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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

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**FORM 8-K**

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**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): December 22, 2011**

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**ICF International, Inc.**

(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction  
of incorporation)

**001-33045**  
(Commission  
File Number)

**22-3661438**  
(I.R.S. Employer  
Identification Number)

**9300 Lee Highway, Fairfax, Virginia**  
(Address of principal executive offices)

**22031**  
(Zip Code)

**Registrant's telephone number, including area code: (703) 934-3000**

**Not Applicable**

(Former name or former address, if changed since last report.)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 7.01 Regulation FD Disclosure**

On December 22, 2011, ICF International, Inc. (the “Company”) issued a press release in response to an Associated Press inquiry citing an announcement by the State of Louisiana’s Office of Community Development that it is seeking nearly \$10 million from the Company as contractor on the Road Home program from June 2006 through June 2009. Within the release, the Company references its response letter to the State of Louisiana dated September 29, 2011. A copy of the Company’s September 29, 2011 letter to the State of Louisiana is attached hereto as Exhibit 99.1

The information contained herein is being furnished pursuant to Item 7.01 of Form 8-K, “Regulation FD Disclosure.” This information shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

**Item 8.01 Other Events**

On December 22, 2011, the Company issued a press release in response to an Associated Press inquiry citing an announcement by the State of Louisiana’s Office of Community Development that it is seeking nearly \$10 million from the Company as contractor on the Road Home program from June 2006 through June 2009. A copy of the release is attached hereto as Exhibit 99.2.

**Item 9.01 Exhibits and Financial Statements**

(d) Exhibits

99.1 Letter to the State of Louisiana, dated September 29, 2011\*

99.2 Press Release dated December 22, 2011

\* Exhibits to the letter have been omitted. The Company hereby undertakes to furnish copies supplementally of any of the omitted exhibits upon request by the Securities and Exchange Commission.

**SIGNATURES**

Pursuant to the requirements 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.

ICF International, Inc.

Date: December 22, 2011

By: /s/ Sudhakar Kesavan  
Sudhakar Kesavan  
*Chief Executive Officer*



September 29, 2011

Mr. Patrick W. Forbes, P.E.  
Interim Executive Director  
State of Louisiana, Office of Community Development  
150 North Third Street, Suite 500  
Baton Rouge, LA 70801

Dear Mr. Forbes:

On September 2, 2011, we received a demand from the State of Louisiana (the State) that ICF Emergency Management Services, LLC (ICF) reimburse the State for alleged over-payments made to homeowners under the Road Home Program (RHP). This demand is both improper and unfounded.

In responding to this demand, I thought it might be useful to provide some background. As you are aware, ICF supported the Louisiana Office of Community Development (OCD) in its implementation of the RHP under a contract with a period of performance from June 12, 2006, through June 11, 2009. From January 2007 until the end of that contract, I was ICF's Chief Administrative Officer for the contract. In that capacity, I had regular communications, often several times each day, with representatives of OCD, and therefore have personal, first-hand knowledge of the program, its implementation, and the directions we received from the State with respect to it.

In April 2007, through Change Control Board (CCB) Number 122B, signed and approved by both OCD and the Louisiana Recovery Authority (LRA), attached as Exhibit A, ICF was instructed to deliver grants to homeowners through a lump-sum, up-front payment instead of the original method of implementing the program, which was to pay grant recipients through a disbursement account over time, as repairs were made. At that time, ICF advised the State that, while such a method of payment would expedite payments, it would also, as stated in CCB Number 122B itself, very likely increase the incidence of errors and fraud, decrease the time available to detect such errors or fraud, and reduce the ability to recoup funds that may have been overpaid due to any error or fraud. Having been fully advised of the likelihood of a higher incidence of errors and fraud, the State still decided to accept that risk in favor of getting payments to applicants more quickly, and it instructed ICF to make lump-sum payments to applicants.

Similarly, in May 2007, through CCB Number 125B, also signed and approved by both OCD and LRA, attached as Exhibit B, ICF was further instructed by the State to "...dramatically increase the overall number of homeowners who are able to go to closing..." by using Louisiana Homestead Tax Exemption data for the purpose of verifying home ownership, instead of our completing title searches. The risks pointed out in CCB Number 125B include: "[t]he time available for the program to fix errors or identify fraud post-closing shrinks if closings in fact accelerate. ... Expedited closings increase the possibility that error or fraud will not be detected due to lack of time for review of applications and data."

Mr. Patrick W. Forbes  
September 29, 2011

In late 2007, pursuant to the terms of the contract, ICF developed a draft grant recovery process (attached as Exhibit C) intended to recover any over-payments made to applicants, and delivered it to OCD. ICF also prepared letters to send to applicants who may have been overpaid, but was instructed by OCD not to send those letters and not to take any steps to recover any potential over-payments from grant recipients.

OCD, speaking through its then-director Paul Rainwater, later explained the need for grant recovery from homeowners in an April 28, 2008 response to an audit memorandum from the U.S. Department of Housing and Urban Development (HUD):

OCD directed ICF to establish a Grant Recovery Department, reporting to its Director of Operations, to recapture overpayments according to processes that are being established with the State. ... Such overpayments generally are an understood by-product of the need to accelerate the processing of tens of thousands of files and, in turn, the inherent risk of human error in a faster process. [See Exhibit D].

Mr. Rainwater went on to explain to HUD that, “[t]o mitigate the impact of potential errors, we proactively require recipients to sign the legal commitment to repay any overpayments cited above.” This legal commitment is memorialized in an Acknowledgment Form executed by each grant recipient at grant closing. The form, attached as Exhibit E, includes the following representation by the grant recipient:

I understand that if the current grant award that I receive today is determined to be an overpayment, I will refund the overpayment to the State of Louisiana Department of Community Development.

Consequently, the State’s demand is unfounded. ICF is not responsible for any amount that may have been overpaid to grant recipients. OCD instructed ICF not to pursue grant recovery while our contract was active, and the State cannot now (more than two years after the end of our contract) claim that ICF is retroactively responsible for amounts that may have been overpaid to grant recipients because of the State’s decisions.

In addition, some of our specific concerns with your letters include:

1. ICF Deliverables Were Accepted. During our performance, the State, under the terms of the contract, accepted all of our homeowner-related deliverables and services (either by notice or by failing to reject them in writing within 20 days of delivery pursuant to Section 1.2.6 of the contract), including any deliverables and services relating to the amounts of grants. The State had the opportunity to review all aspects of our performance and, in fact, participated in reviews of grant awards before payments to recipients were made. If there was a claim to be made that ICF had not performed properly, the time to make such a claim was years ago and before acceptance of deliverables and before payments were made to applicants. I personally worked closely with the deputy directors of OCD during the final months of the contract on deliverable acceptance, and ICF received the State’s acceptance of all homeowner-related deliverables.

2. Contractual Remedies Do Not Include ICF Liability for Any Amount Overpaid. The contract specifies the remedies available to the State for alleged performance failure by ICF. These remedies do not include ICF being liable for the amount of any alleged over-payment for the reasons summarized below:
- a. The State's only remedy for alleged faulty performance, if it had been sought before acceptance of any applicable deliverables and had otherwise been sought on a timely basis, would have been to seek re-performance of the relevant work under the contract at no additional charge pursuant to the sixth paragraph of Section 5.0 of the contract:
- For any deliverable or service which is not accepted pursuant to Section 1.2.6 above, upon request from the State, the Contractor shall re-perform the Services at no additional charge. If Contractor is unable to re-perform the Services in an acceptable manner, the State shall be entitled to recover the fees paid to Contractor for that portion of the Services which failed to be accepted.
- Only if re-performance had been sought in a timely fashion and ICF did not then re-perform in an acceptable manner, would the State have been able to recover any amount from ICF, and then only the amount it paid ICF for the work in question. In order to avail itself of this remedy, however, the State needed to reject the applicable deliverables in writing within 20 days of delivery. Because the State did not do so, it can no longer seek this remedy or, in fact, any remedy for failure to provide any deliverable or service in an acceptable manner under the contract.
- b. In addition, the demand the State makes in its letters would represent payment for special, indirect, or consequential damages. The last paragraph of Section 5.0 of the contract specifically states:
- Neither party shall be liable to the other for special, indirect or consequential damages ... even if the party has been advised of the possibility of such damages. Neither party shall be liable for lost profits, lost revenue or lost institutional operating savings.
- The contract thus specifically exempts ICF from liability to the State for indirect or consequential damages or lost profits, revenues, or institutional operating savings. The alleged over-payments the State seeks here are thus not compensable damages under the contract.
3. Grant Recipients Agreed to Repay the State For Any Over-Payments. There is no legal basis for the State to seek to recover any over-payments to grant recipients from ICF. As noted in the State's explanation to HUD, the recipients of grants under the program all agreed in writing to pay back to the State any over-payments they received. These recipients are the parties from whom reimbursement of any over-payments should have been pursued, and, if the State wishes to recover any alleged over-payments, recovery actions would need to be taken against those recipients. The State specifically instructed ICF not to seek reimbursement from grant recipients for any over-payments, even though ICF was ready and willing to do so during its period of contract performance. As with all contracts governed by Louisiana law, the State has a legal duty pursuant to Louisiana Civil Code Article 2002 to mitigate any damages, in this case by attempting to collect any

amounts overpaid from homeowners. To the extent the State decides to move forward with its effort to recover any potential over-payment from ICF instead of seeking to recover any such over-payment from the grant recipient pursuant to the Acknowledgement Form, each and every grant recipient the State contends was involved in any alleged over-payment will have to be a party to the State's action.

4. The State Acknowledged and Accepted The Risk of Over-Payments. It is well documented that the State recognized there were tradeoffs and risks inherent in a faster process, such as the possibility of over-payments. As indicated previously in its April 28, 2008 response to HUD (Exhibit D), OCD stated: "...overpayments generally are an understood by-product of the need to accelerate the processing of tens of thousands of files and, in turn, the inherent risk of human error in a faster process." Implementing a grant recovery process would have provided the opportunity to address with homeowners the over-payments (if any) fully expected by the State. To the extent that there were any over-payments to grant recipients that have not been returned to the State, it is because of the State's actions, including its instructions to ICF not to send out the letters to grant recipients or otherwise take any action that would have begun the grant recovery process.
5. The Contractual Claims Process Has Not Been Followed By The State. Your letters allege that ICF has breached the contract. Section 6.0 of the contract governs contract claims and controversies between OCD and ICF: "Any claim or controversy arising out of the Contract shall be resolved by the provisions of Louisiana Revised Statute 39:1524-26." Step one of the dispute resolution process under this statute involves informal negotiation with the Commissioner of Administration. La. R.S. 39:1524. Should that fail to resolve the dispute, the Commissioner has 120 days to issue a formal written decision on the dispute. La. R.S. 39:1525. Only after that decision is rendered can either party commence litigation. La. R.S. 39:1526. To the extent OCD continues to pursue its demand, ICF expects OCD to adhere to the provisions of the contract and Louisiana law.
6. The State Has Not Provided Any Documentation Supporting Its Allegations Of Over-Payment. In making demand against ICF, OCD has presumably collected documents supporting its claim that grant funds were overpaid and that this over-payment was allegedly ICF's fault. If OCD wishes to continue with its demand, ICF hereby requests copies of all such documents supporting its claim, none of which was provided with your letters.

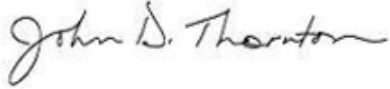
For these reasons, as well as many other reasons that will be addressed at the appropriate time, ICF rejects OCD's demand to reimburse the State for any alleged over-payment to RHP grant recipients. In addition, we hereby decline to provide copies of any insurance policies requested in your letters.

By this letter, ICF does not, in any way, admit that there was any over-payment to any grant recipient nor admit that ICF or its subcontractors were in any way responsible if any such over-payment was made. Moreover, this letter is without waiver of, or prejudice to, any other rights and/or defenses ICF has under the contract or otherwise to the State's claim.

Mr. Patrick W. Forbes  
September 29, 2011

I remain available to discuss this issue with you. Please feel free to contact me at (703) 934-3575 should you have questions.

Sincerely,

A handwritten signature in cursive script that reads "John D. Thornton". The ink is dark and the signature is fluid and legible.

John D. Thornton  
Vice President

Enclosures

cc: Pauline Hardin, Esq., Jones Walker  
Paul Rainwater, Commissioner of Administration, State of Louisiana





## NEWS RELEASE

## ICF International Addresses State of Louisiana Communication

*State's Claim is Baseless and Improper*

## FOR IMMEDIATE RELEASE

## Contact information

**Investors:** Doug Beck, 1.703.934.3820  
Lynn Morgen, 1.212.223.4147  
**Media:** Steve Anderson, 1.703.934.3847

FAIRFAX, Va. (December 22, 2011) – In response to an Associated Press inquiry Wednesday evening citing an announcement by the State of Louisiana's Office of Community Development that it is seeking nearly \$10 million from ICF International as contractor on the Road Home grant program from June 2006 through June 2009, ICF made the following statement:

"ICF received a communication from the state with respect to the above-mentioned claim in early September 2011, and we responded fully on September 29, 2011. In our letter, we detailed the reasons that the state's claim was unfounded and improper, as there is neither a legal nor a contractual basis for the state to seek compensation from ICF. ICF's management of the Road Home project was conducted under the direction of the State of Louisiana, which reviewed and accepted all of our grant recommendations according to the procedures established in our contract."

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**About ICF International**

ICF International (NASDAQ:ICFI) partners with government and commercial clients to deliver professional services and technology solutions in the energy and climate change; environment and infrastructure; health, human services, and social programs; and homeland security and defense markets. The firm combines passion for its work with industry expertise and innovative analytics to produce compelling results throughout the entire program lifecycle, from research and analysis through implementation and improvement. Since 1969, ICF has been serving government at all levels, major corporations, and multilateral institutions. More than 4,000 employees serve these clients worldwide. ICF's website is <http://www.icfi.com>.

**Caution Concerning Forward-looking Statements**

*Statements that are not historical facts and involve known and unknown risks and uncertainties are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. Such statements may concern our current expectations about our future results, plans, operations and prospects and involve certain risks, including those related to the government contracting industry generally; our particular business, including our dependence on contracts with U.S. federal government agencies; and our ability to acquire and successfully integrate businesses. These and other factors that could cause our actual results to differ from those indicated in forward-looking statements are included in the "Risk Factors" section of our securities filings with the Securities and Exchange Commission. The forward-looking statements included herein are only made as of the date hereof, and we specifically disclaim any obligation to update these statements in the future.*