



CRA

Computing Research
Association

**The Computing Research Association, Inc.
Audited Financial Statements and Supplementary Information
As of and for the Year Ended June 30, 2023 and 2022
*With Independent Auditor's Report***



VASQUEZ
+ COMPANY LLP

The Computing Research Association, Inc.
Audited Financial Statements and Supplementary Information
As of and for the Year Ended June 30, 2023 and 2022
With Independent Auditor's Report

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS	
Statements of Financial Position	4
Statements of Activities	
Year ended June 30, 2023	5
Year ended June 30, 2022	6
Statements of Functional Expenses	
Year ended June 30, 2023	7
Year ended June 30, 2022	8
Statements of Cash Flows	9
Notes to the Financial Statements	10
SUPPLEMENTAL SCHEDULES REQUIRED BY THE UNIFORM GUIDANCE	
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 <i>Government Auditing Standards</i>	22
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	24
Schedule of Expenditures of Federal Awards	27
Notes to the Schedule of Expenditures of Federal Awards	28
Schedule of Findings and Questioned Cost	29
Summary Schedule of Prior Audit Findings	32



655 N. Central Avenue
Suite 1550
Glendale, CA 91203

www.vasquez.cpa

213-873-1700
OFFICE

\ LOS ANGELES
\ SAN DIEGO
\ IRVINE
\ SACRAMENTO
\ FRESNO
\ PHOENIX
\ LAS VEGAS
\ MANILA, PH

Independent Auditor's Report

**To the Board of Directors
The Computing Research Association, Inc.**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of The Computing Research Association, Inc. ("CRA"), which comprise the statements of financial position as of June 30, 2023 and 2022, the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of CRA as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of CRA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of a Matter

As discussed in Note 1 to the financial statements, the Company adopted the provisions of Accounting Standard Codification (ASC) Topic 842, Leases, effective July 1, 2022. Our opinion is not modified with respect to this matter.



Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 CRA'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about CRA'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.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the accompanying schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2025 on our consideration of CRA’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 CRA’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 CRA’s internal control over financial reporting and compliance.

**Glendale, California
March 31, 2025**

The Computing Research Association, Inc.
Statements of Financial Position

	June 30	
	2023	2022
ASSETS		
Cash and cash equivalents	\$ 924,638	\$ 709,771
Grants and other receivables, net	11,654,842	6,262,257
Investments, at fair value	2,503,867	2,981,078
Prepaid expenses	102,022	109,739
Property and equipment, net	77,602	104,219
Security deposits	22,037	22,037
Right-of-use asset, net	905,279	-
Total Assets	\$ 16,190,287	\$ 10,189,101
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable and accrued expenses	\$ 8,982,125	\$ 4,843,256
Contract liabilities:		
Deferred membership dues	1,056,798	1,258,154
Deferred revenue	11,450	1,156
Deferred rent and leasehold incentive	-	173,127
Operating lease liability	1,021,204	-
Total Liabilities	11,071,577	6,275,693
Net Assets:		
Without donor restrictions	4,479,124	3,272,037
With donor restrictions	639,586	641,371
Total Net Assets	5,118,710	3,913,408
Total Liabilities and Net Assets	\$ 16,190,287	\$ 10,189,101

See notes to the financial statements

The Computing Research Association, Inc.
Statement of Activities
Year ended June 30, 2023

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support			
Grants	\$ 17,977,316	\$ -	\$ 17,977,316
Membership dues	1,420,402	-	1,420,402
Contributions	1,760,630	-	1,760,630
Conferences	186,174	-	186,174
Conference news/communications	959,813	-	959,813
Miscellaneous income	4,199	-	4,199
Net assets released from restrictions:			
Satisfaction of purpose restriction	1,785	(1,785)	-
Total revenue and support	22,310,319	(1,785)	22,308,534
Expenses			
Program services	18,520,718	-	18,520,718
Management and general	2,856,058	-	2,856,058
Total expenses	21,376,776	-	21,376,776
Change in net assets from operations	933,543	(1,785)	931,758
Net investment income	273,544	-	273,544
Change in net assets	1,207,087	(1,785)	1,205,302
Net assets			
Beginning of year	3,272,037	641,371	3,913,408
Ending of year	\$ 4,479,124	\$ 639,586	\$ 5,118,710

See notes to the financial statements

The Computing Research Association, Inc.
Statement of Activities
Year ended June 30, 2022

	2022		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support			
Grants	\$ 16,691,489	\$ -	\$ 16,691,489
Membership dues	1,268,450	-	1,268,450
Contributions	384,528	6,500	391,028
Conferences	266,793	-	266,793
Conference news/communications	765,388	-	765,388
Miscellaneous income	28,233	-	28,233
Net assets released from restrictions:			
Satisfaction of purpose restriction	17,075	(17,075)	-
Total revenue and support	19,421,956	(10,575)	19,411,381
Expenses			
Program services	16,620,122	-	16,620,122
Management and general	2,424,270	-	2,424,270
Total expenses	19,044,392	-	19,044,392
Change in net assets from operations	377,564	(10,575)	366,989
Net investment loss	(435,715)	-	(435,715)
Change in net assets	(58,151)	(10,575)	(68,726)
Net assets			
Beginning of year	3,330,188	651,946	3,982,134
Ending of year	\$ 3,272,037	\$ 641,371	\$ 3,913,408

See notes to the financial statements

The Computing Research Association, Inc.
Statement of Functional Expenses
Year ended June 30, 2023

	<u>Program Services</u>				Total Program Services	General and Administrative	Total
	<u>Community</u>	<u>Information</u>	<u>Policy</u>	<u>Talent</u>			
Subcontract/subawards	\$ 11,677,874	\$ -	\$ -	\$ 423,094	\$ 12,100,968	\$ -	\$ 12,100,968
Salaries and benefits	789,092	259,434	184,305	1,126,613	2,359,444	1,752,881	4,112,325
Travel and meetings	900,013	-	3,145	1,353,435	2,256,593	120,136	2,376,729
Participant stipends and expenses	192,798	-	-	1,033,007	1,225,805	-	1,225,805
Consultants	4,622	2,084	-	212,412	219,118	474,405	693,523
Supplies, repairs, and maintenance	1,870	-	160	148,443	150,473	146,881	297,354
Occupancy	-	-	-	-	-	230,516	230,516
Printing and publications	6,526	25,305	177	25,430	57,438	8,101	65,539
Dues, subscriptions, and internet	342	14,590	18,867	2,634	36,433	20,472	56,905
Postage and delivery	14,281	-	-	28,633	42,914	2,781	45,695
Bad debt expense	5,157	5,635	-	4,407	15,199	24,305	39,504
Awards	-	-	3,000	23,589	26,589	9,080	35,669
Depreciation	-	-	-	-	-	26,617	26,617
Finance charges	76	-	-	150	226	23,173	23,399
Insurance	-	-	-	-	-	13,138	13,138
Telephone, fax, mobile	-	-	457	-	457	3,442	3,899
Miscellaneous	551	-	-	28,510	29,061	130	29,191
	<u>\$ 13,593,202</u>	<u>\$ 307,048</u>	<u>\$ 210,111</u>	<u>\$ 4,410,357</u>	<u>\$ 18,520,718</u>	<u>\$ 2,856,058</u>	<u>\$ 21,376,776</u>

See notes to the financial statements

The Computing Research Association, Inc.
Statement of Functional Expenses
Year ended June 30, 2022

	<u>Program Services</u>				<u>Total</u>	<u>General and</u> <u>Administrative</u>	<u>Total</u>
	<u>Community</u>	<u>Information</u>	<u>Policy</u>	<u>Talent</u>	<u>Program</u> <u>Services</u>		
Subcontract/subawards	\$ 11,492,928	\$ -	\$ -	\$ 389,507	\$ 11,882,435	\$ -	\$ 11,882,435
Salaries and benefits	623,204	197,480	132,170	1,039,963	1,992,816	1,339,392	3,332,208
Travel and meetings	291,855	-	-	977,228	1,269,083	119,550	1,388,633
Participant stipends and expenses	192,225	-	-	758,058	950,283	-	950,283
Consultants	102,648	3,406	300	119,419	225,773	440,955	666,728
Occupancy	-	-	-	-	-	264,625	264,625
Supplies, repairs, and maintenance	3,276	-	2,436	89,713	95,425	132,212	227,637
Printing and publications	38,075	36,412	-	43,560	118,047	7,883	125,930
Telephone, fax and internet	97	12,215	1,303	610	14,224	32,588	46,812
Finance charges	46	-	-	97	142	36,329	36,471
Depreciation	-	-	-	-	-	33,152	33,152
Awards	-	-	3,000	25,000	28,000	-	28,000
Dues and subscriptions	70	-	19,506	3,251	22,826	773	23,599
Postage and delivery	637	-	-	14,571	15,208	1,582	16,790
Insurance	-	-	-	-	-	9,268	9,268
Bad debt expense	-	-	-	-	-	4,038	4,038
Miscellaneous	-	-	-	5,860	5,860	1,923	7,783
	<u>\$ 12,745,061</u>	<u>\$ 249,512</u>	<u>\$ 158,714</u>	<u>\$ 3,466,835</u>	<u>\$ 16,620,122</u>	<u>\$ 2,424,270</u>	<u>\$ 19,044,392</u>

See notes to the financial statements

The Computing Research Association, Inc.
Statements of Cash Flows

	Years ended June 30	
	2023	2022
Cash flows from operating activities:		
Change in net assets	\$ 1,205,302	\$ (68,726)
Adjustments to reconcile change in net assets to net cash flows used in operating activities:		
Lease expense in accordance with Topic 842	240,696	-
Unrealized loss (gain) on investments, net	(181,233)	372,741
Gain on sale of investments, net	(55,541)	(91,627)
Bad debt expense	39,504	4,038
Depreciation and amortization	26,617	33,152
Change in certain operating assets and liabilities:		
(Increase) decrease in:		
Grants and other receivables	(5,432,089)	(3,787,313)
Prepaid expenses	7,717	441,221
Increase (decrease) in:		
Accounts payable and accrued expenses	4,138,869	2,222,040
Payments of lease liability	(284,213)	-
Contract liabilities - deferred revenue and membership dues	(191,062)	709,629
Deferred rent and leasehold incentive	(13,685)	(17,682)
Net cash flows used in operating activities	(499,118)	(182,527)
Cash flows from investing activities:		
Proceeds from sale of investments	1,086,977	704,305
Purchase of investments	(372,992)	(926,339)
Purchases of property and equipment	-	(20,000)
Net cash flows provided by (used in) investing activities	713,985	(242,034)
Net increase (decrease) in cash and cash equivalents	214,867	(424,561)
Cash and cash equivalents, beginning of year	709,771	1,134,332
Cash and cash equivalents, end of year	\$ 924,638	\$ 709,771
Supplemental disclosure of cash flow information		
Interest paid	\$ 31,277	\$ -
Supplemental schedule of non-cash investing activities:		
Recognition of right-of-use asset in accordance with Topic 842	\$ 1,114,698	\$ -
Recognition of lease liability in accordance with Topic 842	\$ 1,274,140	\$ -

See notes to the financial statements

NOTE 1 NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Computing Research Association, Inc. (“CRA” or the “Organization”) is a nonprofit organization as described in Section 501(c)(3) of the Internal Revenue Code (“IRC”). CRA was organized to consider and act on general problems regarding computer science and computer engineering research and graduate education; to foster interaction between the university and non-university computer science and computer engineering research communities; and to interact with and inform public and private groups about computing research and education. These services are funded primarily by grants from the National Science Foundation (“NSF”), membership dues, fees from conferences, corporate contributions, and advertising fees derived from newsletter employment notifications.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). Under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities*, the Organization is required to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of CRA. These net assets may be used at the discretion of CRA’s management and the Board of Directors.

Net Assets With Donor Restrictions – Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of CRA or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Cash and Cash Equivalents

All highly liquid investments with a maturity of three months or less have been considered as cash equivalents on the financial statements.

Grants and Other Receivables

Grants and other receivables are valued at management’s estimate of the amount that will ultimately be collected. Receivables are carried at the original amount less an estimate made for doubtful receivables based on a review of all outstanding amounts. Management determines the allowance for doubtful accounts by regularly evaluating individual receivables and considering payment history and current economic conditions.

NOTE 1 NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Grants and Other Receivables (Continued)

Receivables are written off when deemed uncollectible. Recoveries of receivables previously written off are recorded when received. The allowance for doubtful accounts amounted to \$33,553 and \$9,247 as of June 30, 2023 and 2022, respectively.

Investments

CRA has adopted the *Investments-Debt and Equity Securities for Not-for-Profit Entities Topic* of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”). Under this topic, investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the statements of financial position. Investment income or loss (including realized and unrealized gains and losses on investments, interest, and dividends) is included in the statements of activities as increases or decreases in net assets without donor restrictions unless the income or loss is restricted by the donor or law. Realized gains on securities sold during the year and held at the beginning of the year are recognized to the extent sales proceeds exceed the security’s fair market value at the beginning of the year. Donated securities are recorded at their fair market value on the date of donation.

Fair Value Measurement

Fair Value is defined as the exchange price that would be received for an asset or paid transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. Assets and liabilities are measured at fair value using a three level fair value hierarchy that ranks the quality and reliability of the information used to measure fair value. The three levels of input used to measure fair value are as follows:

- Level 1* Quoted prices are available in active markets for identical investments as of the reporting date. The type of investments included in Level 1 includes unrestricted securities listed in active markets.
- Level 2* Quoted prices outside of the active markets, which are either directly or indirectly observable as of the reporting date, and fair value can be determined through the use of models or other valuation methodologies.
- Level 3* Unobservable inputs in situations where there is little or no market activity for the asset or liability and the reporting entity makes estimates or assumptions related to the pricing of the asset or liability including assumptions regarding risk.

NOTE 1 NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurement (Continued)

The financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The following are descriptions of CRA's valuation methodologies used for instruments measured at fair value, including the general classification of such instruments pursuant to the valuation hierarchy:

Mutual Funds Including Stocks and Bonds – These investments are valued at the closing price reported on the New York Stock Exchange Composite Listing or other active market on which these securities are traded. These securities are classified within Level 1 of the valuation hierarchy.

Fixed Income Securities Including Corporate Bonds, Municipal Bonds, and Government Bonds – These investments are not traded on an active market and are valued based on inputs other than quoted prices that are either directly or indirectly observable. These securities are classified within Level 2 of the valuation hierarchy.

Income Fund – This represents an investment in a private lending fund of diversified senior secured loans. The fair market value is determined based on the annual return provided by the Fund manager. There is a monthly redemption frequency with a 12-month lock-up period. This security is classified within Level 3 of the valuation hierarchy.

CRA's significant financial instruments are cash, investments, grants and other receivables, and other short-term assets and liabilities. For these financial instruments, carrying values approximate fair value. See Note 6 for fair value disclosures.

Property and Equipment

Property and equipment are capitalized at cost. It is CRA's policy to capitalize expenditures for these items in excess of \$5,000. Lesser amounts are expensed. Property and equipment are depreciated on a straight-line basis over the estimated useful lives of 3 to 10 years.

Revenue Recognition

Grants and Contributions

Contributions received are recorded as without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor-restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

NOTE 1 NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

Grants and Contributions (Continued)

Unconditional contributions are recognized as revenues when donor commitments are received. Unconditional contributions are recognized at the estimated net present value, net of an allowance for uncollectible amounts and are classified in the appropriate net asset class. Management determines the allowance for uncollectible contributions using historical experience with collectability of past contributions and the amount is recorded as a reduction in contribution revenue.

CRA reports gifts of equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of equipment are reported at their fair value at the date of the gift.

Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return and release, are not recognized until such time as the conditions are substantially met. As of June 30, 2023, and 2022 there were no conditional contributions.

Revenues related to federal contracts and grants are received on a cost reimbursement basis, billed as eligible expenses are incurred. Unbilled amounts represent administrative timing differences. This funding is subject to contractual restrictions, which must be met through incurring qualifying expenses for particular programs. Accordingly, based on the guidance of Accounting Standards Update ("ASU") 2018-08, *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*, CRA's federal grants are nonreciprocal transactions which fall under the guidance of ASC 958. The federal grants have limited discretion inherent in the requirements of federal cost principals and are restricted for the purpose of the grant. As such, government grants are considered conditional until the point in time when expenses related to the purpose of the project are incurred.

The federal contracts and grant expenditures are subject to review by the funding agencies. Costs can be questioned or disallowed upon audit. Management believes such adjustment for the current period, if any, would not have a material effect on net assets.

Membership Dues

Membership dues are recognized as revenue ratably over the period of membership covered by the dues. The portion of member dues relating to future periods is deferred to the appropriate period.

NOTE 1 NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

Conference Revenue

Conference revenue is recognized when the event is completed. Amounts received in advance of an event are reported as deferred revenue.

Conference News/Communications

Conference news revenue is recognized when the advertisement is included in the newsletter immediately following the receipt of payment.

Contract assets result from revenue that has been earned in advance of billing. Contract liabilities are amounts received in advance of performing the services. There were no contract assets as of June 30, 2023 and 2022. As of June 30, 2023 and 2022, contract liabilities totaled \$1,068,248 and \$1,259,310, respectively.

Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated between the programs and services benefited. Direct identifiable expenses are charged to program services and general and administrative. Expenses related to more than one function are allocated to the program and supporting services based on time and effort.

CRA categorizes their organization's program service activities into the following categories:

Community – Activities which bring the computing research community to vision research futures, reward exceptional service to the computing research community, or provide opportunities for the leadership of the computing research community to discuss activities and processes that enhance computing research.

Information – Activities that provide trusted sources of information concerning computing researchers and communicate all aspects of computing research to a broad audience.

Policy – Activities that engage with political and agency leadership to further computing research.

Talent – Activities that seek to develop diverse, highly qualified, and prepared computing researchers.

NOTE 1 NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes

CRA is exempt from the payment of income taxes under the Internal Revenue Code (IRC) Section 501(c)(3) and California Revenue and Taxation Code Section 23701d. Accordingly, a provision for federal or state income taxes is not recorded in the accompanying consolidated financial statements. The organization is classified as an organization that is not a private foundation pursuant to Section 509(a)(2) of the IRC.

U.S. GAAP prescribe a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. CRA has evaluated its tax positions and the certainty as to whether those positions will be sustained in the event of an audit by taxing authorities and the federal and state levels. The primary tax positions evaluated relate to CRA's continued qualification as a tax-exempt organization including whether there are substantial unrelated business income activities and whether there is material income tax. Management has determined that all income tax positions, based on the technical merits of the position, will more-likely-than-not be sustained upon potential audit or examination. Therefore, no disclosures of uncertain income tax positions are required.

CRA's tax returns remain subject to examination generally for three and four years after they were filed for federal and state, respectively.

New Accounting Pronouncement Adopted

Leases

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Codification (ASC) Topic 842, *Leases*, to increase transparency and comparability among organizations related to their leasing arrangements. The update requires lessees to recognize most leases on their statements of financial position as a right-of-use (ROU) asset representing the right to use an underlying asset and a lease liability representing the obligation to make lease payments over the lease term, measured on a discounted basis. Topic 842 also requires additional disclosure of key quantitative and qualitative information for leasing arrangements. Similar to the previous lease guidance, the update retains a distinction between finance leases (similar to capital leases in Topic 840, *Leases*) and operating leases, with classification affecting the pattern of expense recognition in the statements of activities.

NOTE 1 NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New Accounting Pronouncement Adopted (Continued)

CRA adopted Topic 842 on July 1, 2022 using the optional transition method to the modified retrospective approach, which eliminates the requirement to restate the prior-period financial statements. Under this transition provision, CRA has applied Topic 842 to reporting periods beginning on July 1, 2022, while prior periods continue to be reported and disclosed in accordance with CRA's historical accounting treatment under ASC Topic 840.

CRA has not elected to adopt the "hindsight" practical expedient and therefore will measure the ROU asset and lease liability using the remaining portion of the lease term upon adoption of ASC 842 on July 1, 2022.

CRA determines if an arrangement is or contains a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. A contract is or contains a lease when (i) explicitly or implicitly identified assets have been deployed in the contract and (ii) CRA obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. CRA also considers whether its service arrangements include the right to control the use of an asset.

ROU asset and lease liability is measured based on the present value of future lease payments over the lease term at July 1, 2022, for existing leases upon the adoption of Topic 842. The ROU asset also includes any initial direct costs incurred and lease payments made at or before the commencement date and is reduced by any lease incentives. To determine the present value of lease payments, the Company made an accounting policy election available to non-public companies to utilize a risk-free borrowing rate, which is aligned with the remaining term for leases existing upon the adoption of Topic 842.

The adoption of Topic 842 resulted in the recognition of ROU asset and lease liability related to CRA's operating lease amounting to \$1,114,698 and \$1,274,140, respectively, at July 1, 2022. The adoption of the new lease standard did not materially impact net assets or cash flows and did not result in a cumulative effect adjustment to the opening balance of net assets.

NOTE 2 LIQUIDITY AND AVAILABILITY

At June 30, financial assets available for general expenditures within one year are as follows:

	2023	2022
Financial assets at year-end:		
Cash and cash equivalents	\$ 924,638	\$ 709,771
Grants and other receivables, net	11,654,842	6,262,257
Investments, at fair value	2,503,867	2,981,078
Total financial assets	15,083,347	9,953,106

Less amounts not available to be used for general expenditures within one year:

Restricted by donor with time or purpose restrictions	639,586	641,371
Financial assets available to meet general expenditures within one year	\$ 14,443,761	\$ 9,311,735

General expenditures include general and administrative expenses expected to be paid in the subsequent year. As part of CRA's liquidity management plan, cash in excess of monthly expenditures is held available for future expenditures, specifically as a reserve account for net assets without donor restrictions.

NOTE 3 FINANCIAL INSTRUMENTS

CRA places its cash and cash equivalents on deposits with financial institutions in the United States. The Federal Deposit Insurance Corporation ("FDIC") covers \$250,000 for substantially all depository accounts. CRA from time to time may have amounts on deposit in excess of insured limits. Cash held within government money market accounts are not insured or guaranteed by the FDIC. As of June 30, 2023 and 2022, CRA's cash balances in excess of FDIC-insured amounts totaled \$630,452 and \$459,771, respectively. CRA does not anticipate any losses on its funds.

NOTE 4 GRANTS AND OTHER RECEIVABLES

Grants and other receivables, net consist of the following at June 30:

	2023	2022
Grants	\$ 10,784,629	\$ 5,439,665
Accrued revenue	60,314	-
Contribution and other receivables	843,452	831,839
Less allowance for doubtful accounts	(33,553)	(9,247)
	\$ 11,654,842	\$ 6,262,257

The Computing Research Association, Inc.
Notes to the Financial Statements
Years ended June 30, 2023 and 2022

NOTE 5 PROPERTY AND EQUIPMENT

The following is a summary of property and equipment, net at June 30:

	2023	2022
Furniture and fixtures	\$ 54,298	\$ 54,298
Leasehold improvements	373,913	373,913
Website and rebranding	297,348	297,348
	725,559	725,559
Less accumulated depreciation	(647,957)	(621,340)
	\$ 77,602	\$ 104,219

Depreciation expense for the year ended June 30, 2023 and 2022 amounted to \$26,617 and \$33,152, respectively.

NOTE 6 INVESTMENTS AND FAIR VALUE MEASUREMENT

The following tables set forth by level, within the fair value hierarchy, CRA's investments at fair value as of June 30, 2023 and 2022:

Investments at Fair Value as of June 30, 2023				
	Level 1	Level 2	Level 3	Total
Mutual funds:				
Common stock	\$ 2,002,594	\$ -	\$ -	\$ 2,002,594
Fixed income securities	-	371,999	-	371,999
Enhanced income fund	-	-	129,274	129,274
Total investments,				
at fair value \$	2,002,594	\$ 371,999	\$ 129,274	\$ 2,503,867
Investments at Fair Value as of June 30, 2022				
	Level 1	Level 2	Level 3	Total
Mutual funds:				
Common stock	\$ 2,293,185	\$ -	\$ -	\$ 2,293,185
Fixed income securities	-	457,816	-	457,816
Enhanced income fund	-	-	230,077	230,077
Total investments,				
at fair value \$	2,293,185	\$ 457,816	\$ 230,077	\$ 2,981,078

The Computing Research Association, Inc.
Notes to the Financial Statements
Years ended June 30, 2023 and 2022

NOTE 6 INVESTMENTS AND FAIR VALUE MEASUREMENT (CONTINUED)

The activity for assets measured at fair value on a recurring basis using significant unobservable inputs is as follows:

	<u>2023</u>	<u>2022</u>
Balance at June 30, 2022	\$ 230,077	\$ 210,680
Unrealized gain (loss)	(100,803)	19,397
Balance at June 30, 2023	<u>\$ 129,274</u>	<u>\$ 230,077</u>

The following table shows the details of investment return for the years ended June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Interest and dividends	\$ 34,451	\$ 28,653
Unrealized income (loss)	181,233	(372,741)
Realized income (loss)	57,860	(91,627)
	<u>\$ 273,544</u>	<u>\$ (435,715)</u>

NOTE 7 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions subject to purpose consisted of the following as of June 30:

	<u>2023</u>	<u>2022</u>
Subject to purpose restriction:		
CRA-W giving campaign	\$ 155,304	\$ 156,788
Travel grants	13,660	13,660
Distinguished lecture series	4,498	4,498
Intelligent infrastructure	42,500	42,500
Grad cohort	423,624	423,925
	<u>\$ 639,586</u>	<u>\$ 641,371</u>

During the years ended June 30, 2023, and 2022, net assets were released from donor restrictions by incurring expenses satisfying the purpose or time restrictions specified by donors as follows:

	<u>2023</u>	<u>2022</u>
CRA-W giving campaign	\$ 1,485	\$ 5,092
Grad cohort	300	11,983
	<u>\$ 1,785</u>	<u>\$ 17,075</u>

NOTE 8 FEDERAL AWARDS AND CONCENTRATION

CRA performs services under multiple grants from the NSF. Several of these awards were used as funding for CRA’s conference and information services. Other grants provided funding for stipends to undergraduate female computer science and computer engineering students and funding for information technology recruitment and retention studies. The total grant revenue received from NSF for the years ended June 30, 2023 and 2022 amounted to \$17,593,362 and \$16,513,331, respectively, which made up approximately 79% and 85%, of CRA’s total revenue in 2023 and 2022, respectively. Receivables from NSF were \$10,451,568 and \$5,292,856, as of June 30, 2023 and 2022, respectively, which made up approximately 90% and 85% of CRA’s total receivables as of June 30, 2023 and 2022, respectively.

NOTE 9 OPERATING LEASE

CRA has an operating lease agreement with 1828 L Street Associates, LLC for its rentable Suite 800 located at 1828 L Street, NW, Washington, DC. The term is for (4) four years and (7) seven months commencing on July 1, 2022 and ending on January 31, 2027. CRA’s operating leases generally do not contain any material restrictive covenants or residual value guarantees.

Operating lease cost is recognized on a straight-line basis over the lease term. For the year ended June 30, 2023, the rent expense amounted to \$240,696.

The Company used a weighted average discount rate of 3% to calculate the present value of future lease payments.

Maturities of the lease liabilities under non-cancellable operating lease at June 30, 2023 are as follows:

Year ending June 30	Amount
2024	291,302
2025	298,589
2026	306,078
2027	182,738
Total future minimum lease payments	1,078,707
Less: imputed interest	57,503
Total present value of lease liabilities	1,021,204

NOTE 10 COMMITMENT AND CONTINGENCIES

CRA enters into agreements with various hotels for meetings up to three years in advance of using the facility. These contracts contain contingency clauses, whereby CRA is liable for cancellations. The monetary penalty varies among contracts but is generally based on expenses incurred by the vendor up to the date of cancellation and additional contracted cancellation fees.

Billings under cost-reimbursable government grants are calculated using provisional rates that permit the recovery of indirect costs. These rates are subject to audit on an annual basis by NSF.

NOTE 11 SUBSEQUENT EVENTS

Subsequent events have been evaluated through March 31, 2025, the date the financial statements were available to be issued and determined that no subsequent events require disclosure or adjustment to the accompanying financial statements.

SUPPLEMENTAL SCHEDULES REQUIRED BY THE UNIFORM GUIDANCE



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*

**To the Board of Directors
The Computing Research Association, Inc.**

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 financial statements of The Computing Research Association, Inc. ("CRA"), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 31, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered CRA'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 financial statements, but not for the purpose of expressing an opinion on the effectiveness of CRA's internal control. Accordingly, we do not express an opinion on the effectiveness of CRA'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 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 the 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 and therefore material weaknesses or significant deficiencies may exist that was not identified. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weakness. We identified certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item FS 2024-001 that we considered to be a significant deficiency.



Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether CRA's 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 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*.

CRA's Response to Findings

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

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**Glendale, California
March 31, 2025**



655 N. Central Avenue
Suite 1550
Glendale, CA 91203

www.vasquez.cpa

213-873-1700
OFFICE

LOS ANGELES
SAN DIEGO
IRVINE
SACRAMENTO
FRESNO
PHOENIX
LAS VEGAS
MANILA, PH

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance

**To the Board of Directors
The Computing Research Association, Inc.**

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited The Computing Research Association, Inc.'s ("CRA") 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 CRA's major federal program for the year ended June 30, 2023. CRA'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, CRA complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2023.

Basis for Opinion on Each 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 (*Government Auditing Standards*); 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 CRA 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 each major federal program. Our audit does not provide a legal determination of CRA's compliance with the compliance requirements referred to above.



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 CRA'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 CRA'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 CRA's compliance with the requirements of its 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 CRA'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 CRA'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 CRA'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.



Report on Internal Control over Compliance

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.

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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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.

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.

Glendale, California
March 31, 2025

The Computing Research Association, Inc.
Schedule of Expenditures of Federal Awards
Year ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Grant Number	Assistance Listing Number	Federal Expenditures	Passed-through to Sub-recipients
National Science Foundation:				
Research and Development Cluster:				
<i>Direct Awards:</i>				
Computing Innovation Fellows Project 2021	CNS-2127309	ALN 47.070	\$ 7,854,360	\$ 7,779,584
Computing Innovation Fellows 2020 Project	CCF-2030859	ALN 47.070	3,613,657	3,572,064
The Third Computing Innovation Fellows Project	CNS-1136996	ALN 47.070	(5,681) *	(5,681)
Computing Community Consortium III	CCF-1734706	ALN 47.070	1,341,713	331,907
EAGER; CRA-W Programs for Partnerships in the BPCnet Pilot	CNS-1841271	ALN 47.070	59,859	-
EAGER BPCnet A Broadening Participation Resource Portal	CNS-1830364	ALN 47.070	47,900	-
Novel Pathways to CS Research Career; Broadening Target Populations and Scaling Outreach Programs	CNS-1840724	ALN 47.070	909,293	-
Career Workshops for Teaching Track Faculty	CNS-1933380	ALN 47.070	(7,651) *	-
BPCnet - Scaling Up the Impact of NSF CISE Broadening Participation Activities	CNS-1940460	ALN 47.070	445,207	246,696
BPC Plan Workshop Series	CNS-2032231	ALN 47.070	335,313	-
CISE REU Evaluations	CNS-2036717	ALN 47.070	33,644	-
CSGrad4US Mentoring Program	CNS-2123180	ALN 47.070	257,370	60,710
BPC-DP Developing Shared Measures Among the BPC Community	CNS-2137842	ALN 47.070	103,684	43,840
BPC-AE - Widening Participation in Computing Research via Deepening Mentoring Programs	CNS-2216270	ALN 47.070	453,491	-
CSGrad4US Mentoring Program - Phase Two	CNS-2231962	ALN 47.070	184,194	71,848
Developing Evidence-Based Best Practices	DUE- 1821136	ALN 47.076	180,350	-
<i>Passed-through from Northeastern University</i>				
Level Up Program	2246079	ALN 47.070	24,681	-
BPC-A: Data Alliance on Persistence and Perception in Computing (DAPPIC) Program	2216629	ALN 47.070	20,575	-
<i>Passed-through from Temple University</i>				
Collaborative Research: BPC-AE: STARS: Catalyzing Action-Oriented Academic Communities for Broadening Participation in Computing Program	2137338	ALN 47.070	4,136	-
<i>Passed-through from UC San Diego</i>				
Scaling the Early Research Scholars Program	DUE-1821521	ALN 47.076	18,326	-
Total National Science Foundation			<u>15,874,421</u>	<u>12,100,968</u>
Total Research and Development Cluster			<u>15,874,421</u>	<u>12,100,968</u>
U.S Department of Energy				
<i>Direct Awards:</i>				
Under Represented Populations	DE-SC0021238	ALN 81.049	333,061	-
Total U.S. Department of Energy			<u>333,061</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 16,207,482</u>	<u>\$ 12,100,968</u>

*Due to returned funds. See note 4 for details.

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of The Computing Research Association, Inc. ("CRA") under programs of the federal government for the year ended June 30, 2023. The information in this 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 CRA, it is not intended to, and does not, present the financial position, changes in net assets, or cash flows of CRA.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNT 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. Uniform Guidance requires that the Schedule reflect total expenditures for each federal financial assistance program as identified by the federal assistance listing number.

NOTE 3 INDIRECT COST RATE

CRA did not elect to use the 10% de minimis rate to determine indirect costs.

NOTE 4 RETURNED FUNDS

During the year, CRA returned funds to National Science Foundation for expenditures that were refunded by its sub awardee and expenditures that CRA noted exceeded the allowable limit.

Section I – Summary of Auditor's Result

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with U.S. GAAP:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	Yes (FS2023-001)
Noncompliance material to the financial statements noted?	No

Federal Awards

Internal control over major programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	No
Type of auditor's report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)?	No

Identification of Major Federal Programs:

<u>Assistance Listing Number (ALN)</u>	<u>Assistance Listing Program Title</u>
47.070	National Science Foundation – Research and
47.076	Development Cluster

Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as a low-risk auditee?	No

Section II – Financial Statement Findings

Finding FS 2023-001: *Timely Submission of Reports to the Federal Clearinghouse*

Identified Condition:

CRA was not able to comply with the Federal Audit Clearinghouse requirement to submit financial and compliance reports including the data collection form for the year ended June 30, 2023. The requirement is for CRA to submit no later than March 30, 2024 – nine months after the end of the financial reporting period.

Cause and Effect:

Although all efforts were made to ensure the audit report was submitted by March 30, 2024 due date, CRA fell short for reasons that CRA believes were both in but also out of its control. CRA is not negating responsibility.

Recommendation:

We recommend that CRA review and streamline its internal reporting processes to improve efficiency and accuracy in compiling and verifying data for timely submissions and audits. Additionally, CRA should maintain proper recordkeeping to ensure financial reports and schedules are accurately prepared, and establish clear protocols and deadlines for report compilation, verification, and submission to meet federal clearinghouse timelines.

Views of Responsible Officials and Planned Corrective Actions:

CRA management concurs with Finding FS 2023-001 regarding the delayed submission of the FY2023 financial and compliance reports to the Federal Audit Clearinghouse. We acknowledge that the required submission deadline of March 31, 2024, was not met.

As noted by the auditors, the delay resulted from a convergence of circumstances, including factors both within and outside of CRA's direct control. A significant external factor involved an audit by the Office of the Inspector General at the National Science Foundation and a subsequent Cure Notice process. While demanding significant time and resources, this process has now been resolved to the mutual satisfaction of both CRA and NSF, and we are confident our internal processes and controls are stronger as a result.

To address the internal factors and ensure timely filings moving forward, CRA has taken significant steps and established a clear plan:

1. **Enhanced Resources:** Recognizing the need for increased capacity, CRA has substantially bolstered its internal contracts and grants management team. Staffing has increased from 1.5 Full-Time Equivalents (FTEs) at the beginning of FY2023 to its current level of 4 FTEs. Furthermore, our outsourced accounting firm has allocated additional personnel to support CRA's account, further enhancing our capacity for financial reporting and compliance.

Finding FS 2024-001: *Timely Submission of Reports to the Federal Clearinghouse (Continued)*

Views of Responsible Officials and Planned Corrective Actions (Continued):

2. Agreed-Upon Recovery Schedule: CRA has proactively engaged with our cognizant agency to discuss the situation and agree upon a structured plan to return to a timely audit cycle. This agreed-upon schedule includes:
 - * Submission of this FY2023 audit package (including reports and data collection form) by March 31, 2025.
 - * Submission of the FY2024 audit by the end of the third quarter of calendar year 2025.
3. Return to Timely Filing: Successfully executing the recovery schedule will allow the FY2025 audit process to commence as normal in the Fall of 2025, positioning CRA to meet the standard federal submission deadline for that fiscal year.

We are confident that the resolution of the external factors, combined with the significant resource enhancements and the structured plan agreed upon with our cognizant agency, provides a robust framework to prevent the recurrence of this finding and ensure timely submissions in the future. We are committed to meeting the outlined deadlines and restoring our standard reporting cadence.

Personnel Responsible for Implementation: Peter Harsha
Position of Responsible Personnel: COO and Senior Director, Government Affairs
Expected Date of Implementation: Already implemented.

Section III – Financial Award Findings and Questioned Costs

No matters were reported.

The Computing Research Association, Inc.
Summary Schedule of Prior Audit Findings (Continued)
Year ended June 30, 2023

Section IV – Prior Year Findings

No matters were reported.



www.vasquez.cpa

655 N Central Avenue, Suite 1550 • Glendale, California 91203-1437 • +1.213.873.1700



CRA

Computing Research
Association

March 30, 2025

Vasquez + Company LLP
655 N. Central Ave Suite 1550
Glendale, CA 91203

Dear Mr. Bauzon,

Attached please find the CRA management "Views of Responsible Officials and Planned Corrective Actions" related to item FS 2023-001 for CRA's Financial Statement audit for FY2023.

Please let us know if you require anything further.

Sincerely,

Peter Harsha
COO and Senior Director, Government Affairs



CRA

Computing Research
Association

Finding Reference	Finding	Corrective Action Plan
FS 2023-001	<p><i>Finding FS 2023-001: Timely Submission of Reports to the Federal Clearinghouse</i></p> <p>CRA was not able to comply with the Federal Audit Clearinghouse requirement to submit financial and compliance reports including the data collection form for the year ended June 30, 2023. The requirement is for CRA to submit no later than March 30, 2024 – nine months after the end of the financial reporting period.</p>	<p>CRA management concurs with Finding FS 2023-001 regarding the delayed submission of the FY2023 financial and compliance reports to the Federal Audit Clearinghouse. We acknowledge that the required submission deadline of March 31, 2024, was not met.</p> <p>As noted by the auditors, the delay resulted from a convergence of circumstances, including factors both within and outside of CRA's direct control. A significant external factor involved an audit by the Office of the Inspector General at the National Science Foundation and a subsequent Cure Notice process. While demanding significant time and resources, this process has now been resolved to the mutual satisfaction of both CRA and NSF, and we are confident our internal processes and controls are stronger as a result.</p> <p>To address the internal factors and ensure timely filings moving forward, CRA has taken significant steps and established a clear plan:</p> <ol style="list-style-type: none">Enhanced Resources: Recognizing the need for increased capacity, CRA has substantially bolstered its internal contracts and grants management team. Staffing has increased from 1.5 Full-Time Equivalents (FTEs) at the beginning of FY2023 to its current level of 4 FTEs. Furthermore, our outsourced accounting firm has allocated additional personnel to support CRA's account, further enhancing our capacity for financial reporting and compliance.



CRA

Computing Research
Association

Finding Reference	Finding	Corrective Action Plan
		<p>2. Agreed-Upon Recovery Schedule: CRA has proactively engaged with our cognizant agency to discuss the situation and agree upon a structured plan to return to a timely audit cycle. This agreed-upon schedule includes:</p> <ul style="list-style-type: none">* Submission of this FY2023 audit package (including reports and data collection form) by March 31, 2025.* Submission of the FY2024 audit by the end of the third quarter of calendar year 2025. <p>3. Return to Timely Filing: Successfully executing the recovery schedule will allow the FY2025 audit process to commence as normal in the Fall of 2025, positioning CRA to meet the standard federal submission deadline for that fiscal year.</p> <p>We are confident that the resolution of the external factors, combined with the significant resource enhancements and the structured plan agreed upon with our cognizant agency, provides a robust framework to prevent recurrence of this finding and ensure timely submissions in the future. We are committed to meeting the outlined deadlines and restoring our standard reporting cadence.</p> <p>Personnel Responsible for Implementation: Peter Harsha Position of Responsible Personnel: COO and Senior Director, Government Affairs Expected Date of Implementation: Already implemented.</p>