

Assessment of Effectiveness of Internal Controls

To help Roswell Park Comprehensive Cancer Center carry out its mission and strategic objectives, Roswell Park Comprehensive Cancer Center (the “Authority”) maintains a system of internal control that: (a) promotes effective and efficient operations to help the Authority carry out its mission; (b) provides reasonable, but not absolute, assurance that assets are safeguarded against inappropriate or unauthorized use; (c) promotes the accuracy and reliability of accounting data and financial reporting to ensure transactions are executed in accordance with management’s authorization and recorded properly in accounting records; (d) encourages adherence to management’s policies and procedures for conducting programs and operations; and (e) provides reasonable assurance that applicable laws and regulations are complied with.

To periodically evaluate the effectiveness of the Authority’s internal control structure and procedures, the Authority performs an annual risk assessment based upon the Authority’s major business functions used to develop the internal audit plan, identify organizational wide risk and promote effectiveness and efficiency of internal controls, programs and operations. In addition, the Authority has an internal control education program for Authority employees based on a formal internal control framework that emphasizes management’s responsibility for maintaining an adequate system of internal controls. The Audit Committee meets with the Authority’s management, the internal auditors and external financial statement auditors periodically, throughout the year, to discuss internal controls and accounting matters.

Internal control effectiveness is assessed throughout the year from various activities performed by the Internal Audit Department, Compliance Department, the External Auditor’s Financial Statement Audit as well as other audits and assessments conducted by various Federal and State agencies and other independent organizations. All audit findings are communicated to applicable management, and audit documentation is maintained by the Authority. Significant Internal Audit, Financial Statement Audit and Compliance audit findings are further communicated to the Authority’s Audit Committee and Compliance Committee; this communication also includes management’s corrective action plan for remediation of identified control weaknesses. To the extent that deficiencies were identified, the Authority has developed and is monitoring corrective action plans to reduce corresponding risk. The External Auditors, Internal Audit Department and Compliance Department have direct access to the Audit Committee.

In addition, the Internal Audit Department performs cycle audits over management’s program to comply with the NYS Authorities Budget Office (ABO) requirements. These audits concluded that the ABO program appears to be effective and can be relied upon. Any matters of concern observed during these audits did not rise to the level of a significant deficiency or material weakness.

This statement describes the process followed by the Authority to assess and document the adequacy of its internal control structure and policies for the fiscal year ended March 31, 2018.

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