



Greene Finney Cauley, LLP

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

February 10, 2023

Board of Directors
 South Carolina State Firefighters' Association
 Columbia, South Carolina

We have audited the consolidating financial statements of South Carolina State Firefighters' Association ("Firefighters Association") and its subsidiary, South Carolina Firefighters Insurance Services, LLC ("Insurance Services") (collectively, the "Association") for the year ended September 30, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated December 20, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Association are described in Note A to the financial statements. No new significant accounting policies were adopted and the application of existing policies was not significantly changed during the year ended September 30, 2022. We noted no transactions entered into by the Association during the year for which there was a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most significant sensitive estimates affecting the Association's financial statements were:

Management's estimates of the useful lives of intangible assets and property and equipment and the resulting amortization and depreciation expense are based on historical data and industry standards. Management's estimate of accounts receivables and the allowance for uncollectible amounts associated with these balances are based on consumption and historical collection rates. We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with the Association's management in performing and completing our audit.

GREENEFINNEYCAULEY.CPA · INFO@GREENEFINNEY.COM

GREENVILLE, SC
864.232.0653

MAULDIN, SC
864.232.5204

CHARLESTON, SC
843.735.5805

ANDERSON, SC
864.225.8713

ASHEVILLE, NC
828.771.0847

OPEN BY
APPOINTMENT ONLY

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. For purposes of this communication, professional standards define a significant audit adjustment as a proposed correction of the financial statements that, in our judgment, may not have been detected except through our auditing procedures. An audit adjustment may or may not indicate matters that could have a significant effect on the Association's financial reporting process (that may or may not cause future financial statements to be materially misstated). Since it is inherently judgmental to determine what adjustments would or would not have been detected except through our auditing procedures, a schedule of all adjusting journal entries is attached.

In our judgment, there were no material known unrecorded and uncorrected misstatements, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated February 10, 2023.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the entity's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Association's auditor. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition of our retention.

Matters for the Board's Consideration

During the course of our audit, we became aware of the following matter that represents an opportunity to improve internal controls.

Proper Accounting Cutoff for Insurance Policies

Insurance Services had several insurance policies that were not properly accounted for in the current year. The insurance policies had effective dates beginning after year end but were incorrectly accrued back to the current year. These misstatements were corrected in the current year through an audit adjustment. We recommend that the Firefighters Association and Insurance Services track all significant insurance policies and coverage periods to ensure that insurance policies are recognized in the proper accounting period.

We have discussed this matter with management, and we will be pleased to discuss it in further detail at your convenience.

Restriction on Use

This information is intended solely for the information and use of the Board of Directors and management of the Association and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Greene Finney Cauley, LLP

Greene Finney Cauley, LLP
Certified Public Accountants