



# Analytic Services Inc. and Subsidiaries

Consolidated Financial Statements  
Year Ended September 30, 2023

The report accompanying these financial statements was issued by BDO USA, P.C., a Virginia professional corporation, and the U.S. member of BDO International Limited, a UK company limited by guarantee.



# **Analytic Services Inc. and Subsidiaries**

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**Consolidated Financial Statements**  
Year Ended September 30, 2023

# Analytic Services Inc. and Subsidiaries

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## Independent Auditor's Report

Board of Directors  
Analytic Services Inc. and Subsidiaries  
Falls Church, Virginia

### Report on the Audit of the Consolidated Financial Statements

#### *Opinion*

We have audited the consolidated financial statements of Analytic Services Inc. and Subsidiaries (collectively, the Company), which comprise the consolidated balance sheet as of September 30, 2023, and the related consolidated statements of activities and change in net assets, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of September 30, 2023, and the changes in its net assets and its cash flows 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*, 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 Consolidated Financial Statements section of our report. We are required to be independent of the Company 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.

#### *Emphasis of Matter - Change in Accounting Principle - Leases*

As described in Note 1 to the consolidated financial statements, in 2023, the Company adopted Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 842, *Leases*. Our opinion is not modified with respect to this matter.

#### *Emphasis of Matter - Discontinued Operations*

As described in Notes 1 and 2 to the consolidated financial statements, in 2023, the Company entered into a change of control agreement in which one of the wholly-owned subsidiaries, Advanced Technology International (ATI), is no longer controlled by the Company. This resulted in the Company reporting the balances and results related to ATI as discontinued operations. Our opinion is not modified with respect to this matter.

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### ***Responsibilities of Management for the Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

### ***Auditor's Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated 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 *Government Auditing Standards* 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 consolidated financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 the Company'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company'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 Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 3, 2024 on our consideration of the Company'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 solely 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 effectiveness of the Company's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Company's internal control over financial reporting and compliance.

BDO USA, P.C.

McLean, Virginia  
June 3, 2024

## Consolidated Financial Statements

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# Analytic Services Inc. and Subsidiaries

## Consolidated Statement of Financial Position

September 30, 2023

### Assets

#### Current assets

Cash and cash equivalents	\$ 12,708,731
Investments	159,221,794
457(b) plan deferred compensation investments	840,717
Contract receivables, net	17,089,936
Prepaid expenses and other current assets	2,145,762

**Total current assets** 192,006,940

Property and equipment, net	927,830
Operating lease right-of-use assets	3,591,389
Goodwill	16,630,452
Intangible assets, net	7,427,433

**Total assets** \$ 220,584,044

### Liabilities and net assets

#### Current liabilities

Lines-of-credit	\$ -
Accounts payable and accrued expenses	6,786,873
Accrued payroll and related liabilities	7,215,248
Contract liabilities	830,689
Contingent consideration	89,697
Operating lease liabilities, current	3,144,065

**Total current liabilities** 18,066,572

457(b) plan deferred compensation obligation	840,717
Operating lease liabilities	1,633,632

**Total liabilities** 20,540,921

#### Commitments and contingencies

**Net assets - without donor restrictions** 200,043,123

**Total liabilities and net assets** \$ 220,584,044

*See accompanying notes to the consolidated financial statements.*

# Analytic Services Inc. and Subsidiaries

## Consolidated Statement of Activities and Change in Net Assets

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*Year Ended September 30, 2023*

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<b>Revenue</b>	<b>\$ 129,647,745</b>
<b>Costs of revenue</b>	
Direct expenses	86,012,482
Indirect expenses	48,502,468
<b>Total costs of revenue</b>	<b>134,514,950</b>
<b>Change in net assets from continuing operations</b>	<b>(4,867,205)</b>
<b>Non-operating activities</b>	
Interest expense	(394,429)
Net investment return	12,812,949
Other expense	(66,516)
<b>Total non-operating activities, net</b>	<b>12,352,004</b>
<b>Increase in net assets without donor restrictions from continuing operations</b>	<b>7,484,799</b>
Net loss from discontinued operations	(33,717,632)
<b>Net assets without donor restrictions at the beginning of the year</b>	<b>226,275,956</b>
<b>Net assets without donor restrictions at the end of the year</b>	<b>\$ 200,043,123</b>

*See accompanying notes to the consolidated financial statements.*

**Analytic Services Inc. and Subsidiaries**  
**Consolidated Statement of Functional Expenses**

<i>Year Ended September 30, 2023</i>	<b>Program</b>	<b>Management and General</b>	<b>Total Expenses</b>
<b>Expenses</b>			
Professional and contract services	\$ 34,041,409	\$ 2,000	\$ 34,043,409
Salaries, wages and other related costs	67,802,906	16,641,876	84,444,782
Facility operating costs	352,014	86,400	438,414
Rents and leases	1,408,135	345,620	1,753,755
Travel and relocation costs	1,530,153	80,313	1,610,466
General and administrative	612,316	5,194,033	5,806,349
Information technology	1,930,491	473,829	2,404,320
Depreciation and amortization	3,167,324	777,404	3,944,728
Interest expense	316,697	77,732	394,429
Change in fair value of contingent consideration	55,183	13,544	68,727
<b>Total expenses</b>	<b>\$111,216,628</b>	<b>\$23,692,751</b>	<b>\$ 134,909,379</b>

*See accompanying notes to the consolidated financial statements.*

# Analytic Services Inc. and Subsidiaries

## Consolidated Statement of Cash Flows

Year Ended September 30, 2023

### Cash flows from operating activities:

Increase in net assets without donor restrictions	\$ 7,484,799
Adjustments to reconcile increase in net assets without donor restrictions to net cash provided by operating activities:	
Depreciation and amortization	3,944,728
Non-cash operating lease expense	2,328,252
Change in contingent consideration	10,542
Net realized and unrealized gains on investments	(10,355,457)
Loss on disposal of property and equipment	131,659
Change in allowance for doubtful accounts	(3,386)
Changes in operating assets and liabilities:	
Contract receivables	992,571
Prepaid expenses and other current assets	692,122
Accounts payable and accrued expenses	488,598
Related party receivables / payables	1,275,033
Accrued payroll and related liabilities	(875,380)
Contract liabilities	575,202
Operating lease liabilities	(3,234,201)

**Net cash provided by operating activities** 3,455,082

### Cash flows from investing activities:

Purchases of investments	(1,453,012)
Sales of investments	-
Purchases of property and equipment	(177,439)

**Net cash used in investing activities** (1,630,451)

### Cash flows from financing activity:

Payment of contingent consideration	(454,000)
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**Net cash used in financing activity** (454,000)

Net increase in cash 1,370,631

Cash at the beginning of the year 11,338,100

**Cash at the end of the year** \$ 12,708,731

### Supplemental disclosure of cash flow information:

Cash paid for interest	\$ 394,429
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*See accompanying notes to the consolidated*

# Analytic Services Inc. and Subsidiaries

## Notes to the Consolidated Financial Statements

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### 1. Organization and Summary of Significant Accounting Policies

Analytic Services Inc. (ANSER) is a nonprofit corporation, chartered in California in July 1958 to provide studies and analyses for scientific, educational, and charitable purposes for the public welfare and national defense. ANSER is headquartered in Falls Church, Virginia.

On January 31, 2017, ANSER closed on the acquisition of Advanced Technology International, a not-for-profit organization based in Summerville, SC that organizes and manages research and development collaborations on behalf of the federal government and industry. Subsequent to ANSER's acquisition of ATI, ATI became a wholly-owned subsidiary of ANSER. On December 6, 2021, ATI, through its subsidiary TechConnect LLC (TC), a South Carolina limited liability company, acquired a portion of a business from NSTI LLC, a Delaware limited liability company (NSTI). All references to "ATI" herein refer to the consolidated operations of ATI, TC and NSTI. In February 2023, ATI and ANSER entered into a change of control agreement whereby ANSER no longer has the ability to exercise control nor exert significant influence over the operations of ATI. As a result, ATI balances were reported as discontinued operations and ATI is no longer consolidated with ANSER (see Note 2).

The consolidated financial statements also include the activity of wholly-owned subsidiaries Innovative Analytics & Training (IAT), Professional, Acquisition, and Technical Services, Inc. (PATS) and InTec, LLC (ITG). IAT provides advanced analytic methods for data collection, information analysis and decision making to the U.S. Intelligence Community. IAT was organized as a privately-owned Maryland limited liability company established in 2004. PATS delivers professional services in the areas of international and foreign military sales, program management support and acquisition program support. PATS was organized in New Hampshire in 2020. ITG delivers technical and management expertise to advance intelligence and federal civilian customer missions and was organized as a privately-owned Virginia limited liability company established in 2004.

All references to the Company herein refer to the consolidated operations of ANSER, ATI, IAT, PATS, and ITG. A summary of the Company's significant accounting policies follows:

#### ***Basis of presentation***

The Company follows the Not-for-Profit Entities topic of the Financial Accounting Standards Board (the FASB) Accounting Standards Codification (ASC). Under this topic, the Company is required to report information regarding its consolidated financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Intercompany transactions between ANSER, ATI, IAT, PATS, and ITG, if any, have been eliminated within the consolidated financial statements.

#### ***Use of estimates***

The preparation of consolidated financial statements 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 consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

# Analytic Services Inc. and Subsidiaries

## Notes to the Consolidated Financial Statements

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### ***Discontinued operations***

A component of an entity that is disposed of by sale or abandonment is reported as discontinued operations if the transaction represents a strategic shift that will have a major effect on an entity's operations and financial results. The results of discontinued operations are aggregated and presented separately in the accompanying consolidated statement of activities and change in net assets. Amounts presented in discontinued operations have been derived from the Company's consolidated financial statements and accounting records using the historical basis of assets, liabilities, and historical results of the disposed entity.

### ***Concentrations of credit risk***

The Company's financial instruments that are exposed to concentrations of credit risk consist primarily of cash and cash equivalents, investments, and contracts receivable. The Company's cash and cash equivalents are invested in highly liquid securities placed with financial institutions. The Company's investment practice limits exposure to concentrations of credit risk, with a majority of the investments being held in treasury bills. Amounts on deposit in excess of federally insured limits approximate \$12.4 million at September 30, 2023. The Company invests in a professionally managed portfolio that contains various securities. Such investments are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with such investments, and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risks in the near term could affect investment balances and the amounts reported in the financial statements. The Company's contract receivables result from work completed on contracts which are primarily with the U.S. government. The Company does provide credit to commercial customers in the normal course of business and performs ongoing credit evaluations on certain of its customers' financial condition, but generally does not require collateral to support such receivables.

### ***Financial risk***

The Company is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruption; injuries to employees; and natural disasters. The Company carries commercial insurance for these risks of loss, including employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage.

### ***Cash and cash equivalents***

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents at September 30, 2023, include funds in commercial analyzed checking accounts, insured cash sweep accounts, money market funds invested in U.S. Government obligations and repurchase agreements collateralized by U.S. Treasury Bills held through a trust services arrangement with a financial institution. At times, these balances exceeded the federally insured amounts. The Company has not experienced any losses in such accounts.

# Analytic Services Inc. and Subsidiaries

## Notes to the Consolidated Financial Statements

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### ***Investments***

Investments with readily determinable fair values and all investments in debt securities are reflected at fair value. To adjust the carrying value of these investments, the change in fair value is charged or credited to investment income within the consolidated statement of activities and changes in net assets. All cash and cash equivalents held by the investment advisors, regardless of maturity, are considered investments.

### ***Contract receivables and contract liabilities***

Billed receivables are carried at original invoice amount less an estimate made for doubtful receivables based on a review of all outstanding amounts on a monthly basis. Such recoverable costs are billable when expenditures are incurred. Management determines the allowance for doubtful accounts by identifying troubled accounts and by using historical experience applied to an aging of accounts. Billed receivables are written off when deemed uncollectible. Recoveries of billed receivables previously written off are recorded when received. Billed receivables are considered past due if any portion of the receivable balance is outstanding for more than 45 days. Unbilled accounts receivable (contract assets) are included in contract receivables and consist of services performed prior to billing to the federal government. Billings usually occur in the month after the services are performed or in accordance with specific contractual provisions.

The Company receives advance payments on various contract agreements and grants. These payments are recorded as deferred revenue (contract liabilities) and recognized as income during the periods in which the work is performed, and the related actual costs are incurred in accordance with the Company's revenue recognition practices and contract terms.

### ***Property and equipment***

The Company capitalizes all property and equipment with a cost of \$5,000 or more. Property and equipment is recorded at cost and depreciated and amortized using the straight-line basis over estimated lives of three to seven years. Leasehold improvements are amortized over the lesser of the remaining life of the lease or the estimated useful life of the improvements.

### ***Leases***

The Company determines whether a contract contains a lease at inception based on whether a right to control the use of an identified asset is conveyed. All of the Company's leases are classified as operating leases. The Company records operating lease right-of-use (ROU) assets and lease liabilities in the consolidated statement of financial position. Lease expenses are recorded within indirect expenses in the accompanying consolidated statement of activities and changes in net assets. Operating lease ROU assets and lease liabilities are recognized based on the net present value of future minimum lease payments over the lease term beginning on the commencement date. The Company generally is not able to determine the rate implicit in its leases and, as such, applies an appropriate risk-free rate. Lease expense is recognized on a straight-line basis over the lease term. Lease terms may include an option to extend or terminate a lease if it is reasonably certain that the Company will exercise such options. The Company has elected the practical expedients to utilize the risk-free rate, to not separate lease components from non-lease components and to not record a right-of-use asset or lease liability for leases which, at inception, have a term of twelve months

# Analytic Services Inc. and Subsidiaries

## Notes to the Consolidated Financial Statements

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or less. Variable lease payments are recognized in the period in which the obligation for those payments is incurred.

### ***Goodwill***

Goodwill arising from acquisitions is recognized as an asset at the acquisition date and is measured as the excess of the sum of the consideration transferred less the acquisition-date amounts of the identifiable assets acquired net of the liabilities assumed. Goodwill is not amortized but is reviewed for impairment at September 30. The Company performs a qualitative assessment to determine whether it is more likely than not that the fair value of the goodwill is less than its carrying amount. The Company determined, based on the qualitative assessment, that it was more likely than not that the fair value of the goodwill was more than its carrying amount. No impairment was identified or recorded during the year ended September 30, 2023.

As part of the ATI discontinued operations (see Note 2), the Company wrote off goodwill related to ATI totaling \$16,012,721 for the year ended September 30, 2023.

### ***Intangible assets***

Intangible assets are recorded at estimated fair value, upon acquisition in a business combination. These assets consist of customer contracts, non-compete agreements, and trade names, and are amortized over their remaining useful lives.

### ***Valuation of long-lived assets***

The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of long-lived assets is measured by a comparison of the carrying amount of the asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. Assets to be disposed of are reportable at the lower of the carrying amount or fair value, less costs to sell. No impairment was identified or recorded on long-lived assets for the year ended September 30, 2023.

### ***Contract revenue***

Revenue is accounted for under ASC 606, *Revenue from Contracts with Customers*. ASC 606 includes a framework for analyzing potential revenue transactions by identifying the contract with a customer, identifying the performance obligations in the contract, determining the transaction price, allocating the transaction price to the performance obligations in the contract, and recognizing revenue when (or as) the Company satisfies a performance obligation. The Company generates revenues under several types of contracts, including the following:

- **Cost-Reimbursable Contracts:** Cost-reimbursable contracts provide for the payment of allowable costs incurred during performance of the contract, up to a ceiling based on the amount that has been funded, plus a fixed fee or award fee.
- **Time-and-Materials (T&M) Contracts:** Under contracts in this category, the Company charges a fixed hourly rate for each direct labor hour expended and is reimbursed for billable material costs and billable out-of-pocket expenses inclusive of allocable indirect costs. The

# Analytic Services Inc. and Subsidiaries

## Notes to the Consolidated Financial Statements

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Company assumes the financial risk on time-and-materials contracts because costs of performance may exceed negotiated hourly rates.

- **Fixed-Price-Level-of-Effort (FP-LOE) Contracts:** substantially similar to T&M contracts except they require a specified level of effort over a stated period of time on work that can be stated only in general terms. This type of contract is generally used when the contractor is required to perform an investigation or study in a specific research and development area and to provide a report showing the results achieved based on the level of effort. Payment is based on the effort expended rather than the results achieved.
- **Fixed-Price (FP) Contracts:** Under a fixed-price contract, the Company performs the specified work for a predetermined price. To the extent actual direct and allocated indirect costs decrease or increase from the estimates upon which the price was negotiated, the Company will generate more or less profit, respectively, or could incur a loss.

Contracts with the U.S. government, as well as subcontracts under government awards, may be under Other Transaction Agreements (OTA), Indefinite Delivery Indefinite Quantity Contracts (IDIQ) or another contracting mechanism that provides terms and conditions that are exercised with individual documents such as purchase orders, delivery orders, task orders, etc., which are issued to further define the enforceable rights and obligations of each party. Contracts with commercial customers are typically cost-reimbursable contracts.

The Company recognizes revenue over time when there is a continuous transfer of control to the customer. For U.S. government contracts, this continuous transfer of control to the customer is supported by clauses in the contract that allow the customer to unilaterally terminate the contract for convenience, pay for costs incurred plus a reasonable profit and take control of any work in process. When control is transferred over time, revenue is recognized based on the extent of progress towards completion of the performance obligation. Based on the nature of the products and services provided in the contract, the Company uses judgment to determine if an input measure or output measure best depicts the transfer of control over time. For service contracts, the Company typically satisfies performance obligations as services are rendered. The Company typically uses a cost-based input method to measure progress. For cost reimbursable contracts and certain fixed price contracts, revenue is recognized proportionally as contract costs are incurred plus estimated fees. For T&M contracts, the Company bills the customer per labor hour and per material, and revenue is recognized in the amount invoiced as the amount corresponds directly to the value of performance to date. For other fixed-price service contracts, a time-elapsed output method is used to measure progress, and revenue is recognized straight-line over the term of the contract.

If a contract does not meet the criteria for recognizing revenue over time, revenue is recognized at a point in time. Revenue is recognized at the point in time when control of the good or service is transferred to the customer. The Company considers control to be transferred when it has a present right to payment and the customer has legal title.

Contract modifications are routine in the performance of contracts. Contracts are often modified to account for changes in contract specifications or requirements. In most instances, contract modifications are for goods or services that are not distinct and, therefore, are accounted for as part of the existing contract and may result in an adjustment to cumulative revenue.

Certain of ATI's contracts are considered to be collaborative arrangements in accordance with ASC 808, *Collaborative Arrangements*. Payments received by ATI from other participants in the

# Analytic Services Inc. and Subsidiaries

## Notes to the Consolidated Financial Statements

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collaborative arrangements are accounted for in accordance with ASC 808 which states, "Payments between participants pursuant to a collaborative arrangement that are within the scope of other authoritative accounting literature on income statement classification should be accounted for using relevant provisions of that literature." Because the counterparty is a customer, current ATI contracts pursuant to collaborative arrangements are accounted for as exchange transactions and gross amounts are recorded for both revenue and related expenses in accordance with ASC 606.

### *Performance obligations*

A performance obligation is a promise in a contract to transfer a distinct good or service to the customer and is the unit of account in ASC 606. A contract's transaction price is allocated to each distinct performance obligation within that contract and recognized as revenue when, or as, the performance obligation is satisfied. The majority of the Company's contracts have a single performance obligation as the promise to transfer the individual goods or services is not separately identifiable from other promises in the contracts and is, therefore, not distinct. Some contracts have multiple performance obligations. For contracts with multiple performance obligations, the Company allocates the contract's transaction price to each performance obligation using management's best estimate of the standalone selling price of each distinct good or service in the contract. The primary method used to estimate standalone selling price is the expected cost plus a margin approach, under which the Company forecasts expected costs of satisfying a performance obligation and then adding an appropriate margin for that distinct good or service.

For arrangements with the U.S. Government, work on contracts generally does not begin until funding is appropriated by the customer. Billing timetables and payment terms on contracts vary based on a number of factors, including the contract type. Typical payment terms under fixed-price contracts with the U.S. Government provide that the customer pays when ownership transfers. The Company recognizes a liability for payments in excess of revenue recognized, which is presented as a contract liability on the accompanying consolidated statements of financial position. The portion of payments retained by the customer until final contract settlement is not considered a significant financing component because the intent is to protect the customer from the Company's failure to adequately complete some or all of the obligations under the contract. Payments received from customers in advance of revenue recognition are not considered to be significant financing components because they are used to meet working capital demands that can be higher in the early stages of a contract.

### *Costs of revenue*

Costs of revenue include all direct contract costs, as well as indirect costs that are allowable and allocable to contracts under federal procurement standards. Costs of revenue also include costs and expenses that are unallowable and are not allocable to contracts for billing purposes. Such costs and expenses do not directly generate revenue but are necessary for business operations.

### *Income taxes*

The Company has been granted exemption from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and from state income taxes under state legislation. The Company is subject to income tax on unrelated business income under Section 511 of the IRC. PATS is structured as a for-profit subsidiary of ANSER and is subject to federal and state income tax. Any provision for

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## Notes to the Consolidated Financial Statements

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income taxes related to PATS was determined by management to be insignificant to the consolidated financial statements.

The Company recognizes the tax benefit for uncertain tax positions when it is more likely than not the position will be sustained upon examination based on the technical merits of the position. The benefit is measured as the largest benefit that is more likely than not to be realized upon ultimate settlement. The Company has not identified any material uncertain tax positions. The Company is not currently under audit by any taxing jurisdiction. The Company is generally no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for the years ended September 30, 2019 and prior.

### ***Functional allocation of expenses***

The Company allocates its expenses on a functional basis among its directly identifiable contract (program) services and management and general (support) services. Expenditures which can be identified with program or support services are allocated directly according to their natural expenditure. The preference and priority is to directly charge the program or supporting function where the service or expense item is used. Costs that are common to several functions are allocated among the program and supporting services on a reasonable basis that is consistently applied, including allocations based on time records, space utilized, and estimates made by management. These include costs like facility operating costs, rents and leases, information technology, depreciation and amortization, and interest. The majority of salaries and employee benefits are classified as direct charges, while some are allocated based upon estimates of time and effort.

### ***Net assets classifications***

The Company's net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Company and changes therein are classified and reported as follows:

- Net assets without donor restrictions are available for use in general operations and result from revenues that were not restricted by donors or revenues for which the donor-imposed restrictions have been met by the passage of time or by actions of the Company. The Company's net assets without donor restrictions are not designated by the Board of Directors.
- Net assets with donor restrictions would include contributions or other inflows of assets whose use by the Company is limited by donor-imposed stipulations.

At September 30, 2023, the Company's net assets consisted entirely of net assets without donor restrictions.

### ***Fair value of financial instruments***

The carrying amounts of cash and cash equivalents, contract receivables, accounts payable and accrued expenses and accrued payroll and related liabilities approximate fair value because of the short maturity of these instruments. The fair value of investments is determined using quoted market prices of the corporate equities, fixed income securities, and money market funds and the net asset values of hedge funds.

# Analytic Services Inc. and Subsidiaries

## Notes to the Consolidated Financial Statements

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### ***Recently adopted authoritative guidance***

In February 2016, the FASB issued Accounting Standards Update (ASU) 2016-02, *Leases*, which superseded the current lease guidance under *Leases* (Topic 840) and made several changes, such as requiring an entity to recognize a ROU asset and corresponding lease obligation on the statement of financial position, classified as financing or operating, as appropriate. In July 2018, the FASB issued ASU 2018-10, *Codification Improvements to Topic 842, Leases*, to add clarity to certain areas within ASU 2016-02, ASU 2018-11, *Targeted Improvements*, to add an additional and optional transition method to adopt the new leases standard by allowing recognition of a cumulative-effect adjustment to the opening balance of net assets in the period of adoption, and ASU 2023-01, *Common Control Arrangements*, to allow practical expedients in the assessment of leases between entities under common control. The Company adopted ASC 842 utilizing the modified retrospective method with a practical expedient through a cumulative-effect adjustment at October 1, 2022. As a result, on October 1, 2022, the Company recorded a noncash transaction to recognize operating lease liabilities totaling \$7,501,211 with operating lease ROU assets of \$5,408,954 in the accompanying consolidated statement of financial position. The initial operating lease ROU asset was reduced by the existing accumulated deferred rent balance of \$2,092,257. The adoption of this standard had no significant impact on the change in net assets in the accompanying consolidated statement of activities and change in net assets.

### ***Recent accounting pronouncements not yet adopted***

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which eliminates the requirement that a credit loss on a financial instrument be “probable” prior to recognition. Instead, a valuation allowance will be recorded to reflect an entity’s current estimate of all expected credit losses, based on both historical and forecasted information related to an instrument. The update is effective for private business entities for annual and interim reporting periods beginning after December 15, 2022, and should be adopted using a modified retrospective approach, which applies a cumulative-effect adjustment to net assets as of the beginning of the first reporting period in which the guidance is effective. A prospective approach is required for debt securities for which an other-than-temporary impairment had been recognized before the effective date and loans and debt securities acquired with deteriorated credit quality. The Company is currently evaluating the effect that adoption of this new standard will have on the Company’s consolidated financial statements.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. For private business entities, the update requires the entity to disclose on an annual basis the amount of income taxes paid (net of refunds received) disaggregated by (i) federal, state for foreign taxes, and (ii) by individual jurisdictions in which income taxes paid (net of refunds received) is equal to or greater than 5% of total income taxes paid, among certain other amended disclosure requirements. The update is effective for private business entities for annual and interim reporting periods beginning after December 15, 2025, and should be applied on a prospective basis, but retrospective application is permitted. Early adoption is permitted. The Company is currently evaluating the effect that adoption of this new standard will have on the Company’s consolidated financial statements.

**Analytic Services Inc. and Subsidiaries**  
**Notes to the Consolidated Financial Statements**

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The Company has assessed other accounting pronouncements issued or effective during the years ended September 30, 2023 and 2022 and deemed they were not applicable to the Company or are not anticipated to have a material effect on the consolidated financial statements.

**2. Discontinued Operations**

In February 2023, ATI and ANSER entered into a change of control agreement in which ATI agreed to provide consideration to ANSER in the amount of \$65,000,000 and ANSER agreed to no longer appoint or approve ATI directors and agreed to relinquish control over governance of ATI. At the closing, ANSER overlapping directors resigned their positions on the ATI board and the non-overlapping directors provide governance under new organizational documents that have been approved by both boards of directors.

ANSER recognized a net loss from discontinued operations for the year ended September 30, 2023 as follows:

**Assets related to discontinued operations**

Cash and cash equivalents	\$ (781,800,842)
Investments, less \$65,000,000 retained	(521,831,867)
Contract receivables	(243,296,700)
Prepaid expenses and other assets	(843,444)
Property and equipment, net	(6,358,836)
Operating lease right-of-use assets	(6,184,517)
Goodwill	(9,413,826)
Intangible assets, net	(8,713,221)
<hr/>	
Total assets disposed	(1,578,443,253)

**Liabilities related to discontinued operations**

Accounts payable and accrued expenses	703,118,640
Contract liabilities	818,393,137
Operating lease liabilities	6,207,618
Contingent consideration	4,194,849
<hr/>	
Total liabilities disposed	1,531,914,244

ATI increase in net assets without donor restrictions from October 1, 2022 to February 28, 2023	12,811,377
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<b>Net loss from discontinued operations</b>	<b>\$ (33,717,632)</b>
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**Analytic Services Inc. and Subsidiaries**  
**Notes to the Consolidated Financial Statements**

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***Financial Statement Presentation***

Due to the ATI change in control, all ATI activity was eliminated as a result of the strategic decision. The Company determined that the results from operations and assets and liabilities associated with the ATI segment were to be excluded from the Company's continuing operations and presented as a discontinued operation in the consolidated financial statements in accordance with ASC 205-20-45, *Presentation of Financial Statements - Discontinued Operations*, as the decision represented a strategic shift that has a major effect on the Company's operations and financial results. As a result, the results from operations of ATI are presented separately as a component of loss from discontinued operations on the accompanying consolidated statement of activities and change in net assets.

The major classes of line items constituting the change in net assets for ATI for the period from October 1, 2022 through February 28, 2023, the effective date of the change in control, are as follows:

<b>Revenue</b>	<b>\$ 1,808,024,518</b>
<b>Costs of revenue</b>	
Direct expenses	1,782,377,439
Indirect expenses	15,258,632
Total costs of revenue	1,797,636,071
<b>Change in net assets from operations</b>	<b>10,388,447</b>
<b>Non-operating activities</b>	
Interest expense	(39,666)
Net investment return	2,753,759
Other expense	(291,163)
Total non-operating activities	2,422,930
<b>Increase in net assets without donor restrictions</b>	<b>\$ 12,811,377</b>

ATI had net cash used in operating activities totaling \$16 million and net cash provided by investing activities totaling \$65 million for the period from October 1, 2022 through the effective date of the change in control, respectively.

ANSER has not had any significant continued involvement with ATI after the change in control agreement.

**Analytic Services Inc. and Subsidiaries**  
**Notes to the Consolidated Financial Statements**

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**3. Liquidity and Availability of Financial Resources**

As of September 30, 2023, financial assets and liquidity resources available within one year for general expenditures, liabilities and other obligations as they come due are as follows:

*September 30, 2023*

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Cash and cash equivalents	\$	12,708,731
Investments		159,221,794
Contract receivables		17,089,936
<hr/>		
Total financial assets and liquidity resources available within one year	\$	189,020,461

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To manage liquidity, the Company structures its financial assets to be available as general expenditures, liabilities, and other obligations come due. The Company also invests cash in excess of daily requirements in cash equivalents and short-term investments that earn interest income. Finally, ANSER has access to liquidity through lines-of-credit and liquidity access line borrowing facilities (see Note 7).

**4. Contract Receivables and Contract Liabilities**

Contract receivables and contract liabilities consist of the following:

*September 30, 2023*

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Billed	\$	15,923,785
Contract assets (unbilled receivables)		1,166,151
<hr/>		
Total contract receivables		17,089,936
Less: provision for doubtful accounts		-
<hr/>		
Total contract receivables, net	\$	17,089,936
<hr/>		
Contract liabilities (deferred revenue)	\$	830,689

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**Analytic Services Inc. and Subsidiaries**  
**Notes to the Consolidated Financial Statements**

**5. Property and Equipment**

Property and equipment, accumulated depreciation, and depreciation expense as of and for the year ended September 30, 2023 are as follows:

<i>Asset Category</i>	Estimated Lives	<i>September 30, 2023</i>			
		Cost	Accumulated Depreciation	Net	Depreciation Expenses
Software	3-5 years	\$ 10,002,895	\$ (10,002,895)	\$ -	\$ 1,056
Furniture and equipment	3-7 years	6,703,762	(6,463,639)	240,123	194,053
Leasehold improvements	Life of lease	6,994,017	(6,306,310)	687,707	690,977
		\$ 23,700,674	\$ (22,772,844)	\$ 927,830	\$ 886,086

**6. Intangible Assets**

The following table contains information regarding the Company's intangible assets:

<i>September 30, 2023</i>	Customer Contracts	Non-Compete Agreement	Trade Name	Total
Acquired fair value	\$ 9,180,000	\$ 24,000	\$ 1,642,000	\$ 10,846,000
Accumulated amortization	(3,213,000)	(14,000)	(191,567)	(3,418,567)
	\$ 5,967,000	\$ 10,000	\$ 1,450,433	\$ 7,427,433

Amortization expense totaled \$3,058,642 for the year ended September 30, 2023. As part of the ATI discontinued operations (see Note 2), the Company wrote off unamortized intangible assets related to ATI totaling \$5,455,164 for the year ended September 30, 2023.

Estimated aggregate amortization expense is as follows for the years ending September 30:

<i>September 30,</i>	Customer Contracts	Non-Compete Agreement	Trade Name	Total
2024	\$ 1,836,000	\$ 8,000	\$ 109,467	\$ 1,953,467
2025	1,836,000	2,000	109,467	1,947,467
2026	1,836,000	-	109,467	1,945,467
2027	459,000	-	109,467	568,467
2028	-	-	109,467	109,467
Thereafter	-	-	903,098	903,098
<b>Total</b>	<b>\$ 5,967,000</b>	<b>\$ 10,000</b>	<b>\$ 1,450,433</b>	<b>\$ 7,427,433</b>

# Analytic Services Inc. and Subsidiaries

## Notes to the Consolidated Financial Statements

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The amortization of customer contracts, non-compete agreement and trade name is included in indirect expenses in the accompanying consolidated statement of activities and change in net assets.

### 7. Lines-of-Credit

ANSER has a Liquidity Asset Line (LAL) through one of its investment bankers that provides for maximum borrowings of up to \$55 million, subject to certain limitations based on balances in the investment portfolio. The agreement is secured by a portion of the long-term investment portfolio at the investment banker. The interest rate is the 30-day Secured Overnight Financing Rate (SOFR) market index rate plus 1.00% (6.43% as of September 30, 2023). There is no fee for non-use. The LAL can be terminated at any time by the investment banker. ANSER had no balance outstanding of on the LAL as of September 30, 2023.

ANSER also has available a \$20 million line-of-credit, subject to a borrowing base, with its other investment banker. The line-of-credit is collateralized by securities and other property owned by ANSER and held at the investment banker. The interest rate is variable and adjusts daily at the SOFR plus 1.25% (6.56% as of September 30, 2023). The investment banker reserves the right to change the interest rate at any time in its sole discretion. There were no borrowings against this line-of-credit during the year ended September 30, 2023.

Prior to the change in control in February 2023, ATI had an unsecured revolving loan agreement with a bank which was set to expire on July 5, 2023. Maximum borrowings were limited to \$10 million. The interest rate was the SOFR plus 1.8%.

### 8. Disaggregation of Revenue

The Company disaggregates revenue from contracts with customers primarily by contract type, task order, delivery order, work directive, subcontract and purchase order, as the Company believes these categories best depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

Performance obligations related to the Company's contracts are satisfied over time as work progresses or at a point in time. Substantially all revenues for the year ended September 30, 2023 were transferred to customers over time. Incurred costs represent work performed, which corresponds with, and thereby best depicts, the transfer of control to the customer.

#### *Performance obligations*

Remaining performance obligations represent the transaction price of executed contracts for which work has not yet been performed, irrespective of whether funding has or has not been authorized and appropriated as of the date of execution. Remaining performance obligations do not include negotiated but unexercised options or the unfunded value of expired contracts.

**Analytic Services Inc. and Subsidiaries**  
**Notes to the Consolidated Financial Statements**

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**9. Commitments and Contingencies**

***Leases***

The Company leases office space and equipment under non-cancellable leases which expire at various dates through July 2028. Some of the leases provide for annual increases to the base rent and require the Company to reimburse the landlord for its pro-rata share of the increases in annual operating expenses and real estate taxes.

The Company recognizes the total cost of its leases ratably over the respective lease periods. The Company recorded lease costs totaling \$2,236,281 for the year ended September 30, 2023.

In addition to the initial ROU assets and lease liabilities recognized as part of the adoption of ASC 842 (see Note 1), during the year ended September 30, 2023, the Company recognized operating lease ROU assets acquired in exchange for operating lease liabilities totaling \$295,661.

The following is a schedule by year of the maturities of the operating lease liability required under these leases as of September 30, 2023:

*Years Ending September 30,*

2024	\$	3,331,249
2025		804,522
2026		316,768
2027		314,802
2028		206,680
Total operating lease payments		4,974,021
Less: imputed interest		(196,324)
Total operating lease liabilities		\$ 4,777,697

The weighted average remaining lease term and discount rates for operating leases were approximately 2.1 years and 3.5% at September 30, 2023, respectively.

In May 2023, the Company entered into a new office lease that does not commence until fiscal year 2024. The lease term spans December 2024 to November 2036 and is expected to require total minimum lease payments of \$25.2 million over the term of the agreement. The lease includes a tenant improvement allowance lease incentive of approximately \$6.4 million, and the first two years of rent payments are abated.

***U.S. Government contract audits***

Costs billed by the Company to the U.S. government pursuant to Department of Defense contracts are subject to audit by the Defense Contract Audit Agency (DCAA). Government auditors have approved ANSER's and ATI's indirect cost recovery rates through September 30, 2022.

The Company is of the opinion that any adjustments as a result of the audits outstanding, will not have a significant effect on its consolidated financial position. Substantially all of the Company's

# Analytic Services Inc. and Subsidiaries

## Notes to the Consolidated Financial Statements

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revenue and accounts receivable were derived from contracts or subcontracts with the U.S. Government. The Company's federal programs are subject to financial and compliance audits by grantor agencies. Instances of material noncompliance may result in disallowed expenditures and affect the Company's continued participation in specific programs. That amount of expenditures which may be disallowed by the grantor agencies cannot be determined at this time, although the Company expects such amounts, if any, to be immaterial.

### ***Legal matters***

From time to time, the Company may be subject to various legal proceedings, which are incidental to the ordinary course of business. In the opinion of management, there are no legal proceedings to which the Company is a party which are expected to result in material monetary exposure for the Company.

### **10. Retirement Plans**

The Company has defined contribution retirement plans in which substantially all employees participate. Under the defined contribution retirement plan, ANSER makes contributions to Teachers Insurance and Annuity Association (TIAA) based on a percentage of the payroll of participants in the plan. The Company's policy is to fund accrued costs currently and to charge defined contribution retirement plan costs to operations as they accrue. The Company's cost under the defined contribution retirement plans was approximately \$5.4 million for the year ended September 30, 2023.

Prior to the change in control in February 2023, ATI maintained a separate retirement plan managed by the Principal Group. ANSER has no continued administrative responsibilities or association with the ATI retirement plan as of effective date of the change in control.

### **11. Supplemental Employee Retirement Plan**

ANSER has a Section 457(b) supplemental employee retirement plan (the "457(b) Plan" or "SERP"). Under the terms of the 457(b) Plan, eligible employees elect to deposit a percentage of their compensation into the 457(b) Plan. Employee deposits and accumulations are accounted for as an asset and offsetting liability on the Company's balance sheet until they are distributed to the participants. The amount of deposits and related accumulations at September 30, 2023 were \$840,717.

### **12. Post-Retirement Benefits**

ANSER maintains a postretirement health and welfare plan (the Plan). Funding for the Plan is held in a Voluntary Employees' Beneficiary Association (VEBA) trust. The Plan is administered by ANSER. Plan assets are invested according to an investment policy approved by the Board of Directors and are held by a financial institution, as Trustee, and are managed by the Trustee's independent investment manager. Under the Plan, the annual contribution is the amount calculated by an actuary in order to meet Employee Retirement Income Security Act (ERISA) requirements. The funded status of the plan is included within prepaid expenses and other assets in the accompanying consolidated balance sheet.

**Analytic Services Inc. and Subsidiaries**  
**Notes to the Consolidated Financial Statements**

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The funded status, key assumptions, benefit costs and other required disclosures are as follows:

*September 30, 2023*

Plan assets, at fair value	\$	2,605,810
Accumulated postretirement benefit obligation		(1,811,380)
<b>Funded status of the Plan</b>		<b>\$ 794,430</b>

Weighted-average assumptions used to determine benefit obligation:

Discount rate		5.60%
Medical trend rate		7.50%
Dental trend rate		3.00%

Weight-average assumptions used to determine net periodic postretirement benefit cost:

Discount rate		5.11%
Expected return on assets		7.50%

Net periodic postretirement benefit cost:

Service cost	\$	180,272
Interest cost		83,362
Expected return on plan assets		(176,312)
Recognized prior service credit		(70,750)
Recognized net loss		39,444

**Total net periodic postretirement benefit cost** **\$ 56,016**

Amounts included in net assets outside net periodic postretirement benefit cost\* \$ 545,316

\* the amount to be amortized into cost in 2023 is not significant.

The Plan is structured such that the employer portion of medical coverage is capped at a specific amount. The limit for the Plan was exceeded during the year ended September 30, 2008, and therefore ANSER's liability for the Plan is not affected by changes in health care costs. Accordingly, health care cost trend rates have been excluded from the calculation of the net period postretirement benefit cost for the year ended September 30, 2023, and the benefit obligation at September 30, 2023.

Investment objectives of the Plan include producing capital appreciation and the preservation of capital. Both annual and five-year horizons are utilized for measuring performance, as there are inevitably short-run fluctuations which will cause variations in investment results. Based on experience and the known probabilities under all of the circumstances and recognizing that various uncertainties are involved in any investment program, the target has been to have a return objective of at least an increase of 7.50% over a five-year time horizon, and the assumption is accordingly made that a 7.50% overall long-term rate will be realized.

**Analytic Services Inc. and Subsidiaries**  
**Notes to the Consolidated Financial Statements**

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The Plan assets are diversified between domestic exchange traded funds (ETFs), mutual funds and money market funds. With this diversification and investment in broader market funds, there is reasonable assurance that no single security or class of securities will have a disproportionate impact on the Plan assets. The Plan allocates its assets as follows at September 30:

<i>Asset category</i>	2023
ETFs - fixed income	8%
ETFs - equities	54%
Mutual funds - fixed income	17%
Mutual funds - equities	16%
Money market funds	5%

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Fair value, as defined in ASC 820, *Fair Value Measurements*, is described in Note 13. In determining the appropriate levels for the Plan, ANSER performs a detailed analysis of the assets and liabilities that are subject to fair value disclosures.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of September 30, 2023:

	2023			
	Level 1	Level 2	Level 3	Total
ETFs - fixed income	\$ 210,554	\$ -	\$ -	210,554
ETFs - equities	1,421,458	-	-	1,421,458
Mutual funds - fixed income	442,846	-	-	442,846
Mutual funds - equities	396,035	-	-	396,035
Money market funds	134,917	-	-	134,917
	\$ 2,605,810	\$ -	\$ -	2,605,810

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Estimated future benefit payments are as follows:

*Year ended September 30,*

2024	\$ 80,332
2025	91,043
2026	113,188
2027	124,771
2028	115,872
2029-2032	858,972
	\$ 1,384,178

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**Analytic Services Inc. and Subsidiaries**  
**Notes to the Consolidated Financial Statements**

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**13. Fair Value Measurements**

ASC 820 establishes a fair value hierarchy that is based on the valuation inputs used in the fair value measurements. The Topic requires that assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

**Level 1:** Quoted market prices in active markets for identical assets or liabilities

**Level 2:** Observable market-based inputs or unobservable inputs corroborated by market data

**Level 3:** Unobservable inputs that are not corroborated by market data

In determining the appropriate levels, the Company performs a detailed analysis of the assets and liabilities that are subject to fair value measurements. At each reporting period, all assets, and liabilities for which the fair value measurement is based on significant unobservable inputs are classified as Level 3.

The table below presents the balances of assets and liabilities measured at fair value on a recurring basis by level within the hierarchy:

	<i>September 30, 2023</i>			
	Level 1	Level 2	Level 3	Total
<b>Assets at fair value:</b>				
<i>Corporate equities:</i>				
Information technology	\$ 21,250,343	\$ -	\$ -	\$ 21,250,343
Consumer discretionary	10,308,355	-	-	10,308,355
Financial services	13,770,800	-	-	13,770,800
Health care	12,187,889	-	-	12,187,889
Industrial	11,958,309	-	-	11,958,309
REITs	5,222,117	-	-	5,222,117
Energy	3,328,808	-	-	3,328,808
Consumer staples	5,678,539	-	-	5,678,539
Materials	4,941,336	-	-	4,941,336
Communication services	5,012,957	-	-	5,012,957
Other	3,455,078	-	-	3,455,078
	97,114,531	-	-	97,114,531
<i>Fixed income:</i>				
Corporate bonds	-	39,677,169	-	39,677,169
Government securities	-	6,749,151	-	6,749,151
	-	46,426,320	-	46,426,320
<i>Money market funds</i>	3,467,709	-	-	3,467,709
<b>Total assets at fair value</b>	<b>\$ 100,582,240</b>	<b>\$ 46,426,320</b>	<b>\$ -</b>	<b>\$ 147,008,560</b>

**Analytic Services Inc. and Subsidiaries**  
**Notes to the Consolidated Financial Statements**

<b>Assets at Net Asset Value (NAV):</b>					
Hedge funds (a)					13,053,951
<b>Total investments</b>					<b>\$ 160,062,511</b>
<b>Liabilities at fair value:</b>					
Contingent consideration	\$	-	\$	89,697	\$ 89,697
Deferred compensation		-	840,717	-	840,717
	<b>\$</b>	<b>-</b>	<b>\$ 840,717</b>	<b>\$ 89,697</b>	<b>\$ 930,414</b>

(a) Hedge funds - multi-strategy: This category of funds is characterized by their ability to dynamically allocate capital among a broad range of different asset classes and strategies that fall within several traditional hedge fund disciplines. Asset classes and strategies typically utilized in multi-strategy funds include, but are not limited to, relative value fundamental equity, event driven/merger arbitrage, statistical arbitrage, fixed income, and currency arbitrage. Provided that the participant has held its shares for at least 12 months, 25 percent of a participant's interest may be redeemed quarterly (entire balance may be redeemed over four quarters). The notice for redemption is required to be submitted within 90 calendar days plus five business days of the desired redemption date. Shares are redeemable at their net asset value as of the end of the respective quarter. Fair value is based on the information provided by the management of the fund, including audited financial statements, which reflects the fund's share of the fair value of the net assets of the fund, and any other relevant factors determined by its sponsor. The fund has applied the fair value guidance for measuring its investments, using the practical expedient. As such, the fund fair values its investments using its NAV without any further adjustment.

The assets measured at fair value in the table above include investments and 457(b) plan deferred compensation investments, as shown in the accompanying consolidated statement of financial position.

The contingent consideration is valued using a discounted cash flow model based on expected payment amounts. The changes in this liability during the year ended September 30, 2023 were related to the increase in the fair value of the contingent consideration during the year ended September 30, 2023 of \$10,542 and payment of contingent consideration totaling \$454,000. The deferred compensation liability is based on observable inputs of the related assets and is, therefore, considered a Level 2 liability.

Hedge funds recorded at NAV are not actively traded, and fair values for similar assets are not readily attainable. The changes in assets measured at NAV on a recurring basis are as follows:

*Year Ended September 30, 2023*

Purchases	\$	-
Redemptions		-
<b>Net unrealized gains</b>		<b>2,641,252</b>

**14. Subsequent Events**

The Company has evaluated its September 30, 2023 consolidated financial statements for subsequent events through June 3, 2024, the date the consolidated financial statements were available to be issued. The Company is not aware of any subsequent events which would require recognition or disclosure in the consolidated financial statements.



## Analytic Services Inc. and Subsidiaries

Schedule of Expenditures of Federal  
Awards and Reports Required by  
*Government Auditing Standards* and  
the Uniform Guidance  
Year Ended September 30, 2023

## **Analytic Services Inc. and Subsidiaries**

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Schedule of Expenditures of Federal Awards and Reports Required by  
*Government Auditing Standards* and the Uniform Guidance  
Year Ended September 30, 2023

# Analytic Services Inc. and Subsidiaries

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8401 Greensboro Drive, Suite 800  
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## **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***

Board of Directors  
Analytic Services Inc. and Subsidiaries  
Falls Church, Virginia

We have audited, in accordance with the 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, the consolidated financial statements of Analytic Services Inc. and its subsidiaries (the “Company”), which comprise the Company’s consolidated balance sheet as of September 30, 2023, and the related consolidated statements of activities and change in net assets, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated June 3, 2024.

### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the consolidated financial statements, we considered the Company’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Company’s internal control.

*A deficiency in internal control* 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s consolidated financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.



## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Company's consolidated financial statements are free from 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 consolidated financial statements. 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*.

## Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Company's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Company's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BDO USA, P.C.

McLean, Virginia  
June 3, 2024



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## **Independent Auditor’s Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

Board of Directors  
Analytic Services Inc. and Subsidiaries  
Falls Church, Virginia

### **Report on Compliance for the Major Federal Program**

#### ***Opinion on the Major Federal Program***

We have audited Analytic Services Inc. and its subsidiaries’ (the “Company”) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the Company’s major federal program for the year ended September 30, 2023. The Company’s major federal program is identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Company complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended September 30, 2023.

#### ***Basis for Opinion on the Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Company’s compliance with the compliance requirements referred to above.

#### ***Other Matter - Federal Expenditures Not Included in the Compliance Audit***

The Company’s consolidated financial statements include the operations of Advanced Technology International (ATI) from October 1, 2022 through February 28, 2023, which is not included in the Company’s schedule of expenditures of federal awards during the year ended September 30, 2023. Our compliance audit, described in the *Opinion on the Major Federal Program*, does not include the operations of ATI because such expenditures are included in a stand-alone schedule of expenditures of federal awards that is issued in a separate report containing only the activities of ATI.

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### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Company's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Company's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Company's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Company's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Company's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### ***Other Matters***

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2023-001. Our opinion on the major federal program is not modified with respect to this matter.



*Government Auditing Standards* requires the auditor to perform limited procedures on the Organization's response to the noncompliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Company's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The Company is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. The Company's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

### **Report on Internal Control Over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a deficiency in internal control over compliance that we consider to be a significant deficiency.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-001 to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

*Government Auditing Standards* requires the auditor to perform limited procedures on the Company's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The Company's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.



The Company is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. The Company's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

#### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the consolidated financial statements of the Company as of and for the year ended September 30, 2023 and have issued our report thereon dated June 3, 2024, which contained an unmodified opinion on those consolidated financial statements. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

BDO USA, P.C.

McLean, Virginia  
June 3, 2024

## **Schedule of Expenditures of Federal Awards**

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# Analytic Services Inc. and Subsidiaries

## Schedule of Expenditures of Federal Awards Year Ended September 30, 2023

Program or Cluster Title/Federal Grantor/Pass-Through Grantor	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Total Federal Expenditures
<b>Research and Development Cluster:</b>			
<b>U.S. Department of Defense:</b>			
Secretary of Defense	12.RD		\$ 45,656,492
Joint Military Service Organizations	12.RD		6,833,642
Army	12.RD		543,803
Pass-Through Program From:			
Applied Research Associates, Inc.	12.RD	S-D00244-IDIQ-07-ANS	1,167,262
ARServices, Limited	12.RD	ANSER-20200106	214,560
Artlin Consulting	12.RD	AVCSIIANSER0002	167,938
Avantus	12.RD	2022-007	67,178
Barbaricum	12.RD	G2037.111.001.001	12,707
Booz Allen Hamilton	12.RD	1079575B31	938,553
Bowhead Logistics Solutions, LLC	12.RD	BTES-0090-17-ANSER-01	451,744
ByteCubed LLC (Intellibridge LLC)	12.RD	BC0026-05-01	(122)
Chimera	12.RD	HDTRA1-17-D-0002	81,014
Data Systems Analysis Inc	12.RD	ANSE-0219-7900-745	297,372
Engility Corporation	12.RD	HDTRA1-16-C-0023	3,687
Frontier Technology, Inc	12.RD	FTHD05140018015	1,735,286
Integrity Management Consulting Inc.	12.RD	HQ PACAF/A4S	292,016
Interagency Readiness Solutions, Inc	12.RD	W9133L-21-C-3630	2,907
KBR Wyle Services	12.RD	LX12000055	185,100
Leidos	12.RD	P010263379	113,453
M Holland Group LLC	12.RD	W15QKN22C0035	17,206
Miracle Systems	12.RD	2019-JNL-1002	199,868
MIT Lincoln Lab	12.RD	PO7000495774	41,807
Patricio Enterprises, Inc	12.RD	SC-19-11776-ANSER	1,999,937
PM2 Strategies	12.RD	0302S-2021-01	19,289
Redhorse Corporation	12.RD	RHC-18-ANS-02	1,885
Science Applications International Corporation	12.RD	PO10259098	2,024,685
SciTech Services, Inc	12.RD	SciTech_47QFNA23F0054_001	41,990
Sigmatech, Inc	12.RD	SIG-23-NSSI-0001	13,996
Soar Technology Inc.	12.RD	10277.01.ANSER	(3)
SOS International	12.RD	SA 21-101	6,030
Survive Engineering Co.	12.RD	S21-0850017	5,574
Systems Planning and Analysis, Inc	12.RD	SPA-SC-040023-ANSER-20-001	307,319
The Mitre Corp	12.RD	MSA-000180	8,082
Whitney, Bradley & Brown, Inc (Serco)	12.RD	20GWRMS046 R2	1,363,489
Chimera	12.RD	CEI-SUBK-0003-ANSER	957,926
<b>Total U.S. Department of Defense</b>			<b>65,773,672</b>
<b>Department of Homeland Security</b>			
Department of Homeland Security	97.RD		5,736,832
Pass-Through Program From:			
Deloitte	97.RD	GS00Q14OADU204/70RSAT21FR00001	171,716
<b>Total Department of Homeland Security</b>			<b>5,908,548</b>
<b>Department of Health and Human Services</b>			
Department of Health and Human Services	93.RD		11,515,933
Pass-Through Program From:			
Analex Corp, Subsidiary of Arcfield	93.RD	TC-0041531	59,094
Booz Allen Hamilton	93.RD	HM1575-17-D-0001	3,594,651
C2 Technologies	93.RD	USMS - C2	620,012
Celestar Corp.	93.RD	HHM402-19-D-0010-InTec	634,574
Cherokee Nation.	93.RD	28700-0176	182,709
Compass, Inc	93.RD	NFE-InTec-0010	844,606
Manufacturing Technical Solutions	93.RD	CPSS-ANS-001	24,853
Perspecta	93.RD	HM0476-19-D-0002	6,422,451
Preting Consulting	93.RD	PC2021009	7,602
S2 Analytical Solutions	93.RD	2018NGA001-INT	45,173
Science Applications International Corporation	93.RD	PO0016780	1,870,532
Salient CRGT, Inc	93.RD	225135-SC-16-008-ANSER	632
Sigmatech, Inc	93.RD	SIG-23-NSSI-0001	27,865
<b>Total Department of Health and Human Services</b>			<b>25,850,687</b>
<b>Total Expenditures of Federal Awards - Research and Development Cluster</b>			<b>\$ 97,532,907</b>

The accompanying notes are an integral part of this schedule.

# Analytic Services, Inc. and Subsidiaries

## Notes to the Schedule of Expenditures of Federal Awards

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### 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Analytic Services Inc. and Subsidiaries (the Company) under programs of the federal government for the year ended September 30, 2023. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Company, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Company.

### 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

### 3. Indirect Cost Rate

The Company has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

### 4. U.S. Government Contract Audits

Costs charged to federal awards are subject to audit by government auditors. An audit of these costs has not been completed for the year ended September 30, 2023. The Company is of the opinion that any adjustments of costs for the year ended September 30, 2023 will not have a significant effect on its federal awards.

### 5. Total Expenditures of Federal Awards of Subsidiaries

Total expenditures per the Schedule include expenditures of the Company and its subsidiaries, with the exception of federal awards for Advanced Technology International (ATI) for the period from October 1, 2022 through February 28, 2023, which is one of the Company's subsidiaries. In February 2023, ATI and the Company entered into a change of control agreement whereby the Company no longer has the ability to exercise control nor exert significant influence over the operations of ATI. As a result, ATI balances were reported as discontinued operations and ATI is no longer consolidated with ANSER. Total expenditures of federal awards for ATI are included in a stand-alone schedule of expenditures of federal awards that is issued in a separate report in accordance with the Uniform Guidance.

# Analytic Services Inc. and Subsidiaries

## Schedule of Findings and Questioned Costs Year Ended September 30, 2023

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### Section I - Summary of Auditor's Results

#### *Consolidated Financial Statements*

Type of report the auditor issued on whether the consolidated financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	<u>      </u> Yes	<u>  X  </u> No
Significant deficiency(ies) identified?	<u>      </u> Yes	<u>  X  </u> None reported
Noncompliance material to consolidated financial statements noted?	<u>      </u> Yes	<u>  X  </u> No

#### *Federal Awards*

Internal control over the major federal program:

Material weakness(es) identified?	<u>      </u> Yes	<u>  X  </u> No
Significant deficiency(ies) identified?	<u>  X  </u> Yes	<u>      </u> None reported

Type of auditor's report issued on compliance for the major federal program:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	<u>  X  </u> Yes	<u>      </u> No
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Identification of the major federal program:

#### Assistance Listing Number(s)

#### Name of Federal Program or Cluster

Various

Research and Development Cluster

Dollar threshold used to distinguish between Type A and Type B programs:

\$2,925,987

Auditee qualified as low-risk auditee?	<u>  X  </u> Yes	<u>      </u> No
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# Analytic Services Inc. and Subsidiaries

## Schedule of Findings and Questioned Costs Year Ended September 30, 2023

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### Section II - Financial Statement Findings

There were no findings related to the consolidated financial statements which are required to be reported in accordance with generally accepted government auditing standards (GAGAS) identified during the 2023 audit.

### Section III - Federal Award Findings and Questioned Costs

#### 2023-001 Internal Control over Compliance and Compliance with Reporting - Preparation of the Schedule of Expenditures of Federal Awards

##### Information on the Major Federal Program -

All Federal Agencies included in the Schedule  
Assistance Listing Number: 12.RD and 97.RD and 93.RD  
Assistance Listing Name: Various

Criteria - The Uniform Guidance in 2 CFR §200.510 (b) states in part: “The auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee’s financial statements which must include the total Federal awards expended as determined in accordance with CFR §200.502 Basis for determining Federal awards expended.”

Condition - Certain contract expenditures were incorrectly reported in the initial Schedule. Various awards were initially reported under the incorrect Federal agency. Additionally, certain awards were incorrectly labeled as being direct awards that should have been labeled as pass through awards. The final Schedule, as presented, has been corrected by the Company for the errors identified during the audit.

Cause - The Company did not follow its established policies and procedures related to the preparation of the Schedule. The established policies did not allow management to detect the errors upon initial contract setup within the accounting system.

Effect or Potential Effect - Failure to comply with the reporting requirements of the Uniform Guidance related to the preparation of the Schedule could result in expenses from Federal awards being inaccurately reported.

Questioned Costs - None.

Context - This is a condition identified based upon our review of the Company’s compliance with specified requirements required based on CFR §200.502. The prevalence of these findings is detailed in the condition section above.

Repeat finding - This is not a repeat finding.

Recommendation - We recommend that the Company implement policies and procedures to ensure that Federal expenditures reported on the Schedule are properly included based on underlying Federal and award requirements.

Views of Responsible Officials - Management agrees with the finding. The Company will implement an additional review of projects created in the accounting system to ensure the reliance of the information to be reported under CFR §200.502.

**Management's Section**

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**Corrective Action Plan****Finding 2023-001**

In response to the reported deficiency of internal controls over compliance with the preparation of the Schedule of Expenditures of Federal Awards (SEFA), ANSER will implement the following Corrective Action Plan:

1. During the Kick-Off meeting of new awards or modifications, the contracts staff will provide the proper Federal Assistance Listing Number (FALN) to be associated with the new activity from the Catalog of Federal Domestic Assistance produced in SAM.gov by the GSA.
2. Accounting staff will include the FALN in the Project Setup in the Project Accounting system.
3. ANSER will also perform a more rigorous review of all elements of the SEFA in advance of submitting the document to external auditors. This will include participation by contracts and accounting staff.

**Individual(s) Responsible for the Corrective Action Plan:** Rick Clark, Corporate Controller, Kate Edwards, Director of Contracts & Pricing.

**Anticipated Completion Date:** May 2024