UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended June 30, 2019

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from __________ to __________
Commission File Number 001-31400

CACI International Inc

(Exact name of registrant as specified in its charter)

Delaware	**54-1345888**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

1100 North Glebe Road, Arlington, VA 22201
(Address of principal executive offices)
(703) 841-7800
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	CACI	New York Stock Exchange

Indicate by check mark whether the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒. No ☐.

Indicate by check mark whether the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐. No ☒.

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒. No ☐.

Indicate by check mark whether the Registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the Registrant was required to submit and post such files). Yes ☒. No ☐.

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company, or an emerging growth company . See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the Registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐.

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐. No ☒.

The aggregate market value of common shares held by non-affiliates of the Registrant on December 31, 2018 was $3,520,375,787, based upon the closing price of the Registrant's common shares as quoted on the New York Stock Exchange composite tape on such date.

As of August 15, 2019, there were 24,881,546 shares outstanding of CACI International's common stock, par value $0.10 per share.

DOCUMENTS INCORPORATED BY REFERENCE

Part III of this Form 10-K incorporates by reference certain information from the Registrant's Proxy Statement to be filed with the Securities Exchange Commission (SEC) pursuant to Regulation 14A for the 2019 Annual Meeting of Stockholders.

INFORMATION RELATING TO FORWARD-LOOKING STATEMENTS

Certain information included or incorporated by reference in this Annual Report on Form 10-K, may not address historical facts and, therefore, could be interpreted to be "forward-looking statements" as that term is defined in the Private Securities Litigation Reform Act of 1995 and other federal securities laws. All statements other than statements of historical fact are statements that could be deemed forward-looking statements, including projections of financial performance; statements of plans, strategies and objectives of management for future operations; any statement concerning developments, performance or industry rankings relating to products or services; any statements regarding future economic conditions or performance; any statements of assumptions underlying any of the foregoing; and any other statements that address activities, events or developments that the Company intends, expects, projects, believes or anticipates will or may occur in the future. Forward-looking statements may be characterized by terminology such as "believe," "anticipate," "expect," "should," "intend," "plan," "will," "estimates," "projects," "strategy" and similar expressions. These statements are based on assumptions and assessments made by the Company's management in light of its experience and its perception of historical trends, current conditions, expected future developments and other factors it believes to be appropriate. These forward-looking statements are subject to a number of risks and uncertainties that include but are not limited to the factors set forth under Item 1A, Risk Factors in this Annual Report on Form 10-K.

Any such forward-looking statements are not guarantees of future performance, and actual results, developments and business decisions may differ materially from those envisaged by such forward-looking statements. The forward-looking statements included herein speak only as of the date of this Annual Report on Form 10-K. The Company disclaims any duty to update such forward-looking statements, all of which are expressly qualified by the foregoing.

CACI International Inc

FORM 10-K

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PART I

Item 1. Business

Background

CACI International Inc was founded in 1962 as a simulation technology company and has grown into an international information solutions and services provider. CACI serves 12 markets for which we provide domain expertise, solutions and services to meet enterprise and mission needs.

CACI International Inc was organized in Delaware on October 8, 1985 and is a holding company whose operations are conducted through subsidiaries, which are located in the U.S. and Europe.

For the year ended June 30, 2019 (FY2019), we generated $5.0 billion of revenue from our contracts with customers in the U.S. federal government and commercial markets, primarily in North America, as well as in the United Kingdom (U.K.) and the Netherlands. As a result of our diverse capabilities and customer mission understanding, many of our customer relationships have existed for over 20 years.

Our proven solutions and services and strong record of program delivery have enabled us to compete for and secure new customers and new contracts, win repeat business, and build and maintain long-term customer relationships. We seek competitive business opportunities and have built our operations to support major programs through a market-focused business development organization.

Our primary customers are agencies and departments of the U.S. government. Our information solutions and services support national security missions and government modernization/transformation for intelligence, defense, and federal civilian customers. The demand for our solutions and services, in large measure, is created by the increasingly complex network, systems, and information environments in which governments and businesses operate, and by the need to stay current with emerging technology while increasing productivity, enhancing security, and, ultimately, improving performance.

Unless the context indicates otherwise, the terms “we”, “our”, “the Company” and “CACI” as used in Parts I, II and III include CACI International Inc and its subsidiaries and ventures that are majority-owned or otherwise controlled by it. The term “the Registrant” as used in Parts I, II and III refers to CACI International Inc only.

Overview

At June 30, 2019, we had approximately 22,100 employees.

Domestic Operations

Our domestic operations account for 100 percent of our U.S. government revenue and 32.6 percent of our commercial and other revenue. Some of the contracts performed by our domestic operations involve assignment of employees to international locations in support of our federal government customers. We provide our services and solutions to our domestic customers in the following market areas:

- Business Systems – CACI’s business systems solutions enable efficiency, innovation, and compliance by applying focused federal domain expertise, combined with best-fit technology solutions, all integrated, implemented, and operated to improve the organizational performance of our customers. Our solutions in financial management, human capital management, asset and materials management, and administrative management help customers improve their efficiency. CACI is a full-service federal systems integrator, implementing foundational system solutions for both mission and business support, and providing the consulting assistance and business intelligence/analytics that convert data into actionable information to support smart decisions for over 100 military, intelligence, and federal civilian organizations.
- Command and Control (C2) – CACI develops, integrates, sustains, and operates agile and flexible C2 solutions, consisting of hardware, software, and interfaces that enhance our customers’ situational awareness, planning, execution, and assessment. CACI’s solutions enable network-centric operations to generate decision advantage in the most demanding environments.
- Communications – CACI’s broad-based solutions offer communications capabilities for soldier systems, mobile platforms, fixed facilities, and the enterprise. We leverage our expertise to design, develop, integrate, and provide field support to deliver rapidly deployable communications solutions when they are required anywhere in the world. CACI develops and integrates solutions that deliver secure multi-level unified communications from the enterprise directly to and from the tactical edge. We rapidly tailor and implement our products, services, and solutions to fit the specific missions and operating contexts of our customers.

- Cyber Security – CACI's cyber security solutions combine years of cyber and electronic warfare experience with cutting-edge signals intelligence and radio frequency (RF) expertise. We help protect vulnerable platforms – including airplanes, cell p hones, weapons systems, and unmanned aerial vehicles – from cyber attacks, and we provide comprehensive cyber support to a number of federal customers and the Intelligence Community (IC). We also have a world-class cyber team that provides tailored support to the IC and Department of Defense (DoD). CACI's full-spectrum cyber security capabilities span platform defense and exploitation, advanced network operations, and cyber engineering of resilient systems. Our rapid research and development, prototyping, a nd integration capabilities enable us to combat shifting and emerging threats.
- Enterprise Information Technology (IT) – CACI's Enterprise IT solutions support our customers' missions. Our experts secure operational IT environments in the defense, intelligence, homeland security, and civilian communities. We provide tailored, end-to-end, enterprise-wide information solutions and services for the design, development, integration, deployment, operations and management, sustainment, and security of our customers' IT solutions. An Amazon Web Services (AWS) Premier Consulting Partner and Microsoft Cloud Solution Provider for Government, we deliver cloud-powered solutions, performance-based service management, development operations and mobility, defensive cyber, end-user services, and infrastructure services. We support customers in the adoption of virtualized cloud services and mobile solutions that are revolutionizing the efficiency, reliability, and cost-effectiveness of IT services. We provide managed services and technical services that enhance efficiency, improve mission uptime, and reduce costs. Our operational, analytic, consulting, and transformational services use industry leading-edge practices, standards, and innovations to enable and optimize the full lifecycle of the enterprise IT environment.
- Health – CACI supports federal civilian and military health missions to improve healthcare delivery systems, integrate electronic health records, and enhance the speed and efficiency of emergency responsiveness. We solve challenges in bio-surveillance, health systems security, medical supply logistics and rapid disaster/emergency response. We provide capabilities that for more efficient and interoperable healthcare delivery systems through program management, strategic planning, software engineering, operation and maintenance, and IT facility support.
- Intelligence Services – CACI's intelligence specialists support our customers' mission to convert data collected from all information sources into knowledge that empowers decisions. Our support is provided at the strategic and tactical levels, and consists of intelligence analysis, operations and planning, policy, doctrine, and security support. We work within the United States and internationally, providing analysis of data received from a variety of sources, and we provide direct support such as ground truth and intelligence gathering internationally.
- Intelligence Systems and Support – CACI designs, develops, integrates, deploys, and rapidly prototypes hardware- and software-enabled tools and applications in support of data collection, processing, and analysis for our IC and DoD customers. An industry leader in signals intelligence (SIGINT) collection, processing, and dissemination systems, we deliver end-to-end SIGINT capabilities, including virtualized signal processing. We also provide significant support to the federal government in foreign instrumentation signals intelligence. We employ multi-intelligence fusion analysis of vast data from multiple intelligence sources, displayed using robust visualization techniques, to support a wide range of intelligence products and services for our customers to deliver actionable information in near real-time. We embed advanced artificial intelligence techniques within production-ready, cost-effective architectures to meet customers' evolving strategic and tactical needs. Our deep neural network frameworks have yielded proven solutions for large-scale automation of object detection and classification for classified customers. We design and develop software-defined radio systems capable of hosting a range of SIGINT capabilities. The capabilities include the SkyTracker™ product suite of counter-unmanned aerial systems (C-UAS) solutions, which accurately and reliably detects, identifies, and tracks UAS threats against valuable assets and national airspace. We also deliver quick reaction capabilities for integrating SIGINT and RF systems into platforms to deliver precision electronic warfare solutions to meet the rising tempo of missions.
- Investigation and Litigation Support – CACI assists the U.S. government in investigating and litigating cases. We continually monitor and develop new document and data capture methodologies that increase efficiency and lower costs for our customers in high-stakes situations such as trials, investigations, hearings, and regulatory and enforcement activities. We are a proven provider with decades of experience delivering start-to-finish investigation and litigation support, leveraging technology to help customers manage documents and acquire and present evidence from pre-filing investigation through complaint, discovery, and trial; then post-trial and appeals. With our American Society of Crime Laboratory Directors/Laboratory Accreditation Board (ASCLD/LAB) International-accredited computer and audio/video forensics lab, we analyze digital evidence to support criminal and civil investigations, litigations, and security inquiries. We offer scalable cloud hosting solutions that are stable, secure, and fast, with access to industry-leading e-Discovery tools. As the premier contractor for delivering background investigations to the U.S. federal government, our fully trained and cleared investigators provide cost-efficient, high-quality personnel security investigations.

- Logistics and Material Readiness – CACI provides a full suite of logistics and material readiness solutions and professional ser vice offerings that ensure the efficient, effective, and secure global flow and storage of materials, services, and information in support of U.S. government agencies. We provide complete product lifecycle management to make certain that provisions, equipm ent, and systems are ready anytime, anywhere. We deploy comprehensive supply chain solutions to enhance visibility, facilitate readiness-based sparing, and analyze readiness in near-real time. To advance the secure flow of supplies, we optimize efficiency while minimizing the time and cost of meeting readiness requirements across the enterprise. We provide our customers with workforce readiness by tailoring solutions to achieve the optimal capability of the organization and individual. We develop and manage logistics information systems as well as specialized modeling and simulation toolsets, and provide logistics engineering services.
- Space Operations and Resiliency – CACI provides the advanced technology and mission support capabilities required to launch, operate, and exploit systems in the space domain. Our unique solutions predict outcomes, allowing decision-makers more time and better options for executing the mission. Our advanced analytics capabilities are used across the mission space and range from the execution of launch operations planning to the mission management of complex on-orbit systems. We use advanced big data and deep learning solutions to enhance the ability of our mission partners to solve their most complex problems. We also provide engineering, logistics, and modification solutions to globally deployed ground systems used to provide critical mission capabilities to ongoing missions as well as launch and early orbit events.
- Surveillance and Reconnaissance – CACI integrates surveillance and reconnaissance technologies into platforms that support identification of potential targets and enhance troop safety. We develop and integrate state-of-the-art surveillance and reconnaissance sensors into air and ground systems, leveraging our mission-customized software and electronics. We provide integration, development, quick-reaction solutions and technical support services in support of military, intelligence, and homeland security missions throughout the U.S. and around the world.

International Operations

Our international operations are conducted primarily through our operating subsidiaries in Europe, CACI Limited and CACI BV, and account for substantially all revenue generated from international customers and 67.4 percent of our commercial and other revenue. Headquartered in London, our international operations provide a diverse mix of IT services and proprietary data and software products, serving commercial and government customers throughout the U.K., continental Europe and around the world.

Competition

We operate in a highly competitive industry that includes many firms, some of which are larger in size and have greater financial resources than we do. We obtain much of our business on the basis of proposals submitted in response to requests from potential and current customers, who may also receive proposals from other firms. Non-traditional players have entered the market and have established positions related to such areas as cloud computing, cyber, satellite operations, business systems and healthcare IT. Additionally, we face indirect competition from certain government agencies that perform services for themselves similar to those marketed by us. We know of no single competitor that is dominant in our fields of technology. We have a relatively small share of the available worldwide market for our solutions and services and intend to achieve growth and increase market share both organically and through strategic acquisitions.

Strengths and Strategy

We offer substantially our entire range of solutions and services and proprietary products to defense, intelligence and civilian agencies of the U.S. government. Our work for U.S. government agencies may combine a wide range of skills drawn from our solutions, services and product offerings. We also contract through our international operations to supply solutions, services and/or products to governments of other nations. As with other government contractors, our business is subject to government customer funding decisions and actions that are beyond our control.

Although we are a supplier of proprietary computer-based technology products and marketing systems products, we are not primarily focused on being a software product developer-distributor (see discussion following under “Patents, Trademarks, Trade Secrets and Licenses”).

Our international commercial customer base consists primarily of large enterprises in the U.K. This market is the primary target of our proprietary marketing systems software, and database products and consultancy services. Commercial bids are frequently negotiated as to terms and conditions for schedule, specifications, delivery and payment.

In order to effectively perform on our existing customer contracts and secure new customer contracts within the U.S. government, we must maintain expert knowledge of agency policies, operations and challenges. We combine this comprehensive knowledge with significant expertise in the design, integration, development and implementation of advanced informat ion solutions and services. This capability provides us with opportunities either to compete directly for, or to support other bidders in competition for multi-million dollar and multi-year award contracts from the U.S. government.

We have strategic business relationships with a number of companies associated with the information technology industry. These strategic partners have business objectives compatible with ours and offer products and services that complement ours. We intend to continue development of these kinds of relationships wherever they support our growth objectives.

Our marketing and new business development is conducted by many of our officers and managers including the Chief Executive Officer, executive officers, vice presidents and division managers. We employ marketing professionals who identify and qualify major contract opportunities, primarily in the federal government market.

Much of our business is won through submission of formal competitive bids. Government and commercial customers typically base their decisions regarding contract awards on their assessment of the quality of past performance, responsiveness to proposal requirements, price, and other factors. The terms, conditions and form of contract of government bids, however, are in most cases specified by the customer. In situations in which the customer-imposed contract type and/or terms appear to expose us to inappropriate risk or do not offer us a sufficient financial return, we may seek alternate arrangements or opt not to bid for the work. Essentially all contracts with the U.S. government, and many contracts with other government entities, permit the government customer to terminate the contract at any time for the convenience of the government or for default by the contractor. Although we operate under the risk that such terminations may occur and have a material impact on operations, such terminations have been rare and, generally, have not materially affected operations.

Our contracts and subcontracts are composed of a wide range of contract types, including firm fixed-price, cost reimbursement, time-and-materials, indefinite delivery/indefinite quantity (IDIQ) and government wide acquisition contracts (known as GWACS) such as General Services Administration (GSA) schedule contracts. By company policy, significant fixed-price contracts require the approval of at least two of our senior officers.

In FY2019, the top ten revenue-producing contracts, many of which consist of many task orders, accounted for 30.7 percent of our revenue, or $1.5 billion.

Industry Trends

Budgetary Environment

In the U.S. government's Fiscal Year (GFY) 2019, discretionary spending is expected to be approximately $1.3 trillion. Based on the analysis of an independent market consultant retained by the Company, we believe that the addressable market for our offerings is approximately $221 billion and is expected to continue to grow over the next several years. Approximately 70 percent of our revenue comes from defense-related customers, including those in the Intelligence Community (IC), with additional revenue coming from non-defense IC, homeland security, and other federal civilian customers. As a result of the two-year Bipartisan Budget Act of 2018 (BBA 2018), appropriations for the Department of Defense (DoD), including those for Overseas Contingency Operations (OCO), for GFY 2018 and GFY 2019 increased 10 percent and 2 percent, respectively.

We carefully follow federal budget, legislative and contracting trends and activities and evolve our strategies to take these into consideration. In late July 2019, Congress passed the Bipartisan Budget Act of 2019 (BBA 2019), which increased the caps for defense and non-defense spending for GFY 2020 and GFY 2021, established discretionary spending caps for GFY 2020 and GFY 2021, and suspended the national debt limit through July 2021. On August 2, 2019, the President signed the measure into law. While Congress has yet to determine the final allocations for the 12 appropriation bills for GFY 2020, bipartisan support remains for continued investment in the areas of defense and national security. Specifically, the BBA 2019 calls for defense spending, including OCO funds, of $738 billion in GFY 2020 and $740.5 billion in GFY 2021. Both represent increases from GFY 2019 levels of $716 billion.

Until September 30, 2021, the U.S. Government is operating under the Budget Control Act of 2011 (BCA). This law establis hed limits on discretionary spending, reducing planned defense spending by a minimum of $487 billion over a 10-year period that began at the end of GFY 2012. In addition, the BCA included a sequester mechanism that imposed additional defense cuts of $500 b illion, or approximately 9 percent, over nine years starting in GFY 2013 if the Congress did not identify a means to reduce the U.S. deficit by $1.2 trillion. Because these means were not identified, the sequester mechanism took effect in March 2013. Since the beginning of sequestration in March 2013, there have been five laws enacted that have extended the automatic direct spending reductions beyond the GFY 2021, the most recent of which was the BBA 201 9 . As a result of the BBA 2019, the sequester mechanis m instituted by the BCA has been eliminated for the remaining two government fiscal years covered by that law .

During those periods of time when appropriations bills have not been passed and signed into law, government agencies operate under a continuing resolution (CR). During GFY 2019, from December 8 to December 21, 2018, the nine Cabinet departments and dozens of smaller agencies whose appropriations bills were not passed operated under a CR. If by September 30, 2019, Congress does not complete its budget process for GFY 2020, it must pass a CR to keep the government operating beyond that date. Depending on their scope, duration, and other factors, CRs can negatively impact our business due to delays in new program starts, delays in contract award decisions, and other factors. We continuously review our operations in an attempt to identify programs potentially at risk from CRs so that we can consider appropriate contingency plans.

When federal agencies and programs lack either appropriated or interim funding, they must cease operations, or shutdown, except in certain emergency situations or when the law authorizes continued activity. Government shutdowns necessitate furloughs of several hundred thousand federal employees, require cessation or reduction of many government activities, and affect numerous sectors of the economy. From December 22, 2018 to January 25, 2019, the aforementioned nine departments and dozens of smaller agencies were shutdown. On January 25, 2019, the President signed into law a short-term measure that ended the shutdown and funded the government through February 15, 2019. On February 15, 2019, the President signed into law an omnibus appropriations bill that funded for the remainder of GFY 2019 the nine Cabinet departments and dozens of smaller agencies that were affected by the government shutdown. The 35-day government shutdown that ended in January 2019 did not have a material impact on the Company's results of operations for the twelve months ended June 30, 2019.

Market Environment

Across our addressable market, we strive to address our customers' most critical needs, supporting both the successful execution of their mission and the efficient operation of their enterprise. During our FY2019, we continued to align the Company's capabilities with well-funded budget priorities and took steps to maintain a competitive cost structure in line with our expectations of future business opportunities. In light of these actions, as well as the budgetary environment discussed above, we believe we are well positioned to win new business in our large addressable market. We believe that the following trends will influence the USG's spending in our addressable market:

- A favorable USG budget environment, particularly in defense and intelligence-related areas;
- A shift in focus from readiness toward increased capabilities, effectiveness, and responsiveness;
- Increased USG interest in faster contracting and acquisition processes;
- Increased focus on defensive cyber, space and the electromagnetic spectrum as key domains for National Security;
- Balanced focus on enterprise cost reductions through efficiency, with increased spend on infrastructure modernization and enhancements to cyber security protections; and
- Increased investments in advanced technologies (e.g., Artificial Intelligence, 5G).

The demand for faster acquisitions is outpacing traditional methodologies and we believe this will benefit those that can provide agility, speed and innovation to address requirements. USG investments in advanced technologies and innovation ecosystems are likely to accelerate adoption into operational systems.

We believe the USG will continue to seek spending reductions in core enterprise services through improved operational efficiency, technology adoption, automation, and performance-based-contracting. This is balanced by increased investments in modernizing enterprise enabling applications using agile methodologies, development, security and operations (DevSecOps) driven synergies between development and operations, integrated security services, and an increase in adoption of contemporary technology including Cloud, robotic process automation (RPA), data analytics, and transparent automated workflow. We expect to see a steady stream of funding for these types of transformational activities that yield results in a shorter timeframe while providing more stable, secure and predictable information systems.

The increased focus on cyber security, space, and the electromagnetic spectrum is increas ing opportunities in the Electronic Warfare marketplace, driving toward modernization and innovation. Counterterrorism, counterintelligence, and counter proliferation also remain at the forefront of U.S. security concerns. The world is increasingly interco nnected and interdependent. Instability can arise quickly and spread rapidly beyond borders. This phenomenon is readily apparent in events in the Pacific Rim, the Middle East and North Africa, and can create both opportunities and challenges as the contrac tor community adapts to the changing needs of Defense, Intelligence, Homeland Security, State, and U.S. partners. As the U.S. military advantage continues to be challenged, the need for intelligence and surveillance of potential adversaries of all types wi ll continue or grow. Funding to support the use of military and intelligence assets, particularly special operating forces, to combat these threats is expected to remain stable or increase. Mission requirements continue to accelerate needs for agility, spe ed, flexibility and configurability to address the rapidly changing threat profile.

As companies strive to expand and increase market share by acquiring other companies, there is increasing competition for acquisition candidates. Companies providing cyber, electronic warfare, data analytics and advanced technology solutions are in particularly high demand.

Customer Procurement Environment

The USG continues to change the manner in which it purchases goods and services. The aspects of these changes that are most relevant to us are as follows:

- The use of time and material and sole-source contracts is now greatly reduced. The use of award fees is diminishing. In addition, more scrutiny is being placed on the amount of fee bid on cost reimbursable type contracts;
- Multiple award contract vehicles are being used at an increasing rate. Bidding and winning these types of contract vehicles does not ensure that revenue will follow since task orders under the vehicle are also competed; and
- Fees for subcontract management are being limited such that the prime assumes more of the risk for its subcontractor relationships.

We believe that our customers' use of lowest price/technically acceptable (LPTA) procurements, which contributed to pricing pressures in prior years, has moderated. We also continue to see protests of major contract awards and delays in USG procurement activities. In addition, many of our federal government contracts require us to employ personnel with security clearances, specific levels of education and specific past work experience. Depending on the level of clearance, security clearances can be difficult and time-consuming to obtain and competition for skilled personnel in the information technology services industry is intense. Additional factors that could affect USG spending in our addressable market include changes in set-asides for small businesses and budgetary priorities limiting or delaying federal government spending in general.

Recent Acquisitions

During the past three fiscal years, we completed a total of nine acquisitions, including:

- On June 1, 2019 CACI Limited acquired 100 percent of the outstanding shares of Mood Enterprises Limited, a United Kingdom company that provides software and managed services to defense, national security and commercial organizations.
- On March 1, 2019, CACI acquired all of the equity interests of Legos Intermediate Holdings, LLC and MDCP Legos Blocker, Inc., the parent companies of LGS Innovations (LGS). LGS is a leading provider of SIGINT and cyber products and solutions to the Intelligence Community and Department of Defense.
- On January 29, 2019, CACI acquired all of the equity interests of Mastodon Design LLC (Mastodon). The company specializes in the rapid design of rugged tactical communications, signals intelligence (SIGINT) and electronic warfare (EW) equipment.
- On August 15, 2018, CACI acquired certain assets of the systems engineering and acquisition support services business unit (SE&A BU) of CSRA LLC, a managed affiliate of General Dynamics Information Technology, Inc.
- On May 31, 2018, CACI acquired certain assets of an entity in the United States which constituted a business, providing Enterprise IT solutions.
- On November 22, 2017, CACI acquired 100 percent of the outstanding membership interests of a business in the United States which provides cyber solutions.

- On November 1, 2017, CACI Limited acquired 100 percent of the outstanding shares of a London-based software and mapping data company. The comp any provides geographical information systems, logistics and route optimization software and related map data.
- On October 1, 2017, CACI Limited acquired 100 percent of the outstanding shares of a United Kingdom IT consulting services and software engineering company.
- On October 1, 2016, CACI Limited acquired a business in the United Kingdom that provides outsourced database managed services and associated database segmentation and analytics for large corporate customers.

Seasonal Nature of Business

Our business in general is not seasonal, although the summer and holiday seasons affect our revenue because of the impact of holidays and vacations on our labor and on product and service sales by our international operations. Variations in our business also may occur at the expiration of major contracts until such contracts are renewed or new business is obtained.

The U.S. government's fiscal year ends on September 30 of each year. It is not uncommon for government agencies to award extra tasks or complete other contract actions in the weeks before the end of a fiscal year in order to avoid the loss of unexpended funds. Moreover, in years when the U.S. government does not complete the budget process for the next fiscal year before the end of September, government operations whose appropriations legislation has not been signed into law are funded under a continuing resolution that authorizes them to continue to operate but traditionally does not authorize new spending initiatives.

CACI Employment and Benefits

Our employees are our most valuable resource. We are in continuing competition for highly skilled professionals in virtually all of our business areas. The success and growth of our business is significantly correlated with our ability to recruit, train, promote and retain high quality people at all levels of the organization. For these reasons, we endeavor to maintain competitive salary structures, incentive compensation programs, fringe benefits, opportunities for growth, and individual recognition and award programs. Fringe benefits are generally consistent across our subsidiaries, and include: paid time off for vacations, sick leave, and holidays; medical, dental, disability and life insurance; tuition reimbursement for job-related education and training; and other benefits under various retirement savings and stock purchase plans.

We have published policies that set high standards for the conduct of our business. We require all of our employees, independent contractors working on customer engagements, officers, and directors annually to execute and affirm to the code of ethics applicable to their activities. In addition, we require annual ethics and compliance training for all of our employees to provide them with the knowledge necessary to maintain our high standards of ethics and compliance.

Patents, Trademarks, Trade Secrets and Licenses

Generally, our solutions and services are not substantially dependent upon obtaining or maintaining intellectual property protections, although our operations make use of such protections and benefit from them as discriminators in competition. The Company owns patents and claims copyright, trademark and other proprietary rights in a variety of intellectual property, including each of our proprietary computer software and data products and the related documentation. We also maintain a number of trade secrets that contribute to our success and competitive distinction and endeavor to accord such trade secrets protection adequate to ensure their continuing availability to us.

Our proprietary information is protected through a combination of contractual arrangements with our employees and third parties and intellectual property laws. From time to time, we are required to assert our rights against former employees or other third parties who attempt to misappropriate our proprietary and confidential information. Although we are not materially dependent on the protection of our intellectual property, we take such matters seriously and pursue claims against such individuals to the extent necessary to adequately protect our rights.

As a systems integrator, it is important that we maintain access to software, data and other products supplied by third parties and we continue to enter into agreements that give us the right to distribute and receive income from third party software, data and other products that serve our customers. The durations of such agreements are negotiated and vary according to the terms of the agreements.

Backlog

The Company's backlog represents total value on our existing contracts that has the potential to be recognized into revenue as work is performed. The Company includes unexercised option years in its backlog amount and excludes task orders that may be issued underneath a multiple award IDIQ vehicle until such task orders are awarded.

The Company's backlog as of period end is either funded or unfunded:

- Funded backlog represents contract value appropriated by a customer that is expected to be recognized into revenue.
- Unfunded backlog represents the sum of unappropriated contract value on executed contracts and unexercised option years that is expected to be recognized into revenue.

As of June 30, 2019, the Company had total backlog of $16.9 billion, of which $2.9 billion was funded. The total backlog consists of remaining performance obligations (see Note 11, Revenue Recognition in the Notes to Consolidated Financial Statements contained in this Annual Report on Form 10-K) plus unexercised options.

There is no assurance that all funded or potential contract value will result in revenue being recognized. The Company continues to monitor our backlog as it is subject to change from execution of new contracts, contract modifications or extensions, government deobligations, or early terminations. Based on this analysis, an adjustment to the period end balance may be required.

Business Segments, Foreign Operations, and Major Customers

Additional business segment, foreign operations and major customer information is provided in our Consolidated Financial Statements contained in this report. In particular, see Note 17, Business Segment, Customer and Geographic Information in the Notes to Consolidated Financial Statements contained in this Annual Report on Form 10-K.

Revenue by Contract Type

The following information is provided on the amounts of our revenue attributable to cost reimbursable, firm fixed-price (including proprietary software product sales) and time-and-materials contracts during each of the last three fiscal years:

	Years Ended June 30,					
	2019		2018		2017	
	(dollars in thousands)					
Cost reimbursable	$ 2,764,291	55.4%	$ 2,276,589	51.0%	$ 2,128,063	48.9%
Firm fixed-price	1,465,559	29.4	1,455,167	32.6	1,407,409	32.3
Time and materials	756,491	15.2	736,104	16.4	819,145	18.8
Total	$ 4,986,341	100.0%	$ 4,467,860	100.0%	$ 4,354,617	100.0%

Available Information

Our telephone number is (703) 841-7800 and our website can be accessed at www.caci.com. We make our web site content available for information purposes only. It should not be relied upon for investment purposes, nor is it incorporated by reference into this Annual Report on Form 10-K.

Our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act are made available free of charge on our website at www.caci.com as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. Documents filed by us with the SEC can also be viewed at www.sec.gov.

Item 1A. Ri sk Factors

You should carefully consider the risks and uncertainties described below, together with the information included elsewhere in this Annual Report on Form 10-K and other documents we file with the SEC. The risks and uncertainties described below are those that we have identified as material but are not the only risks and uncertainties that we face. Our business is also subject to general risks and uncertainties, such as overall U.S. and non-U.S. economic and industry conditions including a global economic slowdown, geopolitical events, changes in laws or accounting rules, fluctuations in interest and exchange rates, terrorism, international conflicts, major health concerns, natural disasters or other disruptions of expected economic and business conditions, that affect many other companies. Additional risks and uncertainties not currently known to us or that we currently believe are immaterial also may impact our business operations and liquidity.

We generate substantially all of our revenue from contracts with the federal government. If the federal government significantly decreased or ceased doing business with us, our business, prospects, financial condition and operating results would be materially and adversely affected.

The federal government is our primary customer, with revenue from federal government contracts, either as a prime contractor or a subcontractor, accounting for 95.3 percent of our total revenue in FY2019 and 94.8 percent of our total revenue in FY2018. Specifically, we generated 70.0 percent of our total revenue in FY2019 and 67.9 percent of our total revenue in FY2018 from contracts with agencies of the DoD. We expect that federal government contracts will continue to be the primary source of our revenue for the foreseeable future. If we were suspended or debarred from contracting with the federal government or any significant agency in the intelligence community or the DoD, if our reputation or relationship with government agencies was impaired, or if the government otherwise ceased doing business with us or significantly decreased the amount of business it does with us, our business, prospects, financial condition and operating results would be materially and adversely affected.

Our business could be adversely affected by delays caused by our competitors protesting major contract awards received by us, resulting in the delay of the initiation of work.

The number of bid protests of contract awards by unsuccessful bidders is increasing and the U.S. government is taking longer to resolve such protests. Bid protests may result in an increase in expenses related to obtaining contract awards or an unfavorable modification or loss of an award. In the event a bid protest is unsuccessful, the resulting delay in the startup and funding of the work under these contracts may cause our actual results to differ materially and adversely from those anticipated.

Our business could be adversely affected by changes in budgetary priorities of the federal government.

Because we derive substantially all of our revenue from contracts with the federal government, we believe that the success and development of our business will continue to depend on our successful participation in federal government contract programs. Changes in federal government budgetary priorities could directly affect our financial performance. A significant decline in government expenditures, a shift of expenditures away from programs that we support or a change in federal government contracting policies could cause federal government agencies to reduce their purchases under contracts, to exercise their right to terminate contracts at any time without penalty or not to exercise options to renew contracts. Refer to the “Budgetary Environment” section within “Industry Trends” above for further discussion.

At times, we may continue to work without funding, and use our own internal funds in order to meet our customer’s desired delivery dates for products or services. It is uncertain at this time which of our programs’ funding could be reduced in future years or whether new legislation will be passed by Congress in the next fiscal year that could result in additional or alternative funding cuts.

Additionally, our business could be affected if we experience an increase in set-asides for small businesses that could result in our inability to compete directly for prime contracts.

Our federal government contracts may be terminated by the government at any time and may contain other provisions permitting the government not to continue with contract performance, and if lost contracts are not replaced, our operating results may differ materially and adversely from those anticipated.

We generate substantially all of our revenue from federal government contracts that typically include a base period and discrete option periods. The option periods typically cover more than half of the contract’s potential duration. Federal government agencies generally have the right not to exercise these option periods. In addition, our contracts typically also contain provisions permitting a government customer to terminate the contract for its convenience. A decision not to exercise option periods or to terminate contracts for convenience could result in significant revenue shortfalls from those anticipated.

Federal government contracts contain numerous provisions that a re unfavorable to us.

Federal government contracts contain provisions and are subject to laws and regulations that give the government rights and remedies, some of which are not typically found in commercial contracts, including allowing the government to:

- cancel multi-year contracts and related orders if funds for contract performance for any subsequent year become unavailable;
- claim rights in systems and software developed by us;
- suspend or debar us from doing business with the federal government or with a governmental agency;
- impose fines and penalties and subject us to criminal prosecution; and
- control or prohibit the export of our data and technology.

If the government terminates a contract for convenience, we may recover only our incurred or committed costs, settlement expenses and profit on work completed prior to the termination. If the government terminates a contract for default, we may be unable to recover even those amounts and instead may be liable for excess costs incurred by the government in procuring undelivered items and services from another source. Depending on the value of a contract, such termination could cause our actual results to differ materially and adversely from those anticipated. Certain contracts also contain organizational conflict of interest (OCI) clauses that limit our ability to compete for or perform certain other contracts. OCIs arise any time we engage in activities that (i) make us unable or potentially unable to render impartial assistance or advice to the government; (ii) impair or might impair our objectivity in performing contract work; or (iii) provide us with an unfair competitive advantage. For example, when we work on the design of a particular system, we may be precluded from competing for the contract to develop and install that system. Depending upon the value of the matters affected, an OCI issue that precludes our participation in or performance of a program or contract could cause our actual results to differ materially and adversely from those anticipated.

As is common with government contractors, we have experienced and continue to experience occasional performance issues under certain of our contracts. Depending upon the value of the matters affected, a performance problem that impacts our performance of a program or contract could cause our actual results to differ materially and adversely from those anticipated.

If we fail to establish and maintain important relationships with government entities and agencies, our ability to successfully bid for new business may be adversely affected.

To facilitate our ability to prepare bids for new business, we rely in part on establishing and maintaining relationships with officials of various government entities and agencies. These relationships enable us to provide informal input and advice to government entities and agencies prior to the development of a formal bid. We may be unable to successfully maintain our relationships with government entities and agencies, and any failure to do so may adversely affect our ability to bid successfully for new business and could cause our actual results to differ materially and adversely from those anticipated.

We derive significant revenue from contracts and task orders awarded through a competitive bidding process. If we are unable to consistently win new awards over any extended period, our business and prospects will be adversely affected.

Our contracts and task orders with the federal government are typically awarded through a competitive bidding process. We expect that much of the business that we will seek in the foreseeable future will continue to be awarded through competitive bidding. Budgetary pressures and changes in the procurement process have caused many government customers to increasingly purchase goods and services through IDIQ contracts, GSA schedule contracts and other government-wide acquisition contracts. These contracts, some of which are awarded to multiple contractors, have increased competition and pricing pressure, requiring that we make sustained post-award efforts to realize revenue under each such contract. In addition, in consideration of the practice of agencies awarding work under such contracts that is arguably outside the intended scope of the contracts, both the GSA and the DoD have initiated programs aimed to ensure that all work fits properly within the scope of the contract under which it is awarded. The net effect of such programs may reduce the number of bidding opportunities available to us. Moreover, even if we are highly qualified to work on a particular new contract, we might not be awarded business because of the federal government’s policy and practice of maintaining a diverse contracting base.

This competitive bidding process presents a number of risks, including the following:

- we bid on programs before the completion of their design, which may result in unforeseen technological difficulties and cost overruns;
- we expend substantial cost and managerial time and effort to prepare bids and proposals for contracts that we may not win;
- we may be unable to estimate accurately the resources and cost structure that will be required to service any contract we win; and
- we may encounter expense and delay if our competitors protest or challenge awards of contracts to us in competitive bidding, and any such protest or challenge could result in the resubmission of bids on modified specifications, or in the termination, reduction or modification of the awarded contract.

If we are unable to win particular contracts, we may be prevented from providing to customers services that are purchased under those contracts for a number of years. If we are unable to consistently win new contract awards over any extended period, our business and prospects will be adversely affected and that could cause our actual results to differ materially and adversely from those anticipated. In addition, upon the expiration of a contract, if the customer requires further services of the type provided by the contract, there is frequently a competitive rebidding process. There can be no assurance that we will win any particular bid, or that we will be able to replace business lost upon expiration or completion of a contract, and the termination or non-renewal of any of our significant contracts could cause our actual results to differ materially and adversely from those anticipated.

Our business may suffer if we or our employees are unable to obtain the security clearances or other qualifications we and they need to perform services for our customers.

Many of our federal government contracts require us to have security clearances and employ personnel with specified levels of education, work experience and security clearances. Depending on the level of clearance, security clearances can be difficult and time-consuming to obtain. If we or our employees lose or are unable to obtain necessary security clearances, we may not be able to win new business and our existing customers could terminate their contracts with us or decide not to renew them. To the extent we cannot obtain or maintain the required security clearances for our employees working on a particular contract, we may not generate the revenue anticipated from the contract which could cause our results to differ materially and adversely from those anticipated.

We must comply with a variety of laws and regulations, and our failure to comply could cause our actual results to differ materially from those anticipated.

We must observe laws and regulations relating to the formation, administration and performance of federal government contracts which affect how we do business with our customers and may impose added costs on our business. For example, the Federal Acquisition Regulation and the industrial security regulations of the DoD and related laws include provisions that:

- allow our federal government customers to terminate or not renew our contracts if we come under foreign ownership, control or influence;
- require us to divest work if an OCI related to such work cannot be mitigated to the government’s satisfaction;
- require us to disclose and certify cost and pricing data in connection with contract negotiations; and
- require us to prevent unauthorized access to classified information, covered defense information, and controlled unclassified information.

Our failure to comply with these or other laws and regulations could result in contract termination, loss of security clearances, suspension or debarment from contracting with the federal government, civil fines and damages and criminal prosecution and penalties, any of which could cause our actual results to differ materially and adversely from those anticipated.

The federal government may change its procurement or other practices in a manner adverse to us.

The federal government may change its procurement practices, or adopt new contracting rules and regulations, such as those related to cost accounting standards. It could also adopt new contracting methods relating to GSA contracts or other government-wide contracts, adopt new socio-economic requirements, or change the basis upon which it reimburses our compensation and other expenses or otherwise limit such reimbursements. In all such cases, there is uncertainty surrounding the changes and what actual impacts they may have on contractors. These changes could impair our ability to obtain new contracts or win re-competed contracts or adversely affect our future profit margin. Any new contracting methods could be costly or administratively difficult for us to satisfy and, as a result, could cause actual results to differ materially and adversely from those anticipated.

Restrictions on or other changes to the federal government's use of service contracts may harm our operating results.

We derive a significant amount of revenue from service contracts with the federal government. The government may face restrictions from new legislation, regulations or government union pressures, on the nature and amount of services the government may obtain from private contractors (i.e., insourcing versus outsourcing). Any reduction in the government's use of private contractors to provide federal services could cause our actual results to differ materially and adversely from those anticipated.

Our contracts and administrative processes and systems are subject to audits and cost adjustments by the federal government, which could reduce our revenue, disrupt our business, or otherwise adversely affect our results of operations.

Federal government agencies, including the Defense Contract Audit Agency (DCAA) and the Defense Contract Management Agency (DCMA), routinely audit and investigate government contracts and government contractors' administrative processes and systems. These agencies review our performance on contracts, pricing practices, cost structure and compliance with applicable laws, regulations and standards. They also evaluate the adequacy of internal controls over our business systems, including our purchasing, accounting, estimating, earned value management, and government property systems. Any costs found to be improperly allocated or assigned to contracts will not be reimbursed, and any such costs already reimbursed must be refunded and certain penalties may be imposed. Moreover, if any of the administrative processes and systems are found not to comply with requirements, we may be subjected to increased government scrutiny and approval that could delay or otherwise adversely affect our ability to compete for or perform contracts or collect our revenue in a timely manner. Therefore, an unfavorable outcome of an audit by the DCAA or another government agency could cause actual results to differ materially and adversely from those anticipated. If a government investigation uncovers improper or illegal activities, we may be subject to civil and criminal penalties and administrative sanctions, including termination of contracts, forfeitures of profits, suspension of payments, fines and suspension or debarment from doing business with the federal government. In addition, we could suffer serious reputational harm if allegations of impropriety were made against us. Each of these results could cause actual results to differ materially and adversely from those anticipated.

Failure to maintain strong relationships with other contractors could result in a decline in our revenue.

We derive substantial revenue from contracts in which we act as a subcontractor or from teaming arrangements in which we and other contractors bid on particular contracts or programs. As a subcontractor or teammate, we often lack control over fulfillment of a contract, and poor performance on the contract could impact our customer relationship, even when we perform as required. We expect to continue to depend on relationships with other contractors for a portion of our revenue in the foreseeable future. Moreover, our revenue and operating results could differ materially and adversely from those anticipated if any prime contractor or teammate chose to offer directly to the customer services of the type that we provide or if they team with other companies to provide those services.

We may not receive the full amounts authorized under the contracts included in our backlog, which could reduce our revenue in future periods below the levels anticipated.

Our total backlog consists of funded and unfunded amounts. Funded backlog represents contract value that has been appropriated by a customer and is expected to be recognized into revenue. Unfunded backlog represents the sum of the unappropriated contract value on executed contracts and unexercised option years that is expected to be recognized into revenue. Our backlog may not result in actual revenue in any particular period, or at all, which could cause our actual results to differ materially and adversely from those anticipated.

The maximum contract value specified under a government contract or task order awarded to us is not necessarily indicative of the revenue that we will realize under that contract. For example, we generate a substantial portion of our revenue from government contracts in which we are not the sole provider, meaning that the government could turn to other companies to fulfill the contract. We also generate revenue from IDIQ contracts, which do not require the government to purchase a pre-determined amount of goods or services under the contract. Action by the government to obtain support from other contractors or failure of the government to order the quantity of work anticipated could cause our actual results to differ materially and adversely from those anticipated.

Without additional Congressional appropriations, some of the contracts included in our backlog will remain unfunded, which could materially and adversely affect our future operating results.

Many of our federal government contracts include multi-year performance periods in which Congress appropriates funds on an annual basis. As a result, a majority of our contracts are only partially funded at any point during their full performance period and unfunded contract work is subject to future appropriations by Congress. As a result of a lack of appropriated funds or efforts to reduce federal government spending, our backlog may not result in revenue or may be delayed. We calculate our unfunded backlog based on the aggregate contract revenue that we have the potential to realize. If our backlog estimate is inaccurate and we fail to realize those amounts as revenue, our future operating results could be materially and adversely affected.

Employee misconduct, including security breaches, could result in the loss of customers and our suspension or debarment from contracting with the federal government.

We may be unable to prevent our employees from engaging in misconduct, fraud or other improper activities that could adversely affect our business and reputation. Misconduct could include the failure to comply with federal government procurement regulations, regulations regarding the protection of classified information and legislation regarding the pricing of labor and other costs in government contracts. Many of the systems we develop involve managing and protecting information involved in national security and other sensitive government functions. A security breach in one of these systems could prevent us from having access to such critically sensitive systems. Other examples of employee misconduct could include time card fraud and violations of the Anti-Kickback Act. The precautions we take to prevent and detect this activity may not be effective, and we could face unknown risks or losses. As a result of employee misconduct, we could face fines and penalties, loss of security clearance and suspension or debarment from contracting with the federal government, which could cause our actual results to differ materially and adversely from those anticipated.

Our failure to attract and retain qualified employees, including our senior management team, could adversely affect our business.

Our continued success depends to a substantial degree on our ability to recruit and retain the technically skilled personnel we need to serve our customers effectively. Our business involves the development of tailored solutions for our customers, a process that relies heavily upon the expertise and services of our employees. Accordingly, our employees are our most valuable resource. Competition for skilled personnel in the information technology services industry is intense, and technology service companies often experience high attrition among their skilled employees. There is a shortage of people capable of filling these positions and they are likely to remain a limited resource for the foreseeable future. Recruiting and training these personnel require substantial resources. Our failure to attract and retain technical personnel could increase our costs of performing our contractual obligations, reduce our ability to efficiently satisfy our customers' needs, limit our ability to win new business and cause our actual results to differ materially and adversely from those anticipated.

In addition to attracting and retaining qualified technical personnel, we believe that our success will depend on the continued employment of our senior management team and its ability to generate new business and execute projects successfully. Our senior management team is very important to our business because personal reputations and individual business relationships are a critical element of obtaining and maintaining customer engagements in our industry, particularly with agencies performing classified operations. The loss of any of our senior executives could cause us to lose customer relationships or new business opportunities, which could cause actual results to differ materially and adversely from those anticipated.

Our markets are highly competitive, and many of the companies we compete against have substantially greater resources.

The markets in which we operate include a large number of participants and are highly competitive. Many of our competitors may compete more effectively than we can because they are larger, better financed and better known companies than we are. In order to stay competitive in our industry, we must also keep pace with changing technologies and customer preferences. If we are unable to differentiate our services from those of our competitors, our revenue may decline. In addition, our competitors have established relationships among themselves or with third parties to increase their ability to address customer needs. As a result, new competitors or alliances among competitors may emerge and compete more effectively than we can. There is also a significant industry trend towards consolidation, which may result in the emergence of companies which are better able to compete against us. The results of these competitive pressures could cause our actual results to differ materially and adversely from those anticipated.

Our quarterly revenue and operating results could be volatile due to the unpredictability of the federal government's budgeting process and policy priorities.

Our quarterly revenue and operating results may fluctuate significantly and unpredictably in the future. In particular, if the federal government does not adopt, or delays adoption of, a budget for each fiscal year beginning on October 1, or fails to pass a continuing resolution, federal agencies may be forced to suspend our contracts and delay the award of new and follow-on contracts and orders due to a lack of funding. Further, the rate at which the federal government procures technology may be negatively affected following changes in presidential administrations and senior government officials. Therefore, period-to-period comparisons of our operating results may not be a good indication of our future performance.

Our quarterly operating results may not meet the expectations of securities analysts or investors, which in turn may have an adverse effect on the market price of our common stock.

We may lo se money or generate less than anticipated profits if we do not accurately estimate the cost of an engagement which is conducted on a fixed-price basis.

We generated 29.4 percent of our total revenue in FY2019 and 32.6 percent of our total revenue in FY2018 from fixed-price contracts. Fixed-price contracts require us to price our contracts by predicting our expenditures in advance. In addition, some of our engagements obligate us to provide ongoing maintenance and other supporting or ancillary services on a fixed-price basis or with limitations on our ability to increase prices. Many of our engagements are also on a time-and-materials basis. While these types of contracts are generally subject to less uncertainty than fixed-price contracts, to the extent that our actual labor costs are higher than the contract rates, our actual results could differ materially and adversely from those anticipated.

When making proposals for engagements on a fixed-price basis, we rely on our estimates of costs and timing for completing the projects. These estimates reflect our best judgment regarding our capability to complete the task efficiently. Any increased or unexpected costs or unanticipated delays in connection with the performance of fixed-price contracts, including delays caused by factors outside of our control, could make these contracts less profitable or unprofitable. From time to time, unexpected costs and unanticipated delays have caused us to incur losses on fixed-price contracts, primarily in connection with state government customers. On rare occasions, these losses have been significant. In the event that we encounter such problems in the future, our actual results could differ materially and adversely from those anticipated.

Our earnings and margins may vary based on the mix of our contracts and programs.

At June 30, 2019, our backlog included cost reimbursable, time-and-materials and fixed-price contracts. Cost reimbursable and time-and-materials contracts generally have lower profit margins than fixed-price contracts. Our earnings and margins may therefore vary materially and adversely depending on the relative mix of contract types, the costs incurred in their performance, the achievement of other performance objectives and the stage of performance at which the right to receive fees, particularly under incentive and award fee contracts, is finally determined.

Systems failures may disrupt our business and have an adverse effect on our results of operations.

Any systems failures, including network, software or hardware failures, whether caused by us, a third party service provider, unauthorized intruders and hackers, computer viruses, natural disasters, power shortages or terrorist attacks, could cause loss of data or interruptions or delays in our business or that of our customers. Like other global companies, we have experienced cyber security threats to our data and systems, our company sensitive information, and our information technology infrastructure, including malware and computer virus attacks, unauthorized access, systems failures and temporary disruptions. Prior cyber attacks directed at us have not had a material adverse impact on our business or our financial results, and we believe that our continuing commitment toward threat detection and mitigation processes and procedures will reduce such impact in the future. Due to the evolving nature of these security threats, however, the impact of any future incident cannot be predicted. In addition, the failure or disruption of our mail, communications or utilities could cause us to interrupt or suspend our operations or otherwise harm our business. Our property and business interruption insurance may be inadequate to compensate us for all losses that may occur as a result of any system or operational failure or disruption and, as a result, our actual results could differ materially and adversely from those anticipated.

The systems and networks that we maintain for our customers, although highly redundant in their design, could also fail. If a system or network we maintain were to fail or experience service interruptions, we might experience loss of revenue or face claims for damages or contract termination. Our errors and omissions liability insurance may be inadequate to compensate us for all the damages that we might incur and, as a result, our actual results could differ materially and adversely from those anticipated.

Customer systems failures could damage our reputation and adversely affect our results of operations.

Many of the systems that we develop, integrate, maintain, otherwise support or use involve managing and protecting intelligence, national security, and other sensitive government information. While we have programs designed to protect such information and comply with all relevant privacy and security requirements, the threats that our clients face have grown more frequent and sophisticated. A security breach or system failure in a system that we develop, integrate, maintain or otherwise support could result in a loss of revenue, remediation costs, claims for damages or contract termination and our errors and omissions liability insurance may be inadequate to compensate us for all the damages that we might incur. Any such event could also cause serious damage to our reputation and prevent us from having access to or being eligible for further work on such sensitive systems for U.S. government customers.

In addition, in order to provide services to our customers, we often depend upon or use customer systems that are supported by the customer or third parties. Any security breach or system failure in such systems could result in an interruption of our customer’s operations, significant delays under a contract, and a material adverse effect on our results of operations.

We may have difficulty identif ying and executing acquisitions on favorable terms and therefore may grow at slower than anticipated rates.

One of our key growth strategies has been to selectively pursue acquisitions. Through acquisitions, we have expanded our base of federal government customers, increased the range of solutions we offer to our customers and deepened our penetration of existing markets and customers. We may encounter difficulty identifying and executing suitable acquisitions. To the extent that management is involved in identifying acquisition opportunities or integrating new acquisitions into our business, our management may be diverted from operating our core business. Without acquisitions, we may not grow as rapidly as the market expects, which could cause our actual results to differ materially and adversely from those anticipated. We may encounter other risks in executing our acquisition strategy, including:

- increased competition for acquisitions may increase the costs of our acquisitions;
- our failure to discover material liabilities during the due diligence process, including the failure of prior owners of any acquired businesses or their employees to comply with applicable laws or regulations, such as the Federal Acquisition Regulation and health, safety and environmental laws, or their failure to fulfill their contractual obligations to the federal government or other customers; and
- acquisition financing may not be available on reasonable terms or at all.

Each of these types of risks could cause our actual results to differ materially and adversely from those anticipated.

We may have difficulty integrating the operations of any companies we acquire, which could cause actual results to differ materially and adversely from those anticipated.

The success of our acquisition strategy will depend upon our ability to continue to successfully integrate any businesses we may acquire in the future. The integration of these businesses into our operations may result in unforeseen operating difficulties, absorb significant management attention and require significant financial resources that would otherwise be available for the ongoing development of our business. These integration difficulties include the integration of personnel with disparate business backgrounds, the transition to new information systems, coordination of geographically dispersed organizations, loss of key employees of acquired companies, and reconciliation of different corporate cultures. For these or other reasons, we may be unable to retain key customers of acquired companies. Moreover, any acquired business may fail to generate the revenue or net income we expected or produce the efficiencies or cost-savings we anticipated. Any of these outcomes could cause our actual results to differ materially and adversely from those anticipated.

If our subcontractors fail to perform their contractual obligations, our performance as a prime contractor and our ability to obtain future business could be materially and adversely impacted and our actual results could differ materially and adversely from those anticipated.

Our performance of government contracts may involve the issuance of subcontracts to other companies upon which we rely to perform all or a portion of the work we are obligated to deliver to our customers. A failure by one or more of our subcontractors to satisfactorily deliver on a timely basis the agreed-upon supplies, perform the agreed-upon services, or appropriately manage their vendors may materially and adversely impact our ability to perform our obligations as a prime contractor.

A subcontractor’s performance deficiency could result in the government terminating our contract for default. A default termination could expose us to liability for excess costs of reprocurement by the government and have a material adverse effect on our ability to compete for future contracts and task orders. Depending upon the level of problem experienced, such problems with subcontractors could cause our actual results to differ materially and adversely from those anticipated.

The federal government's appropriation process and other factors may delay the collection of our receivables, and our business may be adversely affected if we cannot collect our receivables in a timely manner.

We depend on the collection of our receivables to generate cash flow, provide working capital, pay debt and continue our business operations. If the federal government, any of our other customers or any prime contractor for whom we are a subcontractor fails to pay or delays the payment of their outstanding invoices for any reason, our business and financial condition may be materially and adversely affected. The government may fail to pay outstanding invoices for a number of reasons, including lack of appropriated funds or lack of an approved budget. In addition, the DCAA may revoke our direct billing privileges, which would adversely affect our ability to collect our receivables in a timely manner. Contracting officers have the authority to impose contractual withholdings, which can also adversely affect our ability to collect timely. The Defense Federal Acquisition Regulations require DoD contracting officers to impose contractual withholdings at no less than certain minimum levels if a contracting officer determines that one or more of a contractor's business systems have one or more significant deficiencies. Some prime contractors for whom we are a subcontractor have significantly less financial resources than we do, which may increase the risk that we may not be paid in full or payment may be delayed. If we experience difficulties collecting receivables, it could cause our actual results to differ materially and adversely from those anticipated.

We have substantial investments in recorded goodwill as a result of prior acquisitions, and changes in future business conditions could cause these investments to become impaired, requiring substantial write-downs that would reduce our operating income.

Goodwill accounts for $3.3 billion of our recorded total assets. We evaluate the recoverability of recorded goodwill amounts annually or when evidence of potential impairment exists. The annual impairment test is based on several factors requiring judgment. Principally, a decrease in expected reporting unit cash flows or changes in market conditions may indicate potential impairment of recorded goodwill. If there is an impairment, we would be required to write down the recorded amount of goodwill, which would be reflected as a charge against operating income.

Our operations involve several risks and hazards, including potential dangers to our employees and to third parties that are inherent in aspects of our federal business (e.g., counterterrorism training services). If these risks and hazards are not adequately insured, it could adversely affect our operating results.

Our federal business includes the maintenance of global networks and the provision of special operations services (e.g., counterterrorism training) that require us to dispatch employees to various countries around the world. These countries may be experiencing political upheaval or unrest, and in some cases war or terrorism. It is possible that certain of our employees or executives will suffer injury or bodily harm, or be killed or kidnapped in the course of these deployments. We could also encounter unexpected costs for reasons beyond our control in connection with the repatriation of our employees or executives. Any of these types of accidents or other incidents could involve significant potential claims of employees, executives and/or third parties who are injured or killed or who may have wrongful death or similar claims against us.

We maintain insurance policies that mitigate against risk and potential liabilities related to our operations. This insurance is maintained in amounts that we believe are reasonable. However, our insurance coverage may not be adequate to cover those claims or liabilities, and we may be forced to bear significant costs from an accident or incident. Substantial claims in excess of our related insurance coverage could cause our actual results to differ materially and adversely from those anticipated.

Our failure to adequately protect our confidential information and proprietary rights may harm our competitive position.

Our success depends, in part, upon our ability to protect our proprietary information. Although our employees are subject to confidentiality obligations, this protection may be inadequate to deter misappropriation of our proprietary information. In addition, we may be unable to detect unauthorized use of our proprietary information in order to take appropriate steps to enforce our rights. If we are unable to prevent third parties from infringing or misappropriating our proprietary information, our competitive position could be harmed and our actual results could differ materially and adversely from those anticipated.

We face additional risks which could harm our business because we have international operations.

We conduct the majority of our international operations in the United Kingdom and the Netherlands. As a percentage of our total revenue, our international operations generated 3.1 percent and 3.7 percent in FY2019 and FY2018, respectively. Our international operations are subject to risks associated with operating in a foreign country. These risks include fluctuations in the value of the British pound and the Euro, longer payment cycles, changes in foreign tax laws and regulations and unexpected legislative, regulatory, economic or political changes.

Our senior secured credit facility (the Credit Facility) imposes certain restrictions on our ability to take certain actions which may have an impact on our business, operating results and financial condition.

The Credit Facility imposes certain operating and financial restrictions on us and requires us to meet certain financial covenants. These restrictions may significantly limit or prohibit us from engaging in certain transactions, including the following:

- incurring or guaranteeing certain amounts of additional debt;
- paying dividends or other distributions to our stockholders or redeeming, repurchasing or retiring our capital stock in excess of specific limits;
- making certain investments, loans and advances;
- exceeding specific levels of liens on our assets;
- issuing or selling equity in our subsidiaries;
- transforming or selling certain assets currently held by us, including certain sale and lease-back transactions;
- amending or modifying certain agreements, including those related to indebtedness; and
- engaging in certain mergers, consolidations or acquisitions.

The failure to comply with any of these covenants would cause a default under the Credit Facility. A default, if not waived, could cause our debt to become immediately due and payable. In such situations, we may not be able to repay our debt or borrow sufficient funds to refinance it, and even if new financing is available, it may not contain terms that are acceptable to us.

Despite our outstanding debt, we may incur additional indebtedness.

The Credit Facility consists of a $1,500.0 million revolving credit facility (the Revolving Facility) and a $938.4 million term loan facility (the Term Loan). The Revolving Facility has sub-facilities of $100.0 million for same-day swing line loan borrowings and $25.0 million for stand-by letters of credit. At any time and so long as no default has occurred, the Company has the right to increase the Revolving Facility or the Term Loan in an aggregate principal amount of up to the greater of $500.0 million or an amount subject to 3.50 times senior secured leverage, calculated assuming the revolving Facility is fully drawn, with applicable lender approvals. At June 30, 2019, $785.0 million was outstanding under the revolving credit facility and $891.5 million was outstanding under the term loan. In addition, the terms of the Credit Facility allow us to incur additional indebtedness from other sources so long as we satisfy the covenants in the agreement governing the Credit Facility. If new debt is added to our current debt levels, the risks related to our ability to service that debt could increase.

Servicing our debt requires a significant amount of cash, and we may not have sufficient cash flow from our business to pay our substantial debt.

The Credit Facility matures on June 30, 2024. Principal payments under the term loan are due in quarterly installments. Our business may not generate cash flow from operations sufficient to service our debt and make necessary capital expenditures. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as selling assets, restructuring debt or obtaining additional equity capital on terms that may be onerous or highly dilutive.

A change in control or fundamental change may adversely affect us.

The Credit Facility provides that certain change in control events will constitute a default.

Item 1B. Unresolved Staff Comments

None.

Item 2. P roperties

As of June 30, 2019, we leased office space at 152 U.S. locations containing an aggregate of approximately 3.6 million square feet located in 25 states and the District of Columbia. In four countries outside the U.S., we leased office space at 17 locations containing an aggregate of approximately 75,000 square feet. Our leases expire over the next 11 years, with a majority of our leases expiring within the next five years. We anticipate that most of these leases will be renewed or replaced by other leases. All of our offices are in reasonably modern and well-maintained buildings. The facilities are substantially utilized and adequate for present operations.

We maintain our corporate headquarters in approximately 99,000 square feet of space at 1100 North Glebe Road, Arlington, Virginia. See Note 15, Leases, in the Notes to Consolidated Financial Statements contained in this Annual Report on Form 10-K for additional information regarding our lease commitments.

Item 3. Legal Proceedings

Al Shimari, et al. v. L-3 Services, Inc. et al.

On June 30, 2008, Plaintiff Al Shimari filed a twenty-count complaint in the United States District Court for the Southern District of Ohio. Plaintiff Al Shimari is an Iraqi who claimed that he suffered significant physical injury and emotional distress while held at Abu Ghraib prison in Iraq. The lawsuit named CACI International Inc, CACI Premier Technology, Inc. and former CACI employee Timothy Dugan as Defendants, along with L-3 Services, Inc. The complaint alleged that the Defendants conspired with U.S. military personnel to engage in illegal treatment of Iraqi detainees. The complaint did not allege any interaction between Plaintiff Al Shimari and any CACI employee. Plaintiff Al Shimari sought, inter alia, compensatory damages, punitive damages, and attorney's fees. On August 8, 2008, the court granted CACI's motion to transfer the action to the United States District Court for the Eastern District of Virginia. Thereafter, an amended complaint was filed adding three plaintiffs. On September 12, 2008, Mr. Dugan was dismissed from the case without prejudice. On October 2, 2008, CACI filed a motion to dismiss the case. CACI also moved to stay discovery pending further proceedings. The court granted CACI's motion to stay discovery. On March 18, 2009, the court granted in part and denied in part CACI's motion to dismiss. On March 23, 2009, CACI filed a notice of appeal with respect to the March 18, 2009 decision. Plaintiffs filed a motion to strike CACI's notice of appeal and a motion to lift the stay on discovery. The United States District Court for the Eastern District of Virginia denied both motions. On April 27, 2009, Plaintiffs filed a motion to dismiss the appeal in the United States Court of Appeals for the Fourth Circuit. The United States Court of Appeals for the Fourth Circuit deferred any ruling on Plaintiffs' motion and issued a briefing schedule. Plaintiffs filed a notice of cross-appeal, which CACI moved to dismiss. The Court of Appeals dismissed the Plaintiffs' cross-appeal. On October 26, 2010, the United States Court of Appeals for the Fourth Circuit heard oral argument in the appeal and took the matter under advisement. On September 21, 2011, the United States Court of Appeals for the Fourth Circuit reversed the decision of the United States District Court for the Eastern District of Virginia and remanded the action with instructions to dismiss the action. On October 5, 2011, Plaintiffs filed a petition for a rehearing en banc, which the Court of Appeals granted. The Court of Appeals also invited the United States to participate in the en banc rehearing of the appeal as amicus curiae. The United States participated in that capacity in the en banc rehearing. On January 27, 2012, the Court of Appeals, sitting en banc, heard oral argument. On May 11, 2012, the Court of Appeals, in an 11-3 decision, held that it lacked jurisdiction over the appeal and dismissed the appeal. The action returned to the district court for further proceedings.

On October 12, 2012, the district court conducted a status conference at which the court asked the parties to prepare and submit a plan for discovery in the action. The parties subsequently filed a joint discovery plan, which the court approved. The Court also lifted the stay of discovery, and reinstated the claims arising under the Alien Tort Statute (ATS) that the Court had previously dismissed. On December 26, 2012, Plaintiffs filed a Second Amended Complaint. Defendants moved to dismiss several counts of the Second Amended Complaint. On March 8, 2013, the Court dismissed the conspiracy claims in the Second Amended Complaint, and dismissed CACI International Inc from the action. Subsequently, the Court allowed Plaintiffs to file a Third Amended Complaint for the purpose of repleading the conspiracy claims. On March 28, 2013, Plaintiffs filed a Third Amended Complaint, and on April 15, 2013, Defendant CACI Premier Technology, Inc. moved to dismiss the conspiracy claims in the Third Amended Complaint.

On March 19, 2013, the Court granted a motion for reconsideration filed by Defendants with respe ct to the statute of limitations applicable to the common law tort claims of three of the four Plaintiffs, and dismissed those claims. Defendant CACI Premier Technology, Inc. also filed a motion for sanctions with respect to the failure of three of the fou r Plaintiffs to appear for depositions and medical examinations as ordered by the court. On April 12, 2013, the Court denied that motion but entered an order requiring the three Plaintiffs to appear for depositions and medical examinations no later than Ap ril 26, 2013 and stating that if the three Plaintiffs did not comply with the order their claims were subject to dismissal. Plaintiffs did not appear for depositions in the United States as of April 26, 2013. Defendant CACI Premier Technology, Inc. then re newed its motion for sanctions, seeking dismissal, for the three Plaintiffs' violation of the Court order to appear for depositions and medical examinations. Defendant CACI Premier Technology, Inc. also filed a motion to dismiss the ATS claims of all four Plaintiffs for lack of jurisdiction in light of the U.S. Supreme Court's April 17, 2013 decision in Kiobel v. Royal Dutch Petroleum, and a motion to dismiss the common law claims of the single Plaintiff with those claims on various grounds.

On June 26, 2013, the Court issued a Memorandum Opinion and Order granting Defendant CACI Premier Technology, Inc.'s motions with respect to Plaintiffs' ATS claims and Plaintiffs' common law claims, and dismissing the Third Amended Complaint without prejudice. The Court also denied all other pending motions, including Defendant CACI Premier Technology, Inc.'s motions for sanctions and to dismiss the conspiracy claims, as moot.

On July 24, 2013, Plaintiffs filed a Notice of Appeal of the district court's June 26 decision.

On March 18, 2014, a three judge panel of the United States Court of Appeals for the Fourth Circuit held a hearing on Plaintiffs' appeal and took the matters under advisement. On June 30, 2014, the three judge panel vacated the district court's June 26, 2013 Order and remanded Plaintiffs' claims for further proceeding.

On remand, Defendant CACI Premier Technology, Inc. moved to dismiss Plaintiffs' claims based upon the political question doctrine. On June 18, 2015, the Court issued an Order granting Defendant CACI Premier Technology, Inc.'s motion to dismiss, and on June 26, 2015 entered a final judgment in favor of Defendant CACI Premier Technology, Inc.

On July 23, 2015, Plaintiffs filed a Notice of Appeal of the district court's June 2015 decision. On October 21, 2016, the Court of Appeals vacated and remanded the District Court's judgment with instructions for the District Court to make further determinations regarding the political question doctrine. The District Court conducted an initial status conference on December 16, 2016. On June 9, 2017, the District Court dismissed Plaintiff Rashid without prejudice from the action based upon his inability to participate. On July 19, 2017, CACI Premier Technology, Inc. filed a motion to dismiss the action on numerous legal grounds. The Court held a hearing on that motion on September 22, 2017, and denied the motion pending issuance of a written decision. On January 17, 2018, CACI filed a third-party complaint naming the United States and John Does 1-60, asserting claims for contribution, indemnification, exoneration and breach of contract in the event that CACI Premier Technology, Inc. is held liable to Plaintiffs, as Plaintiffs are seeking to hold CACI Premier Technology, Inc. liable on a co-conspirator theory and a theory of aiding and abetting. On April 13, 2018, the Court held a hearing on the United States' motion to dismiss and took the matter under advisement.

On April 13, 2018, the Plaintiffs filed a motion to reinstate Plaintiff Rashid, which CACI opposed. On April 20, 2018, the District Court granted that motion subject to Plaintiff Rashid appearing for a deposition. On May 21, 2018, CACI filed a motion to dismiss for lack of subject matter jurisdiction based on a recent Supreme Court decision. On June 25, 2018, the District Court denied that motion. On October 25, 2018, the District Court conducted a pre-trial conference at which the District Court addressed remaining discovery matters, the scheduling for dispositive motions that CACI intends to file, and set a date of April 23, 2019 for trial, if needed, to start. On December 20, 2018, CACI filed a motion for summary judgment and a motion to dismiss based on the state secrets privilege. On January 3, 2019, CACI filed a motion to dismiss for lack of subject matter jurisdiction. On February 15, 2019, the United States filed a motion for summary judgment with respect to CACI's third-party complaint. On February 27, 2019, the District Court denied CACI's motion for summary judgment and motions to dismiss for lack of subject matter jurisdiction and on the state secrets privilege. On February 28, 2019, CACI filed a motion seeking dismissal on grounds of derivative sovereign immunity.

On March 22, 2019, the District Court denied the United States' motion to dismiss on grounds of sovereign immunity and CACI's motion to dismiss on grounds of derivative sovereign immunity. The District Court also granted the United States' motion for summary judgment with respect to CACI's third-party complaint. On March 26, 2019, CACI filed a Notice of Appeal of the District Court's March 22, 2019 decision. On April 2, 2019, the U.S. Court of Appeals for the Fourth Circuit issued an Accelerated Briefing Order for the appeal. On April 3, 2019, the District Court issued an Order cancelling the trial schedule and holding matters in abeyance pending disposition of the appeal. On July 10, 2019, the U.S. Court of Appeals for the Fourth Circuit heard oral argument in Spartanburg, South Carolina on CACI's appeal and took the matter under advisement.

Abbass, et al v. CACI Premier Technology, Inc. and CACI International Inc, Case No. 1:13CV1186-LMB/JFA (EDVA)

On September 20, 2013, fifty-five Plaintiffs filed a nine-count complaint in the United States District Court for the Eastern District of Virginia styled Abbass, et al. v. CACI Premier Technology, Inc., et al. Plaintiffs are Iraqi nationals who assert that their allegations are essentially the same as those of the plaintiffs in Al Shimari. Plaintiffs claim that they suffered significant physical injury and emotional distress while in U.S. custody in Iraq. The lawsuit names CACI International Inc and CACI Premier Technology, Inc. as Defendants. The complaint alleges that Defendants conspired with U.S. military personnel to engage in illegal treatment of Iraqi detainees. The complaint does not allege any interaction between Plaintiffs and any CACI employee. Plaintiffs' claims are brought pursuant to the Alien Tort Statute and the Torture Victims Protection Act. Plaintiffs seek, inter alia, compensatory damages, punitive damages, and attorney's fees.

Plaintiffs' action was originally filed in 2009 in U.S. District Court for the District of Columbia, but was voluntarily dismissed without prejudice in September 2011 after the Supreme Court denied certiorari in Saleh v. Titan Corp. and Ibrahim v. Titan Corp., 580 F.3d 1 (D.C. Cir. 2009).

The CACI Defendants have moved to dismiss the complaint. Before deciding the motion to dismiss, the district court stayed the action pending a decision from the Court of Appeals in Al Shimari v. L-3 Services, Inc.

We are vigorously defending the above-described legal proceedings, and based on our present knowledge of the facts, believe the lawsuits are completely without merit.

Item 4. Mine Safety Disclosures

Not Applicable.

PART II

Item 5. Market for the Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Our common stock is listed on the New York Stock Exchange under the ticker symbol "CACI".

The ranges of high and low sales prices of our common stock quoted on the New York Stock Exchange for each quarter during the fiscal years ended June 30, 2019 and 2018 were as follows:

	2019		2018	
Quarter	High	Low	High	Low
1 st	$ 200.85	$ 166.80	$ 142.85	$ 118.10
2 nd	$ 188.00	$ 138.39	$ 147.31	$ 121.60
3 rd	$ 187.07	$ 139.21	$ 159.40	$ 133.00
4 th	$ 212.85	$ 180.38	$ 174.80	$ 147.15

We have never paid a cash dividend. Our present policy is to retain earnings to provide funds for the operation and expansion of our business. We do not intend to pay any cash dividends at this time. The Board of Directors will determine whether to pay dividends in the future based on conditions existing at that time, including our earnings, financial condition and capital requirements, as well as economic and other conditions as the board may deem relevant.

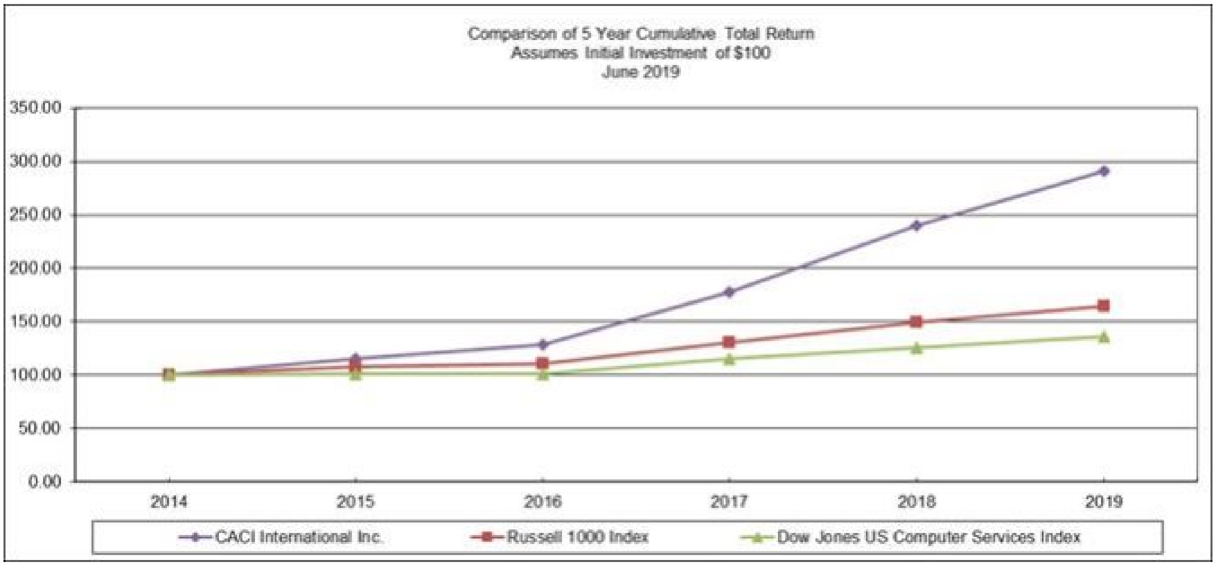
As of August 15, 2019, the number of stockholders of record of our common stock was approximately 212. The number of stockholders of record is not representative of the number of beneficial stockholders due to the fact that many shares are held by depositories, brokers, or nominees.

The following table provides certain information with respect to our purchases of shares of CACI International Inc's common stock during the three months ended June 30, 2019:

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased As Part of Publicly Announced Programs	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs
April 2019	8,309	$ 172.92	1,183,510	66,490
May 2019	—	—	—	—
June 2019	—	—	—	—
Total	8,309	$ 172.92	1,183,510	

The following graph compares the cumulative 5-year total return to shareholders on CACI International Inc's common stock relative to the cumulative total returns of the Russell 1000 index and the Dow Jones U.S. Computer Services Total Stock Market index. The graph assumes that the value of the investment in our common stock and in each of the indexes (including reinvestment of dividends) was $100 on June 30, 201 4 and tracks it through June 30, 201 9 .

Comparison of Five Year Cumulative Total Returns
Performance Graph for
CACI International Inc



$100 invested on 6/30/14 in stock or index—including reinvestment of dividends. Fiscal year ending June 30.

	June 30,					
	2014	2015	2016	2017	2018	2019
CACI International Inc	$ 100.00	$ 115.21	$ 128.77	$ 178.11	$ 240.07	$ 291.40
Russell 1000	$ 100.00	$ 107.37	$ 110.52	$ 130.44	$ 149.41	$ 164.38
Dow Jones U.S. Computer Services Total Stock Market	$ 100.00	$ 101.45	$ 100.87	$ 114.95	$ 125.41	$ 135.93

The stock price performance included in this graph is not necessarily indicative of future stock price performance.

Item 6. Selected Financi al Data

The selected financial data included below is from our audited financial statements for each of the fiscal years in the five years ended June 30, 2019. This information should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and the Notes thereto, included in Part II in this Annual Report on Form 10-K.

Income Statement Data

	Years Ended June 30,				
	2019	2018 (1)	2017	2016	2015
	(amounts in thousands, except per share data)				
Revenue	$ 4,986,341	$ 4,467,860	$ 4,354,617	$ 3,744,053	$ 3,313,452
Costs of revenue	4,608,474	4,127,160	4,057,356	3,479,303	3,077,071
Net income	265,604	301,171	163,671	142,799	126,195
Earnings per common share and common share equivalent:					
Basic:					
Weighted-average shares outstanding	24,833	24,616	24,401	24,262	23,948
Earnings per share	$ 10.70	$ 12.23	$ 6.71	$ 5.89	$ 5.27
Diluted:					
Weighted-average shares and equivalent shares outstanding	25,395	25,255	25,069	24,802	24,388
Earnings per share	$ 10.46	$ 11.93	$ 6.53	$ 5.76	$ 5.17

(1) Net income for FY2018 includes $103.3 million or $4.09 per diluted share of estimated tax benefits related to enactment of the Tax Cuts and Jobs Act on December 22, 2017. See Note 19.

Balance Sheet Data

	As of June 30,				
	2019	2018	2017	2016	2015
	(amounts in thousands)				
Total assets	$ 5,086,843	$ 4,034,206	$ 3,911,082	$ 3,987,341	$ 3,242,030
Long-term obligations	2,023,655	1,187,458	1,317,297	1,566,394	1,161,840
Working capital	339,798	392,210	353,158	356,662	266,429
Shareholders' equity	2,371,466	2,106,887	1,793,721	1,607,313	1,480,272

Item 7. Management's Discussion and Analysis of Financial Condition & Results of Operations

The following discussion and analysis of our financial condition and results of operations is provided to enhance the understanding of, and should be read together with, our consolidated financial statements and the Notes to those statements that appear elsewhere in this Annual Report on Form 10-K. This discussion contains forward-looking statements that involve risks and uncertainties. Unless otherwise specifically noted, all years refer to our fiscal year which ends on June 30.

Overview

We are a leading provider of information solutions and services to the U.S. government. For the year ended June 30, 2019, 95.3 percent of our revenue was generated from contracts with the U.S. government, including 70.0 percent from DoD customers and 25.3 percent from U.S. federal civilian agency customers. We also provide services to commercial customers and foreign government agencies.

For the year ended June 30, 2019, 92.0 percent of our revenue was from contracts where we were the lead, or "prime," contractor. We have a diverse mix of contract revenue types, with 55.4 percent cost reimbursable, 29.4 percent fixed-price, and 15.2 percent time-and-materials for the year ended June 30, 2019.

Critical Accounting Policies and Estimates

The preparation of our consolidated financial statements in conformity with accounting principles generally accepted in the U.S. requires us to make estimates and judgments that affect the amounts reported in those financial statements and accompanying notes. We consider the accounting policies and estimates addressed below to be the most important to our financial position and results of operations, either because of the significance of the financial statement item or because they require the exercise of significant judgment and/or use of significant estimates. Although we believe that the estimates are reasonable based on reasonably available facts, due to the inherent uncertainty involved in making those estimates, actual results reported in future periods may differ.

We believe the following accounting policies require significant judgment due to the complex nature of the underlying transactions:

Revenue Recognition

The Company generates almost all of our revenue from three different types of contractual arrangements with the U.S. government: cost-plus-fee, time-and-materials (T&M), and fixed-price contracts. Our contracts with the U.S. government are generally subject to the Federal Acquisition Regulation (FAR) and are competitively priced based on estimated costs of providing the contractual goods or services.

We account for a contract when the parties have approved the contract and are committed to perform on it, the rights of each party and the payment terms are identified, the contract has commercial substance, and it is probable that we will collect substantially all of the consideration.

At contract inception, the Company determines whether the goods or services to be provided are to be accounted for as a single performance obligation or as multiple performance obligations. This evaluation requires professional judgment as it may impact the timing and pattern of revenue recognition. If multiple performance obligations are identified, we generally use the cost plus a margin approach to determine the relative standalone selling price of each performance obligation.

When determining the total transaction price, the Company identifies both fixed and variable consideration elements within the contract. Variable consideration includes any amount within the transaction price that is not fixed, such as: award or incentive fees; performance penalties; unfunded contract value; or other similar items. For our contracts with award or incentive fees, the Company estimates the total amount of award or incentive fee expected to be recognized into revenue. Throughout the performance period, we recognize as revenue a constrained amount of variable consideration only to the extent that it is probable that a significant reversal of the cumulative amount recognized to date will not be required in a subsequent period. Our estimate of variable consideration is periodically adjusted based on significant changes in relevant facts and circumstances. In the period in which we can calculate the final amount of award or incentive fee earned - based on the receipt of the customer’s final performance score or determining that more objective, contractually-defined criteria have been fully satisfied - the Company will adjust our cumulative revenue recognized to date on the contract. This adjustment to revenue will be disclosed as the amount of revenue recognized in the current period for a previously satisfied performance obligation.

We generally recognize revenue over time throughout the performance period as the customer simultaneously receives and consumes the benefits provided on our services-type revenue arrangements. This continuous transfer of control for our U.S. government contracts is supported by the unilateral right of our customer to terminate the contract for a variety of reasons without having to provide justification for its decision. For our services-type revenue arrangements in which there are a repetitive amount of services that are substantially the same from one month to the next, the Company applies the series guidance. We use a variety of input and output methods that approximate the progress towards complete satisfaction of the performance obligation, including: costs incurred, labor hours expended, and time-elapsed measures for our fixed-price stand ready obligations. For certain contracts, primarily our cost-plus and T&M services-type revenue arrangements, we apply the right-to-invoice practical expedient in which revenue is recognized in direct proportion to our present right to consideration for progress towards the complete satisfaction of the performance obligation.

When a performance obligation has a significant degree of interrelation or interdependence between one month’s deliverables and the next, when there is an award or incentive fee, or when there is a significant degree of customization or modification, the Company generally records revenue using a percentage of completion methodology. For these revenue arrangements, substantially all revenue is recognized over time using a cost-to-cost input method based on the ratio of costs incurred to date to total estimated costs at completion. When estimates of total costs to be incurred on a contract exceed total revenue, a provision for the entire loss on the contract is recorded in the period in which the loss is determined.

Contract modifications are reviewed to dete rmine whether they should be accounted for as part of the original performance obligation or as a separate contract. When a contract modification change s the scope or price and the additional performance obligations are at their standalone selling price, the original contract is terminated and the Company accounts for the change prospectively when the new goods or services to be transferred are distinct from those already provided. When the contract modification includes goods or services that are not dis tinct from those already provided, the Company records a cumulative adjustment to revenue based on a remeasurement of progress towards the complete satisfaction of the not yet fully delivered performance obligation.

Based on the critical nature of our contractual performance obligations, the Company may proceed with work based on customer direction prior to the completion and signing of formal contract documents. The Company has a formal review process for approving any such work that considers previous experiences with the customer, communications with the customer regarding funding status, and our knowledge of available funding for the contract or program.

Accounting for Business Combinations, Goodwill and Acquired Intangible Assets

The purchase price of an acquired business is allocated to the tangible assets and separately identifiable intangible assets acquired less liabilities assumed based upon their respective fair values, with the excess recorded as goodwill.

The fair values of the assets acquired and liabilities assumed were preliminarily determined using income, market and cost valuation methodologies. The fair value measurements were estimated using significant inputs that are not observable in the market and thus represent a Level 3 measurement as defined in ASC 820. The income approach was primarily used to value the customer relationships intangible assets. The income approach indicates value for an asset or liability based on the present value of cash flow projected to be generated over the remaining economic life of the asset or liability being measured. Both the amount and the duration of the cash flows are considered from a market participant perspective. Our estimates of market participant net cash flows considered historical and projected pricing, operational performance including company specific synergies, material and labor pricing, and other relevant customer, contractual and market factors. Where appropriate, the net cash flows are adjusted to reflect the uncertainties associated with the underlying assumptions, as well as the risk profile of the net cash flows utilized in the valuation. The adjusted future cash flows are then discounted to present value using an appropriate discount rate. Projected cash flow is discounted at a required rate of return that reflects the relative risk of achieving the cash flow and the time value of money. The fair values of the tangible assets and acquired liabilities assumed, were determined using a combination of market and cost valuation methodologies. The market approach is a valuation technique that uses prices and other relevant information generated by market transactions involving identical or comparable assets, liabilities, or a group of assets and liabilities. Valuation techniques consistent with the market approach often use market multiples derived from a set of comparables. The cost approach, which estimates value by determining the current cost of replacing an asset with another of equivalent economic utility.

We evaluate goodwill at least annually for impairment, or whenever events or circumstances indicate that the carrying value may not be recoverable. The evaluation includes comparing the fair value of the relevant reporting unit to the carrying value, including goodwill, of such unit. The level at which we test goodwill for impairment requires us to determine whether the operations below our operating segments constitute a self-sustaining business for which discrete financial information is available and segment management regularly reviews the operating results. If the fair value exceeds the carrying value, no impairment loss is recognized. However, if the carrying value of the reporting unit exceeds its fair value, the goodwill of the reporting unit may be impaired. Impairment is measured by comparing the derived fair value of the goodwill to its carrying value. Separately identifiable intangible assets with estimable useful lives are amortized over their respective estimated useful lives to their estimated residual values, and reviewed for impairment if impairment indicators are present.

We estimate the fair value of our reporting units using both an income approach and a market approach. The valuation process considers our estimates of the future operating performance of each reporting unit. Companies in similar industries are researched and analyzed and we consider the domestic and international economic and financial market conditions, both in general and specific to the industry in which we operate, prevailing as of the valuation date. The income approach utilizes discounted cash flows.

We evaluate goodwill as of the first day of the fiscal fourth quarter. In addition, we will perform interim impairment testing should circumstances requiring it arise. We completed our annual goodwill assessment as of April 1, 2019 and no impairment charge was necessary as a result of this assessment. We have concluded that none of our reporting units are at risk of a goodwill impairment in the near term as their fair values are considerably greater than their carrying values.

Determining the fair values of the reporting units inherently involves management judgments regarding assumptions such as future sales, profits and cash flows, determination of the discount rate, weighting of the income and market approaches, and the effect of the market conditions on those assumptions. Due to the variables inherent in the estimation of a reporting unit’s fair value and the relative size of our goodwill, differences in assumptions could have a material effect on one or more of our reporting units and could result in a goodwill impairment charge in a future period.

Recent Accounting Pronouncements

See Note 3, Recent Accounting Pronouncements, in the Notes to Consolidated Financial Statements contained in this Annual Report on Form 10-K for additional information.

Results of Operations

The following table sets forth the relative percentage that certain items of expense and earnings bear to revenue for the three most recent fiscal years ended.

Consolidated Statements of Operations
Years ended June 30,

	2019	2018	2017	2019	2018	2017	Year to Year Change 2018 to 2019		2017 to 2018	
		Dollars			Percentages		Dollars	Percent	Dollars	Percent
					(dollar amounts in thousands)					
Revenue	$4,986,341	$4,467,860	$4,354,617	100.0%	100.0%	100.0%	$ 518,481	11.6%	$ 113,243	2.6%
Costs of revenue										
Direct costs	3,304,053	2,978,608	2,934,804	66.3	66.7	67.4	325,445	10.9	43,804	1.5
Indirect costs and selling expenses	1,218,544	1,076,356	1,050,792	24.4	24.1	24.1	142,188	13.2	25,564	2.4
Depreciation and amortization	85,877	72,196	71,760	1.7	1.6	1.7	13,681	18.9	436	0.6
Total costs of revenue	4,608,474	4,127,160	4,057,356	92.4	92.4	93.2	481,314	11.7	69,804	1.7
Income from operations	377,867	340,700	297,261	7.6	7.6	6.8	37,167	10.9	43,439	14.6
Interest expense and other, net	49,958	42,036	48,642	1.0	0.9	1.1	7,922	18.8	(6,606)	(13.6)
Income before income taxes	327,909	298,664	248,619	6.6	6.7	5.7	29,245	9.8	50,045	20.1
Income tax (benefit) expense	62,305	(2,507)	84,948	1.3	-	1.9	64,812	2,585.2	(87,455)	(103.0)
Net income	$ 265,604	$ 301,171	$ 163,671	5.3%	6.7%	3.8%	$ (35,567)	(11.8)%	$ 137,500	84.0%

Revenue

For the twelve months ended June 30, 2019, total revenue increased by $518.5 million or 11.6 percent, compared with the same period a year ago. This increase was attributable to both acquired revenues and organic growth. Acquired revenues accounted for $394.1 million and $23.8 million for FY2019 and FY2018, respectively. See Note 4, Acquisitions, for further discussion of the FY2019 acquisitions. The organic growth is primarily related to contracts performed for DoD customers.

The following table summarizes revenue by customer type with related percentages of revenue for the three most recent fiscal years:

	Years Ended June 30, 2019		2018		2017	
			(dollar amounts in thousands)			
Department of Defense	$ 3,489,854	70.0%	$ 3,032,744	67.9%	$ 2,881,162	66.2%
Federal civilian agencies	1,263,681	25.3	1,202,023	26.9	1,259,348	28.9
Commercial and other	232,806	4.7	233,093	5.2	214,107	4.9
Total	$ 4,986,341	100.0%	$ 4,467,860	100.0%	$ 4,354,617	100.0%

For the twelve months ended June 30, 2019, DoD revenue increased $457.1 million or 15.1 percent in FY2019, compared with the same period a year ago. Acquired revenues under DoD contracts accounted for $326.2 million and $4.0 million for FY2019 and FY2018, respectively. DoD revenue includes services provided to the U.S. Army, our single largest customer, where our services focus on supporting readiness, tactical military intelligence, and communications systems. DoD revenue includes work with the U.S. Navy and other DoD agencies across all of our major service offerings.

For the twelve months ended June 30, 2019, f ederal civilian agencies revenue in creased $ 61.7 million or 5.1 percent , compared with the same period a year ago . Acquired revenues under federal civilian agency contracts accounted for $ 58 . 8 million in FY2019 and were immaterial in FY2018. Federal civilian agency revenue includes services provided to non-DoD national intelligence agencies.

Commercial and other revenue decreased $0.3 million or (0.1) percent in FY2019, compared with the same period a year ago. Commercial and other revenue is generated from both domestic and international operations. Of the total commercial and other revenue, domestic operations accounted for $75.9 million or 32.6 percent in FY2019, compared with $69.8 million or 30.0 percent in FY2018. International operations accounted for $156.9 million or 67.4 percent in FY2019, compared with $163.3 million or 70.0 percent in FY2018.

Income from Operations

For the twelve months ended June 30, 2019, direct costs increased by $325.4 million, compared with the same period a year ago. As a percentage of revenue, total direct costs were 66.3 percent and 66.7 percent, respectively, for FY2019 and FY2018. Direct costs include direct labor and other direct costs (ODCs), which include subcontracted labor, material purchases, and other related expenses. Direct labor was the single largest component of direct costs, and was $1.5 billion and $1.3 billion in FY2019 and FY2018, respectively. ODCs are typically incurred in response to specific customer tasks and may vary from period to period. ODCs were $1.8 billion and $1.7 billion in FY2019 and FY2018, respectively.

For the twelve months ended June 30, 2019, indirect costs and selling expenses increased by $142.2 million, compared with the same period a year ago. As a percentage of revenue indirect costs and selling expenses were 24.4 percent and 24.1 percent for FY2019 and FY2018, respectively. Indirect costs and selling expenses include fringe benefits (attributable to both direct and indirect labor), facilities, marketing and bid and proposal (B&P) costs, indirect labor and other discretionary expenses. Indirect expenses increased primarily from transaction costs related to the Company's acquisitions, increased independent research and development (IR&D) efforts, increased B&P costs and additional fringe benefits for our large workforce.

Depreciation and amortization expense increased $13.7 million, or 18.9 percent in FY2019, compared with the same period a year ago. This increase was primarily attributable to intangible amortization from acquisitions and depreciation from the Company's higher average property and equipment.

Interest expense and other, net increased $7.9 million, or 18.8 percent in FY2019, compared with the same period a year ago. The increase is primarily attributable to higher outstanding debt balances on the Company's Credit Facility in support of acquisitions. In addition, the Company incurred purchase discount fees on its MARPA Facility (as discussed and defined within Note 13).

The effective income tax rate in FY2019, FY2018, and FY2017, was 19.0 percent, (0.8) percent, and 34.2 percent, respectively. The effective income tax rate for FY2019 is higher than FY2018 primarily due to the Tax Cuts and Jobs Act (TCJA), specifically the favorable impact of the one-time remeasurement of deferred taxes in FY2018. In each period, the effective tax rate was favorably affected by excess tax benefits from employee share-based payment awards under ASU 2016-09, a benefit from the research and development tax credit, and gains from the change in value of assets invested in corporate-owned life insurance (COLI) policies.

Effects of Inflation

During FY2019, 55.4 percent of our revenue was generated under cost-reimbursable contracts which automatically adjust revenue to cover costs that are affected by inflation. 15.2 percent of our revenue was generated under T&M contracts, where labor rates for many of the services provided are often fixed for several years. Under certain T&M contracts containing IDIQ procurement arrangements, we adjust labor rates annually as permitted. The remaining portion of our business is fixed-price and may span multiple years. We generally have been able to price our T&M and fixed-price contracts in a manner that accommodates the rates of inflation experienced in recent years.

Liquidity and Capital Resources

Existing cash and cash equivalents and cash generated by operations are our primary sources of liquidity, as well as sales of receivables under our MARPA Facility (as defined and discussed in Note 13) and available borrowings under our Credit Facility (as defined in Note 14) described below.

The Company has a $2,438.4 million Credit Facility, which consists of an $1,500.0 million Revolving Facility and a $938.4 million Term Loan. The Revolving Facility is a secured facility that permits continuously renewable borrowings and has subfacilities of $100.0 million for same-day swing line borrowings and $25.0 million for stand-by letters of credit. As of June 3 0 , 2019, $891.5 million was outstanding under the Term Loan, $785.0 million was outstanding under the Revolving Facility and no borrowings on the swing line.

The Term Loan is a five-year secured facility under which principal payments are due in quarterly installments of $11.7 million until the balance is due in full on June 30, 2024.

The interest rates applicable to loans under the Credit Facility are floating interest rates that, at our option, equal a base rate or a Eurodollar rate plus, in each case, an applicable margin based upon our consolidated total leverage ratio.

The Credit Facility requires us to comply with certain financial covenants, including a maximum total leverage ratio and a minimum interest coverage ratio. The Credit Facility also includes customary negative covenants restricting or limiting our ability to guarantee or incur additional indebtedness, grant liens or other security interests to third parties, make loans or investments, transfer assets, declare dividends or redeem or repurchase capital stock or make other distributions, prepay subordinated indebtedness and engage in mergers, acquisitions or other business combinations, in each case except as expressly permitted under the Credit Facility. Since the inception of the Credit Facility, we have been in compliance with all of the financial covenants. A majority of our assets serve as collateral under the Credit Facility.

Cash and cash equivalents were $72.0 million and $66.2 million as of June 30, 2019 and 2018, respectively. Our operating cash flow was $555.3 million for FY2019, which includes $192.5 million of cash provided by sales under the MARPA Facility, compared with $321.5 million for the same period ended FY2018. Days-sales outstanding (DSO) was 54 and 60 at June 30, 2019 and 2018, respectively. The decrease in DSO is primarily related to sales of receivables under our MARPA Facility and timing of cash collections.

Cash used in investing activities was $1.1 billion and $114.6 million during FY2019 and FY2018, respectively. During FY2019 we paid $1.08 billion for business acquisitions, as compared to $76.9 million during FY2018. Purchases of office and computer related equipment of $47.9 million and $41.6 million in FY2019 and FY2018, respectively, accounted for a majority of the remaining funds used in investing activities.

Cash provided by financing activities was $579.6 million during FY2019 compared to cash flows used in financing activities of $206.5 million during FY2018. During FY2019, we had net borrowings of $599.9 million under our Credit Facility compared to net repayments of $173.4 million in FY2018. During FY2019 and FY2018, we paid $0.6 million and $11.6 million, respectively, in settlement of contingent consideration for various acquisitions. During FY2019 and FY2018 we also paid taxes on the settlement of employees equity transactions of $19.6 million and $21.4 million, respectively.

We believe that the combination of internally generated funds, available bank borrowings, and cash and cash equivalents on hand will provide the required liquidity and capital resources necessary to fund on-going operations, customary capital expenditures, debt service obligations, and other working capital requirements over the next twelve months. We may in the future seek to borrow additional amounts under a long-term debt security. Over the longer term, our ability to generate sufficient cash flows from operations necessary to fulfill the obligations under the Credit Facility and any other indebtedness we may incur will depend on our future financial performance which will be affected by many factors outside of our control, including current worldwide economic conditions and financial market conditions.

Off-Balance Sheet Arrangements and Contractual Obligations

We use off-balance sheet arrangements related to the lease of all of our current office and warehouse facilities. Operating leases are also used to finance the use of computers, servers, phone systems, and to a lesser extent, other fixed assets, such as furnishings, that are obtained in connection with business acquisitions. We generally assume the lease rights and obligations of companies acquired in business combinations and continue leasing equipment under operating leases until the end of the lease term following the acquisition date. We generally do not finance capital expenditures with operating leases, but instead finance such purchases with available cash balances. For additional information regarding our operating lease commitments, see Note 15 in the Notes to Consolidated Financial Statements contained in this Annual Report on Form 10-K. The Credit Facility provides for stand-by letters of credit aggregating up to $25.0 million that reduce the funds available under the Revolving Facility when issued. We have no other material off-balance sheet financing arrangements.

The following table summarizes our contractual obligations as of June 30, 201 9 that require us to make future cash payments:

	Payments Due by Period				
	Total	Less than 1 year	1 to 3 years	3 to 5 years	More than 5 years
	(amounts in thousands)				
Contractual obligations (1):					
Bank credit facility-term loan (2)	$ 891,475	$ 46,920	$ 93,840	$ 750,715	$ —
Bank credit facility-revolver loan (2)	785,000	—	—	785,000	—
Interest payments (3)	139,470	29,728	56,966	52,776	—
Operating leases (4)	447,552	81,027	135,986	97,747	132,792
Deferred consideration (5)	7,045	535	6,510	—	—
Other long-term liabilities					
Deferred compensation (6)	98,978	6,687	10,166	5,902	76,223
Transition tax (7)	5,071	600	1,199	2,623	649
Total	$ 2,374,591	$ 165,497	$ 304,667	$ 1,694,763	$ 209,664

(1) The liability related to unrecognized tax benefits has been excluded from the contractual obligations table because a reasonable estimate of the timing and amount of cash out flows from future tax settlements cannot be determined. See Note 19 for additional information regarding taxes and related matters.
(2) See Note 14 to our consolidated financial statements for additional information regarding debt and related matters.
(3) Interest payments are estimated through the maturity date of the Term Loan. Variable rate interest obligations are estimated based on rates as of June 30, 2019. Interest payments under the Revolving Facility have been excluded because a reasonable estimate of the timing and amount of cash out flows cannot be determined.
(4) See Note 15 to our consolidated financial statements for additional information regarding operating lease commitments.
(5) Represents deferred payment obligations related to acquisitions.
(6) This liability is substantially offset by COLI held by the Company to fund the payment of the liability to the plan participant. See Note 20.
(7) Represents transition tax related to the TCJA (see Note 19).

Item 7A. Quantitative and Qualitative Disclosure About Market Risk

The interest rates on both the Term Loan and the Revolving Facility are affected by changes in market interest rates. We have the ability to manage these fluctuations in part through interest rate hedging alternatives in the form of interest rate swaps. We have entered into floating-to-fixed interest rate swap agreements for an aggregate notional amount of $900.0 million related to a portion of our floating rate indebtedness. All remaining balances under our Term Loan, and any additional amounts that may be borrowed under our Revolving Facility, are currently subject to interest rate fluctuations. With every one percent fluctuation in the applicable interest rate, interest expense on our variable rate debt for the twelve months ended June 30, 2019 would have fluctuated by approximately $7.6 million.

Approximately 3.1 percent and 3.7 percent of our total revenue in FY2019 and FY2018, respectively, was generated from our international operations headquartered in the U.K. Our practice in our international operations is to negotiate contracts in the same currency in which the predominant expenses are incurred, thereby mitigating the exposure to foreign currency exchange rate fluctuations. To the extent that it is not possible to do so, there is some risk that profits will be affected by foreign currency exchange rate fluctuations. As of June 30, 2019, we held a combination of euros and pounds sterling in the U.K. and in the Netherlands equivalent to approximately $34.1 million. Although these balances are generally available to fund ordinary business operations without legal or other restrictions, a significant portion is not immediately available to fund U.S. operations unless repatriated. Our intention is to reinvest earnings from our foreign subsidiaries. This allows us to better utilize our cash resources on behalf of our foreign subsidiaries, thereby mitigating foreign currency conversion risks.

I tem 8. Financial Statements and Supplementary Data

The Consolidated Financial Statements of CACI International Inc and subsidiaries are provided in Part IV in this Annual Report on Form 10-K.

Item 9. Changes in and Disagreements with Acco untants on Account ing and Financial Disclosure

Not applicable.

Item 9A. Controls and Procedures

A. Disclosure Controls and Procedures

We maintain disclosure controls and procedures, as defined in the Exchange Act Rules 13a-15(e) and 15d-15(e), that are designed to ensure that information required to be disclosed in our periodic filings with the SEC is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Our disclosure controls and procedures are also designed to ensure that information required to be disclosed in the reports we file or submit under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer (CEO) and Chief Financial Officer (CFO), as appropriate, to allow timely decisions regarding required disclosure.

The effectiveness of a system of disclosure controls and procedures is subject to various inherent limitations, including cost limitations, judgments used in decision making, assumptions about the likelihood of future events, the soundness of internal controls, and fraud. Due to such inherent limitations, there can be only reasonable, and not absolute, assurance that any system of disclosure controls and procedures will be successful in detecting or preventing all errors or fraud, or in making all material information known in a timely manner to the appropriate levels of management.

We performed an evaluation of the effectiveness of our disclosure controls and procedures under the supervision of the CEO and CFO, as of June 30, 2019. Based on the evaluation procedures, our management, including the CEO and CFO, concluded that our disclosure controls and procedures were effective at the reasonable assurance level as of June 30, 2019.

B. Internal Control Over Financial Reporting

The management of CACI is responsible for establishing, maintaining, and assessing the effectiveness of internal control over financial reporting, as defined in Exchange Act Rules 13a-15(f) and 15d-15(f).

We maintain internal controls over financial reporting that are designed to provide reasonable assurance regarding the reliability of financial reporting, and the preparation of financial statements. CACI's internal control over financial reporting includes those policies and procedures that 1) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with U.S. generally accepted accounting principles; 2) ensure the maintenance of records that accurately and fairly reflect our transactions; 3) ensure that our receipts, expenditures and asset dispositions are made in accordance with director and management authorizations; and 4) provide reasonable assurance that our assets are properly safeguarded.

With the participation of our CEO and CFO, we performed an evaluation of the effectiveness of the internal control over financial reporting to comply with the rules on internal control over financial reporting issued pursuant to the Sarbanes-Oxley Act of 2002. In making this evaluation, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control—Integrated Framework (2013 Framework).* Based on the evaluation procedures, our management, including the CEO and CFO, concluded that, as of June 30, 2019, our internal control over financial reporting was effective based on those criteria. In addition, our independent registered public accounting firm evaluated the effectiveness of our internal control over financial reporting.

On January 29, 2019, CACI acquired all of the equity interests of Mastodon Design LLC (Mastodon). On March 1, 2019, CACI acquired all of the equity interests of Legos Intermediate Holdings, LLC and MDCP Legos Blocker, Inc., the parent companies of LGS Innovations (LGS). As permitted by the SEC, management has excluded Mastodon and LGS from our assessment of the effectiveness of internal control over financial reporting due to the timing of the acquisitions in relation to our fiscal year ended June 30, 2019. Total assets and revenue from the acquired companies represent approximately 21.9 percent and 3.1 percent, respectively, of the related consolidated financial statement amounts as of and for the year ended June 30, 2019.

Management's report on the effectiveness of internal control over financial reporting, and the independent auditors' report on internal control over financial reporting, are included in Part IV of this report.

C. Changes in Internal Control Over Financial Reporting

Under the supervision and with the participation of our management, an evaluation was also performed of any changes in our internal control procedures over financial reporting that occurred during our last fiscal quarter. Based on this evaluation, management determined there were no changes in our internal control over financial reporting that occurred during our last fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART III

The Information required by Items 10, 11, 12, 13 and 14 of Part III of Form 10-K has been omitted in reliance on General Instruction G(3) and is incorporated herein by reference to our proxy statement to be filed with the SEC pursuant to Regulation 14A promulgated under the Securities Exchange Act of 1934, as amended, as set forth below:

Item 10. Directors, Executive Officers and Corporate Governance

Except for the specific disclosures below, the information required by this Item 10 is included under the headings "Executive Officers" and "Corporate Governance" in our 2019 Proxy Statement for the annual meeting to be held with respect to the fiscal year ended June 30, 2019 (2019 Proxy Statement) and is incorporated by reference.

Code of Ethics

We have adopted a code of ethics that applies to our principal executive officer, principal financial officer, principal accounting officer and persons performing similar functions. That code, our Standards of Ethics and Business Conduct, is posted in the "Investors Relations/Corporate Governance" section of our website at www.caci.com and a printed copy of such code will be furnished free of charge to any shareholder who requests a copy.

We intend to disclose any amendment to the Standards of Ethics and Business Conduct that relates to any element of the code of ethics definition enumerated in Item 406(b) of Regulation S-K, and any waiver from a provision of the Standards of Ethics and Business Conduct granted to any director, principal executive officer, principal financial officer, principal accounting officer, or any other executive officer of the Company, in the "Investors" section of our website at www.caci.com within four business days following the date of such amendment or waiver.

Corporate Governance Guidelines

We have adopted a set of corporate governance guidelines in accordance with the requirements of Section 303A of the New York Stock Exchange Listed Company Manual. Those guidelines can be found posted on our website at www.caci.com and a printed copy will be furnished free of charge to any shareholder who requests a copy.

Item 11. Executive Compensation

The information required by this Item 11 will be incorporated herein by reference to the Proxy Statement for the 2019 Annual Meeting of Shareholders to be filed within 120 days after the end of the company's fiscal year.

Item 12. Security Ownership of Certain Beneficial Owners and Management

The information required by this Item 12 will be incorporated herein by reference to the Proxy Statement for the 2019 Annual Meeting of Shareholders to be filed within 120 days after the end of the company's fiscal year.

Item 13. Certain Relationships and Related Transactions

The information required by this Item 13 will be incorporated herein by reference to the Proxy Statement for the 2019 Annual Meeting of Shareholders to be filed within 120 days after the end of the company's fiscal year.

Item 14. Principal Accountant Fees and Services

The information required by this Item 14 will be incorporated herein by reference to the Proxy Statement for the 2019 Annual Meeting of Shareholders to be filed within 120 days after the end of the company's fiscal year.

PART IV

Item 15. Exhibits and Financial Statement Schedules

(a) List of documents filed as part of this Report

(1) Financial Statements

The financial statements are included under Item 8 of this Annual Report on Form 10-K.

(2) Financial Statements Schedules

All schedules have been omitted because the required information is included in the financial statements included under Item 8 of this Annual Report on Form 10-K or the notes thereto, or because it is not required.

(3) Exhibits

See exhibits listed under Part (b) below.

(b) Exhibits

Exhibit No.	Description	Filed with this Form 10-K	Incorporated by Reference		
			Form	Filing Date	Exhibit No.
2.1	Stock Purchase Agreement, dated as of December 7, 2015, by and among CACI International Inc, CACI, Inc.-Federal and L-3 Communications Corporation .		8-K	December 8, 2015	2.1
3.1	Certificate of Incorporation of CACI International Inc, as amended to date .		10-K	September 13, 2006	3.1
3.2	Amended and Restated By-laws of CACI International Inc, amended as of March 16, 2017 .		8-K	March 21, 2017	3.1
10.1	The 2002 Employee Stock Purchase Plan of CACI International Inc, as amended . *		Def 14A	October 3, 2013	Appendix A
10.2	Amended and Restated Management Stock Purchase Plan of CACI International Inc . *		10-K	August 27, 2008	10.5
10.3	Amended and Restated Employment Agreement dated July 1, 2007 between J.P. London and CACI International Inc . *		10-K	August 29, 2007	10.21
10.4	Severance Compensation Agreement dated October 1, 2007 between Thomas A. Mutryn and CACI International Inc . *		S-1/A	October 9, 2007	10.25
10.5	Severance Compensation Agreement dated June 16, 2008 between Gregory R. Bradford and CACI International Inc . *		10-K	August 27, 2008	10.23
10.6	CACI International Inc 2006 Stock Incentive Plan, as amended and restated . *		Def 14A	October 6, 2011	Appendix A
10.7	CACI International Inc 2016 Amended and Restated Incentive Compensation Plan . *		Def 14A	October 6, 2016	Appendix A
10.8	Amendment to the CACI International Inc Management Stock Purchase Plan dated June 23, 2010 . *		10-K	August 25, 2010	10.34
10.9	Credit Agreement by and among CACI International Inc as borrower; Bank of America, N.A. as administrative agent, swing line lender and L/C issuer; JP Morgan Chase Bank, N.A., as syndication agent; and each of the lenders named therein .		8-K	October 27, 2010	10.1

Exhibit No.	Description	Filed with this Form 10-K	Incorporated by Reference		
			Form	Filing Date	Exhibit No.
10.10	Form of CACI International Inc 2006 Stock Incentive Plan Performance Restricted Stock Unit Grant Agreement . *		10-Q	February 4, 2011	10.2
10.11	Form of CACI International Inc 2006 Stock Incentive Plan Restricted Stock Unit (RSU) Grant Agreement . *		10-Q	May 6, 2011	10.1
10.12	Amendment dated May 17, 2011 to the Credit Agreement dated October 21, 2010, between CACI International Inc, Bank of America, N.A. and a consortium of participating banks .		8-K	May 19, 2011	10.2
10.13	Form of Non-Employee Director Restricted Stock Unit Grant Agreement . *		10-K	August 29, 2011	10.30
10.14	Amendment dated November 18, 2011 to the Credit Agreement dated October 21, 2010, between CACI International Inc, Bank of America, N.A. and a consortium of participating banks .		8-K	November 22, 2011	10.3
10.15	Form of Restricted Stock Unit (RSU) Agreement under CACI International Inc Management Stock Purchase Plan . *		S-8	February 6, 2012	10.13
10.16	Form of Stock Grant Agreement under CACI International Inc Director Stock Purchase Plan . *		S-8	February 6, 2012	10.15
10.17	Amended and Restated Director Stock Purchase Plan of CACI International Inc . *		10-Q	May 4, 2012	10.1
10.18	Severance Compensation Agreement dated July 1, 2012 between John S. Mengucci and CACI International Inc . *		10-K	August 28, 2012	10.38
10.19	Lender Joinder and Increase Agreement dated as of October 26, 2012 between CACI International Inc, Bank of America, N.A. and a consortium of participating banks .		8-K	October 31, 2012	10.4
10.20	Amendment dated August 6, 2013 to the Credit Agreement dated October 21, 2010, between CACI International Inc, Bank of America, N.A. and a consortium of participating banks .		8-K	August 12, 2013	10.4
10.21	Employment Agreement dated February 20, 2013 between Kenneth Asbury and CACI International Inc . *		10-K	August 27, 2013	10.40
10.22	Amendment dated October 31, 2013 to the Credit Agreement dated October 21, 2010, between CACI International Inc, Bank of America, N.A. and a consortium of participating banks .		8-K	November 5, 2013	10.5
10.23	Amendment dated November 15, 2013 to the Credit Agreement dated October 21, 2010, between CACI International Inc, Bank of America, N.A. and a consortium of participating banks .		8-K	November 18, 2013	10.6
10.24	Amendment dated April 22, 2015 to the Credit Agreement dated October 21, 2010, between CACI International Inc, Bank of America, N.A. and a consortium of participating banks .		8-K	April 28, 2015	10.7

Exhibit No.	Description	Filed with this Form 10-K	Incorporated by Reference Form	Filing Date	Exhibit No.
10.25	Amendment dated May 21, 2015 to the Credit Agreement dated October 21, 2010, between CACI International Inc, Bank of America, N.A. and a consortium of participating banks .		8-K	May 27, 2015	10.8
10.26	Eighth Amendment dated January 29, 2016 to the Credit Agreement dated October 21, 2010, between CACI International Inc, Bank of America, N.A. and a consortium of participating banks .		8-K	February 3, 2016	10.9
10.27	First Incremental Facility Amendment dated February 1, 2016 to the Credit Agreement dated October 21, 2010, between CACI International Inc, Bank of America, N.A. and a consortium of participating banks .		8-K	February 3, 2016	10.10
10.28	Form of Performance RSU Grant Agreement pursuant to the CACI International Inc 2006 Stock Incentive Plan . *		8-K	December 1, 2017	10.1
10.29	Ninth Amendment dated May 3, 2018 to the Credit Agreement, dated October 21, 2010, between CACI International Inc, Bank of America, N.A. and a consortium of participating banks .		8-K	May 9, 2018	10.1
10.30	Form of Non-Employee Director Restricted Stock Unit Grant Agreement issued pursuant to the 2016 Incentive Compensation Plan . *		10-K	August 21, 2017	10.30
10.31	Form of RSU Grant Agreement pursuant to the CACI International Inc 2016 Incentive Compensation Plan . *		10-K	August 21, 2017	10.31
10.32	Supplemental Executive Retirement Plan dated June 3, 2019 between John S. Mengucci and CACI International Inc.	X			
10.33	Employment Agreement dated July 1, 2019 between John S. Mengucci and CACI International Inc.	X			
21.1	Significant Subsidiaries of the Registrant .	X			
23.1	Consent of Independent Registered Public Accounting Firm .	X			
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities and Exchange Commission .	X			
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities and Exchange Commission .	X			
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350 .	X			
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350 .	X			

Exhibit No.	Description	Filed with this Form 10-K	Incorporated by Reference: Form	Filing Date	Exhibit No.
101	The following materials from the CACI International Inc Annual Report on Form 10-K for the year ended June 30, 2019 formatted in eXtensible Business Reporting Language (XBRL): (i) Consolidated Statements of Operations for the years ended June 30, 2019, 2018 and 2017, (ii) Consolidated Statements of Comprehensive Income for the years ended June 30, 2019, 2018 and 2017, (iii) Consolidated Balance Sheets as of June 30, 2019 and 2018, (iv) Consolidated Statements of Cash Flows for the years ended June 30, 2019, 2018 and 2017, (v) Consolidated Statements of Shareholders' Equity for the years ended June 30, 2019, 2018 and 2017, and (vi) Notes to Consolidated Financial Statements. **				

* Denotes a management contract, compensatory plan, or arrangement.
** Submitted electronically herewith.

Report of Management on Internal Control Over Financial Reporting

August 21, 2019

The management of CACI International Inc is responsible for establishing and maintaining effective internal control over financial reporting, and for assessing the effectiveness of internal control over financial reporting. Management maintains a comprehensive system of internal controls intended to ensure that transactions are executed in accordance with management's authorization, that assets are safeguarded, and that financial records are reliable. CACI International Inc's internal control system is designed to provide reasonable assurance to Company management and its Board of Directors regarding the preparation and fair presentation of consolidated financial statements for external purposes in accordance with U.S. generally accepted accounting principles.

Due to inherent limitations, internal control systems can provide only reasonable assurance with respect to financial statement preparation and presentation, and may not prevent or detect financial statement misstatements. Also, projections of any evaluation of internal control effectiveness to future periods are subject to the risk that existing controls may become inadequate because of changing conditions, or that the degree of compliance with existing policies and procedures may deteriorate.

The Company's management, with the participation of its Chief Executive Officer and Chief Financial Officer, conducted an evaluation of the effectiveness of CACI International Inc's internal control over financial reporting based on the framework and criteria established in *Internal Control-Integrated Framework (2013 Framework)* , issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on this evaluation, our management has concluded that CACI International Inc's internal control over financial reporting was effective as of June 30, 2019.

The Company's management has excluded Mastodon Design LLC (Mastodon) and LGS Innovations (LGS) from its assessment of its internal controls over financial reporting due to the timing of the acquisitions in relation to our fiscal year ended June 30, 2019. Total assets and revenue from the acquired companies represent approximately 21.9 percent and 3.1 percent, respectively, of the related consolidated financial statement amounts as of and for the year ended June 30, 2019.

Ernst & Young LLP, an independent registered public accounting firm, has audited the Company's consolidated financial statements included herein and has reported on the Company's internal control over financial reporting as of June 30, 2019.

/s/ JOHN MENGUCCI	/s/ THOMAS A. MUTRYN
John Mengucci **President,** **Chief Executive Officer and Director**	**Thomas A. Mutryn** **Executive Vice President and** **Chief Financial Officer**

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of CACI International Inc

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of CACI International Inc (the Company) as of June 30, 2019 and 2018, the related consolidated statements of operations, comprehensive income, shareholders' equity and cash flows for each of the three years in the period ended June 30, 2019, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at June 30, 2019 and 2018, and the results of its operations and its cash flows for each of the three years in the period ended June 30, 2019, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of June 30, 2019, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated August 21, 2019 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statement that were communicated or required to be communicated to the audit committee and that: (1) related to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Revenue recognition based on the percentage of completion method

Description of the Matter

As described in Notes 2 and 11 to the consolidated financial statements, the Company records revenue using the percentage of completion method based on costs incurred for applicable contracts. For those contracts, the Company estimates variable consideration (e.g., award or incentive fees) and the estimated costs at completion (EAC). Changes in variable consideration and contract EACs can occur over the contract performance period for a variety of reasons including changes in contract scope and schedule and technical issues that may affect the award or incentive fee earned and total costs at completion. Significant changes in estimates could have a material effect on the Company's results of operations.

Auditing revenue recognition based on the percentage of completion method involved subjective auditor judgment because the Company's estimates include time and materials necessary to complete the contract and management's expectation of award and incentive fees that will be earned. These estimates are based on management's assessment of the current status of the contract as well as historical results.

How We Addressed the Matter in Our Audit	We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company’s accounting for percentage of completion revenue recognition. For example, we tested controls over the determination of significant assumptions regarding award or incentive fees that will be earned, future costs based on the current status of the contract, and changes in EAC estimates. To test the estimate of revenue recognition based on the percentage of completion method, our audit procedures included among others, comparing estimates of hours and materials and award or incentive fees to historical results of similar contracts, agreeing the key terms, including the terms of the award and incentive fees, to contract documentation and management’s estimates, and obtaining an understanding of contract performance through review of customer correspondence.
	Valuation of Acquired Intangible Assets
Description of the Matter	As described in Notes 2 and 4 to the consolidated financial statements, the Company completed the acquisitions of LGS Innovations (LGS) and Mastodon Design LLC (Mastodon) during the year ended June 30, 2019. The Company’s accounting for the acquisitions included determining the fair value of the intangible assets acquired, which primarily included technology and customer relationships. Auditing the Company's accounting for the acquired intangible assets of LGS and Mastodon involved subjective auditor judgment due to the significant estimation required in management’s determination of the fair value of intangible assets. The significant estimation was primarily due to the sensitivity of the respective fair values to underlying assumptions including discount rates, projected revenue growth rates and profit margins. These assumptions relate to the future performance of the acquired businesses, are forward-looking and could be affected by future economic and market conditions.
How We Addressed the Matter in Our Audit	We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company’s process for accounting for acquired intangible assets. For example, we tested controls over management’s review of the valuation of intangible assets, including the review of the valuation model and significant assumptions used in the valuation. To test the fair value of these acquired intangible assets, our audit procedures included, among others, evaluating the Company's use of valuation methodologies, evaluating the prospective financial information and testing the completeness and accuracy of underlying data. We involved our valuation specialists to assist in testing the significant assumptions used to value the acquired intangible assets. For example, we compared the significant assumptions to current industry, market and economic trends, historical results of the acquired businesses and to other relevant factors. We also performed sensitivity analyses of the significant assumptions to evaluate the change in the fair value resulting from changes in the assumptions.

/s/ Ernst & Young LLP

We have served as the Company’s auditor since 2002.

Tysons, Virginia
August 21, 2019

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of CACI International Inc

Opinion on Internal Control over Financial Reporting

We have audited CACI International Inc's internal control over financial reporting as of June 30, 2019, based on criteria established in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, CACI International Inc (the Company) maintained, in all material respects, effective internal control over financial reporting as of June 30, 2019, based on the COSO criteria.

As indicated in the Report of Management on Internal Control Over Financial Reporting, management's assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of the acquired entities LGS Innovations and Mastodon Design Inc, which are included in the 2019 consolidated financial statements of the Company and constituted 21.9 percent of total assets as of June 30, 2019 and 3.1 percent of revenues for the year then ended. Our audit of internal control over financial reporting of the Company also did not include an evaluation of the internal control over financial reporting of LGS Innovations or Mastodon Design Inc.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the 2019 consolidated financial statements of the Company and our report dated August 21, 2019 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Report of Management on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Tysons, Virginia
August 21, 2019

CACI INTERNATIONAL INC

CONSOLIDATED STATEMENTS OF OPERATIONS
(amounts in thousands, except per share data)

	Fiscal Year Ended June 30,		
	2019	2018	2017
Revenue	$ 4,986,341	$ 4,467,860	$ 4,354,617
Costs of revenue:			
Direct costs	3,304,053	2,978,608	2,934,804
Indirect costs and selling expenses	1,218,544	1,076,356	1,050,792
Depreciation and amortization	85,877	72,196	71,760
Total costs of revenue	4,608,474	4,127,160	4,057,356
Income from operations	377,867	340,700	297,261
Interest expense and other, net	49,958	42,036	48,642
Income before income taxes	327,909	298,664	248,619
Income tax (benefit) expense	62,305	(2,507)	84,948
Net income	$ 265,604	$ 301,171	$ 163,671
Basic earnings per share	$ 10.70	$ 12.23	$ 6.71
Diluted earnings per share	$ 10.46	$ 11.93	$ 6.53
Weighted-average basic shares outstanding	24,833	24,616	24,401
Weighted-average diluted shares outstanding	25,395	25,255	25,069

See Notes to Consolidated Financial Statements.

CACI INTERNATIONAL INC

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(amounts in thousands)

	Fiscal Year Ended June 30, 2019	2018	2017
Net income	$ 265,604	$ 301,171	$ 163,671
Other comprehensive income (loss):			
Foreign currency translation adjustment	(6,103)	1,986	(2,804)
Effects of post-retirement adjustments, net of tax	(109)	627	184
Change in fair value of interest rate swap agreements, net of tax	(17,914)	7,473	14,587
Other comprehensive income (loss), net of tax	(24,126)	10,086	11,967
Comprehensive income	$ 241,478	$ 311,257	$ 175,638

See Notes to Consolidated Financial Statements.

CACI INTERNATIONAL INC

CONSOLIDATED BALANCE SHEETS
(amounts in thousands, except per share data)

	June 30, 2019	June 30, 2018
ASSETS		
Current assets:		
Cash and cash equivalents	$ 72,028	$ 66,194
Accounts receivable, net	869,840	806,871
Prepaid expenses and other current assets	89,652	58,126
Total current assets	1,031,520	931,191
Goodwill	3,336,079	2,620,835
Intangible assets, net	436,115	241,755
Property and equipment, net	149,676	101,140
Supplemental retirement savings plan assets	92,736	91,490
Accounts receivable, long-term	7,381	8,620
Other long-term assets	33,336	39,175
Total assets	$ 5,086,843	$ 4,034,206
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term debt	$ 46,920	$ 46,920
Accounts payable	118,917	82,017
Accrued compensation and benefits	290,274	259,442
Other accrued expenses and current liabilities	235,611	150,602
Total current liabilities	691,722	538,981
Long-term debt, net of current portion	1,618,093	1,015,420
Supplemental retirement savings plan obligations, net of current portion	92,291	86,851
Deferred income taxes	205,339	200,880
Other long-term liabilities	107,932	85,187
Total liabilities	2,715,377	1,927,319
Commitments and contingencies		
Shareholders' equity:		
Preferred stock $0.10 par value, 10,000 shares authorized, no shares issued or outstanding	—	—
Common stock $0.10 par value, 80,000 shares authorized; 42,314 issued and 24,880 outstanding at June 30, 2019 and 42,139 issued and 24,704 outstanding at June 30, 2018	4,231	4,214
Additional paid-in capital	576,277	570,964
Retained earnings	2,410,164	2,126,790
Accumulated other comprehensive loss	(43,156)	(19,030)
Treasury stock, at cost (17,434 and 17,434 shares, respectively)	(576,185)	(576,186)
Total CACI shareholders' equity	2,371,331	2,106,752
Noncontrolling interest	135	135
Total shareholders' equity	2,371,466	2,106,887
Total liabilities and shareholders' equity	$ 5,086,843	$ 4,034,206

See Notes to Consolidated Financial Statements.

CACI INTERNATIONAL INC
CONSOLIDATED STATEMENTS OF CASH FLOWS
(amounts in thousands)

	Fiscal Year Ended June 30, 2019	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	$ 265,604	$ 301,171	$ 163,671
Reconciliation of net income to net cash provided by operating activities:			
Depreciation and amortization	85,877	72,196	71,760
Amortization of deferred financing costs	2,406	4,061	4,484
Loss on extinguishment of debt	363	104	—
Loss on disposal of assets	70	989	1,025
Stock-based compensation expense	25,272	23,628	21,945
Deferred income taxes	(1,009)	(77,324)	15,148
Equity in earnings of unconsolidated ventures	—	—	(167)
Gain on sale of assets	—	—	(1,545)
Changes in operating assets and liabilities, net of effect of business acquisitions:			
Accounts receivable, net	96,754	(42,575)	46,158
Prepaid expenses and other assets	(5,372)	(9,146)	(5,221)
Accounts payable and other accrued expenses	70,692	1,097	(46,825)
Accrued compensation and benefits	8,387	13,544	12,048
Income taxes payable and receivable	1,119	6,090	(9,954)
Deferred rent	(538)	(183)	(952)
Long-term liabilities	5,672	27,808	9,675
Net cash provided by operating activities	555,297	321,460	281,250
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditures	(47,902)	(41,594)	(43,268)
Cash paid for business acquisitions, net of cash acquired	(1,082,809)	(76,910)	(7,276)
Proceeds from net working capital and other refunds of acquired business	—	—	19,287
Proceeds from equity method investments	—	—	4,681
Other	2,729	3,898	1,772
Net cash used in investing activities	(1,127,982)	(114,606)	(24,804)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings under bank credit facilities	2,531,500	477,000	485,500
Principal payments made under bank credit facilities	(1,928,420)	(647,474)	(714,465)
Payment of financing costs under bank credit facilities	(3,177)	(2,915)	—
Payment of contingent consideration	(616)	(11,553)	—
Proceeds from employee stock purchase plans	5,702	4,929	4,316
Repurchases of common stock	(5,838)	(5,138)	(4,386)
Payment of taxes for equity transactions	(19,595)	(21,365)	(10,951)
Net cash provided by (used in) financing activities	579,556	(206,516)	(239,986)
Effect of exchange rate changes on cash and cash equivalents	(1,037)	317	(3)
Net increase in cash and cash equivalents	5,834	655	16,457
Cash and cash equivalents, beginning of year	66,194	65,539	49,082
Cash and cash equivalents, end of year	$ 72,028	$ 66,194	$ 65,539
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION			
Cash paid during the period for income taxes, net of refunds	$ 68,303	$ 57,941	$ 79,268
Cash paid during the period for interest	$ 44,673	$ 40,100	$ 45,015
Non-cash financing and investing activities:			
Accrued capital expenditures	8,223	609	667
Landlord sponsored tenant incentives	$ 5,180	$ —	$ —

See Notes to Consolidated Financial Statements.

CACI INTERNATIONAL INC

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(amounts in thousands)

	Common Stock					Treasury Stock				
	Shares	Amount	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Shares	Amount	Total CACI Shareholders' Equity	Noncontrolling Interest	Total Shareholders' Equity
BALANCE, June 30, 2016	41,758	$ 4,176	$ 558,324	$ 1,661,948	$ (41,083)	17,435	$ (576,187)	$ 1,607,178	$ 135	$ 1,607,313
Net income	—	—	—	163,671	—	—	—	163,671	—	163,671
Stock-based compensation expense	—	—	21,945	—	—	—	—	21,945	—	21,945
Tax withholdings on restricted share vesting	138	14	(10,957)	—	—	—	—	(10,943)	—	(10,943)
Change in fair value of interest rate swap agreements, net	—	—	—	—	14,587	—	—	14,587	—	14,587
Currency translation adjustment	—	—	—	—	(2,804)	—	—	(2,804)	—	(2,804)
Repurchases of common stock	—	—	(236)	—	—	41	(4,150)	(4,386)	—	(4,386)
Treasury stock issued under stock purchase plans	—	—	4	—	—	(41)	4,150	4,154	—	4,154
Post-retirement benefit costs	—	—	—	—	184	—	—	184	—	184
BALANCE, June 30, 2017	41,896	4,190	569,080	1,825,619	(29,116)	17,435	(576,187)	1,793,586	135	1,793,721
Net income	—	—	—	301,171	—	—	—	301,171	—	301,171
Stock-based compensation expense	—	—	23,628	—	—	—	—	23,628	—	23,628
Tax withholdings on restricted share vesting	243	24	(21,368)	—	—	—	—	(21,344)	—	(21,344)
Change in fair value of interest rate swap agreements, net	—	—	—	—	7,473	—	—	7,473	—	7,473
Currency translation adjustment	—	—	—	—	1,986	—	—	1,986	—	1,986
Repurchases of common stock	—	—	(383)	—	—	36	(4,755)	(5,138)	—	(5,138)
Treasury stock issued under stock purchase plans	—	—	7	—	—	(37)	4,756	4,763	—	4,763
Post-retirement benefit costs	—	—	—	—	627	—	—	627	—	627
BALANCE, June 30, 2018	42,139	$ 4,214	$ 570,964	$ 2,126,790	$ (19,030)	17,434	$ (576,186)	$ 2,106,752	$ 135	$ 2,106,887
Net income	—	—	—	265,604	—	—	—	265,604	—	265,604
Cumulative effect adjustment of ASC 606, net of taxes	—	—	—	17,770	—	—	—	17,770	—	17,770
Stock-based compensation expense	—	—	25,272	—	—	—	—	25,272	—	25,272
Tax withholdings on restricted share vesting	175	17	(19,572)	—	—	—	—	(19,555)	—	(19,555)
Change in fair value of interest rate swap agreements, net	—	—	—	—	(17,914)	—	—	(17,914)	—	(17,914)
Currency translation adjustment	—	—	—	—	(6,103)	—	—	(6,103)	—	(6,103)
Repurchases of common stock	—	—	(392)	—	—	34	(5,446)	(5,838)	—	(5,838)
Treasury stock issued under stock purchase plans	—	—	5	—	—	(34)	5,447	5,452	—	5,452
Post-retirement benefit costs					(109)			(109)		(109)
BALANCE, June 30, 2019	42,314	$ 4,231	$ 576,277	$ 2,410,164	$ (43,156)	17,434	$ (576,185)	$ 2,371,331	$ 135	$ 2,371,466

See Notes to Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION AND BASIS OF PRESENTATION

Business Activities

CACI International Inc, along with its wholly-owned subsidiaries and joint ventures that are majority owned or otherwise controlled by it (collectively, the Company), is an international information solutions and services provider to its customers, primarily the U.S. government. Other customers include state and local governments, commercial enterprises and agencies of foreign governments.

The Company's operations are subject to certain risks and uncertainties including, among others, the dependence on contracts with federal government agencies, dependence on revenue derived from contracts awarded through competitive bidding, existence of contracts with fixed pricing, dependence on subcontractors to fulfill contractual obligations, dependence on key management personnel, ability to attract and retain qualified employees, ability to successfully integrate acquired companies, and current and potential competitors with greater resources.

Basis of Presentation

The accompanying consolidated financial statements of the Company have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission (SEC) and include the assets, liabilities, results of operations and cash flows for the Company, including its subsidiaries and ventures that are majority-owned or otherwise controlled by the Company. All intercompany balances and transactions have been eliminated in consolidation.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reported periods. The most significant of these estimates and assumptions relate to estimating contract revenue and costs, measuring progress against the Company's performance obligations, assessing the fair value of its acquired assets and liabilities accounted for through business acquisitions, valuing and determining the amortization periods for long-lived intangible assets, assessing the recoverability of long-lived assets, reserves for accounts receivable, and reserves for contract related matters. Management evaluates its estimates on an ongoing basis using the most current and available information. However, actual results may differ significantly from estimates. Changes in estimates are recorded in the period in which they become known.

Revenue Recognition

The Company generates almost all of our revenue from three different types of contractual arrangements with the U.S. government: cost-plus-fee, time-and-materials (T&M), and fixed-price contracts. Our contracts with the U.S. government are generally subject to the Federal Acquisition Regulation (FAR) and are competitively priced based on estimated costs of providing the contractual goods or services.

We account for a contract when the parties have approved the contract and are committed to perform on it, the rights of each party and the payment terms are identified, the contract has commercial substance, and it is probable that we will collect substantially all of the consideration.

At contract inception, the Company determines whether the goods or services to be provided are to be accounted for as a single performance obligation or as multiple performance obligations. This evaluation requires professional judgment and it may impact the timing and pattern of revenue recognition. If multiple performance obligations are identified, we generally use the cost plus a margin approach to determine the relative standalone selling price of each performance obligation.

When determining the total transaction price, the Company identifies both fixed and variable consideration elements within the c ontract. Variable consideration includes any amount within the transaction price that is not fixed, such as: award or incentive fees; performance penalties; unfunded contract value; or other similar items. For our contracts with award or incentive fees, the Company estimates the total amount of award or incentive fee expected to be recognized into revenue. Throughout the performance period, we recognize as revenue a constrained amount of variable consideration only to the extent that it is probable that a significant reversal of the cumulative amount recognized to date will not be required in a subsequent period. Our estimate of variable consideration is periodically adjusted based on significant changes in relevant facts and circumstances. In the perio d in which we can calculate the final amount of award or incentive fee earned - based on the receipt of the customer's final performance score or determining that more objective, contractually-defined criteria have been fully satisfied - the Company will a djust our cumulative revenue recognized to date on the contract. This adjustment to revenue will be disclosed as the amount of revenue recognized in the current period for a previously satisfied performance obligation.

We generally recognize revenue over time throughout the performance period as the customer simultaneously receives and consumes the benefits provided on our services-type revenue arrangements. This continuous transfer of control for our U.S. government contracts is supported by the unilateral right of our customer to terminate the contract for a variety of reasons without having to provide justification for its decision. For our services-type revenue arrangements in which there are a repetitive amount of services that are substantially the same from one month to the next, the Company applies the series guidance. We use a variety of input and output methods that approximate the progress towards complete satisfaction of the performance obligation, including: costs incurred, labor hours expended, and time-elapsed measures for our fixed-price stand ready obligations. For certain contracts, primarily our cost-plus and T&M services-type revenue arrangements, we apply the right-to-invoice practical expedient in which revenue is recognized in direct proportion to our present right to consideration for progress towards the complete satisfaction of the performance obligation.

When a performance obligation has a significant degree of interrelation or interdependence between one month's deliverables and the next, when there is an award or incentive fee, or when there is a significant degree of customization or modification, the Company generally records revenue using a percentage of completion methodology. For these revenue arrangements, substantially all revenue is recognized over time using a cost-to-cost input method based on the ratio of costs incurred to date to total estimated costs at completion. When estimates of total costs to be incurred on a contract exceed total revenue, a provision for the entire loss on the contract is recorded in the period in which the loss is determined.

Contract modifications are reviewed to determine whether they should be accounted for as part of the original performance obligation or as a separate contract. When a contract modification changes the scope or price and the additional performance obligations are at their standalone selling price, the original contract is terminated and the Company accounts for the change prospectively when the new goods or services to be transferred are distinct from those already provided. When the contract modification includes goods or services that are not distinct from those already provided, the Company records a cumulative adjustment to revenue based on a remeasurement of progress towards the complete satisfaction of the not yet fully delivered performance obligation.

Based on the critical nature of our contractual performance obligations, the Company may proceed with work based on customer direction prior to the completion and signing of formal contract documents. The Company has a formal review process for approving any such work that considers previous experiences with the customer, communications with the customer regarding funding status, and our knowledge of available funding for the contract or program.

Costs of Revenue

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

Accou nts Receivable and Allowance for Doubtful Accounts

Accounts receivable are recorded at amounts earned less an allowance for doubtful accounts. The Company periodically reassesses the adequacy of its allowance for doubtful accounts by analyzing reasonably available information as of the balance sheet date, including the length of time that the receivable has been outstanding, historical bad debts and aging trends, and other general and contract specific factors. Upon determination that a specific receivable is uncollectible, the receivable is written off against the allowance for doubtful accounts reserve

Contract Assets

Contract assets include unbilled receivables in which our right to consideration is conditional on factors other than the passage of time. Contract assets exclude billed and billable receivables.

In addition, the costs to fulfill and obtain a contract are considered for capitalization based on contract specific facts and circumstances. The incremental costs to fulfill a contract (e.g. ramp up costs at the beginning of the period of performance) may be capitalized when expenses are incurred prior to satisfying a performance obligation. The incremental costs of obtaining a contract (e.g. sales commissions) are capitalized as an asset when the Company expects to recover them either directly or indirectly through the revenue arrangement's profit margins. These capitalized costs are subsequently expensed over the revenue arrangement's period of performance. The Company has elected to apply the practical expedient to immediately expense the costs to obtain a contract when the performance obligation will be completed within twelve months of contract inception.

Contract assets are periodically reassessed based on reasonably available information as of the balance sheet date to ensure they do not exceed their net realizable value.

Contract Liabilities

Contract liabilities include advance payments received from the customer in excess of revenue that may be recognized as of the balance sheet date. The advance payment is subsequently recognized into revenue as the performance obligation is satisfied.

Remaining Performance Obligations

The Company's remaining performance obligations balance represents the expected revenue to be recognized for the satisfaction of remaining performance obligations on our existing contracts as of period end. The remaining performance obligations balance excludes unexercised contract option years and task orders that may be issued underneath an Indefinite Delivery/Indefinite Quantity (IDIQ) vehicle. The remaining performance obligations balance generally increases with the execution of new contracts and converts into revenue as our contractual performance obligations are satisfied.

The Company continues to monitor our remaining performance obligations balance as it is subject to change from execution of new contracts, contract modifications or extensions, government deobligations, or early terminations. Based on this analysis, an adjustment to the period end balance may be required.

Cash and Cash Equivalents

The Company considers all investments with an original maturity of three months or fewer on their trade date to be cash equivalents. The Company classifies investments with an original maturity of more than three months but fewer than twelve months on their trade date as short-term marketable securities.

Inventories

Inventories are stated at the lower of cost or net realizable value. A provision for damaged, deteriorated, or obsolete inventory is recorded based on historical usage patterns and forecasted sales. As of June 30, 2019 and 2018, the Company had $47.2 million and $25.9 million of net inventory, respectively, included within prepaid expenses and other current assets on the accompanying consolidated balance sheets.

Accounting for Business Combinations and Goodwill

The purchase price of an acquired business is allocated to the tangible assets and separately identifiable intangible assets acquired less liabilities assumed based upon their respective fair values, with the excess recorded as goodwill. Determining the fair value of the acquired intangibles requires significant judgment in selecting underlying assumptions, including projected revenue growth rates, profit margins, and discount rates. In some cases, the Company uses discounted cash flow analyses, which were based on our best estimate of future sales, earnings and cash flows after considering such factors as general market conditions, customer budgets, existing firm and future orders, changes in working capital, long-term business plans and recent operating performance. Use of different estimates and judgments could yield materially different results.

The Company evaluates goodwill at least annually for impairment, or whenever events or circumstances indicate that the carrying value may not be recoverable. The evaluation includes comparing the fair value of the relevant reporting unit to the carrying value, including goodwill, of such unit. The level at which the Company tests goodwill for impairment requires management to determine whether the operations below the operating segments constitute a self-sustaining business for which discrete financial information is available and segment management regularly reviews the operating results. If the fair value exceeds the carrying value, no impairment loss is recognized. However, if the carrying value of the reporting unit exceeds its fair value, the goodwill of the reporting unit may be impaired. Impairment is measured by comparing the implied fair value of the goodwill to its carrying value. Separately identifiable intangible assets with estimable useful lives are amortized over their respective estimated useful lives to their estimated residual values, and reviewed for impairment if impairment indicators are present.

As part of the annual assessment, the Company estimates the fair value of its reporting units using both an income approach and a market approach. The valuation process considers management's estimates of the future operating performance of each reporting unit. Companies in similar industries are researched and analyzed and management considers the domestic and international economic and financial market conditions, both in general and specific to the industry in which the Company operates, prevailing as of the valuation date. The income approach utilizes discounted cash flows. The Company calculates a weighted average cost of capital for each reporting unit in order to estimate the discounted cash flows.

The Company evaluates goodwill as of the first day of the fiscal fourth quarter. In addition, the Company will perform interim impairment testing should circumstances requiring it arise. The Company completed its annual goodwill assessment as of April 1, 2019 and no impairment charge was necessary as a result of this assessment.

Long-Lived Assets (Excluding Goodwill)

Long-lived assets such as property and equipment and intangible assets subject to amortization are reviewed for impairment whenever events or circumstances indicate that the carrying amount of an asset may not be fully recoverable. An impairment loss would be recognized if the sum of the long-term undiscounted cash flows is less than the carrying amount of the long-lived asset being evaluated. Any write-downs are treated as permanent reductions in the carrying amount of the assets. Property and equipment is recorded at cost. Depreciation of equipment and furniture has been provided over the estimated useful life of the respective assets (ranging from three to eight years) using the straight-line method. Leasehold improvements are generally amortized using the straight-line method over the remaining lease term or the useful life of the improvements, whichever is shorter. Repairs and maintenance costs are expensed as incurred. Separately identifiable definite-lived intangible assets are amortized over their respective estimated useful lives.

External Software Development Costs

Costs incurred in creating a software product to be sold or licensed for external use are charged to expense when incurred as indirect costs and selling expenses until technological feasibility has been established for the software. Technological feasibility is established upon completion of a detailed program design or, in its absence, completion of a working software version. Thereafter, all such software development costs are capitalized and subsequently reported at the lower of unamortized cost or estimated net realizable value. Capitalized costs are amortized on a straight-line basis over the remaining estimated economic life of the product.

Supplemental Retirement Savings Plan

The Company maintains the CACI International Inc Group Executive Retirement Plan (the Supplemental Savings Plan) and maintains the underlying assets in a Rabbi Trust. The Supplemental Savings Plan is a non-qualified defined contribution supplemental retirement savings plan for certain key employees whereby participants may elect to defer and contribute a portion of their compensation, as permitted by the plan. Each participant directs his or her investments in the Supplemental Savings Plan (see Note 20).

A Rabbi Trust is a grantor trust established to fund compensation for a select group of management. The assets of this trust are available to satisfy the claims of general creditors in the event of bankruptcy of the Company. The assets held by the Rabbi Trust are invested in corporate owned life insurance (COLI) products. The COLI products are recorded at cash surrender value in the consolidated financial statements as supplemental retirement savings plan assets. The amounts due to participants are based on contributions, participant investment elections, and other participant activity and are recorded as supplemental retirement savings plan obligations.

Income Taxes

Income taxes are accounted for using the asset and liability method whereby deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the consolidated financial statement carrying amounts of assets and liabilities, and their respective tax bases, and operating loss and tax credit carry forwards. The Company accounts for tax contingencies in accordance with ASC 740-10-25, *Income Taxes – Recognition* . Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities due to a change in tax rates is recognized in income in the period that includes the enactment date. Estimates of the realizability of deferred tax assets are based on the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies. Any interest or penalties incurred in connection with income taxes are recorded as part of income tax expense for financial reporting purposes.

Costs of Acquisitions

Costs associated with legal, financial and other professional advisors related to acquisitions, whether successful or unsuccessful, are expensed as incurred.

Foreign Currency Translation

The assets and liabilities of the Company’s foreign subsidiaries whose functional currency is other than the U.S. dollar are translated at the exchange rate in effect on the reporting date, and income and expenses are translated at the weighted-average exchange rate during the period. The Company’s primary practice is to negotiate contracts in the same currency in which the predominant expenses are incurred, thereby mitigating the exposure to foreign currency fluctuations. The net translation gains and losses are not included in determining net income, but are accumulated as a separate component of shareholders’ equity. Foreign currency transaction gains and losses are included in determining net income, but are insignificant. These costs are included as indirect costs and selling expenses in the accompanying consolidated statements of operations.

Earnings Per Share

Basic earnings per share excludes dilution and is computed by dividing income by the weighted average number of common shares outstanding for the period. Diluted earnings per share reflects potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock but not securities that are anti-dilutive, including stock options and stock settled stock appreciation rights (SSARs) with an exercise price greater than the average market price of the Company’s common stock. Using the treasury stock method, diluted earnings per share includes the incremental effect of SSARs, stock options, restricted shares, and those restricted stock unit (RSUs) that are no longer subject to a market or performance condition. Information about the weighted-average number of basic and diluted shares is presented in Note 23.

Fair Value of Financial Instruments

The carrying amounts of cash and cash equivalents, accounts receivable, accounts payable and amounts included in other current assets and current liabilities that meet the definition of a financial instrument approximate fair value because of the short-term nature of these amounts.

The fair value of the Company's debt under its bank credit facility approximates its carrying value at June 30, 2019. The fair value of the Company's debt under its bank credit facility was estimated using Level 2 inputs based on market data on companies with a corporate rating similar to CACI's that have recently priced credit facilities.

Concentrations of Credit Risk

Financial instruments that potentially subject the Company to credit risk include accounts receivable and cash equivalents. Management believes that credit risk related to the Company's accounts receivable is limited due to a large number of customers in differing segments and agencies of the U.S. government. Accounts receivable credit risk is also limited due to the credit worthiness of the U.S. government. Management believes the credit risk associated with the Company's cash equivalents is limited due to the credit worthiness of the obligors of the investments underlying the cash equivalents. In addition, although the Company maintains cash balances at financial institutions that exceed federally insured limits, these balances are placed with high quality financial institutions.

Other Comprehensive Income (Loss)

Comprehensive income is the change in equity of a business enterprise during a period from transactions and other events and circumstances from non-owner sources. Other comprehensive income (loss) refers to revenue, expenses, and gains and losses that under U.S. GAAP are included in comprehensive income, but excluded from the determination of net income. The elements within other comprehensive income consist of foreign currency translation adjustments; the changes in the fair value of interest rate swap agreements, net of tax of $6.4 million, $4.2 million and $9.5 million for the years ended June 30, 2019, 2018 and 2017, respectively; and differences between actual amounts and estimates based on actuarial assumptions and the effect of changes in actuarial assumptions made under the Company's post-retirement benefit plans, net of tax (see Note 16).

As of June 30, 2019 and 2018, accumulated other comprehensive loss included a loss of $33.6 million and $27.5 million, respectively, related to foreign currency translation adjustments, a loss of $9.0 million and a gain of $0.9 million, respectively, related to the fair value of its interest rate swap agreements, and a loss of $0.6 million and $0.5 million, respectively, related to unrecognized post-retirement costs.

Commitments and Contingencies

The Company is involved in various lawsuits, claims, and administrative proceedings arising in the normal course of business. Management is of the opinion that any liability or loss associated with such matters, either individually or in the aggregate, will not have a material adverse effect on the Company's operations and liquidity. Liabilities for loss contingencies arising from claims, assessments, litigation, fines and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment and/or remediation can be reasonably estimated.

NOTE 3. RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

In August 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2018-15, *Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract* , which aligns the capitalization requirements for implementation costs incurred in a hosting arrangement that is a service contract with the existing capitalization requirements for implementation costs associated with internal-use software (Subtopic 350-40). ASU 2018-15 becomes effective for the Company in the first quarter of FY2021 and may be adopted either retrospectively or prospectively. Early adoption is permitted. The Company is currently evaluating the impact of the adoption of this standard on its financial statements.

In March 2017, the FASB issued ASU 2017-07, *Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost* , which changes the presentation of net periodic pension and postretirement cost (net benefit cost) on the consolid ated statements of operations. The service cost component of net benefit cost will continue to be part of operating income while all other components of net benefit cost (interest costs, actuarial gains and losses and amortization of prior service cost) w ill be shown outside of operating income. The Company adopted this standard on July 1, 2018 and applied the standard retrospectively. The adoption of this standard did not have a material impact on our consolidated financial statements.

In August 2016, the FASB issued ASU 2016-15, *Classification of Certain Cash Receipts and Cash Payments* , which clarifies how certain cash receipts and cash payments are presented and classified on the statement of cash flows to reduce diversity in practice. The Company adopted this standard on July 1, 2018 and applied the standard retrospectively. As a result of adoption, the Company reclassified $3.7 million of proceeds received from the settlement of corporate owned life insurance (COLI) policies from operating activities to investing activities on the Consolidated Statement of Cash Flows for the year ended June 30, 2018. During the year ended June 30, 2019, $2.7 million of COLI proceeds are presented as investing activities.

In February 2016, the FASB issued ASU 2016-02, *Leases* , which amends the existing guidance on accounting for leases. The new standard requires lessees to put virtually all leases on the balance sheet by recognizing lease assets and lease liabilities. Lessor accounting is largely unchanged from that applied under previous guidance. The amended guidance is effective for the fiscal year, and interim periods within that fiscal year, beginning after December 15, 2018, and requires a modified retrospective approach. Early adoption is permitted. The Company adopted this standard on July 1, 2019 for its FY2020, and has substantially completed its adoption, including measuring its existing leases, reviewing lease contracts, implementing a new lease accounting solution and establishing accounting policy and internal control changes. The Company has elected to adopt certain practical expedients provided under ASC 842, including reassessment of whether expired or existing contracts contain leases, reassessment of lease classification for expired or existing leases, and reassessing initial direct costs for existing leases. We expect that upon adoption we will recognize a right-of-use asset ranging from $345-$365 million and lease liability ranging from $390-$410 million on our balance sheet, which is inclusive of required conforming balance sheet reclassifications. We do not expect the standard to have a material impact on our cash flows or results of operations. The Company is continuing to refine its processes in order to meet the accounting and disclosure requirements upon adoption of Topic 842 in the first quarter of FY2020.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers* , as amended (ASC 606), which superseded nearly all existing revenue recognition guidance under GAAP. The core principle of ASU 2014-09 is to recognize revenue when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity expects to be entitled for those goods or services. ASU 2014-09 defines a five-step process to achieve this core principle and, in doing so, more judgment and estimates may be required within the revenue recognition process than were required under previous GAAP. In addition, ASU 2014-09 added ASC 340-40 to codify guidance on other assets and deferred costs for contracts with customers.

Effective July 1, 2018, the Company adopted ASC 606 using the modified retrospective method, whereby the cumulative effect of applying the standard was recognized through shareholders' equity on the date of adoption. In addition, for our fiscal year ending June 30, 2019 and the interim reporting periods therein, the Company is required to disclose the amount by which each financial statement line item was affected by the new standard. The Company's comparative information, for prior periods presented before July 1, 2018, has not been restated and continues to be reported under ASC 605.

The impact of adoption on our consolidated balance sheet is as follows (in thousands):

	June 30, 2018 As Reported Under ASC 605	Adjustments Due to ASC 606	July 1, 2018 Balance Under ASC 606
Assets:			
Accounts receivable, net	$ 806,871	$ 20,454	$ 827,325
Prepaid expenses and other current assets	58,126	2,342	60,468
Other long-term assets	39,175	3,923	43,098
Liabilities and Shareholders' Equity:			
Other accrued expenses and current liabilities	150,602	2,212	152,814
Deferred income taxes	200,880	6,639	207,519
Other long-term liabilities	85,187	98	85,285
Retained earnings	2,126,790	17,770	2,144,560

ASC 606 changed the pattern of revenue recognition for some of our contracts with customers. For our award and incentive fee contracts, we recognize a n estimated amount of variable consideration throughout the performance period rather than defer recognition of the relevant portion of fee until customer notif ication of the amount earned. Some of our fixed price services-type contracts in which revenue was previously recognized on a straight-line basis over the performance period converted to recognition of revenue using a cost-to-cost input method to measure our progress towards the complete satisfaction of the performance obligation. T he cumulative effect of these changes in the pattern of revenue recognition resulted in an increase to a ccounts receivable with an offset to r etained earnings .

In addition, ASC 606 changed the timing of revenue recognition for license renewal performance obligations. Under prior GAAP, license renewals were generally recognized in the period the renewal contract was executed. However, upon adoption of ASC 606, the consideration received for a license renewal may not be recognized until the start of the term of the renewal. The cumulative effect of this change resulted in an increase to contract liabilities with an offset to retained earnings.

The adoption of ASC 606 did not have a material impact on the Company's revenue recognition for cost-plus-fee, fixed price/level-of-effort, time-and-materials (T&M), fixed price contracts previously recognized under ASC 605-35, and fixed price product revenue arrangements.

Under ASC 340-40, the Company capitalizes certain costs to fulfill and obtain a contract. The cumulative effect of this change resulted in an increase to contract assets with an offset to retained earnings. These capitalized costs are amortized over the period of contract performance as revenue is recognized from the transfer of goods or services and the underlying performance obligation is satisfied.

In addition, under the modified retrospective approach for adopting ASC 606, for FY2019 and the interim reporting periods therein, the Company is required to disclose the amount by which each financial statement line item was affected by the new standard. The Company's comparative information, for prior periods presented before July 1, 2018, has not been restated and continues to be reported under ASC 605. The table below presents the impact of adoption of ASC 606 on our consolidated statement of operations for the year ended June 30, 2019 (in thousands):

	Year Ended June 30, 2019		
	As Adjusted Under ASC 605	Effect of ASC 606	As Reported Under ASC 606
Revenue	$ 4,975,846	$ 10,495	$ 4,986,341
Costs of revenue:			
Direct costs	3,304,053	—	3,304,053
Indirect costs and selling expenses	1,220,317	(1,773)	1,218,544
Depreciation and amortization	85,877	—	85,877
Total costs of revenue	4,610,247	(1,773)	4,608,474
Income from operations	365,599	12,268	377,867
Interest expense and other, net	49,958	—	49,958
Income before taxes	$ 315,641	$ 12,268	$ 327,909
Income tax expense	59,179	3,126	62,305
Net income	$ 256,462	$ 9,142	$ 265,604
Basic earnings per share	$ 10.33	$ 0.37	$ 10.70
Diluted earnings per share	$ 10.10	$ 0.36	$ 10.46

For the year ended June 3 0 , 201 9 , the effect of ASC 606 was primarily related to the timing of award and incentive fee revenue recognition.

The table below presents the impact of adoption of ASC 606 on our consolidated balance sheet as of June 30, 2019 (in thousands):

	As Adjusted Under ASC 605	Effect of ASC 606	As Reported Under ASC 606
Assets:			
Accounts receivable, net	$ 841,781	$ 28,059	$ 869,840
Prepaid expenses and other current assets	86,967	2,685	89,652
Other long-term assets	27,983	5,353	33,336
Liabilities and Shareholders' Equity:			
Other accrued expenses and current liabilities	231,822	3,789	235,611
Deferred income taxes	199,943	5,396	205,339
Other long-term liabilities	107,932	—	107,932
Retained earnings	2,383,252	26,912	2,410,164

NOTE 4. ACQUISITIONS

Year Ended June 30, 2019

Domestic Acquisitions

SE&A BU

On August 15, 2018, CACI acquired certain assets of the systems engineering and acquisition support services business unit (SE&A BU) of CSRA LLC, a managed affiliate of General Dynamics Information Technology, Inc. The initial purchase consideration paid at closing to acquire the SE&A BU was $84.0 million plus $6.0 million representing a preliminary net working capital adjustment. Subsequent to closing, CACI made an additional payment of $4.4 million to the sellers for a net working capital adjustment. The Company recognized fair values of the assets acquired and liabilities assumed and allocated $44.0 million to goodwill and $8.9 million to intangible assets. The intangible assets consist of customer relationships. Of the value attributed to goodwill and intangible assets, approximately $52.9 million is deductible for income tax purposes. The final purchase price allocation was completed in Q1 FY2020. The differences between the preliminary and final purchase price allocation did not have a material impact on CACI's results of operations or financial position.

Mastodon

On January 29, 2019, CACI acquired all of the equity interests of Mastodon Design LLC (Mastodon) for a purchase consideration of $225.0 million, which includes a $220.0 million initial cash payment and $5.0 million of deferred consideration. Mastodon specializes in the rapid design of rugged tactical communications, signals intelligence (SIGINT) and electronic warfare (EW) equipment.

The Company recognized fair values of the assets acquired and liabilities assumed and allocated $139.2 million to goodwill and $83.9 million to intangible assets. The goodwill of $139.2 million is largely attributable to the assembled workforce of Mastodon and expected synergies between the Company and Mastodon. The intangible assets consist of customer relationships of $19.8 million and technology of $64.1 million. The estimated fair value attributed to intangible assets is being amortized on an accelerated basis over approximately 20 years for customer relationships and over a range of approximately 5 to 9 years for technology. The fair value attributed to the intangible assets acquired was based on preliminary estimates, assumptions, and other information compiled by management, including independent valuations that utilized established valuation techniques. Of the value attributed to goodwill and intangible assets, approximately $223.1 million is deductible for income tax purposes. The final purchase price allocation, which is provisional and is expected to be completed by Q3 FY2020, will be based on final analysis of fair values of acquired assets and liabilities.

LGS

On March 1, 2019, CACI acquired all of the equity interests of Legos Intermediate Holdings, LLC and MDCP Legos Blocker, Inc., the parent companies of LGS Innovations (LGS). The purchase consideration is approximately $750.5 million, which includes $759.9 million of cash paid at close net of cash acquired partially offset by a $9.4 million estimated net purchase price reduction for returnable consideration, deferred consideration, and estimated post-close net working capital adjustments. LGS is a leading provider of SIGINT and cyber products and solutions to the Intelligence Community and Department of Defense.

CACI is in the process of finalizing its valuation of all the assets acquired and liabilities assumed. As the amounts recorded for certain assets and liabilities are preliminary in nature, they are subject to adjustment as additional information is obtained about the facts and circumstances that existed at the acquisition date. The final determination of fair values of certain assets and liabilities will be completed within the measurement period of up to one-year from the acquisition date as permitted under GAAP. The LGS acquisition could necessitate the need to use the full one-year measurement period to adequately analyze and assess several factors used in establishing the asset and liability fair values as of the acquisition date, including intangible assets, receivables, inventory, deferred revenue, deferred taxes, income tax obligations, and certain reserves. Any potential adjustments made could be material in relation to the preliminary values presented in the table below. Based on the Company's preliminary valuation, the total estimated consideration of $750.5 million has been allocated to assets acquired and liabilities assumed as follows (in thousands):

Accounts receivable	$	83,320
Prepaid expenses and other current assets		20,781
Property and equipment		23,283
Intangible assets		147,650
Goodwill		526,879
Other long-term assets		877
Accounts payable		(10,309)
Accrued compensation and benefits		(22,347)
Other accrued expenses and current liabilities		(8,823)
Deferred income taxes		(5,171)
Other long-term liabilities		(5,644)
Total estimated consideration	$	750,496

During the quarter ended June 30, 2019 we continued to obtain information to refine estimated fair values. As a result of the additional information, the Company recorded measurement period adjustments reducing total consideration by $9.0 million related to an estimated net working capital adjustment. In addition, the Company recorded measurement period adjustments that increased deferred income tax liabilities and goodwill by approximately $5.2 million.

The goodwill of $526.9 million is largely attributable to the assembled workforce of LGS and expected synergies between the Company and LGS. The intangible assets consist of customer relationships of $86.9 million and technology of $60.8 million. The estimated fair value attributed to intangible assets is being amortized on an accelerated basis over approximately 20 years for customer relationships and over a range of approximately 5 to 15 years for technology. The fair value attributed to the intangible assets acquired was based on preliminary estimates, assumptions, and other information compiled by management, including independent valuations that utilized established valuation techniques. Of the value attributed to goodwill and intangible assets, approximately $589.1 million is deductible for income tax purposes.

From the March 1, 2019 acquisition date through June 30, 2019, LGS generated $132.3 million of revenue and $1.3 million of net income. LGS' net income includes the impact of $5.2 million of amortization of intangibles and $2.6 million of integration and restructuring costs from the acquisition date through June 30, 2019. LGS' net income does not include $11.4 million of acquisition-related expenses during the year ended June 30, 2019, which are included in indirect costs and selling expenses.

The following pro forma results are prepared for comparative purposes only and do not necessarily reflect the results that would have occurred had the acquisition occurred at the beginning of the years presented or the results which may occur in the future. The following unaudited pro forma results of operations assume the LGS acquisition had occurred on July 1, 2017 (in thousands , except per share amounts):

	Year Ended June 30,	
	2019	2018
Revenue	$ 5,271,872	$ 4,822,318
Net income	275,630	289,143
Basic EPS	11.10	11.75
Diluted EPS	10.85	11.45

Significant pro forma adjustments incorporated into the pro forma results above include the recognition of additional amortization expense related to acquired intangible assets and additional interest expense related to debt incurred to finance the acquisition. Significant nonrecurring adjustments include the elimination of non-recurring acquisition-related expenses incurred during the year ended June 30, 2019.

International Acquisitions

Effective June 1, 2019 CACI Limited acquired 100 percent of the outstanding shares of Mood Enterprises Limited, a United Kingdom company that provides software and managed services to defense, national security and commercial organizations. Its technology platform improves enterprise transparency and enables significant improvement in business processes and is typically deployed in organizations with complex data environments where access to critical information in a timely manner is essential. The purchase consideration was approximately $9.1 million, which includes initial cash payments and deferred consideration.

Year Ended June 30, 2018

Domestic Acquisitions

On November 22, 2017, CACI acquired 100 percent of the outstanding membership interests of a business in the United States which provides cyber solutions. The acquisition was financed with cash on hand. The purchase consideration was $53.0 million, which includes a $40.1 million initial cash payment, $4.5 million of deferred consideration, $8.7 million estimated fair value of contingent consideration to be paid upon achieving certain metrics and a $0.3 million refund from the seller for a net working capital adjustment. The Company recognized fair values of the assets acquired and liabilities assumed and allocated $26.7 million to goodwill and $24.9 million to intangible assets. The intangible assets primarily consist of customer relationships and acquired technology. The purchase price and purchase price allocation was finalized as of March 31, 2018, with no significant changes to preliminary amounts.

On May 31, 2018, CACI acquired certain assets of an entity in the United States which constituted a business, providing Enterprise IT solutions. The purchase consideration was $24.0 million, consisting of cash paid at closing. The Company recognized fair values of the assets acquired and liabilities assumed and allocated $8.4 million to goodwill and $14.9 million to intangible assets. The intangible assets consist of customer relationships. The final purchase price allocation was completed during FY2019. The differences between the preliminary and final purchase price allocation did not have a material impact on CACI's results of operations or financial position.

International Acquisitions

On October 1, 2017, CACI Limited acquired 100 percent of the outstanding shares of a United Kingdom (U.K.) IT consulting services and software engineering company. The purchase consideration was approximately $9.1 million, which includes initial cash payments, deferred consideration and an estimated net working capital payment.

On November 1, 2017, CACI Limited acquired 100 percent of the outstanding shares of a London-based software and mapping data company. The acquired company provides geographical information systems, logistics and route optimization software and related map data. The purchase consideration was approximately $7.5 million, which includes initial cash payments, deferred consideration and an estimated net working capital payment.

Year Ended June 30, 2017

On October 1, 2016, CACI Limited acquired a business in the United Kingdom that provides outsourced database managed services and associated database segmentation and analytics for large corporate customers. The purchase consideration for this business was approximately $2.8 million, which includes initial cash payments, deferred consideration and contingent consideration to be paid upon achieving certain metrics.

NOTE 5. ACCOUNTS RECEIVABLE

Total accounts receivable, net of allowance for doubtful accounts of $4.2 million, $3.7 million, and $3.6 million at June 30, 2019, 2018, and 2017, respectively, consisted of the following (in thousands):

	June 30, 2019	June 30, 2018
Billed receivables	$ 638,135	$ 625,336
Billable receivables	141,632	129,183
Unbilled receivables	90,073	52,352
Total accounts receivable, current	869,840	806,871
Unbilled receivables, long-term	7,381	8,620
Total accounts receivable	$ 877,221	$ 815,491

NOTE 6. GOODWILL

The changes in the carrying amount of goodwill for the years ended June 30, 2019 and 2018 are as follows (in thousands):

	Domestic	International	Total
Balance at June 30, 2017	$ 2,479,496	$ 97,939	$ 2,577,435
Goodwill acquired (1)	35,024	6,867	41,891
Foreign currency translation	—	1,509	1,509
Balance at June 30, 2018	$ 2,514,520	$ 106,315	$ 2,620,835
Goodwill acquired (1)	710,165	9,038	719,203
Foreign currency translation	—	(3,959)	(3,959)
Balance at June 30, 2019	$ 3,224,685	$ 111,394	$ 3,336,079

(1) Includes goodwill initially allocated to new business combinations as well as measurement period adjustments.

NOTE 7 . INTANGIBLE ASSETS

Intangible assets consisted of the following (in thousands):

	June 30, 2019	June 30, 2018 (1)
Intangible assets		
Customer contracts and related customer relationships	$ 549,552	$ 435,933
Acquired technologies	137,959	13,237
Other	800	804
Intangible assets	688,311	449,974
Less accumulated amortization		
Customer contracts and related customer relationships	(236,935)	(199,018)
Acquired technologies	(14,750)	(8,761)
Other	(511)	(440)
Accumulated amortization	(252,196)	(208,219)
Total intangible assets, net	$ 436,115	$ 241,755

(1) During FY2019 and FY2018, the Company removed $1.5 million and $264.1 million, respectively, in fully amortized intangible assets.

Intangible assets are primarily amortized on an accelerated basis over periods ranging from one to twenty years. The weighted-average period of amortization for customer contracts and related customer relationships as of June 30, 2019 is 16.6 years, and the weighted-average remaining period of amortization is 13.9 years. The weighted-average period of amortization for acquired technologies as of June 30, 2019 is 10.3 years, and the weighted-average remaining period of amortization is 9.9 years.

Amortization expense for the years ended June 30, 2019, 2018 and 2017 was $45.8 million, $38.2 million and $40.7 million, respectively. Expected amortization expense for each of the fiscal years through June 30, 2024 and for years thereafter is as follows (in thousands):

	Amount
Year ending June 30, 2020	$ 57,616
Year ending June 30, 2021	56,467
Year ending June 30, 2022	53,318
Year ending June 30, 2023	48,143
Year ending June 30, 2024	41,401
Thereafter	179,170
Total intangible assets, net	$ 436,115

NOTE 8. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following (in thousands):

	June 30, 2019	June 30, 2018
Equipment and furniture	$ 193,940	$ 152,682
Leasehold improvements	149,935	109,849
Property and equipment, at cost	343,875	262,531
Less accumulated depreciation and amortization	(194,199)	(161,391)
Total property and equipment, net	$ 149,676	$ 101,140

Depreciation expense, including amortization of leasehold improvements, was $36.4 million, $30.7 million and $27.5 million for the years ended June 30, 2019, 2018 and 2017, respectively.

NOTE 9 . ACCRUED COMPENSATION AND BENEFITS

Accrued compensation and benefits consisted of the following (in thousands):

	June 30,	
	2019	2018
Accrued salaries and withholdings	$ 164,631	$ 144,213
Accrued leave	97,832	88,547
Accrued fringe benefits	27,811	26,682
Total accrued compensation and benefits	$ 290,274	$ 259,442

NOTE 10. OTHER ACCRUED EXPENSES AND CURRENT LIABILITIES

Other accrued expenses and current liabilities consisted of the following (in thousands):

	June 30,	
	2019	2018
Vendor obligations	$ 90,238	$ 91,048
Deferred revenue (see Note 12)	55,667	41,744
MARPA Facility payable (see Note 13)	54,567	—
Other	35,139	17,810
Total other accrued expenses and current liabilities	$ 235,611	$ 150,602

NOTE 11. REVENUE RECOGNITION

We disaggregate our revenue arrangements by contract type, customer, and whether the Company performs on the contract as the prime or subcontractor. We believe that these categories allow for a better understanding of the nature, amount, timing, and uncertainty of revenue and cash flows arising from our contracts.

Revenue by Contract Type

The Company generated revenue on our cost-plus-fee, firm fixed-price (including proprietary software product sales), and time-and-materials contracts as follows during the year ended June 30, 2019 (in thousands):

	Year Ended June 30, 2019		
	Domestic	International	Total
Cost-plus-fee	$ 2,764,291	$ —	$ 2,764,291
Firm fixed-price	1,365,052	100,507	1,465,559
Time and materials	700,107	56,384	756,491
Total	$ 4,829,450	$ 156,891	$ 4,986,341

Customer Information

The Company generated revenue from our primary customer groups as follows during the year ended June 30, 2019 (in thousands):

	Year Ended June 30, 2019		
	Domestic	International	Total
Department of Defense	$ 3,489,854	$ —	$ 3,489,854
Federal civilian agencies	1,263,681	—	1,263,681
Commercial and other	75,915	156,891	232,806
Total	$ 4,829,450	$ 156,891	$ 4,986,341

Prime or Subcontractor

The Company generated revenue as either the prime or subcontractor as follows during the year ended June 30, 2019 (in thousands):

	Year Ended June 30, 2019		
	Domestic	International	Total
Prime contractor	$ 4,429,439	$ 156,891	$ 4,586,330
Subcontractor	400,011	—	400,011
Total	$ 4,829,450	$ 156,891	$ 4,986,341

Significant Estimates

The Company uses an estimate at completion (EAC) as the basis to measure progress towards the complete satisfaction of its contractual performance obligations, for each of its contracts in which revenue is recognized using a percentage of completion calculation. The EAC process requires the Company to use professional judgment when assessing risks, estimating contract revenue and costs, estimating variable consideration, and making assumptions for schedule and technical issues. Based on changes in a contract’s EAC, a cumulative adjustment to revenue will be recorded. During the year ended June 30, 2019, we recognized an increase to income before income taxes of $19.7 million ($0.57 per diluted share), from EAC adjustments. The Company used its statutory tax rate when calculating the impact to diluted earnings per share.

The Company records final true-up adjustments to its estimated award or incentive fees in the period in which we receive the customer’s final performance score or when we can determine that more objective, contractually-defined criteria have been fully satisfied. These final true-up adjustments are disclosed as revenue recognized from previously satisfied performance obligations. For the year ended June 30, 2019, the revenue recognized from previously satisfied performance obligations was not material.

Remaining Performance Obligations

The Company’s remaining performance obligations balance as of period end represents the expected revenue to be recognized for the satisfaction of remaining performance obligations on our existing contracts. This balance excludes unexercised contract option years and task orders that may be issued underneath an IDIQ vehicle. Our remaining performance obligations balance as of June 30, 2019 was $6.2 billion.

The Company expects to recognize approximately 77 percent of our remaining performance obligations balance as revenue over the next year and the remaining 23 percent thereafter.

NOTE 1 2 . CONTRACT BALANCES

Contract assets are primarily comprised of conditional unbilled receivables in which revenue has been recognized but an invoice has not yet been issued to the customer as of the balance sheet date. Contract assets exclude billed and billable receivables and are not stated above their net realizable value.

Contract liabilities are primarily comprised of advance payments in which consideration is received in advance of satisfying a performance obligation.

Net contract assets (liabilities) consisted of the following (in thousands):

Description of Contract Related Balance	Financial Statement Classification	June 30, 2019	July 1, 2018 (1)
Contract assets – current:			
Unbilled receivables	Accounts receivable, net	$ 90,073	$ 72,511
Costs to obtain – short-term	Prepaid expenses and other current assets	2,685	2,342
Contract assets – noncurrent:			
Unbilled receivables	Accounts receivable, long-term	7,381	8,620
Costs to obtain – long-term	Other long-term assets	5,353	3,923
Contract liabilities – current:			
Deferred revenue and other contract liabilities	Other accrued expenses and current liabilities	(55,667)	(43,940)
Contract liabilities – noncurrent:			
Deferred revenue and other contract liabilities	Other long-term liabilities	(7,445)	(4,740)
Net contract assets (liabilities)		$ 42,380	$ 38,716

(1) Includes the cumulative effect to the Company's opening balance sheet from the adoption of ASU 2014-09, *Revenue from Contracts with Customers* , using the modified retrospective method.

During FY2019, we recognized $35.5 million that was included in a previously recorded contract liability as of the beginning of the period.

NOTE 13. SALES OF RECEIVABLES

On December 28, 2018, the Company entered into a Master Accounts Receivable Purchase Agreement (MARPA Facility) with MUFG Bank, Ltd. (the Purchaser), for the sale of certain designated eligible U.S. government receivables. The MARPA Facility has an initial term of one-year. Under the MARPA Facility, the Company can sell eligible receivables, including certain billed and unbilled receivables up to a maximum amount of $200.0 million. The Company's receivables are sold under the MARPA Facility without recourse for any U.S. government credit risk.

The Company accounts for receivable transfers under the MARPA Facility as sales under ASC 860, *Transfers and Servicing* , and derecognizes the sold receivables from its balance sheets. The fair value of the sold receivables approximated their book value due to their short-term nature.

The Company does not retain an ongoing financial interest in the transferred receivables other than cash collection and administrative services. The Company estimated that its servicing fee was at fair value and therefore no servicing asset or liability related to these receivables was recognized as of June 30, 2019. Proceeds from the sold receivables are reflected in our operating cash flows on the statement of cash flows.

During the year ended June 30, 2019, the Company sold $1.1 billion of receivables. The amount outstanding as of June 30, 2019 was $192.5 million. As of June 30, 2019, collections not remitted to the Purchaser related to the sold receivables were $54.6 million. This amount represents an obligation to the Purchaser and is included in other accrued expenses and current liabilities in the accompanying consolidated balance sheet.

During the year ended June 3 0 , 2019, the Company incurred purchase discount fees of $ 3.0 million, which are recorded within interest expense and other, net in our accompanying consolidated statements of operations.

MARPA Facility activity consisted of the following (in thousands):

	As of and for the Year Ended June 30, 2019
Beginning balance:	
Sales of receivables	$ 1,126,395
Cash collections	(933,868)
Outstanding balance sold to Purchaser: (1)	192,527
Cash collected, not remitted to Purchaser (2)	(54,567)
Remaining sold receivables	$ 137,960

(1) Represents the increase to cash flows from operations.
(2) Includes the cash collected on behalf of but not yet remitted to the Purchaser as of June 30, 2019. This balance is included in other accrued expenses and current liabilities as of the balance sheet date.

NOTE 14. LONG-TERM DEBT

Long-term debt consisted of the following (in thousands):

	June 30, 2019	June 30, 2018
Bank credit facility – term loans	$ 891,475	$ 938,394
Bank credit facility – revolver loans	785,000	135,000
Principal amount of long-term debt	1,676,475	1,073,394
Less unamortized discounts and debt issuance costs	(11,462)	(11,054)
Total long-term debt	1,665,013	1,062,340
Less current portion	(46,920)	(46,920)
Long-term debt, net of current portion	$ 1,618,093	$ 1,015,420

Bank Credit Facility

The Company has a $2,438.4 million credit facility (the Credit Facility), which consists of a $1,500.0 million revolving credit facility (the Revolving Facility) and a $938.4 million term loan (the Term Loan). The Revolving Facility has sub-facilities of $100.0 million for same-day swing line loan borrowings and $25.0 million for stand-by letters of credit. At any time and so long as no default has occurred, the Company has the right to increase the Revolving Facility or the Term Loan in an aggregate principal amount of up to the greater of $500.0 million or an amount subject to 3.50 times senior secured leverage, calculated assuming the Revolving Facility is fully drawn, with applicable lender approvals. The Credit Facility is available to refinance existing indebtedness and for general corporate purposes, including working capital expenses and capital expenditures.

The Revolving Facility is a secured facility that permits continuously renewable borrowings of up to $1,500.0 million. As of June 30, 2019, the Company had $785.0 million outstanding under the Revolving Facility and no borrowings on the swing line. The Company pays a quarterly facility fee for the unused portion of the Revolving Facility.

The Term Loan is a five-year secured facility under which principal payments are due in quarterly installments of $11.7 million until the balance is due in full on June 30, 2024. As of June 30, 2019, the Company had $891.5 million outstanding under the Term Loan.

The interest rates applicable to loans under the Credit Facility are floating interest rates that, at the Company's option, equal a base rate or a Eurodollar rate plus, in each case, an applicable rate based upon the Company's consolidated total leverage ratio. As of June 30, 201 9 , the effective interest rate, including the impact of the Company's floating-to-fixed interest ra te swap agreements and excluding the effect of amortization of debt financing costs, for the outstanding borrowings under the Credit Facility was 3.81 percent.

The Credit Facility requires the Company to comply with certain financial covenants, including a maximum total leverage ratio and a minimum interest coverage ratio. The Credit Facility also includes customary negative covenants restricting or limiting the Company's ability to guarantee or incur additional indebtedness, grant liens or other security interests to third parties, make loans or investments, transfer assets, declare dividends or redeem or repurchase capital stock or make other distributions, prepay subordinated indebtedness and engage in mergers, acquisitions or other business combinations, in each case except as expressly permitted under the Credit Facility. As of June 30, 2019, the Company was in compliance with all of the financial covenants. A majority of the Company's assets serve as collateral under the Credit Facility.

All debt issuance costs are being amortized from the date incurred to the expiration date of the Credit Facility.

Cash Flow Hedges

The Company periodically uses derivative financial instruments as part of a strategy to manage exposure to market risks associated with interest rate fluctuations. The Company has entered into several floating-to-fixed interest rate swap agreements for an aggregate notional amount of $900.0 million which hedge a portion of the Company's floating rate indebtedness. The swaps mature at various dates through 2026. The Company has designated the swaps as cash flow hedges. Unrealized gains are recognized as assets while unrealized losses are recognized as liabilities. The interest rate swap agreements are highly correlated to the changes in interest rates to which the Company is exposed. Realized gains and losses in connection with each required interest payment are reclassified from accumulated other comprehensive income or loss to interest expense. The Company does not hold or issue derivative financial instruments for trading purposes.

The effect of derivative instruments in the consolidated statements of operations and accumulated other comprehensive loss for the years ended June 30, 2019, 2018 and 2017 is as follows (in thousands):

	Interest Rate Swaps		
	2019	**2018**	**2017**
Gain (loss) recognized in other comprehensive income	$ (14,011)	$ 6,344	$ 6,872
Amounts reclassified to earnings from accumulated other comprehensive loss	(3,903)	1,129	7,715
Net current period other comprehensive income (loss)	$ (17,914)	$ 7,473	$ 14,587

The aggregate maturities of long-term debt at June 30, 2019 are as follows (in thousands):

Year ending June 30,	
2020	$ 46,920
2021	46,920
2022	46,920
2023	46,920
2024	1,488,795
Principal amount of long-term debt	1,676,475
Less unamortized discounts and debt issuance costs	(11,462)
Total long-term debt	$ 1,665,013

NOTE 1 5 . LEASES

The Company conducts its operations from leased office facilities, all of which are classified as operating leases and expire over the next 11 years. Future minimum lease payments due under non-cancelable leases as of June 30, 2019, are as follows (in thousands):

Year ending June 30:		
2020	$	81,027
2021		72,331
2022		63,655
2023		54,056
2024		43,691
Thereafter		132,792
Total minimum lease payments	$	447,552

The minimum lease payments above are shown net of sublease rental income of $4.4 million scheduled to be received over the next four years under non-cancelable sublease agreements.

Rent expense incurred under operating leases for the years ended June 30, 2019, 2018, and 2017 totaled $79.0 million, $68.0 million, and $76.2 million, respectively.

NOTE 16. OTHER LONG-TERM LIABILITIES

Other long-term liabilities consisted of the following (in thousands):

	June 30,			
	2019		2018	
Deferred rent, net of current portion	$	41,427	$	32,768
Interest rate swap agreements		12,264		—
Deferred and contingent acquisition consideration		6,510		11,000
Deferred revenue		7,445		4,642
Accrued post-retirement obligations		5,982		5,651
Long-term incentive compensation		13,085		11,935
Reserve for unrecognized tax benefits (see Note 19)		1,544		4,195
Transition tax		4,472		8,128
Other		15,203		6,868
Total other long-term liabilities	$	107,932	$	85,187

Deferred rent liabilities result from recording rent expense and incentives for tenant improvements on a straight-line basis over the life of the respective lease.

Accrued post-retirement obligations include projected liabilities for benefits the Company is obligated to provide under long-term care, group health, and executive life insurance plans, each of which is unfunded. Plan benefits are provided to certain current and former executives, their dependents and other eligible employees, as defined. Post-retirement obligations also include accrued benefits under supplemental retirement benefit plans covering certain executives. The expense recorded under these plans was $0.4 million during the year ended June 30, 2019 and $0.4 million during the year ended June 30, 2018, respectively.

The Company has entered into floating-to-fixed interest rate swap agreements related to a portion of the Company’s floating rate indebtedness (see Note 14). See Note 22 for fair values of the swap agreements as of June 30, 2019 and 2018.

NOTE 1 7 . BUSINESS SEGMENT, CUSTOMER AND GEOGRAPHIC INFORMATION

Segment Information

The Company reports operating results and financial data in two segments: domestic operations and international operations. Domestic operations provide information solutions and services to its customers. Its customers are primarily U.S. federal government agencies. Other customers of the Company's domestic operations include commercial enterprises. The Company places employees in locations around the world in support of its customers. International operations offer services to both commercial and non-U.S. government customers primarily within the Company's business systems and enterprise IT markets. The Company evaluates the performance of its operating segments based on net income. Summarized financial information concerning the Company's reportable segments is shown in the following tables.

	Domestic Operations	International Operations (in thousands)	Total
Year Ended June 30, 2019			
Revenue from external customers	$ 4,829,450	$ 156,891	$ 4,986,341
Net income	249,793	15,811	265,604
Net assets	2,206,109	165,357	2,371,466
Goodwill	3,224,685	111,394	3,336,079
Total long-term assets	3,927,783	127,540	4,055,323
Total assets	4,876,399	210,444	5,086,843
Capital expenditures	46,406	1,496	47,902
Depreciation and amortization	81,205	4,672	85,877
Year Ended June 30, 2018			
Revenue from external customers	$ 4,304,602	$ 163,258	$ 4,467,860
Net income	286,024	15,147	301,171
Net assets	1,948,768	158,119	2,106,887
Goodwill	2,514,520	106,315	2,620,835
Total long-term assets	2,975,620	127,395	3,103,015
Total assets	3,829,417	204,789	4,034,206
Capital expenditures	40,639	955	41,594
Depreciation and amortization	67,891	4,305	72,196
Year Ended June 30, 2017			
Revenue from external customers	$ 4,217,488	$ 137,129	$ 4,354,617
Net income	150,271	13,400	163,671
Net assets	1,652,736	140,985	1,793,721
Goodwill	2,479,496	97,939	2,577,435
Total long-term assets	2,912,488	118,692	3,031,180
Total assets	3,716,893	194,189	3,911,082
Capital expenditures	41,832	1,436	43,268
Depreciation and amortization	67,042	4,718	71,760

Interest income and interest expense are not presented above as the amounts attributable to the Company's international operations are insignificant.

Customer Information

The Company earned 95.3 percent, 94.8 percent and 95.1 percent of its revenue from various agencies and departments of the U.S. government for the years ended June 30, 2019, 2018 and 2017, respectively.

NOTE 18. OTHER COMMITMENTS AND CONTINGENCIES

General Legal Matters

The Company is involved in various lawsuits, claims, and administrative proceedings arising in the normal course of business. Management is of the opinion that any liability or loss associated with such matters, either individually or in the aggregate, will not have a material adverse effect on the Company's operations and liquidity.

Government Contracting

Payments to the Company on cost-plus-fee and T&M contracts are subject to adjustment upon audit by the Defense Contract Audit Agency (DCAA) and other government agencies that do not utilize DCAA's services. The DCAA has completed audits of the Company's annual incurred cost proposals for fiscal years 2016 and 2017 and is nearing completion of the incurred cost proposal audits for fiscal year 2018. We are still negotiating the results of prior years' audits with the respective cognizant contracting officers and believe our reserves for such are adequate. In the opinion of management, adjustments that may result from these audits and the audits not yet started are not expected to have a material effect on the Company's financial position, results of operations, or cash flows as the Company has accrued its best estimate of potential disallowances. Additionally, the DCAA continually reviews the cost accounting and other practices of government contractors, including the Company. In the course of those reviews, cost accounting and other issues are identified, discussed and settled.

NOTE 19. INCOME TAXES

The Tax Cuts and Jobs Act (the "TCJA") was enacted on December 22, 2017. Among other things, the TCJA reduced the U.S. federal corporate tax rate from 35.0 percent to 21.0 percent effective on January 1, 2018.

In the second quarter of FY2019 the Company completed its assessment for the income tax effects of the TCJA, including true-up to all provisional amounts previously recorded, within the allowed one-year measurement period provided for under Staff Accounting Bulletin No. 118 on December 22, 2018. During the year ended June 30, 2019, the Company recognized a $2.2 million tax benefit related to the reduction of our provisional calculation of the one-time transition tax liability and a $0.5 million tax benefit related to its final analysis of its deferred tax remeasurement.

The domestic and foreign components of income before provision for income taxes are as follows (in thousands):

	Year Ended June 30,		
	2019	2018	2017
Domestic	$ 308,922	$ 279,360	$ 231,982
Foreign	18,987	19,304	16,637
Income before income taxes	$ 327,909	$ 298,664	$ 248,619

The components of income tax expense (benefit) are as follows (in thousands):

	Year Ended June 30,		
	2019	2018	2017
Current:			
Federal	$ 41,675	$ 56,467	$ 54,425
State and local	17,606	13,006	11,334
Foreign	4,033	5,344	4,041
Total current	63,314	74,817	69,800
Deferred:			
Federal	(27)	(80,395)	13,076
State and local	(877)	3,481	2,917
Foreign	(105)	(410)	(845)
Total deferred	(1,009)	(77,324)	15,148
Total income tax (benefit) expense	$ 62,305	$ (2,507)	$ 84,948

Income tax expense differs from the amounts computed by applying the U.S. federal statutory income tax rate as a result of the following (in thousands):

	Year Ended June 30,		
	2019	2018	2017
Expected tax expense computed at federal statutory rate (1)	$ 68,861	$ 83,805	$ 87,017
State and local taxes, net of federal benefit	13,216	11,860	9,263
Nonincludible and nondeductible items, net	1,971	1,832	1,087
Remeasurement of deferred taxes and transition tax	(2,182)	(86,593)	—
Effect of foreign tax rates	(380)	(1,261)	(2,320)
R&D tax credit	(6,755)	(3,630)	(4,894)
Other tax credits	(2,138)	(2,102)	(1,321)
ASU 2016-09 share-based compensation	(7,493)	(5,388)	(1,390)
Other	(2,795)	(1,030)	(2,494)
Total income tax (benefit) expense	$ 62,305	$ (2,507)	$ 84,948

(1) The U.S. federal statutory income tax rate for FY2019 is 21.0 percent. The federal statutory rate for FY2018 was a blended rate of 28.06 percent due to the TCJA. The federal statutory rate for FY2017 was 35.0 percent.

The tax effects of temporary differences that give rise to deferred taxes are presented below (in thousands):

	June 30,	
	2019	2018
Deferred tax assets:		
Deferred compensation and post-retirement obligations	$ 29,206	$ 27,842
Reserves and accruals	30,205	30,180
Stock-based compensation	9,881	7,793
Deferred rent	4,876	3,750
Interest rate swap	2,688	—
Total deferred tax assets	76,856	69,565
Deferred tax liabilities:		
Goodwill and other intangible assets	(257,762)	(238,020)
Unbilled revenue	(17,640)	(17,363)
Prepaid expenses	(2,974)	(3,991)
Interest rate swap	—	(3,701)
Other	(3,819)	(7,370)
Total deferred tax liabilities	(282,195)	(270,445)
Net deferred tax liability	$ (205,339)	$ (200,880)

The Company is subject to income taxes in the U.S. and various state and foreign jurisdictions. Tax statutes and regulations within each jurisdiction are subject to interpretation and require the application of significant judgment. The Company's consolidated federal income tax returns through June 30, 2014 are no longer subject to audit. The Company is currently under examination by the Internal Revenue Service for year 2015; one state jurisdiction for years 2011 through 2017; and one foreign jurisdiction for years 2011 through 2015. The Company does not expect the resolution of these examinations to have a material impact on its results of operations, financial condition or cash flows.

The effective income tax rate for FY2019 is higher than FY2018 primarily due to the favorable impact of the remeasurement of deferred taxes in FY2018 as a result of the TCJA. In both periods, the effective tax rate was also favorably affected by excess tax benefits from employee share-based payment awards under ASU 2016-09, a benefit from the research and development tax credit, and gains from the change in value of assets invested in corporate-owned life insurance (COLI) policies.

U.S. income taxes have not been provided for undistributed earnings of foreign subsidiaries that have been permanently reinvested outside the United States. As of June 30, 2019, the estimated deferred tax liability associated with these undistributed earnings is approximately $0.9 million.

The Company's total liability for unrecognized tax benefits as of June 30, 201 9 , 201 8 and 201 7 was approximately $ 1.5 million, $ 4.1 million and $ 1.6 million, respectively. Of the unrecognized tax benefits at June 30, 201 9 , 201 8 and 201 7 , $ 1.5 million, $ 4.1 million and $ 1.6 million, respectively, if recognized, would impact the Company's effective tax rate. A reconciliation of the beginning and ending amount of unrecognized benefits is shown in the table below (in thousands):

	Year Ended June 30,		
	2019	2018	2017
Beginning of year	$ 4,122	$ 1,639	$ 398
Additions based on current year tax positions	676	2,483	1,475
Lapse of statute of limitations	(164)	—	(234)
Reductions based on prior tax year positions	(3,104)	—	—
Settlement with taxing authorities	—	—	—
End of year	$ 1,530	$ 4,122	$ 1,639

The Company recognizes net interest and penalties as a component of income tax expense. Over the next 12 months, the Company does not expect a significant increase or decrease in the unrecognized tax benefits recorded at June 30, 2019. As of June 30, 2019, the entire balance of unrecognized tax benefits is included in other long-term liabilities.

NOTE 20. RETIREMENT SAVINGS PLANS

401(k) Plan

The Company maintains a defined contribution plan under Section 401(k) of the Internal Revenue Code, the CACI $MART Plan (the 401(k) Plan). Employees can contribute up to 75 percent (subject to certain statutory limitations) of their total cash compensation. The Company provides matching contributions equal to 50 percent of the amount of salary deferral employees elect, up to 8 percent of each employee's total calendar year cash compensation, as defined. The Company may also make discretionary profit sharing contributions to the 401(k) Plan. Employee contributions vest immediately. Employer contributions vest in full after three- years of employment. Total 401(k) Plan Company contribution expense for the years ended June 30, 2019, 2018, and 2017 were $35.0 million, $27.1 million, and $24.0 million, respectively.

The Company maintains several qualified 401(k) profit-sharing plans (PSP) that cover eligible employees. Employees are eligible to participate in the PSP beginning on the first of the month following the start of employment and attainment of age 18. Under the PSP, the Company may make discretionary contributions based on a percentage of the total compensation of all eligible participants. Company contribution expense for the year ended June 30, 2019, 2018 and 2017 was $32.0 million, $26.3 million and $22.8 million, respectively.

Supplemental Savings Plan

The Company maintains the Supplemental Savings Plan through which, on a calendar year basis, officers at the director level and above can elect to defer for contribution to the Supplemental Savings Plan up to 50 percent of their base compensation and up to 100 percent of their bonuses. The Company provides a contribution of 5 percent of compensation for each participant's compensation that exceeds the limit as set forth in IRC 401(a)(17) (currently $280,000 per year). The Company also has the option to make annual discretionary contributions. Company contributions vest five-years from the date of enrollment, and vesting is accelerated in the event of a change of control of the Company. Participant deferrals and Company contributions will be credited with the rate of return based on the investment options and asset allocations selected by the Participant. Participants may change their asset allocation as often as daily, if they so choose. A Rabbi Trust has been established to hold and provide a measure of security for the investments that finance benefit payments. Distributions from the Supplemental Savings Plan are made upon retirement, termination, death, or total disability. The Supplemental Savings Plan also allows for in-service distributions.

Supplemental Savings Plan obligations due to participants totaled $98.9 million at June 30, 2019, of which $6.7 million is included in accrued compensation and benefits in the accompanying consolidated balance sheet. Supplemental Savings Plan obligations increased by $5.0 million during the year ended June 30, 2019, consisting of $4.8 million of investment gains, $10.3 million of participant compensation deferrals, and $1.6 million of Company contributions, offset by $11.7 million of distributions.

The Company maintains COLI assets in a Rabbi Trust to offset the obligations under the Supplemental Savings Plan. The value of the COLI in the Rabbi Trust was $ 92.7 million at June 30, 201 9 and COLI gains were $ 4.6 million for the year ended June 30, 201 9 . The value of the COLI in the Rabbi Trust was $91. 5 million at June 30, 201 8 and COLI gains were $ 3.5 million for the year ended June 30, 201 8 .

Contribution expense for the Supplemental Savings Plan during the years ended June 30, 2019, 2018, and 2017, was $1.6 million, $1.2 million, and $0.7 million, respectively.

NOTE 21. STOCK PLANS AND STOCK-BASED COMPENSATION

Historically, the Company grants stock options, SSARs, non-performance-based RSUs and performance-based RSUs to key employees. Stock-based compensation expense is recognized on a straight-line basis ratably over the respective vesting periods. Performance-based RSUs are subject to achievement of a performance metric in addition to grantee service. Stock-based compensation expense for performance-based RSUs is recognized on an accelerated basis by treating each vesting tranche as if it was a separate grant. A summary of the components of stock-based compensation expense recognized during the years ended June 30, 2019, 2018, and 2017, together with the income tax benefits realized, is as follows (in thousands):

	Year Ended June 30,		
	2019	2018	2017
Stock-based compensation included in indirect costs and selling expense:			
Restricted stock and RSU expense	$ 25,272	$ 23,628	$ 21,945
Income tax benefit recognized for stock-based compensation	$ 4,865	$ 7,769	$ 7,498

The Company recognizes the effect of expected forfeitures of equity grants by estimating an expected forfeiture rate for grants of equity instruments. Amounts recognized for expected forfeitures are subsequently adjusted periodically and at major vesting dates to reflect actual forfeitures.

The incremental income tax benefits realized upon the exercise or vesting of equity instruments are reported as operating cash flows. During the years ended June 30, 2019, 2018, and 2017, the Company recognized $9.2 million, $6.3 million, and $1.6 million of excess tax benefits, respectively, which have been reported as operating cash inflows in the accompanying consolidated statements of cash flows.

Equity Grants and Valuation

Under the terms of its 2016 Amended and Restated Incentive Compensation Plan (the 2016 Plan), the Company may issue, among others, non-qualified stock options, restricted stock, RSUs, SSARs, and performance awards, collectively referred to herein as equity instruments. The 2016 Plan was approved by the Company's stockholders in November 2016 and amended and restated the 2006 Stock Incentive Plan (the 2006 Plan) which was due to expire at the end of the ten-year period. Grants that were made under the 2006 Plan, and equity instruments granted prior to approval of the 2016 Plan continue to be governed by the terms of the 2006 Plan. During the periods presented all equity instrument grants were made in the form of RSUs.

Annual grants under the 2016 Plan and the 2006 Plan are generally made to the Company's key employees during the first quarter of the Company's fiscal year and to members of the Company's Board of Directors during the second quarter of the Company's fiscal year. With the approval of its Chief Executive Officer, the Company also issues equity instruments to strategic new hires and to employees who have demonstrated superior performance.

Upon the vesting of restricted shares and RSUs, the Company fulfills its obligations under the equity instrument agreements by either issuing new shares of authorized common stock or by issuing shares from treasury. The total number of shares authorized by shareholders for grants under the 2016 Plan and its predecessor plan was 1,200,000 plus any forfeitures from the 2006 Plan. The aggregate number of grants that may be made may exceed this approved amount as forfeited restricted stock and RSUs become available for future grants. As of June 30, 2019, cumulative grants of 592,888 equity instruments underlying the shares authorized have been awarded, and 138,183 of these instruments have been forfeited.

The Company granted performance-based stock awards to key employees in October of 2018 and September of 2017 and 2016. The final number of RSUs that are earned by participants and vest is based on the achievement of a specified EPS for the fiscal year and on the average share price for the 90-day period ended for the following three years. If the 90-day average shar e price of the Company's stock in years one, two and three exceeds the 90-day average share price at the grant date by 100 percent or more the number of shares ultimately awarded could range up to 200 percent of the specified target award. In addition to t he performance and market conditions, there is a service vesting condition that stipulates 50 percent of the award will vest 3 years from the grant date and 50 percent will vest approximately 4 years from the grant date, depending on the award date.

The annual performance-based awards granted for each of the fiscal years presented were as follows:

	Performance-based stock awards granted	Number of additional shares earned under performance-based stock awards
Fiscal year 2019	129,108	—
Fiscal year 2018	185,056	20,116
Fiscal year 2017	193,420	73,065

We account for share-based payments to employees, including grants of employee stock awards and purchases under employee stock purchase plans, in accordance with ASC 718, *Compensation-Stock Compensation,* which requires that share-based payments (to the extent they are compensatory) be recognized in our consolidated statements of operations based on their fair values. The fair value of RSU grants are determined based on the Company's common stock closing price on the date of grant. The fair value of RSUs with market-based vesting features is also measured on the grant date but uses a binomial lattice model.

We determine the fair value of our market-based and performance-based RSUs at the date of grant using generally accepted valuation techniques and the closing market price of our stock. The fair value for the annual grant made in October 2018 was determined using a Monte Carlo simulation model incorporating the following factors: 90-day average stock price at the grant date of $184.96 a share, risk free rate of return of 2.88 percent and expected volatility of 27.76 percent. Stock-based compensation cost is recognized as expense on an accelerated basis over the requisite service period for performance-based awards. The weighted-average fair value of RSUs granted during the years ended June 30, 2019, 2018, and 2017, was $201.27, $146.27, and $104.45, respectively.

The Company also issues equity instruments in the form of RSUs under its Management Stock Purchase Plan (MSPP) and Director Stock Purchase Plan (DSPP). In addition, annual grants are made to members of the Company's Board of Directors in the form of a set dollar value of RSUs. Grants to members of the Board of Directors vest based on the passage of time and continued service as a Director of the Company.

Restricted shares and most non-performance-based RSUs vest in full three years from the date of grant. RSUs granted to the Company's Chief Operating Officer in February 2012 have longer vesting periods.

Changes in the number of unvested restricted stock and RSUs during each of the years in the three-year period ended June 30, 2019, 2018, and 2017, together with the corresponding weighted-average fair values, are as follows:

	Restricted Stock and Restricted Stock Units	
	Number of Shares	Weighted Average Grant Date Fair Value
Unvested at June 30, 2016	873,854	$ 64.79
Granted	256,853	104.45
Vested	(233,296)	65.07
Forfeited	(62,804)	93.12
Unvested at June 30, 2017	834,607	$ 71.20
Granted	276,871	146.27
Vested	(394,293)	66.29
Forfeited	(53,198)	95.03
Unvested at June 30, 2018	663,987	$ 107.96
Granted	274,261	201.27
Vested	(276,626)	61.85
Forfeited	(32,816)	123.55
Unvested at June 30, 2019	628,806	$ 134.10

The total intrinsic value of RSUs that vested during the years ended June 30, 2019, 2018, and 2017 was $53.0 million, $55.2 million and $26.6 million, respectively, and the income tax benefit realized was $10.2 million, $13.3 million and $4.8 million, respectively.

As of June 30, 2019, there was no unrecognized compensation cost related to SSARs and stock options and $42.0 million of unrecognized compensation cost related to restricted stock and RSUs scheduled to be recognized over a weighted-average period of 2.5 years.

Stock Purchase Plans

The Company adopted the 2002 Employee Stock Purchase Plan (ESPP), MSPP and DSPP in November 2002, and implemented these plans beginning July 1, 2003. There are 1,250,000, 500,000, and 75,000 shares authorized for grants under the ESPP, MSPP and DSPP, respectively.

The ESPP allows eligible full-time employees to purchase shares of common stock at 95 percent of the fair market value of a share of common stock on the last day of the quarter. The maximum number of shares that an eligible employee can purchase during any quarter is equal to two times an amount determined as follows: 20 percent of such employee's compensation over the quarter, divided by 95 percent of the fair market value of a share of common stock on the last day of the quarter. The ESPP is a qualified plan under Section 423 of the Internal Revenue Code and, for financial reporting purposes, was amended effective July 1, 2005 so as to be considered non-compensatory. Accordingly, there is no stock-based compensation expense associated with shares acquired under the ESPP. As of June 30, 2019, participants have purchased 1,183,510 shares under the ESPP, at a weighted-average price per share of $57.18. Of these shares, 34,186 were purchased by employees at a weighted-average price per share of $159.30 during the year ended June 30, 2019. During the year ended June 30, 2013, the Company established a 10b5-1 plan to facilitate the open market purchase of shares of Company stock to satisfy its obligations under the ESPP.

The MSPP provides those senior executives with stock holding requirements a mechanism to receive RSUs in lieu of up to 100 percent of their annual bonus. For the fiscal years ended June 30, 2019, 2018, and 2017, RSUs awarded in lieu of bonuses earned were granted at 85 percent of the closing price of a share of the Company's common stock on the date of the award, as reported by the New York Stock Exchange. RSUs granted under the MSPP vest at the earlier of 1) three-years from the grant date, 2) upon a change of control of the Company, 3) upon a participant's retirement at or after age 65, or 4) upon a participant's death or permanent disability. Vested RSUs are settled in shares of common stock. The Company recognizes the value of the discount applied to RSUs granted under the MSPP as stock compensation expense ratably over the three-year vesting period.

Activity related to the MSPP during the year ended June 30, 201 9 is as follows:

		MSPP
RSUs outstanding, June 30, 2018		3,938
Granted		1,560
Issued		(691)
Forfeited		(1,886)
RSUs outstanding, June 30, 2019		2,921
Weighted average grant date fair value as adjusted for the applicable discount	$	125.82

The DSPP allows directors to elect to receive RSUs at the market price of the Company's common stock on the date of the award in lieu of up to 100 percent of their annual retainer fees. Vested RSUs are settled in shares of common stock. There were no DSPP awards outstanding during the year ended June 30, 2019.

NOTE 22. FAIR VALUE OF FINANCIAL INSTRUMENTS

ASC 820, *Fair Value Measurements and Disclosures* , defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. Fair value is the price that would be received to sell an asset or paid to transfer a liability between market participants in an orderly transaction. The market in which the reporting entity would sell the asset or transfer the liability with the greatest volume and level of activity for the asset or liability is known as the principal market. When no principal market exists, the most advantageous market is used. This is the market in which the reporting entity would sell the asset or transfer the liability with the price that maximizes the amount that would be received or minimizes the amount that would be paid. Fair value is based on assumptions market participants would make in pricing the asset or liability. Generally, fair value is based on observable quoted market prices or derived from observable market data when such market prices or data are available. When such prices or inputs are not available, the reporting entity should use valuation models.

The Company's financial assets and liabilities recorded at fair value on a recurring basis are categorized based on the priority of the inputs used to measure fair value. The inputs used in measuring fair value are categorized into three levels, as follows:

- Level 1 Inputs – unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 Inputs – unadjusted quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, inputs other than quoted prices that are observable, and inputs derived from or corroborated by observable market data.
- Level 3 Inputs – amounts derived from valuation models in which unobservable inputs reflect the reporting entity's own assumptions about the assumptions of market participants that would be used in pricing the asset or liability.

The Company's financial instruments measured at fair value included interest rate swap agreements and contingent consideration in connection with business combinations. The following table summarizes the financial assets and liabilities measured at fair value on a recurring basis as of June 30, 2019 and June 30, 2018, and the level they fall within the fair value hierarchy (in thousands):

Description of Financial Instrument	Financial Statement Classification	Fair Value Hierarchy	As of June 30, 2019 Fair Value		As of June 30, 2018 Fair Value	
Contingent consideration	Other accrued expenses and current liabilities	Level 3	$	12,000	$	693
Contingent consideration	Other long-term liabilities	Level 3	$	—	$	11,000
Interest rate swap agreements	Prepaid expenses and other current assets	Level 2	$	—	$	672
Interest rate swap agreements	Other long-term assets	Level 2	$	2,081	$	13,405
Interest rate swap agreements	Other accrued expenses and current liabilities	Level 2	$	43	$	—
Interest rate swap agreements	Other long-term liabilities	Level 2	$	12,264	$	—

The Company entered into interest rate swap agreements to manage its interest rate risk. The valuation of these instruments is determined using widely accepted valuation techniques including discounted cash flow analysis on the expected cash flows of each derivative. This ana lysis reflects the contractual terms of the derivatives, including the period to maturity, and uses observable market-based inputs, including interest rate curves. To comply with the provisions of ASC 820, the Company incorporates credit valuation adjustme nts to appropriately reflect both its own nonperformance risk and the respective counterparty's nonperformance risk in the fair value measurements. Changes in the fair value of the interest rate swap agreements are recorded as a component of accumulated o ther comprehensive income or loss.

Various acquisitions completed during prior fiscal years (see Note 4) contained provisions requiring that the Company pay contingent consideration in the event the acquired businesses achieved certain specified earnings results during the two and three year periods subsequent to each acquisition. The Company determined the fair value of the contingent consideration as of each acquisition date using a valuation model which included the evaluation of the most likely outcome and the application of an appropriate discount rate. At the end of each reporting period, the fair value of the contingent consideration was remeasured and any changes were recorded in indirect costs and selling expenses. During the years ended June 30, 2019 and 2018, this remeasurement resulted in a $1.0 million and $9 thousand net increase to the liability recorded, respectively.

NOTE 23. EARNINGS PER SHARE

Earnings per share and the weighted-average number of diluted shares are computed as follows (in thousands, except per share data):

	Year Ended June 30,		
	2019	2018	2017
Net income	$ 265,604	$ 301,171	$ 163,671
Weighted-average number of basic shares outstanding during the period	24,833	24,616	24,401
Dilutive effect of RSUs after application of treasury stock method	562	639	668
Weighted-average number of diluted shares outstanding during the period	25,395	25,255	25,069
Basic earnings per share	$ 10.70	$ 12.23	$ 6.71
Diluted earnings per share	$ 10.46	$ 11.93	$ 6.53

The calculation of diluted earnings per share for the year ended June 30, 2019 includes the shares underlying the performance-based RSUs granted in October 2018, September 2017 and September 2016.

NOTE 24. QUARTERLY FINANCIAL DATA (UNAUDITED)

This data is unaudited, but in the opinion of management, includes and reflects all adjustments that are normal and recurring in nature, and necessary, for a fair presentation of the selected data for these interim periods. Quarterly condensed financial operating results of the Company for the years ended June 30, 2019 and 2018, are presented below (in thousands except per share data).

	Year Ended June 30, 2019			
	First	Second	Third	Fourth
Revenue	$ 1,165,864	$ 1,181,641	$ 1,264,958	$ 1,373,878
Income from operations	$ 99,600	$ 102,263	$ 94,908	$ 81,096
Net income	$ 78,833	$ 68,596	$ 68,145	$ 50,030
Basic earnings per share	$ 3.19	$ 2.76	$ 2.74	$ 2.01
Diluted earnings per share	$ 3.10	$ 2.71	$ 2.69	$ 1.96
Weighted-average shares outstanding:				
Basic	24,737	24,856	24,866	24,875
Diluted	25,424	25,338	25,348	25,472

	Year Ended June 30, 2018			
	First	Second (1)	Third	Fourth
Revenue	$ 1,085,814	$ 1,087,860	$ 1,124,100	$ 1,170,086
Income from operations	$ 67,304	$ 88,262	$ 104,794	$ 80,340
Net income attributable to CACI	$ 42,046	$ 142,795	$ 64,499	$ 51,831
Basic earnings per share	$ 1.72	$ 5.80	$ 2.62	$ 2.10
Diluted earnings per share	$ 1.67	$ 5.66	$ 2.56	$ 2.05
Weighted-average shares outstanding:				
Basic	24,487	24,622	24,656	24,700
Diluted	25,243	25,211	25,234	25,331

(1) Net income for the second quarter of FY2019 includes a net benefit related to the TCJA. See Note 19.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized, on the 21 st day of August 2019.

CACI International Inc
Registrant

Date: August 21, 2019

By: / s / JOHN MENGUCCI
John Mengucci
President,
Chief Executive Officer and Director
(Principal Executive Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in capacities and on the dates indicated.

Signatures	Title	Date
/s/ JOHN MENGUCCI **John Mengucci**	President, Chief Executive Officer and Director (Principal Executive Officer)	August 21, 2019
/s/ THOMAS A. MUTRYN **Thomas A. Mutryn**	Executive Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)	August 21, 2019
/s/ CHRISTOPHER A. VOCI **Christopher A. Voci**	Senior Vice President, Corporate Controller (Principal Accounting Officer)	August 21, 2019
/s/ DR. J. P. LONDON **Dr. J. P. London**	Chairman of the Board, Executive Chairman	August 21, 2019
/s/ MICHAEL A. DANIELS **Michael A. Daniels**	Director	August 21, 2019
/s/ WILLIAM L. JEWS **William L. Jews**	Director	August 21, 2019
/s/ GREGORY G. JOHNSON **Adm Gregory G. Johnson, USN (Ret.)**	Director	August 21, 2019
/s/ JAMES L. PAVITT **James L. Pavitt**	Director	August 21, 2019
/s/ DR. WARREN R. PHILLIPS **Dr. Warren R. Phillips**	Director	August 21, 2019
/s/ DEBORA A. PLUNKET **Debora A. Plunket**	Director	August 21, 2019
/s/ CHARLES P. REVOILE **Charles P. Revoile**	Director	August 21, 2019
/s/ WILLIAM S. WALLACE **Gen William S. Wallace, USA (Ret.)**	Director	August 21, 2019

Exhibit 10.32

CACI International Inc
Supplemental Executive Retirement Plan

FOR

John S. Mengucci

SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN FOR JOHN S. MENGUCCI

ARTICLE I
Purpose and Qualifications of Plan

1.1 Purpose . The purpose of this Supplemental Executive Retirement Plan (hereinafter, the "Plan") is to provide certain supplemental retirement and other related benefits for the Executive as agreed to by the Company and the Executive. Such benefits are calculated to restore the loss of certain benefits provided to the Executive by his former company, which benefits were reduced in amount due to the Executive's early termination of employment. The benefits reduced are: (i) the former employer's Retirement Program benefit and, (ii) the former employer's Supplemental Retirement Program benefit.

1.2 Qualifications of Plan . The Plan is not intended to meet the qualification requirements of Section 401(a) of the Internal Revenue Code (the "Code"), but is intended to meet the requirements of Code Section 409A and other relevant sections of the American Jobs Creation Act of 2004. The Plan is an unfunded arrangement providing deferred compensation to an eligible employee who is part of a select group of management or highly compensated employees of the Company within the meaning of Sections 201, 301, and 401 of ERISA and exempt from the requirements of Parts 2, 3, and 4 of Title I of ERISA as a "top hat" plan.

ARTICLE II
Definitions

For the purposes of this Plan, the following terms shall have the meanings indicated:

2.1 Board . "Board" means the Board of Directors of the Company.

2.2 Cause . "Cause" has the same meaning as is defined in the Executive Employment Agreement.

2.3 Change in Control . "Change in Control" has the same meaning as is provided in the CACI 2016 Amended and Restated Incentive Compensation Plan.

2.4 Committee . "Committee" means the Compensation Committee of the Board or other committee designated by the Board to administer the Plan pursuant to Article V.

2.5 Company . "Company" means CACI International Inc.

2.6 Effective Date . "Effective Date" means the date the Plan was executed by the Executive and the Company, whichever is later.

2.7 Employer. "Employer" means the Company and each corporation, trade or business that, together with the Company, is treated as a single employer under Code Section 414(b) or (c).

2.8 Executive. "Executive" means John S. Mengucci (date of birth May 8, 1962).

2.9 Good Reason. "Good Reason" has the same meaning as is defined in the Executive Employment Agreement.

2.10 Internal Revenue Code. "Internal Revenue Code" means the Internal Revenue Code of 1986, or any provision or section thereof herein specifically referred to, as such Code, provision or section may from time to time be amended or replaced. References to the Internal Revenue Code shall incorporate by reference all regulations, rulings, procedures, releases and other position statements issued by the Department of the Treasury or the Internal Revenue Service.

2.11 Full Vesting Date. "Full Vesting Date" means for the purposes of this agreement December 1, 2022.

2.12 Period of Executive Service. "Period of Executive Service" means the number of complete days of continuous Services, measured from the date of this agreement.

2.13 Separation from Service. The Executive incurs a Separation from Service upon termination of employment with the Employer. Whether a Separation from Service has occurred shall be determined by the Committee in accordance with Code Section 409A. Except in the case of a bona fide leave of absence as provided below, the Executive is deemed to have incurred a Separation from Service if the Employer and the Executive reasonably anticipated that the level of services to be performed by the Executive after a date certain would be reduced to 20% or less of the average services rendered by the Executive during the immediately preceding 36-month period (or the total period of employment, if less than 36 months), disregarding periods during which the Employee was on a bona fide leave of absence.

If the Executive is absent from work due to military leave, sick leave, or other bona fide leave of absence, he shall incur a Separation from Service on the first date immediately following the later of (i) the six-month anniversary of the commencement of the leave or (ii) the expiration of the Executive's right, if any, to reemployment under statute or contract.

For purposes of determining whether a Separation from Service has occurred, the Employer means the Employer as defined in Section 2.7 of the Plan, except that for purposes of determining whether another organization is a single employer with the Company, common ownership of at least 50% shall be determinative.

2.14 Services. "Services" means the Executive's ongoing performance of the duties and responsibilities of such executive positions as assigned.

2.15 Specified Employee. Specified Employee means an employee of the Employer who, as of the date of his Separation from Service, is a "key employee" of the Company or any affiliate (within the meaning of Code Section 414(b) or (c)), any stock of which is actively traded on an established securities market or otherwise. An employee is a key employee if he meets the requirements of Code Section 416(i)(1)(A)(i), (ii), or (iii) (applied in accordance with applicable regulations thereunder and without regard to Code Section 416(i)(5)) at any time during the 12-month period ending on the Specified Employee Identification Date. Such employee shall be treated as a key employee for the entire 12-month period beginning on the Specified Employee Effective Date.

For purposes of determining whether an employee is a Specified Employee, the compensation of the employee shall be determined in accordance with the definition of compensation provided under Treas. Reg. Section 1.415(c)-2(d)(2) (wages, salaries, fees for professional services, and other amounts received for personal services actually rendered in the course of employment with the employer maintaining the plan, to the extent such amounts are includible in gross income or would be includible but for an election under section 125(a), 132(f)(4), 402(e)(3), 402(h)(1)(B), 402(k) or 457(b), including the earned income of a self-employed individual); provided, however, that, with respect to a nonresident alien who is not a participant in the Plan, compensation shall not include compensation that is not includible in the gross income of the employee under Code Sections 872, 893, 894, 911, 931 and 933, provided such compensation is not effectively connected with the conduct of a trade or business within the United States.

Notwithstanding anything in this paragraph to the contrary, (i) if a different definition of compensation has been designated by the Company with respect to another nonqualified deferred compensation plan in which a key employee participates, the definition of compensation shall be the definition provided in Treas. Reg. Section 1.409A-1(i)(2), and (ii) the Company may through action that is legally binding with respect to all nonqualified deferred compensation plans maintained by the Company, elect to use a different definition of compensation.

In the event of corporate transactions described in Treas. Reg. Section 1.409A-1(i)6), the identification of Specified Employees shall be determined in accordance with the default rules described therein, unless the Employer elects to utilize the available alternative methodology through designations made within the timeframes specified therein.

2.16 Spouse. "Spouse" means individual legally married to Executive, if any at the time of commencement of payments.

ARTICLE III
Participation

3.1 Eligibility and Participation.

a. Eligibility. Eligibility to participate in the Plan shall be limited to the Executive.

b. Participation . The Executive ' s participation in the Plan was effective upon the Effective Date thereof .

ARTICLE IV
Benefits

4.1 Supplement for Lost Benefit Under Former Company's Retirement Program . Upon the Executive terminating Services for reasons other than for Cause, the Company shall pay to the Executive the sum of ninety-five thousand dollars ($95,000) and, if she survives the Executive, forty-seven thousand five hundred dollars ($47,500) to the Spouse each year until the later of the Executive's death and the Spouse's death, beginning as of the later of (i) the first day of the seventh month after Separation from Service, or (ii) the Full Vesting Date.

4.2 Supplement for Lost Benefit Under Former Company's Supplemental Retirement Program . Upon the Executive terminating Services for reasons other than for Cause, the Company shall pay to the Executive the sum of one hundred seventy-five thousand dollars ($175,000) and, if she survives the Executive, eighty-seven thousand five hundred dollars ($87,500) to the Spouse each year until the later of the Executive's death and the Spouse's death, beginning as of the later of (i) the first day of the seventh month after Separation from Service, or (ii) the Full Vesting Date.

4.3 Reduction in the Event of Early Voluntary Termination Other Than For Good Reason . In the event of a voluntary Separation from Service other than for Good Reason prior to the full vesting date, then the benefit under Section 4.1 shall be reduced by multiplying the benefits payable under Section 4.1 above by a fraction, the numerator of which is the Period of Executive Service completed by the Executive at the time the Executive separates from service or otherwise ceases to be employed in executive Services, and the denominator is the Full Vesting Date. In the event of a voluntary Separation from Service other than for Good Reason prior to the full vesting date, then the benefit under Section 4.2 shall be reduced by multiplying the benefits payable under Section 4.2 above by a fraction, the numerator of which is the Period of Executive Service completed by the Executive at the time the Executive separates from service or otherwise ceases to be employed in executive Services, and the denominator of which is the Full Vesting Date.

4.4 Other Early Termination . In the event of a voluntary Separation from Service for Good Reason, or in the event of an involuntary Separation from Service for reasons other than for Cause prior to the Full Vesting Date, the Executive and the Spouse will be eligible to receive the full benefit defined in Sections 4.1 and 4.2.

4.5 Change in Control . In the event the Executive is involuntarily Separated from Service following a Change in Control, or in the event that the Executive voluntary Separates from Service for Good Reason following a Change in Control, the Executive and the Spouse will be eligible to receive the full benefits defined in Sections 4.1 and 4.2, beginning as of the later of (i) the first day of the seventh month after Separation from Service, or (ii) the Full Vesting Date

4.6 Forfeiture of All Benefits for Termination for Cause. Notwithstanding anything to the contrary, the Executive shall forfeit all benefits under this Plan in the event that the Executive is involuntarily Separated from Service for Cause (whether before or after the Full Vesting Date).

4.7 Death of the Executive Prior to Full Vesting Date. In the event the Executive dies prior to the Full Vesting Date, while employed in Executive Service, the Executive's Spouse, if living at such time, shall receive an amount equal to the benefits that she would have received under Sections 4.1 and 4.2 beginning as of the later of (i) the first day of the seventh month after the Executive's death, or (ii) the Full Vesting Date.

4.8 Commencement of Payments. Payment of any benefits provided under this Article IV shall commence within 90 days of the later of Separation from Service or the attainment of the Full Vesting Date; provided, however, that if the Executive is a Specified Employee as of the date he incurs a Separation from Service, payment of benefits that are payable upon Separation from Service will be made or begin on the earlier of (i) the first day of the seventh month following the month in which such Separation from Service occurs or (ii) the death of the Executive. Subsequent annual payments shall be made on the anniversary date of the operative payment event.

4.9 Withholding; Payroll Taxes. The Company shall withhold from payments hereunder any taxes required to be withheld from such payments under local, state or federal law. The Executive and/or the Spouse may elect not to have withholding of federal income tax pursuant to Section 3405(a)(2) of the Code, or any successor provision thereto.

4.10 Payment to Guardian. If a Plan benefit is payable to a minor or a person declared incompetent or to a person incapable of handling the disposition of property, the Committee may direct payment to the guardian, legal representative or person having the care and custody of such minor, incompetent or person. The Committee may require proof of incompetency, minority, incapacity or guardianship as it may deem appropriate prior to distribution. Such distribution shall completely discharge the Committee and Company from all liability with respect to such benefit.

4.11 Payments Following Death of Executive and the Spouse. No payments shall be made to any person, trust or entity under this Plan after the death of the Executive and the Spouse. No benefits shall be payable under the Plan to anyone other than the Executive and the Spouse (as specifically identified by name in Article I), or their respective guardians, in the event of physical or mental disability.

ARTICLE V
Administration

5.1 Committee; Duties. The Plan shall be administered by the Committee. The Committee shall have the authority to make, amend, interpret, and enforce all appropriate rules and regulations for the administration of the Plan and decide or resolve any and all questions, including interpretations of the Plan, as may arise in such administration. A majority vote of the Committee members shall control any decision.

5.2 Agents. The Committee may, from time to time, employ agents and delegate to them such administrative duties as it sees fit, and may from time to time consult with counsel who may be counsel to the Company.

5.3 Binding Effect of Decisions. The decision or action of the Committee with respect to any question arising out of or in connection with the administration, interpretation and application of the Plan and the rules and regulations promulgated hereunder shall be final, conclusive and binding upon all persons having any interest in the Plan.

5.4 Indemnity of Committee. The Company shall indemnify and hold harmless the members of the Committee against any and all claims, loss, damage, expense or liability arising from any action or failure to act with respect to this Plan on account of such member's service on the Committee, except in the case of gross negligence or willful misconduct.

Article VI
Informal Funding

6.1 General Assets. All benefits in respect of the Executive under this Plan shall be paid directly from the general funds of the Company or a rabbi trust created for the purpose of informally funding the Plan, and other than such rabbi trust, if created, no special or separate fund shall be established and no other segregation of assets shall be made to assure payment. Neither the Executive nor the Spouse shall have any right, title or interest whatever in or to any investments that the Company may make to aid the Company in meeting its obligation hereunder. Nothing contained in this Plan, and no action taken pursuant to its provisions, shall create or be construed to create a trust of any kind, or a fiduciary relationship, between the Company and the Executive or the Spouse. To the extent that any person acquires a right to receive payments from the Company hereunder, such rights are no greater than the right of an unsecured general creditor of the Participating Employer.

6.2 Rabbi Trust. The Company may, at its sole discretion, establish a grantor trust, commonly known as a rabbi trust, as a vehicle for accumulating the assets needed to pay the promised benefit, but the Company shall be under no obligation to establish any such trust or any other informal funding vehicle.

Article VII
Claims Procedure

7.1 Filing a Claim. Any controversy or claim arising out of or relating to the Plan shall be filed with the Committee which shall make all determinations concerning such claim. Any decision by the Committee denying such claim shall be in writing and shall be delivered to the Executive or Spouse filing the claim ("Claimant").

a. <u>In General</u>. Notice of a denial of benefits will be provided within 90 days of the Committee's receipt of the Claimant's claim for benefits. If the Committee determines that it needs additional time to review the claim, the Committee will provide the Claimant with a notice of the extension before the end of the initial 90-day period. The extension will not be more than 90 days from the end of the initial 90-day period and the notice of extension will explain the special circumstances that require the extension and the date by which the Committee expects to make a decision.

b. <u>Contents of Notice</u>. If a claim for benefits is completely or partially denied, notice of such denial shall be in writing and shall set forth the reasons for denial in plain language. The notice shall (1) cite the pertinent provisions of the Plan document and (2) explain, where appropriate, how the Claimant can perfect the claim, including a description of any additional material or information necessary to complete the claim and why such material or information is necessary. The claim denial also shall include an explanation of the claims review procedures and the time limits applicable to such procedures, including a statement of the Claimant's right to bring a civil action under Section 502(a) of ERISA following an adverse decision on review.

7.2 <u>Appeal of Denied Claims</u>. A Claimant whose claim has been completely or partially denied shall be entitled to appeal the claim denial by filing a written appeal with the Board. A Claimant who timely requests a review of the denied claim (or his or her authorized representative) may review, upon request and free of charge, copies of all documents, records and other information relevant to the denial and may submit written comments, documents, records and other information relevant to the claim to the Board. All written comments, documents, records, and other information shall be considered "relevant" if the information (1) was relied upon in making a benefits determination, (2) was submitted, considered or generated in the course of making a benefits decision regardless of whether it was relied upon to make the decision, or (3) demonstrates compliance with administrative processes and safeguards established for making benefit decisions. The Board may, in its sole discretion and if it deems appropriate or necessary, decide to hold a hearing with respect to the claim appeal.

a. <u>In General</u>. Appeal of a denied benefits claim must be filed in writing with the Board no later than sixty (60) days after receipt of the written notification of such claim denial. The Board shall make its decision regarding the merits of the denied claim within sixty (60) days following receipt of the appeal (or within one hundred and twenty (120) days after such receipt, in a case where there are special circumstances requiring extension of time for reviewing the appealed claim). If an extension of time for reviewing the appeal is required because of special circumstances, written notice of the extension shall be furnished to the Claimant prior to the commencement of the extension. The notice will indicate the special circumstances requiring the extension of time and the date by which the Board expects to render the determination on review. The review will take into account comments, documents, records and other information submitted by the Claimant relating to the claim without regard to whether such information was submitted or considered in the initial benefit determination.

b. Contents of Notice. If a benefits claim is completely or partially denied on review, notice of such denial shall be in writing and shall set forth the reasons for denial in plain language. The decision on review shall set forth (a) the specific reason or reasons for the denial, (b) specific references to the pertinent Plan provisions on which the denial is based, (c) a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to and copies of all documents, records, or other information relevant (as defined above) to the Claimant’s claim, and (d) a statement describing any voluntary appeal procedures offered by the plan and a statement of the Claimant’s right to bring an action under Section 502(a) of ERISA.

7.3 Legal Action. A Claimant may not bring any legal action relating to a claim for benefits under the Plan unless and until the Claimant has followed the claims procedures under the Plan and exhausted his or her administrative remedies under such claims procedures.

7.4 Discretion of Committee. All interpretations, determinations and decisions of the Committee with respect to any claim shall be made in its sole discretion, and shall be final and conclusive.

Article VIII
Termination, Suspension or Amendment

8.1 Termination, Suspension or Amendment of Plan. The Company may not terminate, amend or suspend the Plan at any time, in whole or in part, unless such action is done with the written consent of the Executive and the Spouse, if living.

Article IX
Miscellaneous

9.1 Non-assignability. Neither the Executive nor the Spouse shall have any right to commute, sell, assign, transfer, pledge, anticipate, mortgage or otherwise encumber, transfer, hypothecate or convey in advance of actual receipt the amounts, if any, payable hereunder, or any part thereof, which are, and all rights to which are, expressly declared to be unassignable and nontransferable. No part of the amounts payable shall, prior to actual payment, be subject to seizure or sequestration for the payment of any debts, judgments, alimony or separate maintenance owed by the Executive or the Spouse or any other person, nor be transferable by operation of law in the event of the Executive’s, the Spouse’s, or any other person's bankruptcy or insolvency.

9.2 Not a Contract of Employment. This Plan shall not constitute a contract of employment between Company and the Executive. Nothing in this Plan shall give the Executive the right to be retained in the service of Company or to interfere with the right of Company to discipline or discharge the Executive at any time.

9.3 Protective Provisions. The Executive shall cooperate with Company by furnishing any and all information requested by Company in order to facilitate the payment of benefits hereunder, and by taking such physical examinations as Company may deem necessary and by taking such other action as may be requested by Company.

9.4 Governing Law. The provisions of this Plan shall be construed and interpreted according to the laws of the Commonwealth of Virginia except as preempted by federal law.

9.5 Validity. If any provision of this Plan shall be held illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining parts hereof, but this Plan shall be construed and enforced as if such illegal and invalid provision had never been inserted herein.

9.6 Notice. Any notice or filing required or permitted under the Plan shall be sufficient if in writing and hand delivered or sent by registered or certified mail. Such notice shall be deemed given as of the date of delivery or, if delivery is made by mail, as of the date shown on the postmark on the receipt for registration or certification. Mailed notice to the Committee shall be directed to the Company's address. Mailed notice to the Executive or the Spouse shall be directed to the individual's last known address in Company's records.

9.7 Successors. The provisions of this Plan shall bind and inure to the benefit of Company and its successors and assigns. The term successors as used herein shall include any corporate or other business entity which shall, whether by merger, consolidation, purchase or otherwise acquire all or substantially all of the business and assets of Company, and successors of any such corporation or other business entity.

9.8 Compliance with Section 409A. All payments under this Plan shall be made in conformance with the provisions of Section 409A of the Internal Revenue Code. To the extent that any provision of this Plan is subject to more than one interpretation or construction, such ambiguity shall be resolved in favor of that interpretation or construction which is consistent with the provision complying with the applicable provisions of Section 409A of the Internal Revenue Code (including, but not limited to the requirement that any payment made on account of the Executive’s Separation from Service shall not be made earlier than the first business day of the seventh month following the Executive’s Separation from Service, or if earlier the date of death of the Executive). Any payment that is delayed in accordance with the foregoing sentence shall be made on the first business day following the expiration of such six (6) month period.

9.9 Tax Consequences of Payments. The Executive understands and agrees that the Company makes no representations as to the tax consequences of any benefits provided hereunder (including, without limitation, under Section 409A of the Internal Revenue Code). The Executive (or the Executive’s Spouse) is solely responsible for any and all income, excise or other taxes imposed on the Executive or the Spouse with respect to any benefits provided hereunder.

IN WITNESS WHEREOF, the undersigned executed this Plan as of the 3rd day of June , 2019.

CACI INTERNATIONAL INC:

By: /s/ J. William Koegel, Jr.

Its: Exec. Vice President, General Counsel

Dated: June 3, 2019

EXECUTIVE:

/s/ John S. Mengucci

John S. Mengucci

Dated: June 3, 2019

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (the "Agreement") is executed effective as of the 1st day of July , 2019 (the "Effective Date"), by and between CACI International Inc, a Delaware corporation (the "Company"), and John Mengucci (the "Executive").

RECITALS

The Company wishes to employ the Executive as its President and Chief Executive Officer. The parties agree that it is in the best interests of the Company and the Executive to enter into this employment agreement setting forth the terms of the Executive's employment.

Accordingly, in consideration of the mutual understandings contained in this Agreement, the parties hereto, intending to be legally bound, agree as follows:

1. **Employment of Executive; Duties and Status .**

(a) The Company hereby agrees to engage the Executive as the President and Chief Executive Officer of the Company during the "Employment Period" (as defined in Section 2 hereof), and the Executive hereby accepts such employment, all on the terms and conditions set forth in this Agreement. During the Employment Period, the Executive shall (i) have responsibility for the active management of the Company and general supervision and direction of the affairs of the Company, (ii) provide leadership, by the Executive's words and actions, both within the Company and outside the Company, in promoting the Company's culture and reputation for observing the highest ethical standards, with honesty and integrity, in the conduct of the Company's business, and serve as a role model to the employees and the third parties the Company works with in doing business the right way, (iii) have such duties, obligations and responsibilities as are customarily performed by chief executive officers of companies of like size and type as the Company or are imposed by applicable law, including, without limitation, the Sarbanes-Oxley Act of 2002, as amended and in effect from time to time (the "Sarbanes-Oxley Act"), (iv) have such other authority and perform such other executive duties (including, without limitation, serving as an officer of an "Affiliate" (as defined in Section 4(d) hereof) of the Company), as shall be assigned to the Executive by the Executive Chairman or the Board of Directors of the Company (the "Board"), (v) administer such other business affairs of the Company as shall reasonably be assigned to the Executive by the Executive Chairman or Board, and (vi) for all matters of the Company in the Executive's capacity of the Chief Executive Officer, the Executive shall report to the Executive Chairman and the Board. For purposes of Section 302 of the Sarbanes-Oxley Act the Executive will be deemed to be the principal executive officer and for purposes of 906 of Sarbanes-Oxley Act the Executive will be deemed to be the principal chief executive officer and the Executive acknowledges his responsibility to comply with the certification requirements of the Sarbanes-Oxley Act.

(b) The Executive agrees that, at all times, the Executive shall act in a manner consistent with his fiduciary obligations to the Company, and otherwise comply with the Company's Standard of Ethics and Business Conduct, as the same may be amended and in effect from time to time and timely provided to the Executive (the “Standards of Conduct”). In addition, the Executive shall comply with all laws, rules and regulations that are generally applicable to the Company and its employees, directors and officers, shall avoid any conduct that adversely affects the reputation of the Executive or the Company, and the Executive shall perform all services in accordance with the policies, procedures and rules established by the Company and the Board.

(c) During the Employment Period, the Executive shall be a full-time employee of the Company and shall devote all business time and energies to the Company. The Executive shall, however, be entitled to devote a reasonable amount of time to supervising his personal investments and other personal affairs.

(d) The Executive shall avoid diluting his energies by engaging in outside commitments to other companies or organizations that require efforts that, either directly or indirectly, reduce the focus, concentration and amount of time Executive devotes to the Company. Therefore, with the exception of membership with professional/industry associations that directly relate to Executive’s job, and that do not have leadership responsibilities, and participation with not for profit charitable or community service entities whose primary activities take place outside of normal working hours, Executive shall not be affiliated with any entities outside of the Company without first receiving approval from the Corporate Governance and Nominating Committee of the Company’s Board of Directors.

(e) The Executive agrees that during the Employment Period he will maintain his legal residence within fifty (50) miles of the current location of the main office of the Company, which is at 1100 N. Glebe Road, Arlington, Virginia 22201.

(f) The Board shall establish criteria for measuring the Executive’s performance as President and Chief Executive Officer and shall review and assess the Executive’s performance in accordance with such criteria at least annually. The Executive Chairman or the Board shall advise the Executive of the Board’s performance assessment.

(g) The Executive shall promptly notify the General Counsel, the Executive Chairman, and the Lead Independent Director of the Board upon his receipt of an email, letter or other written communication from the Securities and Exchange Commission (“SEC”). In addition, the Executive shall take reasonable steps to ensure that the General Counsel provides to the Executive Chairman and the Lead Independent Director of the Board an advance copy of any written communication responding to an SEC communication.

(h) The Company shall use its best efforts to cause Executive to be appointed to the Board as a director effective as of July 1, 2019, and to include Executive in the Board’s slate of nominees for election as a director at the annual meeting of the Company’s shareholders immediately following the Effective Date (the “Annual Meeting”) and shall recommend to the shareholders that Executive be elected as a director of the Company at the Annual Meeting. The Company has no further obligations to Executive with respect to Executive’s appointment or election to the Board subsequent to the Annual Meeting or otherwise. Immediately upon (i) the termination of the Employment Period for any reason; (ii) termination of the Executive’s employment with the Company for any reason: or (iii) Executive’s provision of any notice to the Company in accordance with Section 5 hereof, whichever occurs first, Executive shall resign all positions then held as a director of the Company and of any subsidiary, parent or affiliated entity of the Company.

2. **Term of Employment** . Pursuant to Section 5 hereof, the Executive's employment hereunder shall continue until terminated (i) by Executive's resignation without Good Reason; (ii) due to Executive's death or disability; (iii) by Executive's resignation for Good Reason; (iv) by the Company by terminating Executive's employment hereunder without Good Cause or (v) by the Company by terminating Executive's employment for Good Cause (the Employment Period). Except as otherwise provided herein, any termination of the Employment Period by the Company or the Executive shall be effective as specified in a written notice from the terminating party ("Notice of Termination").

3. **Compensation and General Benefits** .

(a) **Base Salary** . The Company agrees to pay to the Executive an annual base salary of $950,000 (such base salary, as adjusted from time to time, is referred to herein as the "Base Salary"). The Executive's Base Salary, less amounts required to be withheld under applicable law, shall be payable in equal installments in accordance with the practice of the Company in effect from time to time for the payment of salaries to executives of the Company, but in no event less frequently than monthly. The Executive's Base Salary shall be reviewed annually by the Compensation Committee and the Board in connection with the Executive's performance review.

(b) **Annual Incentive** . During the Employment Period, the Executive shall be eligible to participate in any annual incentive or bonus plan, including a LTIP, maintained by the Company for its senior executives (the "Incentive Plan"). The Executive's award under such plan will be determined by the Compensation Committee and approved by the Board from time to time. The Executive's award under such plan will be based on the achievement of strategic performance metrics established by the Compensation Committee and approved by the Board.

(c) **Expenses** . During the Employment Period, the Executive shall be entitled to cause payment by, or to receive prompt reimbursement from, the Company for all reasonable and necessary expenses incurred by the Executive in performing the duties required hereunder on behalf of the Company. All payments and reimbursements by the Company pursuant to this Section 3(c) shall be subject to, and consistent with, the Company's policies for expense payment and reimbursement, as in effect from time to time. Such payment or reimbursement shall be made on or before March 15 th following the close of the calendar year in which the expense or liability was incurred. To the extent that payment or reimbursement is based on claims, bills, invoices or other documentation that the Executive is required to submit to the Company, such documentation must be submitted by the Executive on or before March 1 st following the close of the calendar year in which the expense or liability was incurred. Amounts which are not submitted within the required timeframe shall not be eligible for payment or reimbursement hereunder.

(d) **Fringe Benefits** .

(i) **Company Plans** . During the Employment Period, in addition to any amounts to which the Executive may be entitled pursuant to the other provisions of this Section 3 or elsewhere herein, the Executive shall be entitled to participate in, and to receive benefits under, any deferred compensation plan (funded solely by elective deferrals by the Executive), qualified retirement plan, profit-sharing plan, savings plan, group life, disability, sickness, accident and health insurance programs, or any other similar benefit plan or arrangement generally made available by the Company to its senior executive employees, subject to and on a basis consistent with the terms, conditions and overall administration of each such plan or arrangement. The Executive may also participate in any long - term incentive, equity or other non qualified deferred compensation plan on such terms and on such conditions as may be established by the Board or the Compensation Committee. The award of any additional incentive under this Section 3(d)(i) shall be separate and distinct from the right of the Executive to receive the annual incentive or bonus payment from the Company described in Section 3(b).

(ii) **SERP** . On the Effective Date, the Executive shall be a participant in the Company's Supplemental Employee Retirement Plan and the Company shall pay to the order of the Executive or, in the case of his death, to his designated beneficiary, a supplemental retirement benefit in accordance with the Supplemental Employee Retirement Plan adopted by the Company.

(iii) **Leave .** The Executive shall be entitled to paid annual leave during the Employment Period in accordance with the Company's leave policy for senior executives. Leave shall accrue monthly during the Employment Period (based on a full year). In addition, the Executive shall be entitled to all paid holidays given by the Company to its senior executives. The extent to which the Executive may receive payment for unused annual leave at the end of the Employment Period shall be determined in accordance with the Company's policies for its senior executives.

(iv) **Office .** During the Employment Period, the Company shall provide the Executive with an office of a size and with furnishings and other appointments commensurate with the Executive's office at the Company on the Effective Date, and full-time secretarial and administrative assistance and the support staff necessary in order to perform his duties hereunder.

4. **Covenants of the Executive .**

(a) **No Conflicts .** The Executive represents and warrants to the Company that the Executive is not subject to any contract, agreement, judgment, order or decree of any kind, or any restrictive agreement of any character, that restricts the Executive's ability to perform his obligations under this Agreement or that would be breached by the Executive upon his performance of his duties pursuant to this Agreement. The Executive also understands that as a condition of his employment as the President and Chief Executive Officer of the Company, he must secure and maintain appropriate security clearances and he represents and warrants that he is not aware of any reason he should not be able to secure and maintain such security clearances.

(b) **Company Stock .**

(i) **Stock Holding Requirement .** The Executive shall maintain compliance with the stock holding requirements for his position as set forth in the CACI Management Stock Ownership Guidelines, which is administered by the Compensation Committee of the Board.

(ii) **Transactions in Company Stock .** The Executive shall notify the Executive Committee of the Board when he intends to buy or sell Company stock, prior to any transaction. The Company recommends that the Executive adopt a 10b5-1 Plan with respect to his transactions in Company stock.

(c) **Confidentiality; Intellectual Property** .

(i) The Executive recognizes and acknowledges that (i) the Executive's employment with the Company has provided (and in the future, will provide) the Executive with access to "Trade Secrets" or "Confidential or Proprietary Information" (each, as defined in Section 4(e) hereof), (ii) the Company is engaged in a highly competitive enterprise, so that any unauthorized disclosure or unauthorized use by the Executive of the Trade Secrets or Confidential or Proprietary Information protected under this Agreement, or any unauthorized competition, whether during his employment with the Company or after its termination, would cause immediate, substantial and irreparable injury to the business and goodwill of the Company, (iii) the Company's Trade Secrets and Confidential and Proprietary Information was developed by the Company at considerable expense, that this information is a valuable Company asset and part of its goodwill, that this information is vital to the Company's success and is the sole property of the Company, and (iv) the Company's business interests require a confidential relationship between the Company and the Executive and the fullest practical protection and confidential treatment of all Trade Secrets and Confidential or Proprietary Information. Accordingly, the Executive agrees that, except (A) as required by law, Governmental Authority or court order, or (B) in the good faith furtherance of the business of the Company, the Executive will keep confidential and will not publish, make use of, or disclose to anyone (or aid others in publishing, making use of, or disclosing to anyone), in each case, other than the Company or any Persons designated by the Company, or otherwise "Misappropriate" (as defined in Section 4(e) hereof) any Trade Secrets or Confidential or Proprietary Information at any time. The Executive's obligations hereunder shall continue during the Employment Period and thereafter for so long as such Trade Secrets or Confidential or Proprietary Information remain Trade Secrets or Confidential or Proprietary Information.

(ii) The Executive acknowledges and agrees that:

(A) All Trade Secrets and Confidential or Proprietary Information shall be "Trade Secrets" (as defined under the Uniform Trade Secrets Act) of the Company and/or its Affiliates, as the case may be;

(B) The Executive occupies a unique position within the Company, and he is and will be intimately involved in the development and/or implementation of Trade Secrets and Confidential or Proprietary Information;

(C) In the event the Executive breaches Section 4(c) hereof with respect to any Trade Secrets or Confidential or Proprietary Information, such breach shall be deemed to be a Misappropriation of such Trade Secrets or Confidential or Proprietary Information; and

(D) Any Misappropriation of Trade Secrets or Confidential or Proprietary Information will result in immediate and irreparable harm to the Company.

(iii) The Executive recognizes that the Company has received, and in the future will receive, "Information" (as defined in Section 4(e) hereof) from Persons subject to a duty on the Company's part to maintain the confidentiality of such Information and to use it only for certain limited purposes. Without limiting anything in Section 4(c)(i) hereof, the Executive agrees that he owes the Company and such Persons, during the Employment Period and thereafter, a duty to hold all such Information in the strictest confidence and, except with the prior written authorization of the Company, or as required by law, Governmental Authority or court order, not to disclose such Information to any Person (except as necessary in carrying out the Executive's duties for the Company consistent with the Company's agreement with such Person) or to use it for the benefit of anyone other than for the Company or such Person (consistent with the Company's agreement with such Person).

(iv) All memoranda, notes, lists, records and other documents or papers (and all copies thereof), including but not limited to, such items stored in computer memories, on microfiche, electronically, or by any other means, made or compiled by or on behalf of the Executive, or made available to the Executive or in the Executive's possession concerning or in any way relating to the conduct of the business of the Company or any of its Affiliates, are and shall be the property of the Company or such Affiliate and shall be delivered to the Company promptly upon the Company's request following the termination of the Executive's employment with the Company or at any other time on request. The Executive acknowledges and stipulates that all Electronic Equipment (as defined in Section 4(e) hereof) of the Company or any Affiliate are the sole property of the Company or such Affiliate, and that any information transmitted by, received from, or stored in such Electronic Equipment is also the property of the Company or such Affiliate. Executive agrees that, after his termination of employment, he shall not, directly or indirectly, for himself or for any other person or entity, use, access, copy, or retrieve, or attempt to use, access, copy, or retrieve, any of the Electronic Equipment of the Company or any Affiliate or any information on the Equipment of the Company or an Affiliate.

(v) "Work Product" (as defined in Section 4(e) hereof) relating to any work performed by or assigned to the Executive during, and in connection with, his employment with the Company, shall belong solely and exclusively to the Company.

(vi) From time to time, at the reasonable request of the Company, the Executive agrees to disclose promptly to the Company all Work Product and relevant records, which records will remain the sole property of the Company; provided that the Executive shall not have an obligation to disclose Work Product or records hereunder to the extent the Company already has actual knowledge of such Work Product and originals or copies of such records.

(vii) The Executive hereby assigns to the Company, without further consideration, his entire right, title, and interest (throughout the United States and in all foreign countries) in and to all Work Product, whether or not patentable. Should the Company be unable to secure the Executive's signature on any document necessary to apply for, prosecute, obtain, or enforce any patent, copyright, or other right or protection relating to any Work Product, whether due to the Executive's mental or physical incapacity, or the Executive's unavailability for a reasonable period under the circumstances, the Executive hereby irrevocably designates and appoints the Company and each of its duly authorized officers and agents as his agent and attorney-in-fact (such designation and appointment being coupled with an interest), solely for the specific instance in which the Company is unable to secure such signature, to act for and in his behalf and stead, to execute and file any such document, and to do all other lawfully permitted acts to further the prosecution, issuance, and enforcement of patents, copyrights, or other rights or protections with the same force and effect as if executed and delivered by the Executive.

(viii) There is no Information which the Executive wishes to exclude from the operation of this Section 4(c). To the best of the Executive's knowledge, there is no existing contract in conflict with this Agreement or any other contract to assign Information that is now in existence between the Executive and any other Person.

(ix) To the extent that any Work Product incorporates pre-existing material to which the Executive possesses copyright, trade secret, patent, trademark or other proprietary rights, and such rights are not otherwise assigned to the Company herein, the Executive hereby grants to the Company a royalty-free, irrevocable, worldwide, exclusive, perpetual license to make, have made, sell, use and disclose, reproduce, modify, transmit, prepare Derivative Works based on, distribute, perform and display (publicly or otherwise), such material, with full right to authorize others to do so.

(d) **Noncompetition and Nonsolicitation** .

(i) Subject to the provisions of Section 4(d)(iii) hereof, during his period of employment and thereafter for a Restricted Period of two years following termination of his employment , the Executive agrees that he will not, directly or indirectly, on his own behalf or as a partner, owner, officer, director, stockholder, member, employee, agent or consultant of any other Person, within any state (including the District of Columbia), territory, possession or country where the Company conducts business during the Employment Period or during the Restricted Period:

(A) Own, manage, operate, control, be employed by, provide services as a consultant to, or participate in the ownership, management, operation, or control of, any Person engaged in any activity competitive with the Company or any of its Affiliates;

(B) Engage in the business of providing goods or services that are the same as or similar to the goods or services of the Company or any of its Affiliates;

(C) Have any contact with any of the Company's Customers or potential Customers for the purpose of soliciting or inducing (or attempting to solicit or induce) any of the Company's Customers to discontinue or reduce its business with the Company, or any potential Customers not to conduct business with the Company, or any Customer or potential Customer to conduct business with or contract with any other Person that competes with the Company or its Affiliates; or

(D) Persuade or attempt to persuade any supplier, agent, broker, or contractor of the Company or any of its Affiliates to discontinue or reduce its business with the Company (or any prospective supplier, broker, agent, or contractor to refrain from doing business with the Company or any of its Affiliates.

(ii) Subject to the provisions of Section 4(d)(iii) hereof, during a Restricted Period of up to five years, the Executive agrees that he will not, directly or indirectly, on his own behalf or as a partner, owner, officer, director, stockholder, member, employee, agent or consultant of any other Person, within any state (including the District of Columbia), territory, possession or country where the Company conducts business during the Employment Period or during the Restricted Period solicit, hire, or otherwise attempt to establish for any Person, any employment, agency, consulting or other business relationship with any Person who is an employee or consultant of the Company or any of its Affiliates, provided that the prohibition in this Section 4(d)(ii) shall not bar the Executive from soliciting or hiring any former employee or former consultant who at the time of such solicitation or hire had not been employed or engaged by the Company or any of its Affiliates for a period of at least six (6) months, or any other provider of services to the Company or any of its Affiliates, as long as such Person's engagement by the Executive does not interfere or conflict with the provision of services to the Company or an Affiliate by such Person.

(iii) The parties hereto acknowledge and agree that, notwithstanding anything in Section 4(d)(i) or (ii) hereof the Executive may own or hold, solely as passive investments, securities of Persons engaged in any business that would otherwise be included in Section 4(d)(i) or (ii), as long as with respect to each such investment, the securities held by the Executive do not exceed five percent (5%) of the outstanding securities of such Person and such securities are publicly traded and registered under Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"); provided, that in the case of investments otherwise permitted under this clause, the Executive shall not be permitted to, directly or indirectly, participate in, or attempt to influence, the management, direction or policies of (other than through the exercise of any voting rights held by the Executive in connection with such securities), or lend the Executive's name to, any such Person.

(e) **Definitions .** For purposes of this Agreement, the following terms shall have the following meanings:

(i) **Affiliate** means a Person, whether now or hereafter existing, directly or indirectly controlling or controlled by, or under direct or indirect common control with, such specified Person. For purposes hereof, "control" or any other form thereof, when used with respect to any Person, means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise.

(ii) **Confidential or Proprietary Information** means:

(A) any and all information and ideas in whatever form (including, without limitation, written or verbal form, and including information or data recorded or retrieved by any means, tangible or intangible), whether disclosed to or learned or developed by the Executive, pertaining in any manner to the business of the Company or any of the Company's Affiliates (collectively, "Information") that (a) derives independent economic value, actual or potential, from not being generally known to the public or to other Persons who can obtain economic value from its disclosure or use, and (b) is the subject of efforts by the Company and/or its Affiliates that are reasonable under the circumstances to maintain its secrecy; and

(B) any and all other Information unique to the Company and/or or its Affiliates which has a significant business purpose and is not known or generally available from sources outside of such Persons or typical of industry practice.

(iii) **Customer** means all Persons that have either sought or purchased the Company's goods or services, have contacted the Company for the purpose of seeking or purchasing the Company's goods or services, or have been contacted by the Company for the purpose of selling its goods and services during the Executive's employment and for one year prior thereto, and all Persons subject to the control of those Persons. The Customers covered by this Agreement shall include any Customer or potential Customer of the Company at any time during the Executive's employment. In the case of a Governmental Authority, the Customer or potential Customer shall be determined by reference to the specific program offices or activities for which the Company provides (or may reasonably provide) goods or services.

(iv) **Electronic Equipment** means electronic and telephonic communication systems, computers and other business equipment of the Company or any Affiliate including, but not limited to, computer systems, data bases, phone mail, modems, email, Internet access, Web sites, fax machines, techniques, processes, formulas, mask works, source codes, programs, semiconductor chips, processors, memories, disc drives, tape heads, computer terminals, keyboards, storage devices, printers and optical character recognition devices, and any and all components, devices, techniques or circuitry incorporated in any of the above and similar business devices.

(v) **Governmental Authority** means any federal, state, local or other governmental, regulatory or administrative agency, commission, department, board, or other governmental subdivision, court, tribunal, arbitral body or other governmental authority.

(vi) **Information** includes, without limitation, any and all (A) information regarding business strategy, operations and methods of operation including, without limitation, business or strategic plans, plans regarding business acquisitions, mergers, sales or divestures, marketing and sales information, and information regarding Customers, potential Customers, suppliers, manufacturers, distributors, contractors or other business contacts; (B) information regarding products and services including, without limitation, production, distribution, design, development, techniques, processes, software (including, without limitation, designs, programs and codes), and know how; (C) information regarding technology, software, concepts, research, formulae, inventions, techniques, and other work product (of the Executive or any other employee of Company or an Affiliate); (D) financial information including, without limitation, budget, cost and expense information, pricing, revenue, or profit information and/or analysis, statistical information, economic models and forecasts, operating and other financial reports and/or analysis; and (E) human resource information such as compensation policies and schedules, employee recruiting and retention plans, organization charts and personnel data.

(vii) **Misappropriation** , or any form thereof, means:

(A) the acquisition of any Trade Secret or Confidential or Proprietary Information by a Person who knows or has reason to know that the Trade Secret or Confidential or Proprietary Information was acquired by theft, bribery, misrepresentation, breach or inducement of a breach of a duty to maintain secrecy, or espionage through electronic or other means (each, an "Improper Means"); or

(B) the disclosure or use of any Trade Secret or Confidential or Proprietary Information without the express consent of the Company by a Person who (1) used Improper Means to acquire knowledge of the Trade Secret or Confidential or Proprietary Information; or (2) at the time of disclosure or use, knew or had reason to know that his or her knowledge of the Trade Secret or Confidential or Proprietary Information was (a) derived from or through a Person who had utilized Improper Means to acquire it, (b) acquired under circumstances giving rise to a duty to maintain its secrecy or limit its use, or (c) derived from or through a Person who owed a duty to the Company and/or any of its Affiliates to maintain its secrecy or limit its use; or (3) before a material change of his or her position, knew or had reason to know that it was a Trade Secret or Confidential or Proprietary Information and that knowledge of it had been acquired by accident or mistake.

(viii) **Person** means any individual, corporation, partnership, limited liability company, joint venture, association, business trust, joint-stock company, estate, trust, unincorporated organization, or government or other agency or political subdivision thereof, or any other legal or commercial entity.

(ix) **Trade Secrets** means all information of the Company or any of the Company's Affiliates that would be deemed to be "trade secrets" within the meaning of the Uniform Trade Secrets Act.

(x) **Uniform Trade Secrets Act** means the Uniform Trade Secrets Act as promulgated by the United States National Conference of Commissioners on Uniform State Laws or such other or similar statute of any jurisdiction which is found to be applicable to this Agreement, its enforcement or its interpretation.

(f) **Remedies.** The Executive acknowledges and agrees that if the Executive breaches any of the provisions of Section 4 or 5(i) hereof, the Company will suffer immediate and irreparable harm for which monetary damages alone will not be a sufficient remedy, and that, in addition to all other remedies that the Company may have, the Company shall be entitled to seek injunctive relief, specific performance or any other form of equitable relief to remedy a breach or threatened breach of this Agreement (including, without limitation, any actual or threatened Misappropriation) by the Executive and to enforce the provisions of this Agreement. The existence of this right shall not preclude or otherwise limit the applicability or exercise of any other rights and remedies which the Company may have at law or in equity. The Executive waives any and all defenses he may have on the grounds of lack of subject matter jurisdiction or competence of a court to grant the injunctions or other equitable relief provided above and to the enforceability of this Agreement.

(g) **Further Acknowledgements; Severability**.

(i) The Executive recognizes and acknowledges that his experience, skills, education and training are readily transferable and of such breadth that he can employ them to his advantage in many other fields of endeavor, and that consequently, the terms of this Agreement will not unreasonably impair the Executive's ability to engage in business or employment activities.

(ii) The Executive has carefully considered the possible effects on the Executive of the covenants not to compete, the confidentiality provisions, and the other obligations contained in this Agreement, and the Executive recognizes that the Company has made every effort to limit the restrictions placed upon the Executive to those that are reasonable and necessary to protect the Company's legitimate business interests.

(iii) The Executive understands that he may not accept employment with any Person if the nature of his position with such Person will inevitably require or lead to the disclosure of any Trade Secrets or Confidential and Proprietary Information.

(iv) The Executive acknowledges and agrees that the restrictive covenants set forth in this Agreement are reasonable and necessary in order to protect the Company's valid business interests. It is the intention of the parties hereto that the covenants, provisions and agreements contained herein shall be enforceable to the fullest extent allowed by law.

(v) If any covenant, provision, or agreement contained herein is found by a court having jurisdiction to be unreasonable in duration, scope or character of restrictions, or otherwise to be unenforceable, such covenant, provision or agreement shall not be rendered unenforceable thereby, but rather the duration, scope or character of restrictions of such covenant, provision or agreement shall be deemed reduced or modified with retroactive effect to render such covenant, provision or agreement reasonable or otherwise enforceable (as the case may be), and such covenant, provision or agreement shall be enforced as modified. If the court having jurisdiction will not review the covenant, provision or agreement, the parties hereto shall mutually agree to a revision having an effect as close as permitted by applicable law to the provision declared unenforceable. The parties hereto agree that if a court having jurisdiction determines, despite the express intent of the parties hereto, that any portion of the covenants, provisions or agreements contained herein are not enforceable, the remaining covenants, provisions and agreements herein shall be valid and enforceable. Moreover, to the extent that any provision is declared unenforceable, the Company shall have any and all rights under applicable statutes or common law to enforce its rights with respect to any and all Trade Secrets or Confidential or Proprietary Information or unfair competition by the Executive.

5. **Termination** .

(a) **General** . The Company and the Executive understand and agree that the Executive is employed at-will, and either the Executive or the Company can terminate their employment relationship at any time, for any reason or no reason, with or without cause, and with or without notice subject to the provisions of this Section 5.

(b) **Termination Upon Mutual Agreement** . The Company and the Executive may, by mutual written agreement, terminate this Agreement and/or the employment of the Executive at any time.

(c) **Death or Disability of the Executive** .

(i) The employment of the Executive hereunder shall terminate (A) upon the death of the Executive, and (B) at the option of the Company, upon not less than thirty (30) days prior written notice to the Executive or his personal representative or guardian, if the Executive suffers a "Total Disability" (as defined in Section 5(c) (ii) below). Upon termination for death or Total Disability, the Company shall pay to the Executive's guardian or personal representative, as the case may be, in addition to any insurance or disability benefits to which he may be entitled hereunder, the "Accrued Rights" (as defined in Section 5(h) hereof). Notwithstanding the foregoing, to the extent that the payment of any amount under this Section 5(c) on account of the Executive's Total Disability is deemed to constitute deferred compensation for purposes of Section 409A of the Code, and such Total Disability does not constitute a "disability" under Section 409A(a)(2)(C) of the Code, then payment of such amount shall be deferred and made on the first business day following the expiration of the six (6) month period following the Executive's Separation from Service (as defined in Section 6(j)).

(ii) For purposes of this Agreement, "Total Disability" shall mean (A) if the Executive is subject to a legal decree of incompetency (the date of such decree being deemed the date on which such disability occurred), (B) the written determination by a physician selected by mutual agreement of the Executive and the Company that, because of a medically determinable disease, injury or other physical or mental disability, the Executive is unable substantially to perform each of the material duties of the Executive required hereby, and that such disability has lasted for the immediately preceding ninety (90) days and is, as of the date of determination, reasonably expected to last an additional six (6) months or longer after the date of determination, in each case based upon medically available reliable information, or (C) qualification by the Executive for benefits under the Company's long-term disability coverage, if any.

(iii) The date of any legal decree of incompetency or written opinion which is conclusive as to the Total Disability of the Executive shall be deemed the date on which such Total Disability occurred. Any leave on account of illness or temporary disability which is short of Total Disability shall not constitute a breach of this Agreement by the Executive, and in no event shall any party be entitled to terminate this Agreement for Good Cause due to any such leave. All physicians selected hereunder shall be board-certified in the specialty most closely related to the nature of the disability alleged to exist. In conjunction with determining mental and/or physical disability for purposes of this Agreement, the Executive consents to any such examinations which are relevant to a determination of whether he is mentally and/or physically disabled, and which are required by the aforesaid Company physician, and to furnish such medical information as may be reasonably requested, and to waive any applicable physician patient privilege that may arise because of such examination.

(d) **Termination For Good Cause** .

(i) The Company may, upon action of the Board in accordance with Section 5(d) (iii) hereof, terminate the employment of the Executive at any time for "Good Cause" (as defined below).

(ii) For purposes of this Agreement, "Good Cause" means:

(A) A material failure by the Executive to comply with any material obligation imposed by this Agreement (including, without limitation, any violation of Section 4 hereof);

(B) The Executive's continued material failure, after being provided notice specifying the nature of such failure, to comply with a direction of the Executive Chairman or Board with respect to a material act, omission or failure to act on the part of the Executive;

(C) A material breach of the Executive's fiduciary obligations to the Company;

(D) Gross negligence, willful misconduct or willful malfeasance by the Executive in connection with the performance of any material duty for the Company;

(E) A violation by the Executive of any legal requirement or obligation relating to the Company that the Board of Directors, acting in good faith, reasonably determines is likely to have a material adverse impact on the Company (unless the Executive had a reasonable, good faith belief that the act, omission or failure to act in question was not a violation of such legal requirement or obligation);

(F) The Executive's indictment for, conviction of, or plea of guilty or nolo contendere to a felony involving theft, embezzlement, bribery, kickback, fraud, or dishonesty;

(G) Theft, embezzlement, bribery, kickback, or fraud by the Executive in connection with the performance of his duties for the Company;

(H) A material failure to comply with any lawful direction of the Executive Chairman or Board of Directors of the Company;

(I) A material violation of the Company's Standards of Conduct or any other published Company policy; and

(J) Any act, omission or failure to act on the part of the Executive (including an act, omission or failure to act prior to the commencement of the Executive's employment with the Company) that results in the inability of the Executive to secure or maintain security clearances necessary or appropriate to Executive's position as President and Chief Executive Officer and the conduct of the Company's business; and

(K) The misappropriation of any material business opportunity. "Good Cause" shall be based only on material matters and not on matters of minor importance.

(iii) The Executive may be terminated for Good Cause only in accordance with a resolution duly adopted by an absolute majority of the entire number of the non-management directors of the Company finding that, in the good faith opinion of the Board, the Executive engaged in conduct justifying a termination for Good Cause and specifying the particulars of the conduct motivating the Board's decision to terminate the Executive for Good Cause, and provided that the Executive has been provided the time and opportunity to cure any act or omission susceptible to cure as hereinafter provided. Such resolution may be adopted by the Board only after the Board has provided to the Executive (A) advance written notice of a meeting of the Board called for the purpose of determining Good Cause for termination of the Executive, (B) a statement setting forth the alleged grounds for termination, and (C) an opportunity for the Executive, and, if the Executive so desires, the Executive's counsel to be heard before the Board.

Prior to such meeting of the Board, the Executive shall be given a reasonable time period and opportunity to cure any act or omission which the Board, in its reasonable judgment, determines is susceptible of cure. The action required to cure the act or omission, and the time period in which cure must be a ffected, shall be communicated to the Executive in writing. The Board's delay in providing such notice shall not be deemed to be a waiver of any such Good Cause nor does the failure to terminate for one Good Cause prevent any later Good Cause termination for a similar or different reason.

(e) **Termination for Good Reason** .

(i) The Executive may resign, and thereby terminate his employment, within six (6) months following the initial existence of "Good Reason" (as defined below). Following a Change in Control, the Executive may resign for Good Reason within twelve (12) months following the Change in Control Date. Before resigning, the Executive must provide the Company prior written notice to the Company of his intent to resign to for Good Reason. Such notice must be provided at least thirty (30) days' prior to the Executive's resignation date and must specify in reasonable detail the Good Reason for the Executive's resignation. The Company shall have a reasonable opportunity to cure any such Good Reason (that is susceptible of cure) within thirty (30) days after the Company's receipt of such notice. The Executive's delay in providing such notice shall not be deemed to be a waiver of any such Good Reason, nor does the failure to resign for one Good Reason prevent any later Good Reason resignation for a similar or different reason.

(ii) For purposes of this Agreement, what constitutes a "Change of Control" shall have the same meaning as that set forth under the Company's 2016 Amended and Restated Incentive Compensation Plan, as further amended by the Board of Directors, or any subsequent incentive compensation plan adopted by the Board from time to time in their sole discretion.

(iii) For purposes of this Agreement, "Good Reason" means the occurrence of any of the following circumstances without the Executive's written consent:

(A) A material failure by the Company to comply with any material obligation imposed by this Agreement;

(B) The Executive's demotion from the position of President and Chief Executive Officer of the Company (as the parties recognize that any such demotion would be material);

(C) A material diminution in the Executive's authority, duties or responsibilities;

(D) A material diminution in the budget over which the Executive retains authority resulting from an action of the Executive Chairman or the Board not directly related to Company performance; or

(E) A material change in the geographic location at which the Executive must perform his services hereunder, such that the Company requires the Executive to be based (excluding travel responsibilities in the ordinary course of business) at any office or location more than fifty (50) miles from the current location of the main office of the Company, which is at 1100 N. Glebe Road, Arlington, Virginia 22201; or

(F) A material reduction in the Executive's base compensation, or his bonus or benefits opportunities.

(iv) Following the date on which a Change of Control event is legally consummated and legally binding upon the parties (the "Change of Control Date"), Good Reason shall also include the occurrence of any of the following circumstances without the Executive's written consent:

(A) The Executive ceases to be an "Executive Officer" (as such term is defined by the Securities Exchange Act of 1933); or

(B) The failure by any successor to the Company to expressly assume all obligations of the Company under this Agreement.

Notwithstanding anything herein to the contrary, in no event shall any action otherwise meeting the definition of Good Reason under clauses 5(e)(ii) above taken by the Company for Good Cause, constitute, or be deemed to constitute, grounds for Good Reason termination hereunder.

(f) **Resignation other than for Good Reason .** The Executive may resign and thereby terminate his employment under this Agreement at any time upon not less than thirty (30) days' prior written notice.

(g) **Termination without Good Cause .** The Company may, for any or no reason, terminate the employment of the Executive under this Agreement at any time upon not less than thirty (30) days' prior written notice.

(h) [**Payments upon Termination .**

(i) **Without Good Cause (Not In Connection With a Change in Control)** . In the event the Executive's employment is terminated by the Company without "Good Cause," or by the Executive for "Good Reason," more than 180 days before, or more than twelve (12) months following, a Change in Control Date, then the following provisions shall apply:

(A) The Company shall pay to the Executive an amount equal to twenty-four (24) months of the Executive's "Current Base Salary." For this purpose, the Executive's "Current Base Salary" shall be deemed to be the highest Base Salary paid to the Executive at any time during the thirty-six (36) months prior to termination of the Executive's employment, whether as President and Chief Executive Officer or otherwise. Such payment shall be made in a single lump sum following the Executive's execution and delivery of the release provided for in Section 5(h)(iv), which has become irrevocable by its terms in conformance with the provisions of Section 409A of the Internal Revenue Code (the "Code"), at the time specified in Section 5(h)(iv).

(B) The Executive shall continue to participate in, and be covered under, the Company's health care coverage for a period of one (1) year following the termination of the Executive's employment (the "Medical Benefits Continuation Period") on the same basis as other senior executives of the Company. Notwithstanding the foregoing, if the Executive accepts employment with another entity that provides health care coverage during the Medical Benefits Continuation Period, the Company shall not provide the Executive with health care coverage under this Section (but the Executive shall retain any rights to continuation coverage that he may have under applicable law). For purposes of the Executive's continuation coverage rights under Section 601 et. seq. of the Employee Retirement Income Security Act, Section 4980B of the Code, or any similar state or local law, the continuation period shall be deemed to have commenced as of the beginning of the period for which the Company has agreed to continue benefits following the Executive's termination of employment. To the extent that the coverage provided to the Executive is taxable for federal income tax purposes, then the Executive, shall pay the full cost of coverage during the Medical Benefits Continuation Period and the Company shall pay the Executive (in cash, less required withholding) an amount equal to (i) the cost of such coverage, less any amount that would have been payable by the Executive if he were actively employed by the Company, plus (ii) an additional amount designed to cover all estimated applicable local, state and federal income and payroll taxes imposed on the Executive with respect to such additional payment. Any additional amount payable in accordance with this Section 5(h)(i)(B) shall be paid to the Executive in cash (less required withholding), on a monthly basis, at the same time that the underlying medical coverage benefit is provided to the Executive. In determining the amount of such payment , the Executive shall be deemed to pay federal income tax at the highest marginal rate applicable to individuals in the calendar year in which the payment is made and to pay state and local income taxes at the highest effective rate in the state or locality in which such payment is taxable. All payments made under this Section 5(h)(i)(B) shall be made in accordance with the provisions of Treas. Reg. §1.409A-3(i)(1).

(C) The Company shall pay to the Executive, without duplication, (i) the Base Salary through the date of termination, (ii) any incentive compensation earned but unpaid as of the date of termination for any fiscal year prior to the year in which such termination occurs; (iii) reimbursement for any unreimbursed business expenses properly incurred by the Executive prior to the date of termination (in accordance with Section 3(c) hereof); and (iv) such employee benefits and accrued leave, if any, to which the Executive is entitled under the employee benefit plans and arrangements of the Company (in accordance with Section 3(d)(i), (ii), (iii) and (iv) hereof) (the amounts described in clauses (i) through (iv) hereof being referred to as the "Accrued Rights").

(D) Notwithstanding the foregoing, the treatment and vesting of any equity incentive awards granted to Executive shall be governed by the terms of the applicable award agreement and the Company's 2016 Amended and Restated Incentive Compensation Plan, as further amended by the Board of Directors, or any subsequent incentive compensation plan adopted by the Board of Directors from time to time in their sole discretion.

(ii) **Without Good Cause (In Connection With A Change In Control) .** In the event the Executive's employment is terminated by the Company without "Good Cause," or by the Executive for "Good Reason," within 180 days prior to, or within twelve (12) months following , a Change in Control, then the following provisions shall apply:

(A) The Company shall pay to the Executive an amount equal to twenty-four (24) months of the Executive's Current Base Salary (as defined in Section 5(h)(i)(A) above). Such payment shall be made in a single lump sum following the Executive's execution and delivery of the release provided for in Section 5(h)(iv), which has become irrevocable by its terms in conformance with the provisions of Section 409A of the Code, at the time specified in Section 5(h)(iv).

(B) The Company shall pay to the Executive a prorated portion of the cash incentive (including, for this purpose, the annual component and any partial quarterly component) otherwise payable to the Executive for the fiscal year of termination under the Incentive Plan (or any replacement bonus arrangement covering the Executive). Such amount shall be determined based on Company performance consistent with the cash incentive paid under the Incentive Plan to comparable active executives in good standing who meet expectations and remained on the payroll and eligible for a bonus. The amount payable shall be determined by multiplying the cash incentive that the Executive would have received had his employment not terminated, by a fraction, the numerator of which is the number of months in the fiscal year (in the case of the annual component) or fiscal quarter (in the case of the quarterly component) during which Executive was employed (including the month in which the termination occurs) and the denominator of which is twelve (in the case of the annual component) or three (in the case of the quarterly component). The amount payable to the Executive in accordance with this Section shall be paid in a lump sum on the date on which the Company pays bonuses for the fiscal year of termination to actively employed senior executives; provided, however, in no event shall such payment be made more than 2 1 / 2 months following the close of the fiscal year of the Company to which such bonus relates.

(C) The Company shall pay to the Executive an amount equal to two (2) times the average cash incentive (including, for this purpose, any quarterly and annual components) actually paid to the Executive under the Incentive Plan for the five (5) fiscal years immediately preceding the year of termination, whether as President and Chief Executive Officer or otherwise. Subject to the provisions of Paragraph 6(j) of this Agreement, such payment shall be made in a single lump sum following the Executive's execution and delivery of the release provided for in Section 5(h)(iv), which has become irrevocable by its terms in conformance with the provisions of Section 409A of the Code, at the time specified in Section 5(h)(iv).

(D) The Executive shall be entitled to the payments and benefits described in Section 5(h) (i) (B) and 5(h) (i) (C) above.

(E) Notwithstanding the foregoing, the treatment and vesting of any equity incentive awards granted to Executive shall be governed by the terms of the applicable award agreement and the Company's 2016 Amended and Restated Incentive Compensation Plan, as further amended by the Board of Directors, or any subsequent incentive compensation plan adopted by the Board of Directors from time to time in their sole discretion.

(iii) **Good Cause .** In the event the Executive's employment is terminated (i) by the Company for Good Cause, or (ii) by the Executive without Good Reason, then the Company shall have no duty to make any payments or provide any benefits to the Executive pursuant to this Agreement (other than the Accrued Rights).

(iv) **Release .** As a condition of receiving the payment provided for in Sections 5(h)(i)(A) and 5(h)(ii)(A) and (C), the Executive agrees to release the Company and its Affiliates, officers, directors, stockholders, employees, agents, representatives, and successors from and against any and all claims that the Executive may have against any such Person relating to the Executive's employment by the Company and the termination thereof, such release to be in form and substance reasonably satisfactory to the Company. Subject to the provisions of Paragraph 6(j) of this Agreement, the first payment provided for in Sections 5(h)(i)(A) and 5(h)(ii)(A) and (C) shall be made on the Company's first regular payroll date following the sixtieth (60th) day after the termination date (and will include any payment installment that would have otherwise been paid during the period following the termination date through the date of the first payment), provided that the release is irrevocable as of such date.

(i) **No Disparaging Comments .** While employed by the Company and at all times thereafter, the Executive shall refrain from making any disparaging remarks in any communication (oral, written, electronic or through any form of media (including, without limitation, social media, or otherwise)). about the businesses, services, products, members, managers, officers, directors, employees or other personnel of the Company and/or its Affiliates.

6. **Miscellaneous .**

(a) **ARBITRATION** . SUBJECT TO THE RIGHTS UNDER SECTION 4(e) TO SEEK INJUNCTIVE OR OTHER EQUITABLE RELIEF AS SPECIFIED IN THIS AGREEMENT, ANY DISPUTE BETWEEN THE PARTIES HERETO ARISING UNDER OR RELATING TO THIS AGREEMENT (INCLUDING, BUT NOT LIMITED TO, THE AMOUNT OF DAMAGES, THE NATURE OF THE EXECUTIVE'S TERMINATION OR THE CALCULATION OF ANY BONUS OR OTHER AMOUNT OR BENEFIT DUE) SHALL BE RESOLVED IN ACCORDANCE WITH THE MODEL EMPLOYMENT ARBITRATION PROCEDURES OF THE AMERICAN ARBITRATION ASSOCIATION. ANY RESULTING HEARING SHALL BE HELD IN THE JURISDICTION APPROPRIATE TO THE PRINCIPAL LOCATION AT WHICH THE EXECUTIVE PROVIDED HIS SERVICES HEREUNDER (CURRENTLY ARLINGTON, VIRGINIA). THE RESOLUTION OF ANY DISPUTE ACHIEVED THROUGH SUCH ARBITRATION SHALL BE BINDING AND ENFORCEABLE BY A COURT OF COMPETENT JURISDICTION. COSTS AND FEES INCURRED IN CONNECTION WITH SUCH ARBITRATION SHALL BE BORNE BY THE PARTIES AS DETERMINED BY THE ARBITRATION.

(b) **Indemnification and Insurance .** The Company hereby agree to indemnify Executive and hold Executive harmless, to the maximum extent permitted by law, against and in respect of any and all actions, suits, proceedings, claims, demands, judgments, costs, expenses (including reasonable attorney's fees), losses, and damages (collectively, "Claims and Expenses") resulting from Executive's good faith performance of Executive's duties and obligations as an officer or director of the Company, any Subsidiary or as a fiduciary of any benefit plan of any of the foregoing or in any other role any of them request Executive to serve; provided, that Executive shall not be entitled to indemnification hereunder against Claims and Expenses that are finally determined by a court of competent jurisdiction to have resulted from Executive’s fraud or willful misconduct. During the Employment Period, the Company shall provide directors’ and officers’ liability insurance covering the Executive and errors and omissions insurance covering the activities of the Executive in the exercise of the Executive’s duties in the interest of the Company comparable to and no less favorable to the Executive than similar insurance provided by the Company to or for other senior executives of the Company.

(c) **Cooperation**. The parties agree that certain matters in which the Executive will be involved during the Employment Period may necessitate the Executive's cooperation in the future. Accordingly, following the termination of the Executive’s employment for any reason, to the extent reasonably requested by the Board, the Executive shall cooperate with the Company in connection with matters arising out of the Executive’s service to the Company; provided that, the Company shall make reasonable efforts to minimize disruption of the Executive’s other activities. The Company shall reimburse the Executive for reasonable expenses incurred in connection with such cooperation.

(d) **Entire Agreement.** This Agreement and the agreements, schedules and exhibits incorporated herein by reference contain the entire agreement between the Executive and the Company with respect to the subject matter hereof, and supersede any and all prior understandings or agreements, whether written or oral, including, without limitation, the Employee Agreement dated February 21, 2012, the Indemnification Agreement dated July 19, 2012, and the Severance Compensation Agreement dated July 1, 2012, between the Company and the Executive. This Agreement does not supersede or affect the terms of any Supplemental Executive Retirement Agreement to be provided to the Executive. No modification or addition hereto or waiver or cancellation of any provision hereof shall be valid except by a writing signed by the party to be charged therewith.

(e) **Waiver.** No waiver by either party hereto of any of the requirements imposed by this Agreement on, or any breach of any condition or provision of this Agreement to be performed by, the other party shall be deemed a waiver of a similar or dissimilar requirement, provision or condition of this Agreement at the same or any prior or subsequent time. Any such waiver shall be express and in writing, and there shall be no waiver by conduct. Pursuit by either party of any available remedy, either in law or equity, or any action of any kind, does not constitute waiver of any other remedy or action. Such remedies are cumulative and not exclusive.

(f) **Governing Law.** The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the Commonwealth of Virginia applicable to contracts executed by, and to be performed entirely within, said State, without regard to principles of conflict of laws.

(g) **Successors and Assigns; Binding Agreement.** The rights and obligations of the parties under this Agreement shall be binding upon and inure to the benefit of the parties hereto and their heirs, personal representatives, successors and permitted assigns. This Agreement is a personal contract, and, except as specifically set forth herein, the rights and interests of the Executive herein may not be sold, transferred, assigned, pledged or hypothecated by any party without the prior written consent of the others. As used herein, the term “successor” as it relates to the Company, shall include, but not be limited to, any successor by way of merger, consolidation, and sale of all or substantially all of such Person's assets or equity interests. The Company may only assign this Agreement with the Executive's consent.

(h) **Representation by Counsel**. Each of the parties hereto acknowledges that (i) it or he has read this Agreement in its entirety and understands all of its terms and conditions, (ii) it or he has had the opportunity to consult with any individuals of its or his choice regarding its or his agreement to the provisions contained herein, including legal counsel of its or his choice, and any decision not to was his or its alone, and (iii) it or he is entering into this Agreement of its or his own free will, without coercion from any source.

(i) **Interpretation**. The parties and their respective legal counsel actively participated in the negotiation and drafting of this Agreement, and in the event of any ambiguity or mistake herein, or any dispute among the parties with respect to the provisions hereto, no provision of this Agreement shall be construed unfavorably against any of the parties on the ground that he, it, or his or its counsel was the drafter thereof.

(j) **Notices**. All notices and communications hereunder shall be in writing and shall be deemed properly given and effective when received, if sent by facsimile or telecopy, or by postage prepaid by registered or certified mail, return receipt requested, or by other delivery service which provides evidence of delivery, as follows:

If to the Company, to:

CACI International Inc 1100 N.
Glebe Road 16th Floor

Arlington, Virginia 22201 Attention:
General Counsel

If to the Executive, to:

John Mengucci
9300 Corporate Blvd.
Suite 1235
Rockville, MD 20850

or to such other address as one party may provide in writing to the other party from time to time.

(k) **Compliance with Section 409A**. To the extent that Section 409A of the Code applies to any election or payment required under this Agreement, such payment or election shall be made in conformance with the provisions of Section 409A of the Code. Certain provisions of this Agreement are intended to constitute a short-term deferral under Treas. Reg. §1.409A-1(b)(4) or a separation pay arrangement that does not provide for the deferral of compensation subject to Section 409A of the Code (under the short-term deferral exception). In order for the short-term deferral exception to apply, payments must be completed within two and a half months after the close of the year in which Executive's separation from service occurs. If any such provision is subject to more than one interpretation or construction, such ambiguity shall be resolved in favor of that interpretation or construction which is consistent with such provisions not being subject to the provisions of Section 409A. The remaining provisions of this Agreement are intended to comply with the provisions of Section 409A of the Code (to the extent applicable) and, to the extent that Section 409A applies to any provision of this Agreement and such provision is subject to more than one interpretation or construction, such ambiguity shall be resolved in favor of that interpretation or construction which is consistent with the provision complying with the applicable provisions of Section 409A of the Code (including, but not limited to the requirement that any payment made on account of the Executive's separation from service (within the meaning of Section 409A(a)(2)(A)(i) of the Code and the regulations issued thereunder) ("Separation from Service"), shall not be made earlier than the first business day of the seventh month following the Executive's Separation from Service, or if earlier the date of death of the Executive). Any payment that is delayed in accordance with the foregoing sentence shall be made on the first business day following the expiration of such six (6) month period.

(l) **Withholding Taxes**. All amounts payable hereunder shall be subject to the withholding of all applicable taxes and deductions required by any applicable law.

(m) **Tax Consequences of Payments**. Executive understands and agrees that the Company makes no representations as to the tax consequences of any compensation or benefits provided hereunder (including, without limitation, under Section 409A of the Code, if applicable). Executive is solely responsible for any and all income, excise or other taxes imposed on Executive with respect to any and all compensation or other benefits provided to Executive.

(n) **Counterparts**. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

(o) **Duration**. Notwithstanding the Employment Term hereunder, this Agreement shall continue for so long as any obligations remain under this Agreement.

(p) **Section References**. The word Section herein shall refer to provisions of this Agreement unless expressly indicated otherwise.

(q) **Captions**. Section headings are for convenience only and shall not be considered a part of this Agreement.

IN WITNESS WHEREOF , the parties have duly executed this Agreement, intending it as a document under seal, as of the date first above written.

WITNESS/ATTEST :

By: /s/ Mary Peevy

By: /s/ Leny Carrasco

CACI INTERNATIONAL INC

By: /s/ J. William Koegel, Jr.
Name: J. William Koegel, Jr.
Title: Executive Vice President, General Counsel & Secretary

EXECUTIVE

By: /s/ John Mengucci
Name: John Mengucci
Title: Chief Operating Officer

Subsidiaries of the Registrant

CACI, INC. – FEDERAL, a Delaware corporation

CACI, LLC – COMMERCIAL, a Delaware limited liability company

CACI NSS, LLC, a Delaware limited liability company

CACI N.V., a Netherlands corporation

CACI Technologies, LLC, a Virginia limited liability company (also does business as “CACI Productions Group”)

CACI Dynamic Systems, LLC, a Virginia limited liability company

CACI Premier Technology, LLC, a Delaware limited liability company

CACI Enterprise Solutions, LLC, a Delaware limited liability company

CACI-ISS, LLC, a Delaware limited liability company

CACI Technology Insights, LLC, a Virginia limited liability company

CACI-CMS Information Systems, LLC, a Virginia limited liability company

CACI-WGI, LLC, a Delaware limited liability company (also does business as “The Wexford Group International”)

CACI-Athena, LLC, a Delaware limited liability company

Six3 Systems, LLC, a Delaware limited liability company

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

1) Registration Statement (Form S-8 No. 333-148032) pertaining to the 2016 Amended and Restated Incentive Compensation Plan,
2) Registration Statement (Form S-8 No. 333-146505) pertaining to the 2002 Employee Stock Purchase Plan,
3) Registration Statement (Form S-8 No. 333-146504) pertaining to the CACI $MART Plan,
4) Registration Statement (Form S-8 No. 333-104118) pertaining to the 2002 Employee, Management, and Director Stock Purchase Plans, as amended,
5) Registration Statement (Form S-8 No. 333-91676) pertaining to the CACI $MART Plan,
6) Registration Statement (Form S-8 No. 333-157093) pertaining to the 2016 Amended and Restated Incentive Compensation Plan,
7) Registration Statement (Form S-8 No. 333-164710) pertaining to the 2002 Employee Stock Purchase Plan, as amended,
8) Registration Statement (Form S-8 No. 333-179392) pertaining to the 2016 Amended and Restated Incentive Compensation Plan, and
9) Registration Statement (Form S-8 No. 333-193781) pertaining to the 2002 Employee Stock Purchase Plan, as amended;

of our reports dated August 21, 2019, with respect to the consolidated financial statements of CACI International Inc and the effectiveness of internal control over financial reporting of CACI International Inc included in this Annual Report (Form 10-K) of CACI International Inc for the year ended June 30, 2019.

/s/ Ernst & Young LLP

Tysons, Virginia
August 21, 2019

Exhibit 31.1

Section 302 Certification

I, John Mengucci certify that:

1. I have reviewed this Annual Report on Form 10-K, of CACI International Inc;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financing reporting, to the Registrant's auditors and the audit committee of the Registrant's Board of Directors (or persons performing the equivalent function):

(a) All significant deficiencies and material weaknesses in the designs or operation of internal control over financial reporting which are reasonably likely to affect the Registrant's ability to record, process, summarize, and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: August 21, 2019

/ s / John Mengucci

John Mengucci
President,
Chief Executive Officer and Director
(Principal Executive Officer)

Exhibit 31.2

Section 302 Certification

I, Thomas A. Mutryn, certify that:

1. I have reviewed this Annual Report on Form 10-K, of CACI International Inc;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financing reporting, to the Registrant's auditors and the audit committee of the Registrant's Board of Directors (or persons performing the equivalent function):

(a) All significant deficiencies and material weaknesses in the designs or operation of internal control over financial reporting which are reasonably likely to affect the Registrant's ability to record, process, summarize, and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal controls over financial reporting.

Date: August 21, 2019

/s/ THOMAS A. MUTRYN

Thomas A. Mutryn
Executive Vice President, Chief Financial Officer
and Treasurer
(Principal Financial Officer)

Exhibit 32.1

Section 906 Certification

In connection with the Annual Report on Form 10-K of CACI International Inc (the "Company") for the fiscal year ended June 30, 2019, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned President and Chief Executive Officer of the Company certifies, to the best of his knowledge and belief pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 21, 2019

/ s / JOHN MENGUCCI

John Mengucci
President,
Chief Executive Officer and Director
(Principal Executive Officer)

Exhibit 32.2

Section 906 Certification

In connection with the Annual Report on Form 10-K of CACI International Inc (the “Company”) for the fiscal year ended June 30, 2019, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), the undersigned, Executive Vice President, Chief Financial Officer and Treasurer of the Company certifies, to the best of his knowledge and belief pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 21, 2019

/s/ Thomas A. Mutryn

Thomas A. Mutryn
Executive Vice President, Chief Financial Officer and Treasurer
(Principal Financial Officer)