

June 5, 2008

SRA International, Inc.
4300 Fair Lakes Ct.
Fairfax, VA 22033

Dear Sir or Madam:

Sometime in the next few weeks, the Project On Government Oversight (POGO) will update its Federal Contractor Misconduct Database (<http://www.contractormisconduct.org/>), a compilation of information from public resources regarding government contractors, including SRA International. I have enclosed the findings relevant to your company, and I am seeking verification of this data.

Any response would be greatly appreciated, as the accuracy of this information is in the best interest of all parties. Out of fairness to SRA International, please be assured that any response received by POGO will be posted on the website along with the data.

The biggest change we will be making to the database is the inclusion of more federal contractors (the top 100). We are also adding new instances that we have found in recent months and updating instances already in the database with new information. Please note that the database also includes pending instances, but these are kept separate from resolved instances and are not included in the totals.

If you have any questions, I can be reached at (202) 347-1122. Thank you for your time and consideration.

Sincerely,

Neil Gordon
Investigator

Enclosure

Instances

1. IRS Challenge of Accounting Practices

Date: 08/06/2002 (Date of Financial Statement)

Misconduct Type: Tax

Enforcement Agency: Treasury – IRS

Contracting Party: None

Court Type: Administrative

Amount: \$0

Disposition: Settlement

Synopsis: SRA International settled an IRS challenge of its accounting methods which caused SRA to underreport its tax liability. "In 1998, the Internal Revenue Service challenged our use of the cash method of income tax accounting. We accrued reserves in fiscal 2001 toward probable interest due on income taxes as a result of the IRS challenge (\$1.0 million in the fourth quarter of fiscal 2001 and \$2.4 million for the full fiscal year). This accrual was reflected as other expense. We settled this matter with the IRS in the third quarter of fiscal 2002 and reversed approximately \$1.8 million of the accumulated reserve, representing the amount by which the total reserve exceeded our actual federal and estimated state interest payments. This reversal was reflected as other income."