A LETTER FROM SARAH ROSEN WARTELL, PRESIDENT

At the Urban Institute this year, we are redoubling our efforts to capture the stories of people at the heart of our mission: The single mom in search of stability for her infant son. The young man returning home from prison, in need of an income and an alternative to gangs. The vets returning from Iraq and Afghanistan, living on the brink of homelessness.

We produce the social and economic policy research that opens minds, shapes decisions, and offers solutions, but we know that right now, solutions feel like they’re in short supply. The fear, anger, and emotion that too many Americans are feeling today is palpable. Though the challenges could be far greater without policy, some well-intentioned policies have yielded disappointing results, and better ones are urgently needed. The majority of Americans sense their access to opportunity is narrowing, not expanding, and they fear that the American dream is a myth.

The Urban Institute’s charge from President Johnson in 1968 was “to help solve the problem that weighs heavily on the hearts and minds of all of us: the American city and its people.” The rage that led to the sixties’ urban riots was fueled by some of the same frustrations and disappointments felt in our communities today. And while some large cities have prospered, especially since the Great Recession, others have not. Many people in all our cities have been left behind…and some even pushed out.

The scope of today’s Urban Institute has greatly expanded from its original urban focus, covering a wide range of social and economic policy issues. In the midst of the extraordinary, unpredictable, combustible debates of 2016, Urban is responding directly to communities and their leaders in ways that are relevant, accessible, and real. We create new tools to spell out the implications of policy decisions. We untangle campaign promises to understand who wins and who loses under a proposed policy change. We invite the community to participate directly in the research that chronicles their experience. We map the lack of affordable housing, the segregation of public schools, and the future demographics of our country. We continue to amass the data assets that allow us to do the deep, empirical research that sets us apart.
But data are not enough. Our job is to provide the evidence-based insights for lasting solutions. Our new **US Partnership on Mobility from Poverty** aims to create new, permanent ladders of opportunity for the poor. Our **prison population forecaster** is helping decisionmakers understand how to reduce the prison population. Our **housing finance reform incubator** is offering a range of pathways forward on housing finance.

We can't elevate debate from an ivory tower. We must engage in it directly: hearing from families trapped in poverty, working with practitioners to understand their reality on the ground, and improving decisions in the public sector. We will continue to follow the evidence where it takes us, believing that it will ultimately lead to better outcomes for the places and people who need it most.

Warmly,

Sarah Rosen Wartell
@swartell

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2015 ANNUAL REPORT
DEDICATED TO ELEVATING THE DEBATE ON SOCIAL AND ECONOMIC POLICY

For nearly five decades, the Urban Institute has provided policymakers and practitioners with the evidence-based, nonpartisan research they need to make smart decisions and implement practical solutions. Thanks to support from our funders and partners, Urban scholars deliver data-driven insights and analysis that can elevate debate, transform communities, and improve lives.

2015 FINANCIAL SNAPSHOT

Our 2015 revenue totaled $95.3 million, and expenses totaled $87.1 million. We are committed to financial transparency. On the following pages we provide detail on our finances and sources of funding.

Revenue

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>43.6%</td>
<td>Federal Government</td>
</tr>
<tr>
<td>40.0%</td>
<td>Foundations</td>
</tr>
<tr>
<td>5.9%</td>
<td>Urban Institute Endowment Support</td>
</tr>
<tr>
<td>4.3%</td>
<td>Nonprofits &amp; Universities</td>
</tr>
<tr>
<td>2.0%</td>
<td>State &amp; Local Governments</td>
</tr>
<tr>
<td>1.4%</td>
<td>Corporations</td>
</tr>
<tr>
<td>1.3%</td>
<td>Individuals</td>
</tr>
<tr>
<td>0.8%</td>
<td>International Organizations &amp; Foreign Entities</td>
</tr>
<tr>
<td>0.7%</td>
<td>Publication &amp; Other Income</td>
</tr>
</tbody>
</table>

Program Expenses

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>23.1%</td>
<td>Health Policy Center</td>
</tr>
<tr>
<td>17.5%</td>
<td>Metropolitan Housing and Communities Policy Center</td>
</tr>
<tr>
<td>16.7%</td>
<td>Center on Labor, Human Services, and Population</td>
</tr>
<tr>
<td>10.4%</td>
<td>Justice Policy Center</td>
</tr>
<tr>
<td>9.8%</td>
<td>Income and Benefits Policy Center</td>
</tr>
<tr>
<td>8.5%</td>
<td>Tax Policy Center</td>
</tr>
<tr>
<td>4.7%</td>
<td>Policy Advisory Group</td>
</tr>
<tr>
<td>3.3%</td>
<td>Center on Nonprofits and Philanthropy</td>
</tr>
<tr>
<td>2.3%</td>
<td>Housing Finance Policy Center</td>
</tr>
<tr>
<td>1.9%</td>
<td>Center on International Development and Governance</td>
</tr>
<tr>
<td>1.0%</td>
<td>Executive Office Research</td>
</tr>
<tr>
<td>0.7%</td>
<td>Statistical Methods Group</td>
</tr>
</tbody>
</table>
## Statement of Activities

### OPERATING REVENUES
- Contract amounts earned: $39,699,335
- Program and project grants: 48,369,375
- General support grants and contributions: 969,897
- Publication income: 81,765
- Investment return designated for operations: 5,598,229
- Other income: 629,205
- **TOTAL OPERATING REVENUES**: $95,347,806

### OPERATING EXPENSES
- Research expenses:
  - Incurred under contracts: 37,647,793
  - Incurred under grants: 29,475,078
  - Incurred for other research: 13,199,715
  - Total program costs: 80,322,586
- Development: 680,380
- Publication and public affairs costs: 147,837
- Other costs: 5,965,517
- **TOTAL OPERATING EXPENSES**: $87,116,320

### NON-OPERATING ACTIVITIES
- Change in net assets from operations: 8,231,486

### Statement of Financial Position

### ASSETS
- Cash and cash equivalents: $3,943,086
- Endowment-related cash and cash equivalents: 6,079,109
- Accounts receivable, net: 19,382,893
- Contributions receivable, net: 20,852,323
- Prepaid expenses: 885,392
- Property and equipment, net: 4,806,518
- Other assets: 871
- Long-term investments: 109,114,239
- **TOTAL ASSETS**: 165,640,431

### LIABILITIES
- Accounts payable: $5,293,236
- Accrued payroll: 1,058,887
- Accrued paid time off: 2,653,508
- Other accrued expenses: 195,443
- Deferred revenue: 10,760,819
- Deferred rent: 3,253,689
- **TOTAL LIABILITIES**: 23,215,582

### NET ASSETS
- Unrestricted: 111,692,447
- Temporarily restricted: 26,746,979
- Permanently restricted: 3,409,423
- **TOTAL NET ASSETS**: 141,848,849

### TOTAL LIABILITIES AND NET ASSETS
- **TOTAL LIABILITIES AND NET ASSETS**: $165,064,431

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To view our full audited financial statements, please visit our website at [http://urbn.is/financials](http://urbn.is/financials), or contact the Development Office at 2100 M St NW, Washington, DC 20037.
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TO OUR FUNDERS

We are grateful for your support, which helps Urban’s scholars transform evidence into solutions.

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$500,000 TO $999,999
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Kresge Foundation*
Medicaid and CHIP Payment and Access Commission*
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Price Philanthropies Foundation*
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US Consumer Financial Protection Bureau*

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Anonymous Donor #2*
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Bipartisan Policy Center
Citi Foundation
ConAgra Foods Foundation
Council of State Governments
DC Promise Neighborhood Initiative
District of Columbia*
Everytown for Gun Safety
Federal Deposit Insurance Corporation
Global Communities*

$100,000 TO $249,999
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Blue Cross Blue Shield of Massachusetts Foundation, Inc.
The Bridgespan Group
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Encore Capital Group*
Enterprise Community Partners
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H&R Block
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Lumina Foundation*
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Melville Charitable Trust*
Metropolitan Planning Council*
Missouri Foundation for Health
The MITRE Corporation
Bill and Susan Oberndorf Foundation
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National Guild for Community Arts Education

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AIG
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American Association of Retired Persons*
CFAI-Risk*
City of Philadelphia*
Commonwealth of Pennsylvania*
Commonwealth of Puerto Rico
Corporation for National and Community Service
E*TRADE Financial
Equal Employment Opportunity Commission
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FINRA Investor Education Foundation*
Goldman Sachs
Jamie S. Gorelick
HCM Strategists, LLC
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Hudson Institute
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The John F. Finn Institute for Public Safety*
The Joyce Foundation
Latin American Youth Center*
London School of Economics and Political Science
Maryland Citizens’ Health Initiative Education Fund, Inc.*
Medtronic
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National Academy of Sciences
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† Represents a pledge of endowment funds.
* Represents the annualized amount of a multiyear commitment.
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