SD Mayer & Associates LLP
235 Montgomery Street, 30th Floor
San Francisco, CA 94104
415 691 4040 main
sdmayer.com

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Financial Statements
with Report of Independent Auditors
and Reports on Federal Award Programs in Accordance
with *Government Auditing Standards and Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) in a single audit

International Computer Science Institute

December 31, 2019 and 2018

INTERNATIONAL COMPUTER SCIENCE INSTITUTE

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REPORT OF INDEPENDENT AUDITORS

To the Board of Trustees,
International Computer Science Institute
Berkeley, California

Report on the Financial Statements
We have audited the accompanying financial statements of International Computer Science Institute ("the Institute"), a non-profit organization, which comprise the statements of financial position as of December 31, 2019 and 2018, and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of International Computer Science Institute as of December 31, 2019 and 2018, 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.

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REPORT OF INDEPENDENT AUDITORS - Continued

Other Matters

Other Information

Our audit was 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 (CFR)* 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 auditing standards generally accepted in the United States of America. In our opinion, the information 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 May 14, 2020, on our consideration of International Computer Science Institute'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 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 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 International Computer Science Institute's internal control over financial reporting and compliance.

S D Mayer & Associates, LLP

S D Mayer & Associates, LLP

San Francisco, CA
May 14, 2020

INTERNATIONAL COMPUTER SCIENCE INSTITUTE
STATEMENTS OF FINANCIAL POSITION
As of December 31, 2019 and 2018

ASSETS

	2019	2018
Current Assets:		
Cash and cash equivalents	$ 2,447,084	$ 2,398,194
Grants and contracts receivable, net	640,897	623,182
Contributions receivables, net	150,000	-
Other receivables	8,726	6,107
Notes receivables	201,828	-
Investments, at fair value	4,372,649	3,910,965
Prepaid expenses	15,871	14,145
Total Current Assets	7,837,055	6,952,593
Property and Equipment, net	56,758	92,913
Deposits and other assets	199,542	101,830
Total Assets	$ 8,093,355	$ 7,147,336

LIABILITIES AND NET ASSETS

Current Liabilities:		
Accounts payable and other liabilities	$ 617,497	$ 634,543
Accrued payroll and other expenses	553,950	588,367
Grant and contract advances	77,472	98,991
Total Current Liabilities	1,248,919	1,321,901
Net Assets:		
Without donor restrictions	6,024,113	5,063,958
With donor restrictions	820,323	761,477
Total Net Assets	6,844,436	5,825,435
Total Liabilities and Net Assets	$ 8,093,355	$ 7,147,336

The accompanying notes are an integral part of these financial statements

INTERNATIONAL COMPUTER SCIENCE INSTITUTE
STATEMENTS OF ACTIVITIES
For the years ended December 31, 2019 and 2018

	2019			2018		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and Support:						
Research grants and contracts	$ 8,449,469	$ -	$ 8,449,469	$ 7,447,042	$ -	$ 7,447,042
Patent license fees	100,000	-	100,000	-	-	-
Contributions	343,304	263,391	606,695	52,500	179,304	231,804
Net investment income	258,458	-	258,458	1,584,430	-	1,584,430
Other revenue	2,762	-	2,762	1,254	-	1,254
	9,153,993	263,391	9,417,384	9,085,226	179,304	9,264,530
Net assets released from restrictions	204,545	(204,545)	-	132,085	(132,085)	-
Total Revenues and Support	9,358,538	58,846	9,417,384	9,217,311	47,219	9,264,530
Expenses:						
Research programs	8,342,814	-	8,342,814	8,184,980	-	8,184,980
Management and general	55,569	-	55,569	183,907	-	183,907
Total Expenses	8,398,383	-	8,398,383	8,368,887	-	8,368,887
Changes in Net Assets	960,155	58,846	1,019,001	848,424	47,219	895,643
Net Assets at beginning of year	5,063,958	761,477	5,825,435	4,215,534	714,258	4,929,792
Net Assets at end of year	$ 6,024,113	$ 820,323	$ 6,844,436	$ 5,063,958	$ 761,477	$ 5,825,435

The accompanying notes are an integral part of these financial statements

INTERNATIONAL COMPUTER SCIENCE INSTITUTE
STATEMENTS OF CASH FLOWS
For the years ended December 31, 2019 and 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES:		
Changes in net assets	$ 1,019,001	$ 895,643
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Depreciation expense	39,772	53,660
Recovery for bad debts	(48,004)	(20,098)
Net appreciation on investments	(158,463)	(1,527,307)
Realized gain on sale of investments	(60,469)	(20,304)
(Increase) decrease in operating assets:		
Grants and contracts receivable	30,289	20,028
Contributions receivable	(150,000)	101,865
Other receivables	(2,619)	(5,372)
Prepaid expenses	(1,726)	1,523
Deposits and other assets	(97,712)	-
Increase (decrease) in operating liabilities:		
Accounts payable and other liabilities	(17,046)	70,732
Accrued payroll and other expenses	(34,417)	23,405
Grant and contract advances	(21,519)	33,872
Net cash provided by (used in) operating activities	497,087	(372,353)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	(3,617)	(52,219)
Purchases of investments	(4,744,405)	(3,259,607)
Proceeds from sale of investments	4,501,653	3,185,000
Advances under notes receivable	(201,828)	-
Dividends reinvested	-	(7,576)
Net cash used in investing activities	(448,197)	(134,402)
Net increase (decrease) in cash and cash equivalents	48,890	(506,755)
Cash and cash equivalents at beginning of year	2,398,194	2,904,949
Cash and cash equivalents at end of year	$ 2,447,084	$ 2,398,194
Supplemental disclosures of cash flow information:		
Interest paid	$ -	$ -

The accompanying notes are an integral part of these financial statements

INTERNATIONAL COMPUTER SCIENCE INSTITUTE
STATEMENT OF FUNCTIONAL EXPENSES
For the year ended December 31, 2019

	Research Programs	Management and General	Total
Personnel Expenses:			
Salaries and other personnel costs	$ 3,718,147	$ 1,236,203	$ 4,954,350
Employee benefits	650,253	363,660	1,013,913
Payroll taxes	236,815	84,731	321,546
Total Personnel Expenses	4,605,215	1,684,594	6,289,809
Communications	13,950	42,107	56,057
Contract furniture and equipment	114,530	-	114,530
Depreciation	-	39,772	39,772
Dues and subscriptions	125	22,610	22,735
Equipment rental	-	473	473
Insurance	-	32,256	32,256
Miscellaneous expenses	16,777	29,590	46,367
Office supplies	43	19,423	19,466
Outside services	35,754	29,722	65,476
Printing, postage and freight	3,562	1,879	5,441
Professional fees	111,048	137,327	248,375
Property tax	-	26,215	26,215
Provision for uncollectible receivables	-	(48,004)	(48,004)
Rent	-	455,139	455,139
Repairs and maintenance	-	17,076	17,076
Small equipment	-	46,148	46,148
Sub-awards	564,934	-	564,934
Travel	154,785	19,422	174,207
Tuition reimbursement	221,911	-	221,911
Indirect costs recovered	2,500,180	(2,500,180)	-
Total Expenses	$ 8,342,814	$ 55,569	$ 8,398,383

The accompanying notes are an integral part of these financial statements

INTERNATIONAL COMPUTER SCIENCE INSTITUTE
STATEMENT OF FUNCTIONAL EXPENSES
For the year ended December 31, 2018

	Research Programs	Management and General	Total
Personnel Expenses:			
Salaries and other personnel costs	$ 3,593,109	$ 1,199,700	$ 4,792,809
Employee benefits	559,663	367,251	926,914
Payroll taxes	212,811	78,188	290,999
Total Personnel Expenses	4,365,583	1,645,139	6,010,722
Communications	14,321	42,678	56,999
Contract furniture and equipment	213,953	-	213,953
Depreciation	-	53,660	53,660
Dues and subscriptions	480	57,053	57,533
Equipment rental	-	481	481
Insurance	-	34,384	34,384
Miscellaneous expenses	10,854	32,802	43,656
Office supplies	138	21,558	21,696
Outside services	80,379	40,902	121,281
Printing, postage and freight	180	3,597	3,777
Professional fees	240,655	75,507	316,162
Property tax	-	10,201	10,201
Provision for uncollectible receivables	-	(20,098)	(20,098)
Rent	-	537,641	537,641
Repairs and maintenance	384	20,476	20,860
Small equipment	-	40,509	40,509
Sub-awards	381,750	-	381,750
Travel	291,972	42,241	334,213
Tuition reimbursement	129,507	-	129,507
Indirect costs recovered	2,454,824	(2,454,824)	-
Total Expenses (benefits)	$ 8,184,980	$ 183,907	$ 8,368,887

The accompanying notes are an integral part of these financial statements

1. Organization:

International Computer Science Institute (the Institute) was incorporated as a California non-profit corporation on July 9, 1986. Its purpose is the invigoration and enrichment of research in the computer sciences. The Institute brings some of the world's foremost computer scientists together for periods from several weeks to several years for research and scholarship. Support consists primarily of grants and contracts with certain United States agencies and other organizations.

Research program expenses include all the direct expenses of conducting basic computer science research as approved by the funding agency. Significant expenses include payroll and related costs, sub-awards, travel and contract equipment.

2. Basis of Presentation and Significant Accounting Policies:

Basis of Accounting:

The Institute's financial statements are presented using the accrual basis of accounting.

Basis of Presentation:

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Net assets are comprised of two groups as follows:

Net Assets Without Donor Restrictions– Amounts that are not subject to usage restrictions based on donor-imposed requirements. This class also includes assets previously restricted where restrictions have expired or been met.

Net Assets With Donor Restrictions– Assets subject to usage limitations based on donor-imposed or grantor restrictions. These restrictions may be temporary or may be based on a particular use. Restrictions may be met by the passage of time or by actions of the Institute. Certain restrictions may need to be maintained in perpetuity.

2. Basis of Presentation and Significant Accounting Policies, continued**:**

Basis of Presentation, continued:

Contributions and support are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Income and gains or losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expiration of restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. Donor-restricted contributions and investment gains and losses which are received and expended in the same fiscal year are classified within net assets without donor restrictions.

Property and Equipment, Net:

Property and Equipment in excess of $1,000 and with an estimated useful life in excess of one year are capitalized at cost. Donated assets are capitalized at the fair value at date of receipt. Contract Furniture and Equipment purchased for specific projects, amounting to $114,530 in 2019 and $213,953 in 2018, is expensed when purchased as a reimbursable expense. Depreciation and amortization on capitalized property and equipment is computed using the straight-line method with estimated useful lives varying between three to eight years or, in the case of leasehold improvements, over the life of the lease if shorter.

Cash and Cash Equivalents:

For purposes of the statement of cash flows, cash and cash equivalents are defined as demand deposits at banks and certificates of deposit with initial purchased maturities of less than ninety days.

Functional Allocation of Expenses:

Expenses are charged to programs and supporting services on the basis of periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Institute.

Grants and Contracts receivable:

Grants and contracts receivable represent unreimbursed expenditures incurred under the terms of the contact or grant awards.

2. Basis of Presentation and Significant Accounting Policies, continued**:**

Revenue Recognition:

The Institute allocates the transaction price to the specific performance obligations and recognizes revenue as performance obligations are satisfied. Research revenue is derived from grants and contracts which are conditioned upon certain performance requirements, the incurrence of allowable qualifying expenditures, or upon the completion and submission of specified deliverables. Amounts received are recognized as revenue when the Institute has incurred actual expenditures in compliance with the grants or contracts provisions or when the performance obligations are met and delivered. No amounts of the transaction price were allocated to unsatisfied performance obligations at December 31, 2019. Amounts received prior to incurring qualifying expenditures are reported as grant and contract advances in the statement of financial position. There were no contract assets or liabilities at December 31, 2019.

Unconditional contributions are recognized as revenue in the period received and are reported as increases in the appropriate categories of net assets. Contributions that include a measurable barrier or those for which the Institute has limited discretion over how the contribution should be spent and a right of return or release from future obligations are recorded as conditional contributions. Conditional contributions are not recognized until they become unconditional, that is when conditions surrounding the indications of the barrier have been met.

Fair Value of Financial Instruments:

The Institute's financial instruments consist principally of cash and cash equivalents, prepaid expenses, grants and contracts receivable, investments, other assets, accounts payable, and accrued expenses. The Institute believes all of the financial instruments' recorded values approximate current fair value. The fair value of Institute's financial instruments reflects the amount that the Institute estimates to receive in connection with the sale of an asset or paid in connection with the transfer of a liability in an orderly transaction between market participants at the measurement date (exit price). The Institute has adapted a fair value hierarchy that prioritizes the use of inputs used in valuation techniques into the following three levels:

Level 1–valuation inputs are obtained from real-time quotes for transactions in active exchange markets involving identical assets.

Level 2–valuation inputs are obtained from readily-available pricing sources for comparable instruments.

2. Basis of Presentation and Significant Accounting Policies, continued**:**

Fair Value of Financial Instruments (continued):

Level 3–valuation inputs are obtained without observable market value and require a high level of judgment to determine the fair value. This includes certain pricing models, discounted cash flow methodologies, and similar techniques that use significant unobservable inputs.

Much of the disclosure is focused on the inputs used to measure fair value, particularly in instances where the measurement uses significant unobservable (Level 3) inputs. The institute uses valuation methods and assumptions that consider, among other factors, the current value of the underlying stock, strike price, risk-free interest rate, volatility, and expected life in estimating fair value.

As of December 31, 2019 and 2018, the Institute evaluated the fair value of its investments on a recurring basis. The Institute did not have any transfers between Level 1, Level 2, or Level 3 during the years ended December 31, 2019 and 2018.

Estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Such estimates include the depreciable lives of long lived assets, fair value of investments, reserves for uncollectible amounts, accrued liabilities and the allocation of functional expenses. Accordingly, actual results could differ from those estimates.

Advertising Costs

The Institute expenses advertising costs as they are incurred. There were no advertising costs incurred in 2019 and 2018.

Allowance for Doubtful Accounts

Accounts receivable are shown net of an allowance for doubtful accounts. The Institute reviews the accounts receivable aging and establishes an allowance of 50% of the balance older than 120 days. The allowance for doubtful accounts amounted to $14,057 and $62,061 at December 31, 2019 and 2018.

2. Basis of Presentation and Significant Accounting Policies, continued**:**

Deferred Rent

The Institute's office lease agreement provides for rent escalations during the lease term. The Institute records rent expense on a straight-line basis over the term of the lease. Accordingly, deferred rent is recorded to the extent the cumulative rent expense exceeds actual rent payments.

Recent Accounting Pronouncements

In February 2016, the FASB issued an accounting pronouncement (FASB ASU 2016-02) related to the accounting for leases. This pronouncement requires lessees to record most leases on their balance sheet, while expense recognition on the income statement remains similar to current lease accounting guidance. The guidance also eliminates real estate-specific provisions and modifies certain aspects of lessor accounting. Under the new guidance, lease classification as either a finance lease or an operating lease will determine how lease-related revenue and expense are recognized. Lessees (for capital and operating leases) and lessors (for sales-type, direct financing, and operating leases) must apply a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. The modified retrospective approach would not require any transition accounting for leases that expired before the earliest comparative period presented. Lessees and lessors may not apply a full retrospective transition approach. Nonpublic business entities should apply the amendments for fiscal years beginning after December 15, 2019 (i.e., January 1, 2020, for a calendar year entity), and interim periods within fiscal years beginning after December 15, 2020. Early application is permitted. The Institute is currently evaluating the effect of ASU 2016-02 on its financial statements.

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers* (Topic 606) ("ASU 2014-09"). The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Entities will need to use more judgment and make more estimates than under currently applicable guidance including identifying performance obligations in the contract, estimating the amount of variable consideration to include in the transaction price and allocating the transaction price to each separate performance obligation. Analysis of this standard resulted in no significant changes in the way the Institute recognizes revenue, and therefore no changes to the previously issued financial statements were required on a retrospective basis. The presentation and disclosures of revenue have been enhanced in accordance with this standard.

2. Basis of Presentation and Significant Accounting Policies, continued**:**

Recent Accounting Pronouncements - continued

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. ASU 2016-14 requires significant changes to the financial reporting model of organizations who follow the not-for-profit reporting model. The changes include reducing the classes of net assets from three classes to two – net assets with donor restrictions and net assets without donor restrictions. The ASU will also require changes in the way certain information is aggregated and reported by the Institute, including required disclosures about liquidity and availability of resources and increased disclosures on functional expenses. The new standard is effective for the Institute's year ending December 31, 2018 and thereafter and must be applied on a retrospective basis. The Institute adopted the ASU effective January 1, 2018. Adoption of the ASU did not result in any reclassifications or restatements to net assets or changes in net assets.

In August 2016, the ASB issued ASU 2016-15, *Statement of Cash Flows (Topic 230), Classification of Certain Cash Receipts and Cash Payments*. ASU 2016-15 provides guidance on how certain cash receipts and cash payments should be presented and classified in the statement of cash flows with the objective of reducing existing diversity in practice with respect to these items. ASU 2016-15 is effective for annual periods beginning after December 15, 2018 and interim periods within fiscal years beginning after December 15, 2019. This ASU did not have an impact on the Institute’s 2019 financial statements.

In November 2016, the FASB issued ASU 2016-18, *Statement of Cash Flows, Restricted Cash (Topic 230)*. This standard requires that the statement of cash flows explain the change during the period in the total cash, cash equivalents, restricted cash and restricted cash equivalents (“Total Cash”). Additionally, a disclosure describing the nature of the restrictions and a reconciliation of total cash to the amounts of cash and cash equivalents presented on the statement of financial Position is required. This standard is effective for fiscal years beginning after December 15, 2018. This standard did not have a material effect on its financial statements.

In June 2018, the FASB issued ASC Update No. 2018-08, (Topic 958) *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. This ASU provides a more robust framework for determining whether a transaction should be accounted for as a contribution or as an exchange transaction. The ASU also provides additional guidance to help determine whether a contribution is conditional or unconditional. The ASU is effective for nonprofit organizations for annual periods beginning after December 15, 2019. The implementation of this standard is not expected to result in a material change to the financial statements.

2. Basis of Presentation and Significant Accounting Policies, continued**:**

Recent Accounting Pronouncements - continued

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement: Disclosure Framework- Changes to the Disclosure Requirements for Fair Value Measurement (Topic 820)*. This ASU is effective for fiscal years beginning after December 15, 2019, with early adoption permissible. This ASU removes certain disclosures, modifies certain disclosures and adds additional disclosures related to fair value measurement. The Institute is evaluating the impact this will have on its financial statements.

Reclassifications

Certain amounts in the prior year presented have been reclassified to conform to the current year financial statement presentation. These reclassifications have no effect on previously reported changes in net assets.

3. Liquidity and Availability of Resources:

The Institute has $5,472,455 of financial assets available within one year from the statement of financial position date to meet cash needs for general expenditures consisting of substantially cash and cash equivalents of $2,447,084, grants and contracts receivable of $640,897, contributions receivable of $150,000, short-term notes receivable of $201,828, and short-term investments of $2,032,646. None of the financial assets are subject to donor or contractual restrictions that make them unavailable for general expenditures within one year of the statement of financial position. The Institute has a goal to maintain financial assets, which consist of cash and short-term investments, on hand to meet around 180 days of normal operating expenses, which are on average, approximately $700,000 a month. The Institute has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. As described on Note 14, the institute also has a line of credit in the amount of $500,000, which it could draw upon in the event of an unanticipated liquidity needs.

4. Concentrations:

The Institute maintains its cash balances at Wells Fargo Bank. The balances are insured by the Federal Deposit Insurance Corporation up to $250,000 per financial institution. The Institute had uninsured cash balances in the amount of $1,976,744 and $1,741,794 at December 31, 2019 and 2018, respectively.

At December 31, 2019 and 2018, the Institute had outstanding grants and contracts receivable (net of allowance for uncollectible amounts of $14,057 and $62,061 in 2019 and 2018, respectively) of $640,897 and $623,182 respectively. Management does not anticipate any collection issues on the outstanding receivables in excess of its reserve for uncollectible accounts. Two grantors accounted for 23% of total receivables in 2019. One grantor accounted for 11% of total receivables in 2018. The source of the Institute's research grant revenue is primarily from one grantor. Approximately 38% and 60% of the Institute's total research grant revenue was provided by the National Science Foundation for the years ended December 31, 2019 and 2018, respectively. In 2019, two other grantors provided 31% of the Institute's total research grant revenue. In 2018, two other grantors provided 21% of the Institute's total research grant revenue.

5. Contingencies:

The Institute is engaged in providing research to the federal government and is subject to the peculiar risks associated with doing business with the government. The Institute is also subject to audit by various federal governmental agencies including, among others, the Defense Contract Audit Agency, and such audits may result in changes to the amounts that the Institute has billed for this research. Any such changes are not expected to have a material effect on the Institute's financial position or on its changes in net assets.

6. Investments:

Investments are stated at fair value. At December 31, investments consisted of the following:

	2019		2018	
	Cost	Fair Value	Cost	Fair Value
Shares in private companies	$ 75,003	$ 2,340,003	$ 75,003	$ 2,200,003
Stocks, Options and ETFs	-	-	372	5,813
Bond and equity mutual funds	782,965	888,646	617,630	641,149
Certificate of deposit	1,144,000	1,144,000	1,064,000	1,064,000
Total	$ 2,001,968	$ 4,372,649	$ 1,757,005	$ 3,910,965

The value of the shares in private companies is based on the most recent price paid by investors to purchase shares in one particular company.

6. Investments, continued**:**

Net investment income consisted of the following:

	2019	2018
Interest and dividends	$ 39,526	$ 36,819
Net realized gains	60,469	20,304
Net appreciation/(depreciation)	158,463	1,527,307
Total	$ 258,458	$ 1,584,430

7. Fair Value of Financial Instruments:

The following table sets forth the Institute's assets and liabilities that are measured at fair value on a recurring basis as of December 31, 2019:

Description	Level 1	Level 2	Level 3	Total
Shares in private companies	$ -	$ -	$ 2,340,003	$ 2,340,003
Stock, options and ETFs	-	-	-	-
Bond and equity mutual funds	888,646	-	-	888,846
Certificate of deposits	-	1,144,000	-	1,144,000
Total	$ 888,646	$ 1,144,000	$ 2,340,003	$ 4,372,649

The following table sets forth the Institute's assets and liabilities that are measured at fair value on a recurring basis as of December 31, 2018:

Description	Level 1	Level 2	Level 3	Total
Shares in private companies	$ -	$ -	$ 2,200,003	$ 2,200,003
Stock, options and ETFs	5,813	-	-	5,813
Bond and equity mutual funds	641,149	-	-	641,149
Certificate of deposits	-	1,064,000	-	1,064,000
Total	$ 646,962	$ 1,064,000	$ 2,200,003	$ 3,910,965

7. Fair Value of Financial Instruments, continued**:**

The following table sets forth the changes in fair value of the Institute's investments measured using significant unobservable inputs (Level 3):

	Level 3 Investments
Balance at January 01, 2018	$ 600,003
Unrealized gain included in net investment gain (loss)	1,600,000
Balance at December 31, 2018	$ 2,200,003
Unrealized gain included in net investment gain (loss)	140,000
Balance at December 31, 2019	$ 2,340,003

For Level 3 securities which represent investments in private companies, the Institute estimates the fair values of the securities using (a) unobservable inputs such as the financial statements and other data specific to the private companies, (b) methods such as cash flow discounts or other similar methods, and (c) certain assumptions and estimation methodologies. The institute also uses the most recent transfer price paid for the private company's shares. If there are any changes in valuation, the Institute includes the unrealized gain or loss in its statements of activities and a change to the investments' value in the statements of financial position.

8. Notes Receivable

The Institute signed two promissory note agreements in 2019 with an unaffiliated third party for $100,000 each. The first $100,000 note carries 2.35% annual interest with principal and accrued interest due in October 2019. The second $100,000 note carries 2.35% annual interest with principal and accrued interest due in June 2020. The total of the two notes receivable including accrued interest amounted to $201,828. The notes are short-term and the full principal balances of the two notes plus accrued interest were repaid in full in March 2020.

9. License Agreements:

From time to time the Institute enters into non-exclusive licensing agreements with various corporations with respect to its technology. The value, if any, of such agreements is recorded on the books of the Institute when applicable. License fees amounted to $100,000 and $0 for the years ended December 31, 2019 and 2018, respectively.

10. Contributions Receivable:

The institute recorded net contributions receivable of $150,000 and $0 at December 31, 2019 and 2018, respectively. The institute considers these contributions receivable to be fully collectible within one year from the financial statements date.

11. Property and Equipment, Net:

Property and equipment is valued as stated in Note 2 and is summarized as follows at December 31:

	2019	2018
Equipment	$ 393,127	$ 388,952
Furniture and fixtures	1,171	1,171
Leasehold improvements	10,450	10,450
	404,748	400,573
Less accumulated depreciation and amortization	(347,990)	(307,660)
Total property and equipment, net	$ 56,758	$ 92,913

Depreciation expense was $39,772 and $53,660 for the years ended December 31, 2019 and 2018, respectively. Depreciation expense for equipment under capital leases amounted to $5,321 in 2019 and 2018.

12. Leases:

The Institute signed a new lease on December 27, 2019 for new office space in Berkeley California. The anticipated commencement date is March 1, 2020 and the expiration date is March 31, 2025 with one option to extend for a five-year period. The lease requires monthly base rent payment of $43,520 in the first year and the rent will increase gradually each year thereafter by around 3% for the remaining term of the lease until expiration. ICSI was to move to the new office space in the middle of March 2020 prior to the shelter-in-place in the state of California. With the start of the shelter-in-place, the commencement date for the new location was changed to May 1, 2020. However, due to the shelter-in-place still in effect, ICSI's current move in date to the new office space is uncertain.

The institute’s current lease with the City of Berkeley terminated on March 31, 2018 and on April 1, 2018, the lease became month-to-month.

12. Leases, continued**:**

Rent expense was $455,139 and $537,641 for the years ended December 31, 2019 and 2018, respectively. Minimum rental payments under the operating agreements at December 31, 2019 are as follows:

Year ended December 31:		
2020	$	435,200
2021		535,296
2022		551,355
2023		567,896
2024		584,932
Thereafter		148,416
Total	$	2,823,095

The Institute subleases a portion of its office to several other entities. Total sublease income received was approximately $70,000 and $72,000 for the years ended December 31, 2019 and 2018, respectively.

13. Employee Retirement Plan:

The Institute has adopted a qualified, defined contribution retirement 401(k) plan (the Plan). Post-Doctoral fellows who are eligible to participate will receive 3% (Safe Harbor) of regular salary and all other employees who are eligible to participate will receive 10% of regular salary (which includes Safe Harbor). The Plan is administered by the Principal Group. The Institute's retirement expense was $379,114 and $359,568 for the years ended December 31, 2019 and 2018, respectively.

14. Line of Credit:

The Institute had a revolving line of credit ("the line") with Wells Fargo Bank in the amount of $500,000 with an expiration date of December 10, 2020. The line bears interest at the greater of the Prime Rate plus 0.75% or 5.0%. The interest rate for the line as of December 31, 2019 and 2018 was 5.00%. The Institute did not borrow under the line during the years ended December 31, 2019 and 2018. As of December 31, 2019 and 2018, there was no principal balance outstanding on the line.

15. Foreign Currency Exchange Risk:

Certain contracts of the Institute are expressed in foreign currencies. The Institute may incur gains or losses on the exchange of those currencies into US dollars. Such gains or losses, if any, are not material to the operations of the Institute and are included in operating expense in the period in which they are incurred.

16. Net Assets With Donor Restrictions:

Net assets with donor restrictions amounted to $820,323 and $761,477 at December 31, 2019 and 2018, respectively, and are restricted to certain types of internet research projects as prescribed by certain grants. Net assets with donor restrictions amounting to $204,545 and $132,085 were released from restrictions, by incurring expenses in accordance with the terms of the agreement, during the years ended December 31, 2019 and 2018, respectively.

17. Income Taxes:

The Institute is a not-for-profit organization, exempt from federal income tax under Section 501(c)(3) of the U.S Internal Revenue Code (the Code), and contributions to it are tax deductible as prescribed by the Code. The Institute is also exempt from California income and or Franchise tax under Section 23701d of the California Revenue and Taxation Code. The Institute is generally no longer subject to tax examinations relating to federal and state tax returns for years prior to 2015.

The Institute has been classified as an organization that is not a private foundation under Section 509(a)(1) and has been designated as a "publicly supported" organization under Section 170(b)(1)(A)(vi) of the Code.

The Institute assesses its accounting for uncertainty in income taxes recognized in its financial statements and prescribes a threshold of "more likely than not" for recognition and derecognition of tax positions taken or expected to be taken in the tax returns. There was no material impact on the Institute's financial statements as a result of the adoption of this policy.

18. Subsequent Events:

The Institute evaluated subsequent events for recognition and disclosure through May 14, 2020, the date which these financial statements were available to be issued. Management concluded that no material subsequent events have occurred since December 31, 2019 that required recognition or disclosure in the financial statements except as noted below.

In early 2020, an outbreak of a novel strain of coronavirus was identified and infections have been found in a number of countries around the world, including the United States. The coronavirus and its impact on businesses including travel, supply and demand, and employee productivity has had a significant effect on the financial markets and business activity. The extent of the impact of the coronavirus on the Institute's operational and financial performance cannot be predicted.

18. Subsequent Events, continued**:**

On May 7, 2020, ICSI received loan proceeds in the amount of approximately $250,000 under the Paycheck Protection Program ("PPP"). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable after eight weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the eight-week period.

The unforgiven portion of the PPP loan is payable over two years at an interest rate of 1%, with a deferral of payments for the first six months. ICSI intends to use the proceeds for purposes consistent with the PPP. ICSI currently believes that its use of the loan proceeds will meet the conditions for forgiveness of the loan.

SD Mayer & Associates LLP
235 Montgomery Street, 30th Floor
San Francisco, CA 94104
415 691 4040 main
sdmayer.com

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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*

To the Board of Trustees,
International Computer Science Institute
Berkeley, California

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 International Computer Science Institute ("the Institute"), a nonprofit organization, which comprise the statement of financial position as of December 31, 2019, 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 May 14, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered International Computer Science Institute's internal control over financial reporting (internal control) to determine the 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 International Computer Science Institute's internal control. Accordingly, we do not express an opinion on the effectiveness of the International Computer Science Institute'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 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 may exist that have not been identified.

SD Mayer & Associates LLP
235 Montgomery Street, 30th Floor
San Francisco, CA 94104
415 691 4040 main
sdmayer.com

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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*-Continued

Compliance and Other Matters

As part of obtaining reasonable assurance about whether International Computer Science Institute'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

S D Mayer & Associates, LLP

S D Mayer & Associates, LLP

San Francisco, CA
May 14, 2020

SD Mayer & Associates LLP
235 Montgomery Street, 30th Floor
San Francisco, CA 94104
415 691 4040 main
sdmayer.com

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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 Trustees,
International Computer Science Institute
Berkeley, California

Report on Compliance for Each Major Federal Program

We have audited International Computer Science Institute's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of International Computer Science Institute's major federal programs for the year ended December 31, 2019. International Computer Science Institute's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of International Computer Science Institute's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about International Computer Science Institute's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of International Computer Science Institute's compliance.

SD Mayer & Associates LLP
235 Montgomery Street, 30th Floor
San Francisco, CA 94104
415 691 4040 main
sdmayer.com

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE-Continued

Opinion on Each Major Federal Program

In our opinion, International Computer Science Institute complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2019.

Report on Internal Control over Compliance

Management of International Computer Science Institute is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered International Computer Science Institute's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of International Computer Science Institute's 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

SD Mayer & Associates LLP
235 Montgomery Street, 30th Floor
San Francisco, CA 94104
415 691 4040 main
sdmayer.com

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE-Continued

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.

S D Mayer & Associates, LLP

S D Mayer & Associates, LLP

San Francisco, CA
May 14, 2020

INTERNATIONAL COMPUTER SCIENCE INSTITUTE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended December 31, 2019

Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA Number/Grant Number	Grant Number	Sub award Number	Federal Expenditures	Amount provided to Subrecipients
RESEARCH AND DEVELOPMENT CLUSTER					
DEPARTMENT OF DEFENSE					
Science of Security Lablet	12.000	H98230-18-D-0006/0001		$ 619,984	$ 366,929
	12.000	H98230-18-D-0006/0002		126,278	-
Total Science of Security Lablet				**746,262**	**366,929**
Defense Advanced Research Projects Agency (DARPA)					
Interoperability Challenges and Scenarios in Computational Design and Manufacturing	12.910	HR0011-16-2-0042		(64)	
Towards Automated Testing and Discovery of Interoperability	12.910	HR00111820034		244,190	-
Total DARPA				**244,126**	**-**
Office of Naval Research					
Pass Through Awards From:					
Decisive Analytics Corp					
MultiModal Video Summarization	12.300	N68335-18-C-0558	1084	145,632	-
Expedition Technology, Inc.					
RFML	12.300	N66001-18-C-4045	EXP-18-003	486,479	-
Total Office of Naval Research				**632,111**	**-**
Department of Air Force					
Army Research Office					
Local Algorithms for Largo Informatics Graphs	12.431	W911NF-16-1-0285		39,477	-
Total Army Research Office				**$ 39,477**	**$ -**

INTERNATIONAL COMPUTER SCIENCE INSTITUTE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended December 31, 2019

Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA Number/Grant Number	Grant Number	Sub award Number	Federal Expenditures	Amount provided to Subrecipients
Air Force Research Laboratory					
Robust, Efficient & Local Machine Learning	12.300	FA8750-17-2-0122		$ 385,892	$ -
Scaling Contextual Privacy to MDM Environments	12.300	FA8750-18-2-0096		184,488	98,741
Pass Through Awards From:					
New York University					
Origin Privacy: Protecting Privacy in the Big Data Era	12.300	FA8750-162-0287	F8706-02	(90)	-
The Regents of the University of California, San Diego					
Foundation of Threat Intelligence Metrics	12.300	FA8750-18-2-0087	1.06E+08	18,742	-
Carnegie Mellon University					
Brandeis Personalized Privacy Assistants for the Internet of Things and Big Data	12.300	FA8750-15-2-0277	1150155-420113	41,967	-
Total Air Force Research Laboratory				**630,999**	**98,741**
National Geospatial Intelligence Agency					
Pass Through Awards From:					
Etegent Technologies					
Low-Shot Detection in Remote Sensing	12.630	HM0476-18-C-0071	ETE-135	198,842	-
Novel Low-Shot Detection or Recognition Techniques	12.630		ETE-136	51,563	-
Total National Geospatial Intelligence Agency				**250,405**	**-**
Defense Threat Reduction Agency					
Identifying Semantic Components from Cross-Language Variation	12.351	HDTRA11710042		172,657	-
Total Defense Threat Reduction Agency				**172,657**	**-**
TOTAL DEPARTMENT OF DEFENSE				**$ 2,716,037**	**$ 465,670**

INTERNATIONAL COMPUTER SCIENCE INSTITUTE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended December 31, 2019

Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA Number/Grant Number	Grant Number	Sub award Number	Federal Expenditures	Amount provided to Subrecipients
DEPARTMENT OF ENERGY					
Pass Through Awards From:					
Lawrence Livermore National Security					
Next Generation Methods and Workflow for Automated Optimal Multi- Functional Design	81.000	DE-AC52-07NA27344	B622079	$ 104,692	$ -
Extraction of Text Annotations From Speech Recognition	81.000	DE-AC52-07NA27344	B615831	1,223	-
LAMMPS	81.000	DE-AC52-07NA27344	B634369	188,712	-
Multimodal Event Detection on Consumer Produced Data	81.000	DE-AC52-07NA27344	B626067	(501)	-
Multimodal Event Detection on Consumer Produced Data	81.000	DE-AC52-07NA27344	B631428	114,733	-
Variable Precision Computing LDRD Project	81.000	DE-AC52-07NA27344	B629366	69,055	-
TOTAL DEPARTMENT OF ENERGY				**477,914**	**-**
DEPARTMENT OF HOMELAND SECURITY					
DHS S&T Directorate	97.000	MISC16CSDIPA01		225,092	-
TOTAL DEPARTMENT OF HOMELAND SECURITY				**225,092**	**-**
U.S. DEPARTMENT OF STATE					
Pass Through Awards From:					
The Regents of the University of California, Berkeley					
Counterpower Lab	19.345	S-LMAQM-16-GR-1217	9325	34,816	-
Harvard University					
Global Internet Censorship Measurement Consortium	19.345	S-LMAQM-17-GR-1069	108846-5102729	(90)	-
TOTAL U.S. DEPARTMENT OF STATE				**$ 34,726**	**$ -**

INTERNATIONAL COMPUTER SCIENCE INSTITUTE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended December 31, 2019

Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA Number/Grant Number	Grant Number	Sub award Number	Federal Expenditures	Amount provided to Subrecipients
NATIONAL SCIENCE FOUNDATION					
Frontiers	47.070	CNS-1237265		$ 646,023	$ -
Small: SMASH--Scalable Multimedia content Analysis in a High-Level Language	47.070	IIS-1251276		1,817	-
A Bro Center of Expertise for the NSF Community	47.070	ACI-1348077		24,930	-
Semantic Security Monitoring for Industrial Control Systems	47.070	CNS-1314973		(450)	-
II - NEW: Enabling Security Analysis at Scale	47.070	CNS -1406041		(140)	-
NeTS: Medium: Collaborative Research: A Software Defined Internet Exchange	47.070	CNS -1420064		(157)	-
BIGDATA: F: DKA: Collaborative Research: Randomized Numerical Linear Algebra (RandNLA) for Multi- Linear and Non-Linear Data	47.070	IIS-1447534		(867)	-
Security and Privacy for Wearable and Continuous Sensing Platforms	47.070	CNS-1514211		37,730	-
Internet-Wide Vulnerability Measurement, Assessment and Notification	47.070	CNS-1518921		56,346	-
Using Individual Differences to Personalize Security Mitigations	47.070	CNS-1528070		40,456	-
Towards a Science of Censorship Resistance	47.070	CNS-1518918		223,617	-
Streaming Algorithms for Fundamental Computations in Numerical Linear Algebra	47.070	CCF-1540657		5,261	-
Understanding the State of TLS Using Large-Scale Passive Measurements	47.070	CNS-1528156		168,335	-
Understanding and Illuminating Non-Public Data Flows	47.070	CNS-1514509		102,284	-
Student Travel Support for the 2018 Internet Measurement Conference	47.070	CNS-1745720		(9)	-
A Shared Integrated Resource for Global Impact	47.070	CNS-1637601		(101)	-
A New Community Infrastructure for Audio Annotations for Acoustic Event Identification	47.070	CNS-1629990		(92)	-
HyStack: Fine-grained Visibility and Control of Mobile Traffic	47.070	CNS-1564329		135,635	-
Secure and Resilient Architecture	47.070	ACI-1642161		224,278	99,264

INTERNATIONAL COMPUTER SCIENCE INSTITUTE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended December 31, 2019

Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA Number/Grant Number	Grant Number	Sub award Number	Federal Expenditures	Amount provided to Subrecipients
Multilingual FrameNet: A Resource Enabling Cross-Lingual Research for the Natural Language Processing Community	47.070	CNS-1629989		95,304	-
Universal Packet Scheduling	47.070	CNS-1619377		112,190	-
Teaching Security in CSP	47.070	CNS-1636590		56,372	-
Rethinking Home Networking for the Ultrabroadband Era	47.070	CNS-1647126		62,626	-
Exploring Internet Balkanization Through The Lens of Recignal Discrimination	47.070	CNS-1651857		(169)	-
Privacy and Fairness in Decision Making Systems	47.070	CNS-1704985		80,419	-
Co-Design of Network sTorage	47.070	CNS-1704941		100,700	-
MultiSource Domain Generalization	47.070	-1835539		7,553	-
De-Mytifying and Hardening the Domain Name System	47.070	CNS-1815876		73,851	-
Towards Programming Datacenters	47.070	CNS-1817116		105,813	-
Increasing Users' Cyber-Security Compliance by Reducing Present Bias	47.070	CNS-1817249		157,821	-
PacketLab: A Universal Measurement Endpoint Interface	47.070	CNS-1763884		14,457	-
Mobile Dynamic Privacy and Security Analysis at Scale	47.070	CNS-1817248		176,553	-
Creating an Evolvable, Diverse, and Dynamic Internet	47.070	CNS-1817115		66,900	-
Combining Stochastics and Numerics for Improved Scalable Matrix Computations	47.070	IIS-1815054		103,503	-
Toward Informing Users About Algorithmic Fairness	47.070	IIS-1844518		21,462	-
BIGDATA:F:Collaborative Research: Theory and Practice of Randomized Algorithms for Ultra-Large Scale Signal Processing	47.070	IIS-1838131		96,306	-
Liquid Foundation Internet	47.070	CNS-1936572		121,987	-

INTERNATIONAL COMPUTER SCIENCE INSTITUTE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended December 31, 2019

Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA Number/Grant Number	Grant Number	Sub award Number	Federal Expenditures	Amount provided to Subrecipients
Pass Through Awards From:					
University of Notre Dame					
RI: Small: Language Induction Meets Language Documentation	47.070	IIS-1464553	2024731ICSI	(256)	-
Abstractions and Architectures for Open Composable Services	47.041	CMMI-1547189		(610)	-
Deep Learning Based Self Organizing Network for B5G	47.041	ECCS-1745410		70,305	-
Pass Through Awards From:					-
The Regents of the University of California, Berkeley					-
Natural Hazards Engineering Research	47.041	CMMI-1612843		31,786	
TOTAL NATIONAL SCIENCE FOUNDATION				**$ 3,219,769**	**$ 99,264**
TOTAL RESEARCH AND DEVELOPMENT CLUSTER				**$ 6,673,538**	**$ 564,934**

INTERNATIONAL COMPUTER SCIENCE INSTITUTE
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended December 31, 2019

Note A: Basis of Presentation:

The accompanying schedule of expenditures of federal awards (The Schedule) is prepared on the accrual basis of accounting. 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 selected portion of the activities of the Institute, it is not intended to, and does not, present either the financial position, changes in net assets, or cash flows of the Institute. The Institute has not elected to use the 10-percent de minimis indirect cost rate.

Note B: Major Program:

The Research and development grants are determined to be a cluster of grants. A cluster of grants is a grouping of closely related grants that share common compliance requirements. A cluster of grants shall be considered as one program for determining major programs, as described in 2 CFR section 200.518, *Major Program Determination*, of the Uniform Guidance.

Note C: Subrecipients:

The Institute provided federal awards to subrecipients as listed in Schedule I above.

INTERNATIONAL COMPUTER SCIENCE INSTITUTE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended December 31, 2019

Section I - Summary of Auditors' Results

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	_____Yes __X__No
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____Yes __X__None reported
Noncompliance material to financial statements noted?	_____Yes __X__No

Federal Awards

Internal control over major programs:	
• Material weakness(es) identified?	_____Yes __X__No
• Significant deficiency(ies) identified that are not considered to be material weakness(es)?	_____Yes __X__None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance	_____Yes __X__No

Identification of major programs:

CFDA/Program Title	Expenditures
Research and Development Cluster	$ 6,673,538

INTERNATIONAL COMPUTER SCIENCE INSTITUTE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended December 31, 2019

Dollar threshold used to distinguish between type A and type B programs: $750,000

Auditee qualified as low-risk auditee? X Yes _____ No

Section II - Financial Statement Findings

No findings.

Section III – Federal Award Findings and Questioned Costs

No findings.

Section IV – Summary Schedule of Prior Year Audit Findings

No findings.