, and employee benefits, among others. Such designations are considered unrestricted as they may be modified or removed at the Board's discretion to support institutional needs.

The current portion of assets limited as to use is determined based on the anticipated timing of use of the funds.

NOTE 4. CAPITAL ASSETS

Capital assets consisted of the following at March 31:

	2025	Additions	Transfers	Disposals/ Adjustments	2026
Non-depreciable assets:					
Land	$ 6,389	$ —	$ —	$ —	$ 6,389
Construction in progress	14,502	47,583	(39,013)	—	23,072
	20,891	47,583	(39,013)	—	29,461
Depreciable assets:					
Buildings and improvements	792,318	—	17,353	—	809,671
Equipment	398,867	665	21,660	(2,193)	418,999
	1,191,185	665	39,013	(2,193)	1,228,670
Accumulated depreciation:					
Buildings and improvements	(520,079)	(23,135)	—	—	(543,214)
Equipment	(301,982)	(31,647)	—	2,014	(331,615)
	(822,061)	(54,782)	—	2,014	(874,829)
Capital assets, net	$ 390,015	$ (6,534)	$ —	$ (179)	$ 383,302

	2024	Additions	Transfers	Disposals/ Adjustments	2025
Non-depreciable assets:					
Land	$ 6,389	$ —	$ —	$ —	$ 6,389
Construction in progress	54,749	53,532	(93,779)	—	14,502
	61,138	53,532	(93,779)	—	20,891
Depreciable assets:					
Buildings and improvements	752,668	—	39,650	—	792,318
Equipment	345,406	1,548	54,129	(2,216)	398,867
	1,098,074	1,548	93,779	(2,216)	1,191,185
Accumulated depreciation:					
Buildings and improvements	(496,850)	(23,229)	—	—	(520,079)
Equipment	(275,488)	(28,670)	—	2,176	(301,982)
	(772,338)	(51,899)	—	2,176	(822,061)
Capital assets, net	$ 386,874	$ 3,181	$ —	$ (40)	$ 390,015

Depreciation expense amounted to $54,782 and $51,899 in 2026 and 2025, respectively.

(in thousands of dollars, except as otherwise noted)

NOTE 5. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

The disaggregated components of accrued expenses and other current liabilities are as follows at March 31:

	2026	2025
Salaries and benefits	$ 63,977	$ 69,124
Unearned revenue	37,701	174
Payroll withholdings	15,765	9,104
Current portion of retirement and post-retirement benefits	12,974	12,006
Workers' compensation	9,492	8,814
Professional and general liability	15,632	14,180
Accrued interest	2,521	600
Other	34	21
	$ 158,096	$ 114,023

NOTE 6. SHORT-TERM BORROWINGS

Roswell Park has an agreement with M&T Bank which allows for borrowings under a working capital line of credit up to $50,000 and expires on January 4, 2028. During 2025, Roswell Park executed a draw of $50,000 on this line primarily to provide temporary working capital support during the implementation of a new revenue cycle system. The entire balance of $50,000 was repaid during 2026 with no balance outstanding as of March 31, 2026.

In addition, Roswell Park has a letter of credit agreement with M&T Bank as required under the Workers' Compensation Law. Pursuant to 12 CRR-NY 316.3, Roswell Park maintains a letter of credit with M&T Bank in the amount of $11,598 as of March 31, 2025 and $11,598 as of March 31, 2024. The letter of credit auto-renews on an annual basis until such a time as Roswell Park is no longer obligated to maintain a letter of credit as required by Workers' Compensation Law.

NOTE 7. LONG-TERM DEBT

The long-term debt obligations of Roswell Park consist of bonds issued by DASNY, wherein Roswell Park is the obligated group. DASNY bonds are collateralized by a first lien on the revenues of Roswell Park.

(in thousands of dollars, except as otherwise noted)

NOTE 7. LONG-TERM DEBT (CONTINUED)

As of March 31, long-term debt consists of the following:

	2026	2025
On August 20, 2025, DASNY issued Series A tax exempt revenue bonds in the amount of $123,385, wherein Roswell Park is the obligated group. Under the terms of issuance, interest ranges from 5.0% to 5.50% per annum with interest and principal payments due through July 2055. The bond proceeds were used primarily to fund capital investments by Roswell Park in addition to paying off the term loan mortgage executed in 2024.	$ 123,385	$ —
On August 20, 2025, DASNY issued Series B federally taxable revenue bonds in the amount of $51,755, wherein Roswell Park is the obligated group. Under the terms of issuance, interest is fixed at 4.84% per annum with interest and principal payments due through July 2032. The bond proceeds were used primarily to fund capital investments by Roswell Park.	51,755	—
On October 21, 2016, DASNY issued debt in the amount of $144,810 (Roswell Park allocated 80.76%). Under the terms of issuance, interest ranges from 3.0% to 5.0% per annum with interest and principal payments due through 2036. The Series 2016A Bonds were issued to refund DASNY issued debt. Proceeds were used to provide for payment of the redemption price of and accrued interest to the redemption date of the Refunded Bonds as well as the cost of issuance.	—	24,721
On February 28, 2024, Roswell Park entered into a Mortgage Agreement with Northwest Bank with respect to the purchase of the Scott Bieler Amherst Center at 199 and 203 Park Club Lane, in Amherst, New York. The mortgage agreement includes a term loan in the amount of $19,500, with a 5 year term and a 30 year amortization period. Roswell Park entered into an Interest Rate Swap Agreement with PNC Bank to obtain a fixed annual interest rate of 5.7% on the notional amount of $19,500. The term loan was repaid in full with the Series A proceeds mentioned previously.	—	19,249
	175,140	43,970
Plus: unamortized bond premium	4,987	877
Total long-term obligations	180,127	44,847
Less: current portion	—	(13,469)
Long-term obligations, net	$ 180,127	$ 31,378

(in thousands of dollars, except as otherwise noted)

NOTE 7. LONG-TERM DEBT (CONTINUED)

Obligation Type	2025	Additions	Deductions	2026
Bond Series 2025 A	$ —	$ 123,385	$ —	$ 123,385
Bond Series 2025 B	—	51,755	—	51,755
Bond Series 2016	24,721	—	(24,721)	—
Term Loan payable	19,249	—	(19,249)	—
	43,970	175,140	(43,970)	175,140
Plus: unamortized bond premium (a)	877	5,009	(899)	4,987
Total long-term obligations	44,847	$ 180,149	$ (44,869)	180,127
Less: current portion	(13,469)			—
Long-term obligations, net	$ 31,378			$ 180,127

Obligation Type	2024	Additions	Deductions	2025
Bond Series 2011	$ 2,327	$ —	$ (2,327)	$ —
Bond Series 2016	36,590	—	(11,869)	24,721
Term Loan payable	19,500	—	(251)	19,249
	58,417	—	(14,447)	43,970
Plus: unamortized bond premium (a)	1,271	—	(394)	877
Total long-term obligations	59,688	$ —	$ (14,841)	44,847
Less: current portion	(14,449)			(13,469)
Long-term obligations, net	$ 45,239			$ 31,378

(a) Roswell Park uses the effective interest method for amortizing these premiums. Included as an offset to interest expense is $87 and $393 in 2026 and 2025, respectively, related to the amortization of bond premium.

Future principal and interest payments on long-term debt are summarized as follows:

	Principal	Interest
Year ending March 31,		
2027	$ —	$ 9,094
2028	—	9,094
2029	—	9,094
2030	—	9,094
2031	—	9,094
2032-2036	60,780	36,043
2037-2041	18,415	28,481
Thereafter	95,945	44,727
Plus: Unamortized bond premium	4,987	—
	$ 180,127	$ 154,721

(in thousands of dollars, except as otherwise noted)

NOTE 8. POST-EMPLOYMENT BENEFITS

Benefit Plan Description: Employees of Roswell Park participate in the New York State Health Insurance Plan (the “Benefit Plan”), a defined benefit, agent multiple employer-type plan administered by the NYS Department of Civil Service Employee Benefits Division. The Benefit Plan offers a range of benefits to its participants, including inpatient, outpatient and emergency services, as well as mental health coverage and prescription drug benefits. The Benefit Plan offers benefits through the New York State Health Insurance Empire Plan and two Health Maintenance Organizations (“HMOs”), each of which contain varying levels of coverage and cost. The Benefit Plan does not issue a stand-alone report.

Post-employment benefits include healthcare benefits, life insurance benefits, and, in some cases, sick pay accrual. These benefits arise from an exchange of salaries and benefits for employee services rendered and constitute part of the compensation for those services. The goal is to measure and recognize the cost of the post-employment benefits during the period when the employees render the services and to provide relevant information about obligations and the extent to which progress is being made in funding these obligations.

Roswell Park administers the Retiree Group Health Benefits Program as a single employer defined benefit Other Postemployment Benefit Plan ("OPEB"). The Program provides for continuation of Retiree Group Health Benefits for certain retirees and their spouses and can be amended by action of Roswell Park subject to applicable collective bargaining agreements.

Funded Status and Funding Progress: Roswell Park has the authority to establish its own funding policy. Under its current policy, Roswell Park is not required to fund the Benefit Plan or the Annual Required Contribution (“ARC”, an actuarial determined amount as defined by U.S. GAAP). Roswell Park is seeking relief from NYS for all, or a significant portion, of the unfunded OPEB liability. To date, NYS has not agreed to this relief.

The Benefit Plan requires participants to contribute a portion of the monthly premiums. The following table illustrates the participant contribution rates per plan for 2026 and 2025.

		Participant Contribution	
Plan	**Tier**	**2026**	**2025**
Empire	Single	$ 127.16	$ 137.38
	Family	$ 562.52	$ 607.73
Highmark BCBS of WNY	Single	$ 113.85	$ 111.72
	Family	$ 478.77	$ 467.68
Independent Health	Single	$ 112.32	$ 113.73
	Family	$ 466.54	$ 471.75

The most recent actuarial valuation for the OPEB plan was as of April 1, 2024, which is then rolled forward to March 31, 2025. As of March 31, 2025, the benefit plan was unfunded. Roswell Park is continually seeking support from NYS to fund all or a significant portion of the unfunded OPEB liability. Roswell Park believes it will need some form of assistance from NYS in order to meet future OPEB obligations resulting from the benefits that have, and will continue to, accrue under the plan.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

(in thousands of dollars, except as otherwise noted)

NOTE 8. POST-EMPLOYMENT BENEFITS (CONTINUED)

The schedule of funding progress, presented in management's discussion and analysis preceding the notes to the consolidated financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Annual Other Postemployment Benefit Cost (Benefit) and Net OPEB:
Roswell Park's total OPEB liability measured at March 31, 2026 of $408,873 was determined by an actuarial valuation as of April 1, 2024. The measurement date of the obligation is March 31, 2025.

The following table illustrates Roswell Park's annual OPEB cost (benefit), percentage of annual OPEB cost contributed by Roswell Park, and the net OPEB obligation for 2026 and 2025.

Fiscal Year	Annual OPEB Cost (Benefit)	Percentage of Annual OPEB Cost Contributed	Total OPEB Obligation
3/31/2025	$ (7,548)	238.30%	$ 350,793
3/31/2026	$ (3,948)	499.99%	$ 408,873

The total OPEB liability is the portion of actuarial present value of projected benefit payments that is attributable to past periods of member service using the Entry Age Normal cost method requirements of GASB 75. The total annual OPEB liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions and was then projected forward to the measurement date in accordance with the parameters of GASB 75. As of March 31, 2026 and 2025, $408,873 and $350,793, respectively, was reported for the Roswell Park's total OPEB liability.

Deferred inflows of resources and deferred outflows or resources are portions of changes in total OPEB liability that are not immediately recognized in OPEB expense. These changes include differences between expected and actual experience, changes in assumptions and differences between expected and actual earnings on plan investments.

For the year ended March 31, 2026, Roswell Park recognized OPEB expense of $(3,948). As of March 31, 2026, Roswell Park reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 27,815	$ 134,474
Change in actuarial assumptions	$ 24,498	$ 78,111
Total	$ 52,313	$ 212,585

For the year ended March 31, 2025, Roswell Park recognized OPEB expense of $(7,548). As of March 31, 2025, Roswell Park reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ —	$ 175,247
Change in actuarial assumptions	$ 30,736	$ 97,528
Total	$ 30,736	$ 272,775

(in thousands of dollars, except as otherwise noted)

NOTE 8. POST-EMPLOYMENT BENEFITS (CONTINUED)

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended March 31:	
2027	$ 40,167
2028	41,958
2029	33,362
2030	25,005
2031	13,426
Thereafter	6,354
	$ 160,272

Actuarial Method and Assumptions:
Roswell Park's total OPEB liability was determined by an actuarial valuation as of April 1, 2024, using the following actuarial assumptions:

Significant actuarial assumptions used in the April 1, 2024 valuation were as follows:

Inflation rate	2.50%
Salary scale	3.75%
Health cost	Entry Age Normal
Mortality	Pri.H-2012 Mortality Tables
Discount rate	4.64%

The discount rate used to calculate the total OPEB liability as of March 31, 2026 was 4.64%. The discount rate is a single rate of return, when applied to all projected benefit payments equal to the sum of: (1) The actuarial present value of benefit payments projected to be made in future periods where the plan assets are projected to be sufficient to meet benefit payments, calculated using the Long-Term Expected Rate of Return, and (2) The actuarial present value of projected benefit payments not included in (1), calculated using the Municipal Bond Rate. The Municipal Bond Rate is a yield or index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

This valuation report reflects post-employment benefits that have been extended to current and future retirees and their dependents. Actuarial valuations involve estimates of the value of reported amounts, assumptions about the probability of events in the future and actuary-determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Examples include assumptions about employment, mortality and the healthcare cost trend. In accordance with GASB 75, the Entry Age Normal cost method was used for determining service costs and the actuarial accrued liability. All benefits estimated to be payable through the OPEB plan to current active and inactive employees as a result of their past service and expected future service.

(in thousands of dollars, except as otherwise noted)

NOTE 8. POST-EMPLOYMENT BENEFITS (CONTINUED)

OPEB Status and Funding Progress:

The Roswell Park's OPEB obligation and the funded status of the plan as of March 31, 2026 are as follows:

OPEB balance at April 1, 2025	$ 350,793
Changes for period:	
Service cost	18,972
Interest	17,348
Differences between expected and actual experience	32,174
Changes in assumptions	9,324
Actual benefit payments	(19,738)
Net changes	58,080
OPEB balance at March 31, 2026	$ 408,873

Matters Involving New York State: Roswell Park has recognized in its consolidated statements of net position and consolidated statements of revenues, expenses and changes in net position the amounts described above. In so doing, Roswell Park has assumed that it will be liable for the portion of benefits attributable to services provided by its employees for the period prior to January 1, 1999, the date at which Roswell Park became a public benefit corporation of the State of New York. As discussed previously, Roswell Park is seeking some form of financial assistance from NYS to fund all or a significant portion of the unfunded OPEB liability. Roswell Park believes it will need some form of assistance from NYS in order to meet the future OPEB plan obligations resulting from the benefits that have, and will continue to, accrue under the OPEB plan.

If the State of New York were to agree to assume all of the benefits for the time period it operated Roswell Park (e.g. prior to 1/1/99), Roswell Park would have the potential to recognize the reduction in its accrued liability for any amounts of that liability to which the State would agree to accept.

The following table illustrates the actuary-derived estimates of the post-employment benefit liability and associated costs as of March 31, 2026, utilizing a cut-off date of January 1, 1999:

	Prior to January 1, 1999	Post January 1, 1999	Total
Total OPEB liability - beginning of year	$ 40,125	$ 310,668	$ 350,793
Service cost	32	18,940	18,972
Interest cost	1,918	15,430	17,348
Differences between expected and actual experience	4,493	27,681	32,174
Change of assumptions of other inputs	2,898	6,426	9,324
Actual benefit payments	(3,299)	(16,439)	(19,738)
Net OPEB liability - end of year	$ 46,167	$ 362,706	$ 408,873

Sensitivity of Roswell Park's net OPEB liability to changes in the discount rate: The following presents Roswell Park's net OPEB liability calculated using the discount rate of 4.64%, as well as what Roswell Park's net OPEB liability would be if it were calculated using a rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% decrease (3.64%)	Current rate (4.64%)	1% increase (5.64%)
Roswell Park's net OPEB liability	$481,618	$408,873	$350,730

(in thousands of dollars, except as otherwise noted)

NOTE 8. POST-EMPLOYMENT BENEFITS (CONTINUED)

Sensitivity of Roswell Park's net OPEB liability to changes in healthcare cost trend rates: The following presents Roswell Park's net OPEB liability calculated using the current healthcare cost trend rate of 4.037%, as well as what Roswell Park's net OPEB liability would be if it were calculated using a rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% decrease (3.037%)	Current rate (4.037%)	1% increase (5.037%)
Roswell Park's net OPEB liability	\$345,923	\$408,873	\$489,388

NOTE 9. PENSION

Plan Description: The New York State Comptroller's Office administers the following plans: the New York State and Local Employees Retirement System ("ERS") and the New York State and Local Police and Fire Retirement System ("PFRS"), which are collectively referred to as the New York State and Local Retirement System (the "System"). The net position of the System is held in the New York State Common Retirement Fund (the "Fund"), which was established to hold all assets and record changes in fiduciary net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. System benefits are established under the provisions of the New York State Retirement and Social Security Law ("RSSL"). Separately issued financial statements for the System can be accessed on the Comptroller's website at *www.osc.state.ny.us/common-retirement-fund/resources/financial-reporting-and-asset-allocation.* Certain employees of Roswell Park participate in the ERS, a defined benefit, cost sharing multiple employer-type plan administered by the Comptroller of the State of New York.

The ERS provides retirement, disability, and death benefits to plan members and beneficiaries. Benefit provisions are established and may be amended only by the New York State Legislature. Retirement benefits are generally based on a member's final average salary and years of credited service, with vesting and eligibility requirements determined by the applicable tier of membership. The plan also provides for automatic cost-of-living adjustments, subject to statutory provisions and plan funding levels.

Members are classified into tiers based on their date of membership, which determines contribution requirements, benefit formulas, and retirement eligibility. Employees participating in the ERS are required to contribute a percentage of their salary based on their tier and compensation levels, while the State of New York is responsible for funding the majority of employer contributions associated with these participants.

Contributions:
<u>Employer contributions</u>
Roswell Park is required under the RSSL to contribute to the plan at an actuary-determined rate adopted annually by the Comptroller. The average contribution rate for ERS for the fiscal year ended March 31, 2026 was approximately 13.1% of payroll expense. Roswell Park contributed \$40,413 and \$34,643 to the plan in the fiscal years 2026 and 2025, respectively.

<u>Member contributions</u>
Generally, Tier 3, 4, and 5 members must contribute 3% of their salary to the plan. As a result of Article 19 of the RSSL, eligible Tier 3 and 4 employees, with a membership date on or after July 27, 1976, who have ten or more years of membership or credited service with the plan, are not required to contribute. Members cannot be required to begin making contributions or to make increased contributions beyond what is required when membership began. For Tier 6 members, the contribution rate varies from 3% to 6% depending on salary. Generally, Tier 5 and 6 members are required to contribute for all years of service.

(in thousands of dollars, except as otherwise noted)

NOTE 9. PENSION (CONTINUED)

As of March 31, 2026 and 2025, Roswell Park reported a liability of $144,473 and $115,189, respectively, for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2025 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of April 1, 2024. The basis for Roswell Park's proportion of the net pension liability is consistent with the manner in which contributions to the pension plan are determined. The System computed each employer's projected long-term contribution effort to ERS as compared to the total projected long-term contribution effort for all employers to ERS. Roswell Park's proportion was 0.8426192% and 0.782319000% as of March 31, 2026 and 2025, respectively.

Contributions for the current year and two preceding years were equal to 100% of the contributions required and were as follows:

2026	$	40,413
2025	$	34,643
2024	$	25,744

For the year ended March 31, 2026, Roswell Park recognized a pension expense of $30,215. As of March 31, 2026, Roswell Park reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
Difference between expected and actual experience	$	35,859	$	1,691
Net difference between projected and actual investment earnings on pension plan investments		11,335		—
Changes of assumptions		6,059		—
Change in proportion and differences between employer contributions and proportionate share of contributions		8,033		9,995
Contributions subsequent to measurement date		40,413		—
Total	$	101,699	$	11,686

The $40,413 reported as deferred outflows of resources are the result of Roswell Park's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended March 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year ended March 31:		
2026	$	64,084
2027	$	36,576
2028	$	(12,439)
2029	$	1,792
Thereafter		—

(in thousands of dollars, except as otherwise noted)

NOTE 9. PENSION (CONTINUED)

For the year ended March 31, 2025, Roswell Park recognized a pension expense of $47,358. As of March 31, 2025, Roswell Park reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 37,103	$ 3,141
Net difference between projected and actual investment earnings on pension plan investments	—	56,269
Changes of assumptions	43,551	—
Change in proportion and differences between employer contributions and proportionate share of contributions	4,272	9,528
Contributions subsequent to measurement date	34,643	—
Total	$ 119,569	$ 68,938

Actuarial Methods and Assumption:
The total pension liability for the March 31, 2025 measurement date was determined by using an actuarial valuation as of April 1, 2024 with updating procedures through March 31, 2026.

Actuarial cost method	Entry age normal
Inflation	2.9%
Salary scale	4.3%
Investment rate of return	5.9%
Cost of living adjustment	1.5%
Mortality table	Society of Actuaries' Scale MP-2021

The long-term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice ("ASOP") No. 27, Selection of Economic Assumptions for Measuring Pension Obligations. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. The best estimate of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2025 are summarized below.

Asset Class	Target Allocation	Long-term expected real rate of return
Domestic equity	25.00%	3.54%
International equity	14.00%	6.57%
Private equity	15.00%	7.25%
Real estate	12.00%	4.95%
Opportunistic portfolio	3.00%	5.25%
Real assets	4.00%	5.40%
Bonds and mortgages	4.00%	5.55%
Cash	22.00%	2.00%
Inflation-indexed bonds	1.00%	0.25 %
	100.00%	

(in thousands of dollars, except as otherwise noted)

NOTE 9. PENSION (CONTINUED)

Discount rate: The discount rate used to calculate the total pension liability was 5.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, on an actuary-determined basis. Based upon these assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of Roswell Park's proportionate share of the net pension liability to changes in the discount rate: The following presents Roswell Park's proportionate share of the net pension liability calculated using the discount rate of 5.9%, as well as what Roswell Park's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower 4.9% or 1 percentage point higher 6.9% than the current rate:

	1% decrease (4.9%)	Current discount rate (5.9%)	1% increase (6.9%)
Roswell Park's proportionate share of the net pension liability (asset)	$418,123	$144,473	$(84,025)

Pension Plan Fiduciary Net Position: The components of the current-year net pension liability of all employers as of March 31, 2026 were as follows:

Employers' total pension liability	$ 247,600
Plan net position	(230,455)
Employers' net pension total	$ 17,145
Ratio of Plan net position to the Employers' total pension liability	93.08 %

NOTE 10. INSURANCE ARRANGEMENTS

Roswell Park is exposed to various risks of loss from torts, theft of, damage to, and destruction of assets, business interruption, errors and omissions, employee injuries and illnesses, natural disasters, and employee health, dental and accident benefits. Roswell Park's insurance arrangements are as follows:

Professional and General Liability: Roswell Park maintains a partially self-insured program covering general and professional liability claims against Roswell Park and its employees. Roswell Park maintains claims made insurance coverage for losses that exceed $4,000 for the first claim in each year and $6,000 in the aggregate for all claims per year, including defense costs. For any subsequent claims within the same year, the self-insured limits are $3,000 per claim and $6,000 aggregate. Roswell Park's purchased excess general and professional liability policy covers the next $15,000 per claim and in the aggregate per year, over and above Roswell Park's retained exposure limit identified above. Professional liability coverage is on a claims made basis, while general liability coverage is occurrence based. Claims alleging malpractice have been asserted against Roswell Park and are currently in various stages of litigation. It is the opinion of management that the existing reserves, insurance policies and funds held by a trustee under the malpractice and general liability trust agreement (see Note 3) are adequate to provide for potential losses resulting from pending or threatened litigation of which management is currently aware. Additional claims may have been asserted against Roswell Park through March 31, 2026, for which reserves have been estimated. Claim reserves were discounted using a rate of 3% in 2026 and 2025.

(in thousands of dollars, except as otherwise noted)

NOTE 10. INSURANCE ARRANGEMENTS (CONTINUED)

The provision for malpractice expense for the years ended March 31, 2026 and 2025 was $3,208 and $676, respectively. The provision for malpractice claims includes actuarial changes that are made annually in the normal course of developing estimated exposures for such claims.

Workers' Compensation: Roswell Park is partially self-insured for workers' compensation risks with self-insurance limits of $600 per occurrence. Roswell Park also maintains excess workers' compensation insurance with limits of $1,000. It is the opinion of management that the existing reserves and policies are adequate to provide for potential losses resulting from incidents of which management is currently aware. Additional incidents may have occurred through March 31, 2026, for which reserves have been estimated. The charges to expense for workers' compensation related costs approximated $3,324 and $2,238 in 2026 and 2025, respectively, and are included as a component of employee benefits expense in the consolidated statements of revenues, expenses and changes in net position.

NOTE 11. LEGAL MATTERS

Regulatory Compliance: The health care industry is subject to numerous laws and regulations of federal, state and local governments. Compliance with these laws and regulations can be subject to future government review and interpretation as well as regulatory actions unknown or unasserted at the time. Government activity continues with respect to investigations and allegations concerning possible violations by health care providers of fraud and abuse statutes and regulations, which could result in the imposition of significant fines and penalties as well as significant repayments for patient services previously billed under Medicare and Medicaid programs in the current and preceding years.

Medicare and Medicaid programs accounted for approximately 13% and 1% in 2026, respectively, and 15% and 1% in 2025, respectively, of Roswell Park's net patient service revenues for the years then ended.

Litigation: Roswell Park is involved in litigation arising in the normal course of business. After consultation with legal counsel, management estimates that these matters will be resolved without material adverse effect on Roswell Park's future financial position, results from operations and cash flows.

NOTE 12. CONCENTRATION OF CREDIT RISK

Roswell Park grants credit without collateral to its patients, most of whom are residents of Western New York and are insured under third-party agreements. The mix of receivables from patients and third-party payors at March 31 is as follows:

	2026	2025
Highmark BCBS of WNY	26 %	26 %
Independent Health	15	14
Medicaid	1	1
Medicare	10	10
Other	47	48
Patients	1	1
	100 %	100 %

The payer categories above include all relevant lines of business, including commercial products, as well as managed Medicare, Medicaid and other such products. The total managed Medicare and Medicaid products included in the above totals is 32% and 12% respectively in 2026, and 30% and 11% respectively in 2025. See Note 2 regarding maintenance of collateral accounts to limit exposure associated with Federal Deposit Insurance limits.

(in thousands of dollars, except as otherwise noted)

NOTE 13. FAIR VALUES OF FINANCIAL INSTRUMENTS

The estimated fair value amounts of Roswell Park's financial instruments have been determined by using available market information and valuation methodologies. Considerable judgment is required to develop the estimates of fair value, thus, the estimates provided herein are not necessarily indicative of the amounts that could be realized in a current market exchange.

The carrying value of cash and cash equivalents, patient's accounts receivable, accounts payable, estimated third party payor settlements accrued expenses, and all other current liabilities approximates their fair value. Investments are carried at fair value using quoted market prices or estimated fair values.

Cash deposits with financial institutions
Custodial credit risk for deposits is the risk that, in the event of a bank failure, Roswell Park's deposits may not be returned. Roswell Park's deposit policy limits exposure to custodial credit risk by requiring deposits to be either covered by federal depository insurance or collateralized by securities held by the pledging financial institution's trust department or agent in Roswell Park's name.

As of March 31, 2026, Roswell Park's deposits are maintained with financial institutions and are placed through the Insured Cash Sweep (ICS) program. The ICS program allows deposits to be distributed among multiple participating financial institutions in amounts that are fully insured by the Federal Deposit Insurance Corporation (FDIC). Accordingly, Roswell Park is not exposed to custodial credit risk for its deposits at March 31, 2026.

Investments
Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, Roswell Park manages its exposure to declines in fair values by limiting maturities of its U.S. government obligations to 5 years. Roswell Park is invested in debt securities with maturity dates ranging from 2026 through 2031.

As of March 31, 2026, Roswell Park had the following investments:

		Investment Maturities (in years)	
Investment Type	**Fair Value**	**Less than 1 year**	**1-5 years**
U.S Government obligations	$ 255,181	$ 66,459	$ 188,722
Certificates of Deposit	53,464	53,464	—
Commercial paper/Corporate obligations	22	22	—
Total	$ 308,667	$ 119,945	$ 188,722

Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty, Roswell Park will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Roswell Park's investment policy limits exposure to custodial credit risk by requiring that securities be held by the counterparty or its trust department or agent in Roswell Park's name.

As of March 31, 2026, Roswell Park's investments consist of U.S. government obligations and certificates of deposit. U.S. government obligations are either explicitly guaranteed by the United States government or are not subject to custodial credit risk. Roswell Park's certificates of deposit are placed through the Certificate of Deposit Account Registry Service (CDARS) program, which allows deposits to be distributed among multiple participating financial institutions in amounts that are fully insured by the FDIC. Accordingly, Roswell Park is not exposed to custodial credit risk for its investments at March 31, 2026.

NOTE 13. FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Roswell Park's investment policy limits credit risk by restricting investments to high-quality instruments, including obligations of the U.S. government and certificates of deposit with financial institutions.

As of March 31, 2026, Roswell Park's investments consist of U.S. government obligations, which are either explicitly guaranteed by the United States government or backed by its full faith and credit, and certificates of deposit placed through the Certificate of Deposit Account Registry Service (CDARS) program. The CDARS program distributes deposits among multiple participating financial institutions in amounts that are fully insured by the Federal Deposit Insurance Corporation (FDIC). Accordingly, Roswell Park's exposure to credit risk is limited.

Concentration of credit risk is the risk of loss attributed to the magnitude of an entity's investment in a single issuer. Roswell Park's investment policy limits concentration of credit risk by diversifying investments and limiting holdings in any one issuer.

As of March 31, 2026, Roswell Park's investments consist of U.S. government obligations and certificates of deposit. Investments in U.S. government obligations are issued or guaranteed by the United States government and, therefore, are not subject to concentration of credit risk. Roswell Park's certificates of deposit are placed through the Certificate of Deposit Account Registry Service (CDARS) program, which distributes deposits among multiple participating financial institutions. As a result, Roswell Park does not have a material concentration of credit risk in any single financial institution at March 31, 2026.

Roswell Park is operated as a component unit of the State of New York. DASNY issues bonds on behalf of Roswell Park. DASNY has numerous separate maturities of bonds which would have to be separately valued, and, secondly, the unique circumstances affecting the State make it impractical to estimate the fair value of bonds.

Additionally, considering the restrictive nature of the bond issuer, it is management's opinion that such disclosure would not enhance the usefulness of the financial statements.

During the year ended March 31, 2024, Roswell Park entered into an interest rate swap agreement with respect to the 2029 term note classified as long term debt in Note 7. This swap agreement was terminated during 2026 in association with the term note repayment. Roswell Park previously used the interest rate swap agreement to reduce its exposure to interest rate changes. The Swap Agreement effectively converted the variable rate debt to a long-term fixed rate. Under this agreement, Roswell Park received variable rate payments from PNC Bank based on the 90% of the 1-month Secured Overnight Financing Rate ("SOFR") plus 180 basis points, recalculated on a monthly basis, which Roswell Park then paid to Northwest Bank, and Roswell Park paid a fixed rate to PNC Bank. The mark to market fair value of the interest rate swap agreement resulted in an unrealized gain of $458 as of March 31, 2025.

Assets and liabilities recorded at fair value in the statement of net position are categorized based upon the level of judgment associated with the inputs used to measure their fair value. An asset or a liability's categorization within the fair value hierarchy is based on the lowest level of judgment input to its valuation hierarchical levels, defined by U.S. GAAP, are directly related to the amount of subjectivity associated with the inputs to fair valuation of these assets and liabilities as follows:

Level I: Valuations based on quoted prices in active markets for identical assets or liabilities that the Center has the ability to access. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment. Level I assets include cash and cash equivalents, debt and equity securities that are traded in active exchange markets, as well as certain U.S. Treasury and other U.S. Governments and agencies that are highly liquid and are actively traded in over-the-counter markets.

(in thousands of dollars, except as otherwise noted)

NOTE 13. FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

Level II: Valuations based on quoted prices in active markets for similar assets or liabilities quoted prices in markets that are not active or for which all significant inputs are observable, directly or indirectly. Level II assets would include equity and fixed income managed funds with quoted prices that are traded less frequently than exchange-traded instruments whose value is determined using a pricing model with inputs that are observable in the market or can be derived principally from or corroborated by observable market data.

Level III: Valuations based on inputs that are unobservable and significant to the overall fair value measurement. These are generally company generated inputs and are not market based inputs. Level III assets would include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques as well as instruments for which the determination of fair value requires significant investment management judgment or estimation.

The following tables present information about assets and liabilities that are measured at fair value on a recurring basis as of March 31, 2026 and 2025, and indicates the fair value hierarchy of the valuation techniques utilized to determine such fair value.

As of March 31, 2026	Level I	Level II	Level III	Total
Cash and cash equivalents	$ 123,918	$ —	$ —	$ 123,918
Commercial paper/corporate obligations	22	—	—	22
Certificates of deposit	53,464	—	—	53,464
U.S. Government obligations	255,181	—	—	255,181
Total cash, cash equivalents, and assets limited as to use	$ 432,585	$ —	$ —	$ 432,585

As of March 31, 2025	Level I	Level II	Level III	Total
Cash and cash equivalents	$ 168,886	$ —	$ —	$ 168,886
Commercial paper/corporate obligations	15,982	—	—	15,982
Certificates of deposit	51,440	—	—	51,440
U.S. Government obligations	270,424	—	—	270,424
Municipal issues	28	—	—	28
Interest rate swaps	—	459	—	459
Total cash, cash equivalents, and assets limited as to use	$ 506,760	$ 459	$ —	$ 507,219

NOTE 14. RELATED PARTIES

New York State:

Operating Support: As discussed in Note 1, Roswell Park is related to NYS by virtue of ownership and control. Annually, Roswell Park receives a significant portion of its operating revenue from NYS. This support is a fundamental component of Roswell Park's annual operating budget. During the years ended March 31, 2026 and 2025, total support received from NYS amounted to approximately $106,767 and $110,767, respectively. Roswell Park is dependent on the continuation of this financial support and forbearance of NYS to continue its operations as a National Cancer Institute designated comprehensive cancer research and treatment center.

NOTE 14. RELATED PARTIES (CONTINUED)

Long-Term Obligations: As further discussed in Note 7, Roswell Park recognizes in its consolidated statement of net position the full amount of DASNY bonds issued on its behalf in 2026, for which Roswell Park is the sole obligated group. Accordingly, Roswell Park is responsible for all related debt service and associated transactions. Scheduled debt service payments and other related transactions are made using Roswell Park funds. In addition, from time to time, DASNY may elect to extinguish or otherwise defease certain debt issuances; in such instances, Roswell Park recognizes the effects of those transactions in its financial statements, including any resulting gain or loss on extinguishment.

Health Research, Incorporated:

HRI is a not-for-profit corporation chartered under the laws of NYS in 1953 primarily to apply for, secure and administer gifts or grants in furtherance of the research, prevention and treatment of diseases and conditions by the NYSDOH, Roswell Park and other health related entities and as such is related to Roswell Park. During the years ended March 31, 2026 and 2025, Roswell Park paid approximately $4,380 and $9,182, respectively, of expenses incurred by HRI on Roswell Park's behalf. These payments relate primarily to expenses for the recruitment and retention of certain principal investigators ("PIs"). Additionally, approximately $2,744 and $4,242 of grant revenue was remitted by HRI to Roswell Park in the years ended 2026 and 2025, respectively. This revenue was generated by salary recovery on medical staff paid by Roswell Park. Roswell Park's policy is to allow for salary recovery on research staff to be retained by HRI as part of the overall contribution to HRI. This amounted to approximately $7,308 and $10,287 in 2026 and 2025, respectively. Furthermore, certain expenses are incurred by HRI on behalf of Roswell Park, and by Roswell Park on behalf of HRI, and reimbursement for these expenses is not sought by either organization in the ordinary course of business. These expenses include certain items such as rent and maintenance, administrative support and other related services. During 2026, the research activities performed at Roswell Park, with the exception of those that are federally funded, were transitioned to RPCRC.

Joint Ventures:

NR Physician Group, PLLC is a joint venture established to operate a physician-based radiation therapy service facility that offers advanced radiation therapy to patients in southern Erie County, New York. RPCIO's ownership interest in the joint venture is 60%; however, voting control is split evenly among three owner entities. Therefore, this investment is recorded using the equity method of accounting.

Oneida Health Roswell Park Oncology, LLC is a joint venture established to operate a diagnostic and treatment facility that provides radiation oncology therapy services in Central New York State. Roswell Park's ownership interest in the joint venture is 50% and is recorded using the equity method of accounting. As of March 31, 2026, Roswell Park was in the process of withdrawing as a member of the joint venture.

IIA is a joint venture established with CIMAB S.A. (a majority owned marketing and commercialization subsidiary of CMI) to research and develop innovative cancer immunotherapies. The joint venture provides Roswell Park with access to cancer medicines that were not previously accessible to patients or researchers in the United States. Roswell Park's ownership interest in the joint venture is 28% and is recorded using the equity method of accounting.

MimiVax, LLC ("Mimivax") is a for-profit corporation, headquartered in Buffalo, New York, that was formed to focus on the development and commercialization of immunotherapeutic vaccines and targeted therapies for the treatment of cancer. Roswell Park's ownership interest in the joint venture is 24.4% (of which Roswell Park owns 1.8% and Health Research, Incorporated owns, on behalf of Roswell Park 22.6%) and is recorded using the equity method of accounting. In fiscal year 2021, Roswell Park contributed approximately $1,500 that was funded by the Foundation.

(in thousands of dollars, except as otherwise noted)

NOTE 14. RELATED PARTIES (CONTINUED)

Investments in joint ventures as of March 31 comprise of the following:

	2026	2025
Innovative Immunotherapy Alliance S.A.	$ 4,091	$ 3,426
Oneida Health Roswell Park Oncology, LLC	(2,188)	(1,332)
NR Physician Group, PLLC	79	79
Mimivax	1,500	1,500
	$ 3,482	$ 3,673

NOTE 15. BLENDED COMPONENT INFORMATION

The following consolidating and combining information summarize the financial position and results of operations as of and for the year ended March 31, 2026. All significant intercompany balances and transactions have been eliminated ("Elims") in consolidation.

Condensed Consolidating Statements of Net Position

	2026					
	PBC	RPCRC	RPCIO	GBCT	Elims	Total
Assets and deferred outflows of resources						
Current assets	$ 520,676	$ 37,391	$ 26,703	$ 1,209	$ (6)	$ 585,973
Assets limited as to use, net of current portion	292,546	—	—	—	—	292,546
Capital assets, leases, and SBITAs, net	412,718	—	8,413	—	(1,327)	419,804
Other assets	23,697	—	6,014	4,091	(24,297)	9,505
Total assets	1,249,637	37,391	41,130	5,300	(25,630)	1,307,828
Deferred outflows of resources	154,012	—	—	—	—	154,012
Total assets and deferred outflows of resources	$ 1,403,649	$ 37,391	$ 41,130	$ 5,300	$ (25,630)	$ 1,461,840
Liabilities, deferred inflows of resources and net position						
Current liabilities	$ 199,151	$ 41,543	$ 14,201	$ 1,652	$ (450)	$ 256,097
Non-current liabilities	739,119	—	3,521	—	(949)	741,691
Total liabilities	938,270	41,543	17,722	1,652	(1,399)	997,788
Deferred inflow of resources	225,679	—	—	—	(1,327)	224,352
Net position						
Net investment in capital assets	199,387	—	3,788	—	—	203,175
Restricted expendable	51,261	—	—	—	—	51,261
Unrestricted	(10,948)	(4,152)	19,620	3,648	(22,904)	(14,736)
Total net position	239,700	(4,152)	23,408	3,648	(22,904)	239,700
Total liabilities, deferred inflow of resources and net position	$ 1,403,649	$ 37,391	$ 41,130	$ 5,300	$ (25,630)	$ 1,461,840

(in thousands of dollars, except as otherwise noted)

NOTE 15. BLENDED COMPONENT INFORMATION (CONTINUED)

Condensed Consolidating Statements of Revenue, Expenses and Changes in Net Position

	2026					
	PBC	**RPCRC**	**RPCIO**	**GBCT**	**Elims**	**Total**
Operating revenues						
Net patient service revenue/net settlements and appeals	$1,101,716	$ —	$ 93,737	$ —	$ —	$1,195,453
New York State operating support	99,919	—	—	—	—	99,919
Grants and contracts	3,102	14,444	—	—	(1,340)	16,206
Equity in loss of joint ventures	(856)	—	—	—	—	(856)
Other operating revenues	24,357	—	13,948	667	(2,833)	36,139
Total operating revenues	1,228,238	14,444	107,685	667	(4,173)	1,346,861
Operating expenses						
Depreciation	53,922	—	704	—	—	54,626
Amortization	17,177	—	1,474	—	(455)	18,196
Other operating expenses	1,209,188	20,485	117,174	751	(3,718)	1,343,880
Total operating expenses	1,280,287	20,485	119,352	751	(4,173)	1,416,702
Loss from operations	(52,049)	(6,041)	(11,667)	(84)	—	(69,841)
Non-operating activity						
Realized investment income	15,044	—	—	—	—	15,044
Interest expense	(9,214)	—	(331)	—	84	(9,461)
Unrealized investment gain	1,724	—	—	—	—	1,724
Other non-operating expense	(512)	—	—	(228)	(84)	(824)
Deficiency of revenues over expenses	(45,007)	(6,041)	(11,998)	(312)	—	(63,358)
Net position, beginning of year	286,343	—	16,587	3,912	(20,499)	286,343
Deficiency of revenues over expenses	(45,007)	(6,041)	(11,998)	(312)	—	(63,358)
NYS support for capital and related expenses/expenditures	6,848	—	—	—	—	6,848
Contributions for purchase of capital assets	9,867	—	—	—	—	9,867
Change in interest in subsidiaries	(18,351)	—	—	—	18,351	—
Contributions from related entities	—	1,889	18,819	48	(20,756)	—
Net position, end of year	$ 239,700	$ (4,152)	$ 23,408	$ 3,648	$ (22,904)	$ 239,700

(in thousands of dollars, except as otherwise noted)

NOTE 15. BLENDED COMPONENT INFORMATION (CONTINUED)

Condensed Combining Statement of Net Position for the Public Benefit Corporation

	2026			
	Roswell Park Cancer Institute	**Practice Plan**	**Elims**	**PBC**
Assets and deferred outflows of resources				
Current assets	$ 486,407	$ 34,269	$ —	$ 520,676
Assets limited as to use, net of current portion	263,152	29,394	—	292,546
Capital assets, leases, and SBITAs, net	412,718	—	—	412,718
Other assets	23,697	—	—	23,697
Total assets	1,185,974	63,663	—	1,249,637
Deferred outflows of resources	154,012	—	—	154,012
Total assets and deferred outflows of resource	$ 1,339,986	$ 63,663	$ —	$ 1,403,649
Liabilities, deferred inflows of resources and net position				
Current liabilities	$ 139,090	$ 60,061	$ —	$ 199,151
Non-current liabilities	739,119	—	—	739,119
Total liabilities	878,209	60,061	—	938,270
Deferred inflow of resources	225,679	—	—	225,679
Net position				
Net investment in capital assets	199,387	—	—	199,387
Restricted expendable	51,261	—	—	51,261
Unrestricted	(14,550)	3,602	—	(10,948)
Total net position	236,098	3,602	—	239,700
Total liabilities, deferred inflow of resources and net position	$ 1,339,986	$ 63,663	$ —	$ 1,403,649

(in thousands of dollars, except as otherwise noted)

NOTE 15. BLENDED COMPONENT INFORMATION (CONTINUED)

Condensed Combining Statement of Revenues, Expenses and Changes in Net Position for the Public Benefit Corporation

	2026			
	Roswell Park Cancer Institute	Practice Plan	Elims	PBC
Operating revenues				
Net patient service revenue/net settlements and appeals	$ 1,024,986	$ 79,497	$ (2,767)	$ 1,101,716
New York State operating support	99,919	—	—	99,919
Grants and contracts	—	3,102	—	3,102
Equity in loss of joint ventures	(856)	—	—	(856)
Other operating revenues	22,572	1,785	—	24,357
Total operating revenues	1,146,621	84,384	(2,767)	1,228,238
Operating expenses				
Depreciation	53,922	—	—	53,922
Amortization	17,177	—	—	17,177
Other operating expenses	1,108,420	103,535	(2,767)	1,209,188
Total operating expenses	1,179,519	103,535	(2,767)	1,280,287
Loss from operations	(32,898)	(19,151)	—	(52,049)
Non-operating activity				
Realized investment income	13,897	1,147	—	15,044
Interest expense	(9,214)	—	—	(9,214)
Unrealized investment gain	1,714	10	—	1,724
Other non-operating expense	(495)	(17)	—	(512)
Deficiency of revenues over expenses	(26,996)	(18,011)	—	(45,007)
Net position, beginning of year	266,442	19,901	—	286,343
Deficiency of revenues over expenses	(26,996)	(18,011)	—	(45,007)
NYS support for capital and related expenses/expenditures	6,848	—	—	6,848
Contributions for purchase of capital assets	9,867	—	—	9,867
Change in interest in subsidiaries	(18,351)	—	—	(18,351)
Contributions from (to) related entities	(1,712)	1,712	—	—
Net position, end of year	$ 236,098	$ 3,602	$ —	$ 239,700

(in thousands of dollars, except as otherwise noted)

NOTE 16. LEASES AND SUBSCRIPTION-BASED IT ARRANGEMENTS

Effective April 1, 2022, Roswell Park adopted GASB Statement No. 87, *Leases*. As discussed in Note 2, this change in accounting principle established new requirements for calculating and reporting Roswell Park's lease activities.

Amortization of the discount on the lease and finance purchase liability is reported as an outflow of resources and is included in interest expense in the consolidated statements of revenues, expenses, and changes in net position. Amortization of $632 was recognized for fiscal year 2026, $684 in fiscal year 2025 and is included within interest expense.

Leased assets that are not financed purchases are amortized over the shorter of the lease term or the useful life of the underlying asset. Amortization of leased assets is reported as an outflow of resources and is included in amortization expense in the consolidated statements of revenues, expenses, and changes in net position. Amortization of $3,046 was recognized in fiscal year 2026 and $2,854 in fiscal year 2025.

Right-to-use assets and the related accumulated amortization for the years ended March 31, is summarized as follows:

Lease assets	**2025**	**Additions**	**Modifications and Remeasurements**	**Disposals**	**2026**
Real estate	$ 4,988	$ —	$ 147	$ (130)	$ 5,005
Parking structure (MiGo ramp)	4,467	—	—	—	4,467
Equipment & other assets	8,972	—	930	(830)	9,072
	18,427	—	1,077	(960)	18,544
Less: Accumulated amortization					
Real estate	(1,490)	(884)	—	130	(2,244)
Parking structure (MiGo ramp)	(680)	(170)	—	—	(850)
Equipment and other assets	(2,924)	(1,992)	—	830	(4,086)
	(5,094)	(3,046)	—	960	(7,180)
Total lease assets, net	$ 13,333	$ (3,046)	$ 1,077	$ —	$ 11,364

Lease assets	**2024**	**Additions**	**Modifications and Remeasurements**	**Disposals**	**2025**
Real estate	$ 3,477	$ —	$ 1,511	$ —	$ 4,988
Parking structure (MiGo ramp)	4,467	—	—	—	4,467
Equipment and other assets	4,807	3,218	1,483	(536)	8,972
	12,751	3,218	2,994	(536)	18,427
Less: Accumulated amortization					
Real estate	(607)	(883)	—	—	(1,490)
Parking structure (MiGo ramp)	(510)	(170)	—	—	(680)
Equipment and other assets	(1,659)	(1,801)	—	536	(2,924)
	(2,776)	(2,854)	—	536	(5,094)
Total lease assets, net	$ 9,975	$ 364	$ 2,994	$ —	$ 13,333

(in thousands of dollars, except as otherwise noted)

NOTE 16. LEASES AND SUBSCRIPTION-BASED IT ARRANGEMENTS (CONTINUED)

As of March 31, 2026, the principal and interest requirements to maturity for the lease liabilities are as follows:

	Principal	Interest	Total
2027	$ 2,742	$ 512	$ 3,254
2028	2,039	389	2,428
2029	1,633	287	1,920
2030	772	226	998
2031	450	201	651
2032-2036	1,744	737	2,481
2037-2041	1,200	445	1,645
Thereafter	2,007	231	2,238
Total	$ 12,587	$ 3,028	$ 15,615

Subscription-Based Information Technology Arrangements

Effective April 1, 2023, Roswell Park adopted GASB Statement No. 96, *SBITAs*. As discussed in Note 2, this change in accounting principle established new requirements for calculating and reporting Roswell Park's subscription-based assets and liabilities activity. Beginning net position was restated for the effects of Roswell Park's adoption of GASB Statement No. 96.

SBITA assets are considered financed purchases and are amortized over the lease term. Amortization of SBITA assets is reported as an outflow of resources and is included in amortization expense in the consolidated statements of revenues, expenses, and changes in net position. Amortization of $15,019 was recognized in fiscal year 2026 and $12,610 in fiscal year 2025.

Right-to-use assets and the related accumulated amortization for the years ended March 31, is summarized as follows:

	2025	Additions	Modifications and Remeasurements	Disposals	2026
SBITA assets	$ 49,424	$ 5,804	$ 9,639	$ (22,696)	$ 42,171
Less accumulated amortization	(24,710)	(15,019)	—	22,696	(17,033)
Total SBITA assets, net	$ 24,714	$ (9,215)	$ 9,639	$ —	$ 25,138

	2024	Additions	Modifications and Remeasurements	Disposals	2025
SBITA assets	$ 45,358	$ 7,145	$ 5,539	$ (8,618)	$ 49,424
Less accumulated amortization	(18,218)	(15,110)	—	8,618	(24,710)
Total SBITA assets, net	$ 27,140	$ (7,965)	$ 5,539	$ —	$ 24,714

As of March 31, 2026, the principal and interest requirements to maturity for the SBITA liabilities are as follows:

	Principal	Interest	Total
2027	$ 6,460	$ 819	$ 7,279
2028	5,306	518	5,824
2029	4,341	265	4,606
2030	1,637	65	1,702
2031	—	—	—
Total	$ 17,744	$ 1,667	$ 19,411

NOTE 17. CONTINGENCIES

The health care industry is subject to numerous laws and regulations of federal, state and local governments. Compliance with these laws and regulations is subject to future government review and interpretation as well as regulatory actions unknown or unasserted at the time. Government activity, in recent years, has increased with respect to investigations and allegations concerning possible violations by health care providers of fraud and abuse statutes and regulations, which could result in the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. While no regulatory allegations have been made against Roswell Park, compliance with such laws and regulations can be subject to future government review and interpretations, as well as regulatory actions unknown or unasserted at this time. Management and its counsel are not aware of any such actions that will have a material adverse effect on Roswell Park’s financial statements. Loss contingency liabilities are recorded in accordance with U.S. GAAP, which requires recognition of a loss when it is deemed probable that an asset has been impaired or a liability has been incurred, and the amount of the loss can be reasonably estimated. As of March 31, 2026 and 2025, Roswell Park has recorded no loss contingencies.

REQUIRED SUPPLEMENTARY INFORMATION
(in thousands of dollars, except as otherwise noted)

Schedule of the Proportionate Share of the Net Pension Liability — NYS Employees' Retirement System (ERS) for Measurement Dates as of March 31:

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Proportion of the net pension liability	0.8426%	0.7823%	0.7743%	0.7157%	0.6881%	0.6559%	0.6374%	0.5960%	0.5778%	0.5503%
Proportionate share of the net pension liability / (asset)	$ 144,473	$ 115,189	$ 166,059	$ (58,506)	$ 685	$ 173,708	$ 45,168	$ 19,238	$ 54,294	$ 88,329
Covered payroll	$ 313,628	$ 292,227	$ 279,724	$ 227,210	$ 212,026	$ 177,807	$ 167,326	$ 170,164	$ 143,851	$ 125,131
Proportionate share as a % of covered payroll	46.1 %	39.4 %	59.4 %	25.7 %	0.3 %	97.7 %	27.0 %	11.3 %	37.7 %	70.6 %
Plan fiduciary net position as a % of total pension liability	93.1 %	93.9 %	90.8 %	103.7 %	100.0 %	86.4 %	96.3 %	98.2 %	94.7 %	90.7 %

REQUIRED SUPPLEMENTARY INFORMATION
(in thousands of dollars, except as otherwise noted)

Schedule of Contributions — NYS Employees' Retirement System (ERS) for fiscal years ending March 31:

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Contractually required contribution	$ 40,413	$ 34,643	$ 25,744	$ 21,706	$ 26,623	$ 23,465	$ 22,089	$ 21,210	$ 20,030	$ 19,588
Contributions in relation to the contractually required contribution	$ 40,413	$ 34,643	$ 25,744	$ 21,706	$ 26,623	$ 23,465	$ 22,089	$ 21,210	$ 20,030	$ 19,588
Contribution deficiency / (excess)	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Covered payroll	$ 313,628	$ 292,227	$ 279,724	$ 227,210	$ 212,026	$ 177,807	$ 167,326	$ 170,164	$ 143,851	$ 125,131
Contributions as a % of covered payroll	12.9 %	11.9 %	9.2 %	9.6 %	12.6 %	13.2 %	13.2 %	12.5 %	13.9 %	15.7 %

Notes to Required Supplementary Information
New York State and Local Employees Retirement System

The information presented in the required supplementary schedules for the New York State and Local Employees' Retirement System (ERS) was determined as part of the actuarial valuation of the plan. The actuarial valuation used to measure the total pension liability for the measurement date of March 31, 2025 was based on an actuarial valuation as of April 1, 2024, with update procedures applied to roll forward to the measurement date.

The actuarial cost method used in the valuation was the entry age normal method. Significant actuarial assumptions used in the valuation included an inflation rate of 2.9%, salary increases of 4.3%, a cost-of-living adjustment of 1.5%, and an investment rate of return of 5.9%.

The projection of cash flows used to determine the discount rate assumed that plan member contributions would be made at the current contribution rates and that employer contributions would be made at statutorily required rates, actuarially determined. Based on these assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Accordingly, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments.

There were no significant changes in actuarial assumptions or benefit terms that affected the measurement of the total pension liability as of the current measurement date.

As the ERS is a cost-sharing, multiple-employer pension plan, certain amounts reported in the required supplementary schedules are based on information provided by the plan. The required supplementary schedules present the Center's proportionate share of pension amounts in relation to its covered payroll for the periods presented.

REQUIRED SUPPLEMENTARY INFORMATION
(in thousands of dollars, except as otherwise noted)

Schedule of Changes in Roswell Park's Net OPEB Liability and related Ratios
Last 8 Fiscal years
March 31, 2026

	2026	2025	2024	2023	2022	2021	2020	2019
Change in Total OPEB Liability								
Total OPEB Liability - Beginning of year	$ 350,793	$ 411,805	$ 435,626	$ 508,138	$ 544,707	$ 589,258	$ 528,967	$ 501,340
Service Cost	18,972	23,505	24,951	32,034	38,593	33,911	30,980	27,450
Interest	17,348	15,162	15,309	14,464	12,208	13,066	20,137	18,917
Differences between expected and actual experience	32,174	(50,691)	(51,585)	(52,231)	(6,751)	(106,634)	(62,633)	—
Change of assumptions or other inputs	9,387	(31,000)	3,196	(53,807)	(68,468)	26,091	82,224	(9,091)
Benefit payments	(19,738)	(17,988)	(15,692)	(12,972)	(12,151)	(10,985)	(10,417)	(9,649)
Net change in Total OPEB Liability	$ 58,143	$ (61,012)	$ (23,821)	$ (72,512)	$ (36,569)	$ (44,551)	$ 60,291	$ 27,627
Total OPEB Liability - End of year	$ 408,936	$ 350,793	$ 411,805	$ 435,626	$ 508,138	$ 544,707	$ 589,258	$ 528,967
OPEB Fiduciary Net Position								
Plan Fiduciary Net position - Beginning of year	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Contributions from the Employer	19,738	17,988	15,692	12,972	12,151	10,985	10,417	9,649
Benefit Payments	(19,738)	(17,988)	(15,692)	(12,972)	(12,151)	(10,985)	(10,417)	(9,649)
Plan Fiduciary Net position - End of year	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Roswell Park's net OPEB Liability	$ 408,936	$ 350,793	$ 411,805	$ 435,626	$ 508,138	$ 544,707	$ 589,258	$ 528,967

(in thousands of dollars, except as otherwise noted)

Schedule of Changes in Roswell Park's Net OPEB Liability and related Ratios (continued)
Last 8 Fiscal years
March 31, 2026

	2026	2025	2024	2023	2022	2021	2020	2019
OPEB net position as a percentage of the plan total OPEB liability	— %	— %	— %	— %	— %	— %	— %	— %
Roswell Park's OPEB covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Roswell Park's net OPEB liability as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

This schedule is intended to present information for 10 years. However, until a full 10-year trend has been compiled, the Center will present information only for those years for which information is available

REQUIRED SUPPLEMENTARY INFORMATION
(in thousands of dollars, except as otherwise noted)

Schedule of Employer Contributions
Last 8 Fiscal years
March 31, 2026

	2026	2025	2024	2023	2022	2021	2020	2019
Change in Total OPEB Liability								
OPEB actuarially determined contribution	$ 19,738	$ 17,988	$ 15,692	$ 12,972	$ 12,151	$ 10,985	$ 10,417	$ 9,649
OPEB contributions in relation to actuarially determined contribution	19,738	17,988	15,692	12,972	12,151	10,985	10,417	9,649
Impact on Total OPEB liability - End of year	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Roswell Park's OPEB covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Roswell Park's contributions as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
OPEB annual money-weighted rate of return, net of investment expense	— %	— %	— %	— %	— %	— %	— %	— %

This schedule is intended to present information for 10 years. However, until a full 10-year trend has been compiled, the Center will present information only for those years for which information is available

Notes to Required Supplementary Information
New York State Health Insurance Plan

The information presented in the required supplementary schedules for the Center's Retiree Group Health Benefits Program was determined as part of an actuarial valuation of the plan. The actuarial valuation used to measure the total OPEB liability for the measurement date of March 31, 2026 was based on an actuarial valuation as of April 1, 2025, with update procedures applied to roll forward to the measurement date.

During the year ended March 31, 2026, there was a change in actuarial assumptions related to the discount rate, which increased from 4.46% to 4.64%. There were no changes in actuarial assumptions related to mortality or retirement rates.

The actuarial cost method used in the valuation was the entry age normal method, with amortization determined using a level percentage of payroll. Significant actuarial assumptions included an inflation rate of 2.50%, a discount rate of 4.64% for 2026 (4.46% for 2025), and an investment rate of return of 0.00%, reflecting the unfunded nature of the plan.

Healthcare cost trend rates vary based on expected experience and decline to an ultimate trend rate of 4.00% in 2075. For 2026, changes were made to the healthcare trend assumption to reflect recent healthcare trend rate surveys, blended with long-term projections from the Getzen model published by the Society of Actuaries.

All current and future retirees are assumed to be eligible for Medicare at age 65. Mortality rates are based on sex-distinct Blue Collar Pri.H-2012 mortality tables for employees, healthy annuitants, and contingent survivors, adjusted for mortality improvements using the Scale MP-2021 mortality improvement scale on a generational basis.