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Certified Public Accountants



Audited Financial Statements

**National Fallen Firefighters
Foundation**

December 31, 2009 and 2008

Audited Financial Statements
National Fallen Firefighters Foundation
December 31, 2009 and 2008

– Contents –

Report of Independent Auditors	1
Balance Sheets	2
Statements of Activities	4
Statements of Cash Flows	6
Notes to the Financial Statements.....	7
Report of Independent Auditors on the Schedule of Expenditures of Federal Awards and the Schedule of Expenses by Natural Classification	21
Schedule of Expenditures of Federal Awards	22
Schedule of Expenses by Natural Classification and Function.....	23
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed In Accordance with Government Auditing Standards.....	25
Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133	27
Schedule of Findings and Questioned Costs	29



Report of Independent Auditors

Board of Directors
National Fallen Firefighters Foundation
Emmitsburg, Maryland

We have audited the accompanying balance sheets of the National Fallen Firefighters Foundation, (the Foundation) as of December 31, 2009 and 2008, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. Those standards require that we plan and perform our audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the National Fallen Firefighters Foundation as of December 31, 2009 and 2008, and the results of its activities and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.





National Fallen Firefighters Foundation
Board of Directors
Page 2

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In accordance with *Government Auditing Standards*, we have also issued our report dated July 22, 2010 on our consideration of the Foundation'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 for the year ended December 31, 2009. The purpose of that report is to 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Cohen, Rutherford + Knight, P.C.

July 22, 2010

National Fallen Firefighters Foundation

Balance Sheets

	December 31	
	<u>2009</u>	<u>2008</u>
<i>ASSETS</i>		
CURRENT ASSETS		
Cash and cash equivalents	\$ 229,991	\$ 260,227
Grants receivable - <i>Note B</i>	759,092	545,936
Pledges receivable, current portion - <i>Note B</i>	0	153,544
Inventory	185,903	189,439
Interest receivable	16,748	17,878
Prepaid expenses and other current assets	54,208	41,095
TOTAL CURRENT ASSETS	<u>1,245,942</u>	<u>1,208,119</u>
PROPERTY AND EQUIPMENT		
Walk of Honor	250,690	250,690
Memorial Park	558,916	539,268
Memorial Chapel	1,058,889	1,051,353
Furniture and equipment	84,809	81,557
	<u>1,953,304</u>	<u>1,922,868</u>
Less accumulated depreciation	395,916	327,042
TOTAL PROPERTY AND EQUIPMENT	<u>1,557,388</u>	<u>1,595,826</u>
OTHER NONCURRENT ASSETS		
Investments, including \$2,224,044 and \$2,563,142 whose use is restricted by donors for 2009 and 2008, respectively - <i>Note C</i>	2,919,486	2,581,325
TOTAL OTHER NONCURRENT ASSETS	<u>2,919,486</u>	<u>2,581,325</u>
TOTAL ASSETS	<u>\$ 5,722,816</u>	<u>\$ 5,385,270</u>

See the accompanying notes to the financial statements.

National Fallen Firefighters Foundation
Balance Sheets – Continued

	December 31	
	2009	2008
<i>LIABILITIES AND NET ASSETS</i>		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 228,839	\$ 210,526
TOTAL CURRENT LIABILITIES	<u>228,839</u>	<u>210,526</u>
NET ASSETS		
Unrestricted:		
General	1,712,545	1,015,776
Board designated	1,557,388	1,595,826
Temporarily restricted - <i>Note D</i>	2,224,044	2,563,142
TOTAL NET ASSETS	<u>5,493,977</u>	<u>5,174,744</u>
COMMITMENTS AND CONTINGENCIES - <i>Note H</i>		
	<u>\$ 5,722,816</u>	<u>\$ 5,385,270</u>

See the accompanying notes to the financial statements.

National Fallen Firefighters Foundation

Statements of Activities

	Year Ended December 31, 2009		
	Unrestricted	Temporarily Restricted	Total
REVENUE			
Department of Justice - Network for Survivors	\$ 0	\$ 1,095,690	\$ 1,095,690
USFA - Memorial Weekend	0	415,174	415,174
Memorial Weekend	0	188,286	188,286
LODD:			
Prevention	0	5,940	5,940
NIST Award	0	10,053	10,053
Department of Homeland Security - Fire Act	0	948,513	948,513
FDNY			
Other - NYC	0	585	585
Into the Fire	0	29,849	29,849
Scholarships	0	91,775	91,775
Site Expansion	0	72,062	72,062
Other NFFF programs	1,706,911	148,703	1,855,614
Net realized losses - <i>Note C</i>	(278,299)	0	(278,299)
Net unrealized gain on trading securities - <i>Note C</i>	537,827	0	537,827
Interest revenues - <i>Note C</i>	91,743	0	91,743
Released from restrictions	3,345,728	(3,345,728)	0
TOTAL REVENUE	5,403,910	(339,098)	5,064,812
EXPENSES			
Program Services:			
Department of Justice - Fire Service Survivors Support	1,095,690	0	1,095,690
USFA - Memorial Weekend	415,174	0	415,174
Memorial Weekend	388,454	0	388,454
LODD:			
Prevention	53,318	0	53,318
NIST Award	10,053	0	10,053
Department of Homeland Security - Fire Act	948,513	0	948,513
FDNY			
Other - NYC	265,195	0	265,195
Into the Fire	8,394	0	8,394
Scholarships	145,290	0	145,290
Site Expansion	111,344	0	111,344
Other NFFF programs	609,120	0	609,120
	4,050,545	0	4,050,545
Management and administration	127,729	0	127,729
Fundraising	567,305	0	567,305
TOTAL EXPENSES	4,745,579	0	4,745,579
EXCESS REVENUE OVER EXPENSES (EXPENSES OVER REVENUE)	658,331	(339,098)	319,233
INCREASE (DECREASE) IN NET ASSETS	658,331	(339,098)	319,233
NET ASSETS AT BEGINNING OF YEAR	2,611,602	2,563,142	5,174,744
NET ASSETS AT END OF YEAR	\$ 3,269,933	\$ 2,224,044	\$ 5,493,977

See the accompanying notes to the financial statements.

National Fallen Firefighters Foundation

Statements of Activities - Continued

	Year Ended December 31, 2008		
	Unrestricted	Temporarily Restricted	Total
REVENUE			
Department of Justice - Network for Survivors	\$ 0	\$ 1,131,422	\$ 1,131,422
USFA - Memorial Weekend	0	373,179	373,179
Memorial Weekend	0	223,182	223,182
LODD:			
Prevention	0	25,298	25,298
NIST Award	0	84,555	84,555
Department of Homeland Security - Fire Act	0	942,200	942,200
FDNY			
Other - NYC	0	1,507	1,507
Into the Fire	0	30,816	30,816
Scholarships	0	73,730	73,730
Site Expansion	0	121,698	121,698
Other NFFF programs	1,251,299	0	1,251,299
Net realized losses - <i>Note C</i>	(174,885)	0	(174,885)
Net unrealized loss on trading securities - <i>Note C</i>	(596,281)	0	(596,281)
Reclassification of investments - <i>Note C</i>	134,933	0	134,933
Interest revenues - <i>Note C</i>	160,973	0	160,973
Released from restrictions	3,594,440	(3,594,440)	0
TOTAL REVENUE	4,370,479	(586,853)	3,783,626
EXPENSES			
Program Services:			
Department of Justice - Fire Service Survivors Support	1,149,227	0	1,149,227
USFA - Memorial Weekend	373,179	0	373,179
Memorial Weekend	366,753	0	366,753
LODD:			
Prevention	179,910	0	179,910
NIST Award	84,555	0	84,555
Department of Homeland Security - Fire Act	943,061	0	943,061
FDNY			
Other - NYC	317,291	0	317,291
Into the Fire	84,651	0	84,651
Scholarships	167,101	0	167,101
Site Expansion	119,595	0	119,595
Other NFFF programs	578,130	0	578,130
	4,363,453	0	4,363,453
Management and administration	110,230	0	110,230
Fundraising	278,048	0	278,048
TOTAL EXPENSES	4,751,731	0	4,751,731
EXCESS EXPENSES OVER REVENUES	(381,252)	(586,853)	(968,105)
RECLASSIFICATION OF UNREALIZED			
GAIN ON INVESTMENTS	(134,933)	0	(134,933)
DECREASE IN NET ASSETS	(516,185)	(586,853)	(1,103,038)
NET ASSETS AT BEGINNING OF YEAR	3,127,787	3,149,995	6,277,782
NET ASSETS AT END OF YEAR	\$ 2,611,602	\$ 2,563,142	\$ 5,174,744

See the accompanying notes to the financial statements.

National Fallen Firefighters Foundation

Statements of Cash Flows

	Year Ended December 31	
	2009	2008
OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ 319,233	\$ (1,103,038)
Adjustments to reconcile increase (decrease) in net assets to net cash and cash equivalents used in operating activities:		
Depreciation	79,622	89,339
Realized loss on investments	278,299	174,885
Unrealized loss (gain) on investments	(537,827)	596,281
Decrease (increase) in:		
Grants receivable	(213,156)	(73,678)
Pledges receivable	153,544	218,948
Inventory	3,536	(6,602)
Interest receivable	1,130	482
Prepaid expenses and other current assets	(13,113)	(23,478)
Increase in:		
Accounts payable and accrued expenses	18,313	9,718
NET CASH AND CASH EQUIVALENTS PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>89,581</u>	<u>(117,143)</u>
INVESTING ACTIVITIES		
Purchases of investments	(1,024,877)	(1,333,529)
Proceeds from sales of investments	946,244	1,381,302
Purchase of property and equipment	(41,184)	(63,842)
NET CASH AND CASH EQUIVALENTS USED IN INVESTING ACTIVITIES	<u>(119,817)</u>	<u>(16,069)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(30,236)	(133,212)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>260,227</u>	<u>393,439</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$ 229,991</u></u>	<u><u>\$ 260,227</u></u>

See the accompanying notes to the financial statements.

National Fallen Firefighters Foundation

Notes to the Financial Statements

Note A – Organization and Summary of Significant Accounting Principles

Organization

The National Fallen Firefighters Foundation (the Foundation) was incorporated in Maryland on August 23, 1993 in accordance with Public Law 102-522, as amended, for the purpose of 1) primarily encouraging, accepting and administering private gifts of property for the benefit of the National Fallen Firefighters' Memorial and the annual memorial service associated with it; 2) providing financial assistance to families of fallen firefighters for transportation to and lodging during the annual memorial service; 3) assisting federal, state and local efforts to recognize firefighters who die in the line of duty; 4) providing scholarships and other financial assistance for educational purposes and job training for the spouses, life partners, children, and stepchildren of fallen firefighters; 5) planning, directing, and managing the National Fallen Firefighters Memorial Service and related activities in coordination with the federal government, fire service organizations, and survivors of fallen firefighters; 6) promoting National, State, and local initiatives to increase public fire and life safety awareness; and 7) providing for a national program to assist families of fallen firefighters and fire departments in dealing with line-of-duty deaths of those firefighters.

The Foundation currently operates the following programs:

- **Annual National Fallen Firefighters Memorial Weekend**, held each October at the National Fire Academy in Emmitsburg, Maryland, to pay tribute to all firefighters who died in the line of duty during the previous year. The weekend features special programs for survivors and coworkers along with public ceremonies.
- **Scholarship Program for Survivors**, assistance for education and job training costs of spouses, life partners, children, and stepchildren of fallen firefighters.
- **Fire Service Survivors Network**, a support network of volunteer survivors that provides outreach to survivors of similar circumstances. The Foundation holds an annual conference of fire service survivors. As part of the effort to support survivors, the Foundation also provides resources for grieving.
- **Line of Duty Death Prevention Program**, an initiative to reduce firefighter deaths by providing training and sponsoring related research. The “Everyone Goes Home” website was developed as part of the initiative.
- **New York City Fire Department (FDNY)**, a program to provide support services to benefit the families and coworkers of New York City fallen firefighters.

In addition, the Foundation maintains a National Memorial Park that contains the National Fallen Firefighters Memorial and features the Walk of Honor containing bricks that connect the Memorial to the historic Fallen Firefighters Memorial Chapel.

National Fallen Firefighters Foundation

Notes to the Financial Statements – Continued

Note A – Organization and Summary of Significant Accounting Principles – Continued

Basis of Accounting

The Foundation prepares its financial statements on the accrual basis of accounting. Consequently, revenue is recognized when earned and expenses when the obligations are incurred.

Income Taxes

Pursuant to its initial exemption application, management has received a tax determination letter dated January 17, 1995 from the Internal Revenue Service indicating that the Foundation is exempt from the payment of income taxes on its exempt activities. The Internal Revenue Service has classified the Foundation as a publicly supported organization as defined in Section 170(b)(1)(A)(vi) of the Internal Revenue Code. Federal tax law requires that the Foundation be operated in a manner consistent with its initial exemption application in order to maintain its exempt status. Management has analyzed the operations of the Foundation and concluded that it remains in compliance with the requirements for exemption.

The Foundation had no unrecognized tax benefits or such amounts were immaterial during the period presented. For tax periods with respect to which no unrelated business income was recognized, no tax return was required. Tax periods for which no return is filed remain open for examinations indefinitely.

In June 2006, the FASB issued FASB ASC 740, *Accounting for Uncertainty in Income Taxes*, which provides additional guidance and clarifies the accounting for uncertainty of income tax positions. FASB ASC 740 define the threshold for recognizing tax return positions in the financial statements as “more likely than not” that the position is sustainable, based on its technical merits. FASB ASC 740 also provides guidance on the measurement, classification and disclosure of tax return positions in financial statements. During the year ended December 31, 2009, the Foundation’s management adopted FASB ASC 740 and believes there is no impact on its financial statements.

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 effect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

National Fallen Firefighters Foundation

Notes to the Financial Statements – Continued

Note A – Organization and Summary of Significant Accounting Principles – Continued

Cash and Cash Equivalents

The Foundation considers all highly liquid financial instruments with original maturities of three months or less to be cash and cash equivalents. Cash and cash equivalents are reported at cost which approximates market value. For financial statement purposes, the Foundation considers money market funds and certificates of deposit to be investments and are excluded from the balance of cash and cash equivalents. The Foundation has cash holdings in commercial banks that routinely exceed the Federal Deposit Insurance Corporation (FDIC) maximum insurance limit. The FDIC temporarily increased the maximum insurance limit from \$100,000 to \$250,000 through December 31, 2013.

Inventory

Inventory, which consists of clothing, pins, books, videos and other materials related to firefighters and firefighting, are stated at the lower of cost or market as determined by the average cost method.

Property and Equipment

The Walk of Honor and the Memorial Park were completed in October 2004, at which time they began to be depreciated on the straight-line basis over a period of 15 years. Chapel Renovations were completed in September 2006, at which time these capitalized costs began to be depreciated on the straight-line basis over a period of 39 years. Furniture and equipment is recorded at cost and depreciated on the straight-line basis over the term of the applicable grant the equipment is being purchased for or its estimated useful life, whichever is less (10 - 36 months). Furniture and equipment includes computer software and website development costs and are recorded at cost and depreciated on the straight-line basis over a period of 3 years. Depreciation expense totaled \$79,622 and \$89,339 for the years ended December 31, 2009 and 2008, respectively. Only furniture and equipment with a cost of \$5,000 or more is capitalized.

The Walk of Honor, Memorial Park and Chapel are located at the National Emergency Training Center campus, which is the property of the United States Government. The renovated Chapel houses the administrative headquarters of the Foundation, in addition to serving as the location for survivors to gather at the annual vigil during the Memorial Weekend.

Advertising Costs

The Foundation expenses advertising costs as they are incurred. Advertising expense was \$3,182 and \$4,357 for the fiscal years December 31, 2009 and 2008, respectively, and is reported with each applicable program service expense in the accompanying statements of activities.

National Fallen Firefighters Foundation

Notes to the Financial Statements – Continued

Note A – Organization and Summary of Significant Accounting Principles – Continued

Net Assets

Net assets are classified as either unrestricted or temporarily restricted based on the existence or absence of donor-imposed restrictions. The purpose of each net asset group is as follows:

- **Unrestricted Net Assets (including amounts designated by the board)** represent resources of the Foundation available to support its general operations. Board designated unrestricted net assets represent assets whose use by the Foundation has been designated by the board of directors for internal use.
- **Temporarily Restricted Net Assets** represents resources restricted by donors and grantors for use in funding donor specified programs.

Excess of Revenue Over Expenses

The statements of activities report excess of revenue over expenses (or expenses over revenue). Changes in net assets that are excluded from this performance indicator, consistent with industry practice, include unrealized gains and losses on investments other than trading securities. As of December 31, 2009 and 2008, the Foundation did not have any investments classified as other than trading securities.

Contributions and Grants

Unconditional promises to give cash and other assets to the Foundation are reported at fair value at the date the promise is received. The amounts that are expected to be collected within one year are recorded at net realizable value, while the amounts that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on these amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. For 2008, a discount rate of 4.5% was used. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received or when the conditions for receiving the donation have been satisfied.

Contributions and grants received are recorded as unrestricted or temporarily restricted support, depending on the existence and/or nature of any donor or grantor restrictions. Support that is restricted by the donor or grantor is reported as an increase in temporarily restricted net assets. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

National Fallen Firefighters Foundation

Notes to the Financial Statements – Continued

Note A – Organization and Summary of Significant Accounting Principles – Continued

Contributions and Grants – continued

Contributed property and equipment is recorded at fair value at the date of the contribution. If donors stipulate the use of the assets, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support.

Revenues

In addition to grants and contributions, the Foundation engages in retail sales, event registration, and royalty agreements for the purpose of generating cash flow to help support its operations. These sales revenues contain fees charged for shipping and handling and are recorded net of discounts.

Risk Factors

During September 2008, certain large U.S. financial institutions failed, primarily as a result of holdings in troubled subprime loans or assets collateralized with such distressed loans. These institutional failures, and the negative economic conditions that contributed to these failures, generated substantial volatility in global financial markets and substantial uncertainty regarding the continued viability of many other financial institutions. These conditions created uncertainty regarding the Foundation's future ability to access capital and the cost of such capital, as well as the future valuation of the Foundation's invested funds and the resulting impact on the future financial position, results of operations and cash flows of the Foundation could be material.

Subsequent Events

Management has evaluated subsequent events through July 22, 2010, the date that the financial statements were available to be issued.

Note B – Grants and Pledges

The Foundation currently receives a substantial amount of its support from the federal government in the form of grants. A significant reduction in the level of this support, if this were to occur, may have a significant effect on the Foundation's programs and activities.

National Fallen Firefighters Foundation

Notes to the Financial Statements – Continued

Note B – Grants and Pledges – Continued

The Foundation was awarded a grant of \$1,800,000 in June 2008 by the Department of Justice, Bureau of Justice Assistance, to expand its nation-wide effort to assist survivors of fallen firefighters, including expansion of the Fire Service Survivors Network; helping survivors locate grief support in their local communities; sponsoring family day activities at the annual Memorial Weekend; providing information on death and disability benefits; developing state and regional response teams to assist survivors in accessing federal, state, and local benefits; offering specialized web site services and resources; and conducting a two-day conference for survivors. As of December 31, 2009, \$153,963 remains to be expended, and \$380,225 remains to be received. A three month no cost extension was granted.

The Foundation was awarded grants in the amounts of \$387,000 during 2008 and 2009 from the Department of Homeland Security, United States Fire Administration, to cover the services and supplies for the annual National Memorial Weekend. As of December 31, 2009, all but \$32,048 was expended, and \$171,202 remains to be received for the 2009 grant.

In July 2008, the Foundation received a Fire Prevention and Safety Grant award in the amount of \$1,000,000 for the period of July 3, 2008 to July 2, 2009 to support the Foundation's Line-of-Duty Death Prevention program. As of December 31, 2009, all funds were expended, and \$66,253 remains to be received. In July 2009, the Foundation received another Fire Prevention and Safety Grant award in the amount of \$996,500 for the period July 1, 2009 to July 30, 2010. As of December 31, 2009, \$203,224 was expended, of which \$141,412 remains to be received.

In June 2008, the Foundation was awarded a grant in the amount of \$100,000 for the period of June 1, 2008 to May 30, 2009 from Department of Commerce, National Institute of Standards and Technology, to provide a workshop to develop a national research agenda to support Line-of-Duty Death Prevention. As of December 31, 2009, all funds were received and expended.

In January 2006, the Foundation was awarded a four-year pledge from Motorola Foundation to support the Scholarship Program in the amount of \$100,000 per year. As of December 31, 2009, the Foundation has received all four installments, \$100,000 of which will be used towards the scholarship awardees for the 2008-2009 school year.

In April 2006, the Foundation was awarded a four-year sponsorship from Motorola, Inc. to support the Annual Memorial Weekend Program in the amount of \$150,000 per year. As of December 31, 2009, the Foundation received the full amount of the award. In addition to the monetary sponsorship, Motorola, Inc. also loaned communication products for use during the Memorial Weekend not to exceed \$50,000 in value. In return, Motorola, Inc. receives marketing and public relations benefits such as top partner status at annual events.

National Fallen Firefighters Foundation

Notes to the Financial Statements – Continued

Note C – Investments

Investments are reported at fair value. Investment income or loss (including realized and unrealized gains and losses on investments, interest, and dividends) is recognized in the statements of activities as an increase in unrestricted net assets, unless restricted by donor or law. The investment portfolio generated returns as follows:

	<u>2009</u>	<u>2008</u>
Interest and dividends	\$ 91,743	\$ 160,973
Expenses	(14,451)	(12,010)
Net realized losses	(278,299)	(174,885)
Net unrealized gains (losses)	537,827	(596,281)
	<u>\$ 336,820</u>	<u>\$ (622,203)</u>

In January 2006, the Foundation revised its investment policy. The following table summarizes the Foundation's target of asset allocation for short-term and long-term funds:

	<u>Short-Term</u>	<u>Long-Term</u>
Cash	80%	10%
Fixed Income	20%	45%
Equities	0%	40%
Alternative	0%	5%

These investments are subject to credit, market and interest rate risks that cannot be predicted at this time. However, management has attempted to mitigate these risks by maintaining a diversified portfolio.

On January 1, 2008, management changed the classification of the Foundation's investment portfolio to trading. Accordingly, cumulative unrealized gains and losses were reclassified into excess expenses over revenue in the accompanying statement of activities for the year ended December 31, 2008.

National Fallen Firefighters Foundation

Notes to the Financial Statements – Continued

Note C – Investments – Continued

Effective January 1, 2008, the Foundation adopted the provisions of FASB ASC 820, *Fair Value Measurements*, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, and establishes a framework for measuring fair value based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. FASB ASC 820 describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices in active markets for identical assets or liabilities. Level 1 assets and liabilities include debt and equity securities that are traded in an active exchange market, as well as U.S. Treasury securities.

Level 2: Observable input other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Level 2 assets and liabilities include debt securities with quoted market prices that are traded less frequently than exchange-traded instruments. This category generally includes certain U.S. government and agency mortgage-backed debt securities, corporate-debt securities, and alternative investments.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets(s) or liabilities. Level 3 assets and liabilities 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 management judgment or estimation. This category generally includes certain private debt and equity instruments and alternative investments.

The following discussion describes the Foundation's valuation methodologies used for financial assets measured at fair value. The techniques utilized in estimating the fair values are affected by the assumptions used, including discount rates, and estimates of the amount and timing of future cash flows. Care should be exercised in deriving conclusions about the Foundation's business, its value, or financial position based on the fair value information of financial assets presented below.

National Fallen Firefighters Foundation

Notes to the Financial Statements – Continued

Note C – Investments – Continued

Fair value estimates are made at a specific point in time, based on available market information and judgments about the financial asset, including estimates of the timing, amount of expected future cash flows, and the credit standing of the issuer. In some cases, the fair value estimates cannot be substantiated by comparison to independent markets. In addition, the disclosed fair value may not be realized in the immediate settlement of the financial asset. Furthermore, the disclosed fair values do not reflect any premium or discount that could result from offering for sale at one time an entire holding of a particular financial asset. Potential taxes and other expenses that would be incurred in an actual sale or settlement are not reflected in the amounts disclosed.

Fair values for the Foundation's government securities and corporate bonds are based on prices provided by its investment managers and its custodian bank. Both the investment managers and the custodian bank use a variety of pricing sources to determine market valuations. Each designate specific pricing services or indexes for each sector of the market based upon the provider's experience. The Foundation's government securities and corporate bonds portfolio is highly liquid, which allows for a high percentage of the portfolio to be priced through pricing services.

Fair values of money market funds and equity securities have been determined by the Foundation from observable market quotations, when available. Private placement securities and other equity securities where a public quotation is not available are valued by using broker quotes.

During 2005, the Foundation invested in Merrill Lynch & Co., Inc. Structured Access Notes (the Notes). The Notes are a series of privately placed senior, unsecured debt securities that are linked to the Mariner StructuredAccess Index (the "Reference Index"). The Reference Index is a composite index that measures the performance of a strategy that allocates hypothetical funds among three index components: (1) Fund units representing the value of a hypothetical investment in the Class B Shares of Mariner Select Ultra International, Ltd., (2) Zero Coupon Bond Units representing the value of a hypothetical investment in zero-coupon bonds of a certain maturity, and (3) Leverage Units representing the cost of hypothetical funds borrowed to increase allocations to the Fund Units. The Reference Index is rebalanced quarterly by Merrill Lynch International based on an algorithm that systematically reallocates hypothetical funds among the index components based on performance of the Fund Units, prevailing interest rates and market conditions. The stated maturity date of the Notes is November 19, 2012. The Notes will not provide for any periodic payments prior to their maturity. At maturity, the Notes will pay the greater of the principal amount of the Notes and an amount calculated by reference to changes in the level of the Reference Index. Merrill Lynch & Co., Inc. has guaranteed that the Notes held to maturity will pay not less than 100% of the principal amount of the Notes. Merrill Lynch, Pierce, Fenner & Smith Incorporated may, but is not required to, repurchase the Notes prior to maturity based on bids it receives for such Notes.

National Fallen Firefighters Foundation

Notes to the Financial Statements – Continued

Note C – Investments – Continued

Alternative investments are typically held to advance fund investment strategies to hedge investment risk to economically meet the objectives of the fund. The Mariner Select Ultra International, Ltd. invests 100% of its investible funds in Mariner Select, L.P., a Delaware limited partnership. Mariner Select, L.P. is a diversified fund of hedge funds which seeks capital appreciation in a manner not intended to reflect correlation to the general equity, fixed income, real estate or other traditional asset classes over an extended period. The alternative investment in which the Foundation has invested is recorded at estimated fair value, as described above, and the resulting gains and losses are reflected as a component of unrealized gain or loss on investments in the statements of activities.

The Foundation holds the Notes to seek capital appreciation. The Notes are not held to hedge against fluctuations of the Foundation's activities. This objective is expected to be achieved by balancing the investment portfolio with other instruments.

The following table presents the Foundation's fair value hierarchy for assets measured at fair value on a recurring basis as of December 31, 2009:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash and money market	\$ 165,756	\$ 0	\$ 0	\$ 165,756
Certificates of deposit	30,229	0	0	30,229
Corporate bonds	0	950,619	0	950,619
Government securities	0	330,699	0	330,699
Equities	1,163,513	0	0	1,163,513
Hedge fund	0	0	278,670	278,670
	<u>\$ 1,359,498</u>	<u>\$ 1,281,318</u>	<u>\$ 278,670</u>	<u>\$ 2,919,486</u>

The following table presents the Foundation's fair value hierarchy for assets measured at fair value on a recurring basis as of December 31, 2008:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash and money market	\$ 89,904	\$ 0	\$ 0	\$ 89,904
Certificates of deposit	30,096	0	0	30,096
Corporate bonds	0	958,207	0	958,207
Government securities	0	402,205	0	402,205
Equities	817,053	0	0	817,053
Hedge fund	0	0	283,860	283,860
	<u>\$ 937,053</u>	<u>\$ 1,360,412</u>	<u>\$ 283,860</u>	<u>\$ 2,581,325</u>

National Fallen Firefighters Foundation
Notes to the Financial Statements – Continued

Note C – Investments – Continued

The following table summarizes the activity for fair value measurements using significant unobservable inputs (Level 3):

	Level 3	
	<u>2009</u>	<u>2008</u>
Market value beginning balance	\$ 283,860	\$ 314,820
Interest income	15,296	14,647
Unrealized losses	<u>(20,486)</u>	<u>(45,607)</u>
Market value ending balance	<u>\$ 278,670</u>	<u>\$ 283,860</u>

Note D – Temporarily Restricted Net Assets

At December 31, net assets were temporarily restricted as follows:

	<u>2009</u>	<u>2008</u>
Scholarships	\$ 1,334,196	\$ 1,387,709
Other NYC Survivor Programs	307,000	571,610
Memorial Weekend	0	173,457
Memorial Weekend - NYC Survivors	296,464	296,464
Memorial, Tribute, & Remembrance Conference	39,603	0
Survivors Conference	67,993	0
Site/Chapel Renovation	45,020	31,865
Into the Fire	52,656	25,925
NYC Walk of Honor	72,990	67,990
Line-of-Duty Death Prevention Program	8,122	8,122
	<u>\$ 2,224,044</u>	<u>\$ 2,563,142</u>

National Fallen Firefighters Foundation

Notes to the Financial Statements – Continued

Note E – Contributed Goods and Services

The Foundation's headquarters is located on the campus of the National Emergency Training Center in Emmitsburg, Maryland. The United States Government provides the Foundation with this office space free of charge indefinitely. Given the remote location and uniqueness of the property, the value of this in-kind contribution cannot be readily determined. Management of the Foundation believes such amount, if determinable, would be immaterial to the financial statements of the Foundation. Thus, no amount has been recorded in accompanying financial statements for the use of this facility.

The Foundation records contributed goods and services received at their estimated fair value. The following table summarizes the contributed goods and services recorded in the accompanying financial statements.

	<u>2009</u>	<u>2008</u>
Memorial Weekend	\$ 75,605	\$ 68,586
Fundraising	286,627	2,470
Other Programs	16,536	17,445
LODD Prevention Program	0	8,698
Trade Shows	11,650	12,930
	<u>\$ 390,418</u>	<u>\$ 110,129</u>

In addition, the Foundation receives volunteered hours in administrative support and program events. No amounts have been assigned for these contributed services.

Note F – Retirement Plan

The Foundation maintains a qualified SIMPLE IRA plan that covers all regular full-time employees who have successfully completed their probationary period, which typically lasts six months. The participants elect contributions to the plan. The Foundation matches 100% of employees' contributions up to a maximum of 3% of an employee's gross salary. Total contributions to the Plan for the years ended December 31, 2009 and 2008 were \$21,338 and \$19,274, respectively.

National Fallen Firefighters Foundation

Notes to the Financial Statements – Continued

Note G – Leases

The Foundation has entered into various non-cancellable operating lease agreements for certain equipment and office space with initial lease terms in excess of one year. Future minimum lease payments under these agreements as of December 31, 2009 were as follows:

2010	\$	71,039
2011		59,646
2012		740
Total Future Lease Payments	\$	<u>131,425</u>

The leases contain renewal provisions, escalation clauses, and provisions for payment by the Foundation of certain insurance, taxes, utilities, and maintenance costs. Rental expense on all operating leases for the years ended December 31, 2009 and 2008 was \$80,146 and \$80,251, respectively.

The Foundation subleases a portion of its office space to a third party. Rental income associated with the sublease for the years ended December 31, 2009 and 2008 was \$34,239 and \$31,641, respectively. Future minimum rental income associated with the sublease under the agreement as of December 31, 2009 is as follows:

2010	\$	31,420
2011		29,518
Total Future Lease Payments	\$	<u>60,938</u>

Note H – Commitments and Contingencies

The Foundation is presently exposed to asserted and unasserted potential legal claims encountered in the ordinary course of business. In the opinion of management, the resolution of such matters will not have a material adverse impact on the Foundation's December 31, 2009 balance sheets or statements of activities for the year then ended.

National Fallen Firefighters Foundation

Notes to the Financial Statements – Continued

Note H – Commitments and Contingencies – Continued

The Foundation maintains professional liability coverage with a commercial insurer. The Foundation's professional liability insurance coverage is on a claims-made basis, with \$1 million per incident coverage, up to a maximum of \$2 million annually, and contains a \$1,000 per incident deductible. The Foundation also maintains a general commercial insurance policy with an aggregate limit of \$2 million. Should the claims-made policy not be renewed or replaced with equivalent insurance, occurrences during its term, but asserted subsequently, will be uninsured. The current policy extends coverage through June 2010, at which time management intends to renew the policy. Management is of the opinion that its financial position, liquidity and future operating results will not be materially affected by the ultimate cost related to unasserted claims at December 31, 2009 and 2008.

Note I – Related Parties

The Foundation incurred expenses of approximately \$8,250 and \$23,000 for 2009 and 2008, respectively, for services provided by the Congressional Fire Services Institute (CFSI). The Executive Director of CFSI is a member of the Foundation's board of directors. During 2009, the Foundation incurred expenses of approximately \$8,000 for insurance products provided by the Volunteer Firemen's Insurance Services. A board member of the Foundation is the President of the Volunteer Firemen's Insurance Services. During 2008, the Foundation incurred expenses of approximately \$50,000 for services and products provided by The Phoenix Society for Burn Survivors regarding the Firefighters Life Safety Initiatives program. The Executive Director of the Foundation is the President of the board of directors of The Phoenix Society for Burn Survivors.

The Foundation received contributions from the Motorola Foundation and Motorola, Inc. as discussed in *Note B*. An executive of Motorola, Inc. is a member of the Foundation's board of directors. Contributions approximating \$100,000, during 2009 and 2008, were made to the Foundation by State Farm Fire and Casualty Company (State Farm). An executive of State Farm is a member of the Foundation's board of directors.

**Report of Independent Auditors on the Schedule
of Expenditures of Federal Awards and the Schedule
of Expenses by Natural Classification and Function**

Board of Directors
National Fallen Firefighters Foundation
Emmitsburg, Maryland

The 2009 and 2008 audited financial statements of the National Fallen Firefighters Foundation and our report thereon are presented in the preceding section of this report. Those audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards, as of and for the year ended December 31, 2009, and schedule of expenses by natural classification and function as of and for the years ended December 31, 2009 and 2008 are presented hereinafter for the purpose of additional analysis and, in the case of the schedule of expenditures of federal awards, to comply with the requirements of the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Although not a required part of the basic financial statements, such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

Cohen, Rutherford + Knight, P.C.

July 22, 2010

National Fallen Firefighters Foundation
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2009

<u>Federal Grantor / Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Identification Number</u>	<u>Federal Expenditures</u>
MAJOR PROGRAMS			
U.S. Department of Justice Office of Justice Programs Bureau of Justice Assistance BJA Solicited Awards National Fire Services Survivors Support Programs (Network for Survivors)	16.580	2008-PS-DX-K001	\$ 1,076,639
U.S. Department of Homeland Security Federal Emergency Management Agency U.S. Fire Administration Assistance to Firefighters Grant Program Firefighter Life Safety Initiatives Program (Line of Duty Death Prevention)	97.044	EMW-2007-FP-02666 EMW-2008-FP-02214	745,287 203,224
TOTAL MAJOR PROGRAMS			<u>2,025,150</u>
NON-MAJOR PROGRAMS			
U.S. Department of Homeland Security Federal Emergency Management Agency National Emergency Training Center National Fallen Firefighters Memorial Weekend Services (Memorial Service Weekend)	97.101	EMW-2008-GR-0656 2009-RB-62-0001	60,222 354,952
U.S. Department of Commerce Technology Administration National Institute of Standards and Technology Firefighting Technology Group (Workshop to Develop Research Agenda for Firefighters Life Safety)	11.609	60NANB8D8105	10,053
TOTAL NON-MAJOR PROGRAMS			<u>425,227</u>
TOTAL			<u><u>\$ 2,450,377</u></u>

The schedule of expenditures of federal awards includes the federal grant activity of the National Fallen Firefighters Foundation and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirement of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

See the accompanying report of independent auditors on the schedule of expenditures of federal awards and the schedule of expenses by natural classification and function.

National Fallen Firefighters Foundation
Schedule of Expenses by Natural Classification and Function
Year Ended December 31, 2009

	<u>Total</u>	<u>Program</u>	<u>Management and Administration</u>	<u>Fundraising</u>
Cost of goods sold	\$ 106,072	\$ 106,072	\$ 0	\$ 0
Salaries, benefits, and payroll taxes - <i>Note G</i>	1,114,918	857,140	72,177	185,601
Depreciation	79,622	79,622	0	0
Professional fees	1,727,288	1,688,457	9,173	29,658
Travel	571,067	526,154	16,774	28,139
Rent - <i>Note H</i>	45,907	45,892	0	15
Office supplies	276,935	252,260	2,785	21,890
Insurance	17,502	13,758	3,146	598
Printing, postage, and communication	190,181	181,701	1,515	6,965
Scholarships	158,474	158,474	0	0
Contributed goods and services - <i>Note E</i>	390,418	103,791	0	286,627
Member fees and subscriptions	8,038	3,316	315	4,407
Meetings	14,082	7,734	2,941	3,406
Investment and bank fees	40,086	21,185	18,901	0
Other	4,989	4,989	0	0
Total Expenses	<u>\$ 4,745,579</u>	<u>\$ 4,050,545</u>	<u>\$ 127,729</u>	<u>\$ 567,305</u>

See the accompanying report of independent auditors on the schedule of expenditures of federal awards and the schedule of expenses by natural classification and function.

National Fallen Firefighters Foundation
Schedule of Expenses by Natural Classification and Function
Year Ended December 31, 2008

	<u>Total</u>	<u>Program</u>	<u>Management and Administration</u>	<u>Fundraising</u>
Cost of goods sold	\$ 89,095	\$ 89,095	\$ 0	\$ 0
Salaries, benefits, and payroll taxes - <i>Note G</i>	1,073,788	869,643	63,329	140,816
Depreciation	89,339	87,252	1,517	570
Professional fees	2,149,933	2,083,381	3,665	62,887
Travel	497,877	447,225	13,793	36,859
Rent - <i>Note H</i>	48,610	48,012	0	598
Office supplies	196,073	177,611	2,515	15,947
Insurance	16,326	12,755	3,125	446
Printing, postage, and communication	214,304	205,756	1,494	7,054
Scholarships	200,370	200,370	0	0
Contributed goods and services - <i>Note E</i>	110,129	101,317	0	8,812
Member fees and subscriptions	6,047	6,047	0	0
Meetings	16,878	10,454	4,646	1,778
Repair and maintenance	9,337	9,277	0	60
Investment and bank fees	27,125	11,619	15,506	0
Other	6,500	3,639	641	2,221
Total Expenses	<u>\$ 4,751,731</u>	<u>\$ 4,363,453</u>	<u>\$ 110,230</u>	<u>\$ 278,048</u>

See the accompanying report of independent auditors on the schedule of expenditures of federal awards and the schedule of expenses by natural classification and function.

**Independent Auditors' Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed In
Accordance with Government Auditing Standards**

Board of Directors
National Fallen Firefighters Foundation
Emmitsburg, Maryland

We have audited the financial statements of the National Fallen Firefighters Foundation (the Foundation) as of and for the year ended December 31, 2009, and have issued our report thereon dated July 22, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Foundation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Board of Directors
National Fallen Firefighters Foundation
Page 2

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Foundation's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the audit committee, the board of directors, federal awarding agencies, and pass through entities and is not intended to be and should not be used by anyone other than these specified parties.

Cohen, Rutherford + Knight, P.C.

July 22, 2010

**Independent Auditors' Report on Compliance with
Requirements Applicable to Each Major Federal Program
and on Internal Control Over Compliance in Accordance
With OMB Circular A-133**

Board of Directors
National Fallen Firefighters Foundation
Emmitsburg, Maryland

Compliance

We have audited the compliance of the National Fallen Firefighters Foundation (the Foundation) with the types of compliance requirements described in the OMB *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2009. The Foundation's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Foundation's management. Our responsibility is to express an opinion on the Foundation's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Foundation's compliance with those requirements, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Foundation's compliance with those requirements.

In our opinion, the Foundation complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2009.

Internal Control Over Compliance

The management of the Foundation is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable

Board of Directors
National Fallen Firefighters Foundation
Page 2

to federal programs. In planning and performing our audit, we considered the Foundation's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the audit committee, the board of directors, federal awarding agencies, and pass through entities and is not intended to be and should not be used by anyone other than these specified parties.

Cohen, Rutherford + Knight, P.C.

July 22, 2010

National Fallen Firefighters Foundation
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2009

SECTION I - SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued:	Unqualified
Internal control over financial reporting?	
Material weakness(es) identified?	No
Significant deficiency(ies) identified not considered to be material weaknesses?	None reported
Noncompliance material to the financial statements noted?	No

FEDERAL AWARDS

Internal control over major program:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified not considered to be material weaknesses?	None reported
Type of auditors' report issued on compliance for major programs?	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	No

Identification of Major Programs:

<u>CFDA Number/Grant Identification Number</u>	<u>Name of Federal Program</u>
16.580 2008-PS-DX-K001	National Fire Services Survivors Support Programs
97.044 EMW-2007-FP-02666	Firefighter Life Safety Initiatives Program
97.044 EMW-2008-FP-02214	Firefighter Life Safety Initiatives Program

Identification of Nonmajor Programs:

<u>CFDA Number/Grant Identification Number</u>	<u>Name of Federal Program</u>
97.101 EMW-2008-GR-0656	National Fallen Firefighters Memorial Weekend Services
97.101 2009-RB-62-0001	National Fallen Firefighters Memorial Weekend Services
11.609 60NANB8D8105	Firefighting Technology Group
Dollar threshold to distinguish between type A and type B programs?	\$300,000
Auditee qualified as low-risk?	Yes

SECTION II - FINANCIAL STATEMENT FINDINGS

No matters were reported.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.