

LEGAL & REGULATORY COMPLIANCE



MANAGEMENT ASSURANCES

Good stewardship can be defined as the effective and responsible management of the resources that have been entrusted to us. For the AFRH, those resources include the funds in the AFRH Trust Fund and the buildings and grounds at the two AFRH communities.

Beyond responsible management, we are bound to generate great progress in resident care, financial management, Strategic Goals, and Key Strategic Performance Goals continually. Success in all of these endeavors and more will help us achieve the AFRH Mission.

Internal controls are an integral part of all AFRH systems and processes. Of late, AFRH managers have been directed to place greater emphasis on performing duties in compliance with applicable laws and regulations. At the same time, managers must maintain strict operational and service integrity.

“AFRH can provide reasonable assurance FMFIA objectives have been met.”

—Steven G. McManus,
AFRH COO & CFO

STATEMENT OF ASSURANCE

The AFRH is in full compliance with all applicable requirements in accordance with the Federal Managers' Financial Integrity Act (FMFIA), PL No. 97-255 Section 2, and OMB Circular A-123—Management's Responsibility for Internal Control. AFRH managers, along with our partners BPD and the National Finance Center (NFC), actively participate in all IC.

Based on our annual analysis, the AFRH can provide reasonable assurance that FMFIA objectives have been met. Also, no material weaknesses have been reported in our IC or financial reporting. Given our comprehensive management controls, I am pleased to certify with reasonable assurance that:

- AFRH financial reporting is reliable. Transactions are properly recorded, processed, and summarized to permit the preparation of financial statements in accordance with GAAP. Assets are safeguarded against loss from unauthorized acquisition, use, or disposition.
- AFRH internal controls are effective for both the financial reporting through our partner BPD and for our campus operations through our corporate IC Board.
- AFRH is in compliance with all applicable laws and regulations under FMFIA, FFMIA and FISMA. Financial and business exchanges are executed in accordance with laws governing the use of budget authority, as well as laws and regulations that could have a direct and material effect on the financial statements.
- AFRH performance reporting is reliable. Performance measures are properly recorded, processed and summarized to permit information preparation per criteria established by AFRH management.

Sincerely,

Steven G. McManus
Chief Operating Officer (COO)
Chief Financial Officer (CFO)
November 15, 2011