



## The Urban Institute

Financial Statements, Schedule of  
Expenditures of Federal Awards and Reports  
Required by *Government Auditing Standards*  
and the Uniform Guidance  
Years Ended December 31, 2021 and 2020

## The Urban Institute

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Financial Statements, Schedule of Expenditures of Federal Awards and  
Reports Required by *Government Auditing Standards* and the Uniform  
Guidance  
Years Ended December 31, 2021 and 2020

# The Urban Institute

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## **Independent Auditor's Report**

Board of Trustees  
The Urban Institute  
Washington, D.C.

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the financial statements of The Urban Institute (the Institute), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities and change in net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of The Urban Institute as of December 31, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Institute and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Institute's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.



### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Institute's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial



statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2022 on our consideration of the Institute's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Institute's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Institute's internal control over financial reporting and compliance.

*BDO USA, LLP*

McLean, Virginia  
June 30, 2022

## Financial Statements

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**The Urban Institute**  
**Statements of Financial Position**

<i>December 31,</i>	2021	2020
<b>Assets</b>		
Cash and cash equivalents	\$ 39,846,070	\$ 29,423,245
Endowment-related cash and cash equivalents	122,703	6,569,895
Contract receivables, net	20,717,873	17,272,224
Other receivables	13,003,839	7,300,573
Contributions receivable, net	35,629,072	32,490,961
Prepaid expenses and other assets	1,876,067	2,185,951
Property and equipment, net	16,145,239	18,401,639
Investments - endowment	155,150,609	136,249,391
Investments - other	14,978,980	-
<b>Total assets</b>	<b>\$ 297,470,452</b>	<b>\$ 249,893,879</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable	\$ 6,400,560	\$ 4,231,116
Accrued payroll	1,810,929	1,506,656
Accrued paid time off	4,279,674	4,166,216
Other accrued expenses	8,978	190,125
Contract liabilities	2,980,526	5,644,963
Deferred rent and tenant allowance	20,968,474	21,231,160
<b>Total liabilities</b>	<b>36,449,141</b>	<b>36,970,236</b>
<b>Commitments and contingencies</b>		
<b>Net assets</b>		
Without donor restrictions	165,719,020	139,991,739
With donor restrictions	95,302,291	72,931,904
<b>Total net assets</b>	<b>261,021,311</b>	<b>212,923,643</b>
<b>Total liabilities and net assets</b>	<b>\$ 297,470,452</b>	<b>\$ 249,893,879</b>

*See accompanying notes to the financial statements.*

# The Urban Institute

## Statement of Activities and Change in Net Assets

<i>Year Ended December 31, 2021</i>	Without Donor Restrictions	With Donor Restrictions	Total
<b>Operating activities</b>			
<b>Operating revenues</b>			
Contract amounts earned	\$ 39,829,491	\$ -	\$ 39,829,491
Program and project grants	14,221,361	73,012,441	87,233,802
General support grants and contributions	16,534,794	502,299	17,037,093
Publication income	9,646	-	9,646
Investment return designated for operations	3,095,737	42,848	3,138,585
Other income	188,855	-	188,855
	73,879,884	73,557,588	147,437,472
Net assets released from restrictions	51,960,033	(51,960,033)	-
<b>Total operating revenues</b>	<b>125,839,917</b>	<b>21,597,555</b>	<b>147,437,472</b>
<b>Operating expenses</b>			
Research expenses			
Incurred under contracts	37,727,839	-	37,727,839
Incurred under grants	14,611,064	-	14,611,064
Incurred for other research	53,055,280	-	53,055,280
Total program costs	105,394,183	-	105,394,183
Development	810,315	-	810,315
Publication and public affairs costs	41,509	-	41,509
Other costs	8,262,253	-	8,262,253
<b>Total operating expenses</b>	<b>114,508,260</b>	<b>-</b>	<b>114,508,260</b>
<b>Change in net assets from operations</b>	<b>11,331,657</b>	<b>21,597,555</b>	<b>32,929,212</b>
<b>Non-operating activities</b>			
Investment return, net	17,491,361	811,757	18,303,118
Investment income allocation	(3,095,737)	(42,848)	(3,138,585)
Contributions received	-	3,923	3,923
<b>Total non-operating activities</b>	<b>14,395,624</b>	<b>772,832</b>	<b>15,168,456</b>
Change in net assets	25,727,281	22,370,387	48,097,668
Net assets at the beginning of the year	139,991,739	72,931,904	212,923,643
<b>Net assets at the end of the year</b>	<b>\$ 165,719,020</b>	<b>\$ 95,302,291</b>	<b>\$ 261,021,311</b>

*See accompanying notes to the financial statements.*

# The Urban Institute

## Statement of Activities and Change in Net Assets

<i>Year Ended December 31, 2020</i>	Without Donor Restrictions	With Donor Restrictions	Total
<b>Operating activities</b>			
<b>Operating revenues</b>			
Contract amounts earned	\$ 37,706,087	\$ -	\$ 37,706,087
Program and project grants	19,433,809	49,179,526	68,613,335
General support grants and contributions	2,252,097	200,385	2,452,482
Publication income	11,620	-	11,620
Investment return designated for operations	3,167,780	21,520	3,189,300
Other income	(80,341)	-	(80,341)
	62,491,052	49,401,431	111,892,483
Net assets released from restrictions	39,121,594	(39,121,594)	-
<b>Total operating revenues</b>	<b>101,612,646</b>	<b>10,279,837</b>	<b>111,892,483</b>
<b>Operating expenses</b>			
Research expenses			
Incurred under contracts	34,435,478	-	34,435,478
Incurred under grants	19,250,191	-	19,250,191
Incurred for other research	41,314,461	-	41,314,461
Total program costs	95,000,130	-	95,000,130
Development	842,339	-	842,339
Publication and public affairs costs	191,680	-	191,680
Other costs	7,995,004	-	7,995,004
<b>Total operating expenses</b>	<b>104,029,153</b>	<b>-</b>	<b>104,029,153</b>
<b>Change in net assets from operations</b>	<b>(2,416,507)</b>	<b>10,279,837</b>	<b>7,863,330</b>
<b>Non-operating activities</b>			
Investment return, net	16,776,179	792,093	17,568,272
Investment income allocation	(3,167,780)	(21,520)	(3,189,300)
Contributions received	-	19,060	19,060
<b>Total non-operating activities</b>	<b>13,608,399</b>	<b>789,633</b>	<b>14,398,032</b>
Change in net assets	11,191,892	11,069,470	22,261,362
Net assets at the beginning of the year	128,799,847	61,862,434	190,662,281
<b>Net assets at the end of the year</b>	<b>\$ 139,991,739</b>	<b>\$ 72,931,904</b>	<b>\$ 212,923,643</b>

*See accompanying notes to the financial statements.*

# The Urban Institute

## Statement of Functional Expenses

Year Ended December 31, 2021

	Research and Public Policy Analysis	Total Program Services	General and Administrative	Fundraising	Total Supporting Services	Total
<b>Expenses</b>						
Salaries, wages, and benefits	\$ 57,305,700	\$57,305,700	\$ 12,329,664	\$ 2,529,174	\$ 14,858,838	\$ 72,164,538
Subcontracts	16,294,324	16,294,324	-	-	-	16,294,324
Professional services	8,082,244	8,082,244	881,149	50,074	931,223	9,013,467
Facilities costs	5,435,922	5,435,922	1,169,571	239,913	1,409,484	6,845,406
Other general expenses	2,033,215	2,033,215	1,943,660	121,068	2,064,728	4,097,943
Depreciation and amortization	2,226,531	2,226,531	455,832	85,040	540,872	2,767,403
Consultant fees and expenses	1,953,608	1,953,608	152,668	24,930	177,598	2,131,206
Temporary help	105,515	105,515	336,030	9,232	345,262	450,777
Telephone	284,868	284,868	14,154	10,496	24,650	309,518
Seminars, workshops, conferences	76,770	76,770	62,703	2,861	65,564	142,334
Publications/library services	107,927	107,927	16,037	3,832	19,869	127,796
Travel	72,084	72,084	16,974	4,203	21,177	93,261
Purchase order contracts	17,749	17,749	6,662	516	7,178	24,927
Postage and delivery	17,563	17,563	4,622	514	5,136	22,699
Expendable supplies	19,210	19,210	2,778	673	3,451	22,661
<b>Total</b>	<b>\$ 94,033,230</b>	<b>\$94,033,230</b>	<b>\$ 17,392,504</b>	<b>\$ 3,082,526</b>	<b>\$ 20,475,030</b>	<b>\$114,508,260</b>

See accompanying notes to the financial statements.

# The Urban Institute

## Statement of Functional Expenses

Year Ended December 31, 2020

	Research and Public Policy Analysis	Total Program Services	General and Administrative	Fundraising	Total Supporting Services	Total
<b>Expenses</b>						
Salaries, wages, and benefits	\$55,670,708	\$55,670,708	\$ 11,633,792	\$ 2,513,428	\$14,147,220	\$ 69,817,928
Subcontracts	12,771,737	12,771,737	-	-	-	12,771,737
Facilities costs	5,468,533	5,468,533	1,103,756	238,177	1,341,933	6,810,466
Professional services	4,597,738	4,597,738	572,405	70,724	643,129	5,240,867
Other general expenses	1,528,428	1,528,428	2,070,706	46,628	2,117,334	3,645,762
Depreciation and amortization	2,209,775	2,209,775	400,728	86,264	486,992	2,696,767
Consultant fees and expenses	1,661,468	1,661,468	175,144	32,964	208,108	1,869,576
Telephone	296,540	296,540	14,207	10,948	25,155	321,695
Travel	267,306	267,306	12,089	2,319	14,408	281,714
Temporary help	4,158	4,158	172,256	1,722	173,978	178,136
Publications/library services	104,343	104,343	52,335	3,692	56,027	160,370
Seminars, workshops, conferences	61,300	61,300	22,182	1,789	23,971	85,271
Expendable supplies	47,348	47,348	10,460	1,578	12,038	59,386
Purchase order contracts	48,483	48,483	6,349	342	6,691	55,174
Postage and delivery	13,821	13,821	20,235	248	20,483	34,304
<b>Total</b>	<b>\$84,751,686</b>	<b>\$84,751,686</b>	<b>\$ 16,266,644</b>	<b>\$ 3,010,823</b>	<b>\$19,277,467</b>	<b>\$ 104,029,153</b>

See accompanying notes to the financial statements.

**The Urban Institute**  
**Statements of Cash Flows**

<i>Years Ended December 31,</i>	2021	2020
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ 48,097,668	\$ 22,261,362
Adjustments to reconcile change in net assets to net cash and cash equivalents provided by operating activities:		
Change in allowance for doubtful accounts	-	254,000
Change in contributions receivable discount	(21,813)	(765,816)
Realized/unrealized gain on investments, net	(17,275,652)	(16,717,489)
Depreciation and amortization	2,767,403	2,696,767
Changes in operating assets and liabilities:		
Contract receivables, net	(3,445,649)	(1,677,402)
Other receivables	(5,703,266)	5,821,588
Contributions receivable, net	(3,116,298)	2,491,230
Prepaid expenses and other assets	309,884	(1,031,592)
Accounts payable	2,169,444	(57,911)
Accrued payroll	304,273	(9,358)
Accrued paid time off	113,458	1,006,634
Other accrued expenses	(181,147)	(165,470)
Contract liabilities	(2,664,437)	(4,839,538)
Deferred rent and tenant allowance	(262,686)	382,195
Total adjustments	(27,006,486)	(12,612,162)
<b>Net cash provided by operating activities</b>	<b>21,091,182</b>	<b>9,649,200</b>
<b>Cash flows from investing activities:</b>		
Purchases of property and equipment	(511,003)	(1,621,656)
Purchases of investments	(95,661,178)	(18,187,020)
Sales of investments	79,056,632	19,430,779
<b>Net cash used in investing activities</b>	<b>(17,115,549)</b>	<b>(377,897)</b>
Net increase in cash and cash equivalents	3,975,633	9,271,303
Cash and cash equivalents, beginning of the year	35,993,140	26,721,837
<b>Cash and cash equivalents, end of the year</b>	<b>\$ 39,968,773</b>	<b>\$ 35,993,140</b>
<b>Reconciliation of cash and cash equivalents to statements of financial position:</b>		
Cash and cash equivalents	\$ 39,846,070	\$ 29,423,245
Endowment-related cash and cash equivalents	122,703	6,569,895
	\$ 39,968,773	\$ 35,993,140
<b>Supplemental cash flow information:</b>		
Cash paid for income taxes	\$ 351	\$ -
<b>Noncash financing and investing activities:</b>		
Leasehold improvements acquired under a leasehold allowance	\$ -	\$ 447,215
Obligation of leasehold improvements acquired under a leasehold allowance	-	(447,215)
<b>Total noncash financing and investing activities</b>	<b>\$ -</b>	<b>\$ -</b>

*See accompanying notes to the financial statements.*

# The Urban Institute

## Notes to the Financial Statements

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### 1. Organization and Significant Accounting Policies

The Urban Institute (the Institute) is a non-profit policy research organization established in Washington, D.C., in 1968. The Institute's objectives are to sharpen thinking about society's problems and efforts to solve them, improve government decisions and their implementation, and increase citizens' awareness about important public choices. Institute researchers identify and measure the extent of social problems, assess developing trends and solutions to those problems, evaluate existing social and economic programs and policy options, and offer conceptual clarification and technical assistance in the development of new strategies. The Institute receives contracts and grants from the federal government and private sponsors.

The significant accounting policies followed by the Institute are described below.

#### ***Basis of Accounting***

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America (U.S. GAAP) utilizing the accrual basis of accounting.

#### ***Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 financial statements. Such estimates also affect the reported amounts of revenues and expenses during the reporting year. Actual results may differ from estimates under different assumptions or conditions.

#### ***Revenue Recognition***

The Institute follows Financial Accounting Standards Board (the FASB) Accounting Standards Update (ASU), 2014-09, *Revenue from Contracts with Customers (Topic 606)*, including all subsequent amendments (collectively, Accounting Standards Codification (ASC) 606) and ASU 2018-08, *Not-For-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*.

The effect of ASC 606 and ASU 2018-08 on the Institute's financial statements were examined in conjunction with one another. Certain of the Institute's revenue-producing arrangements do not meet the definition of a contract under ASC 606, as the arrangement does not have commercial substance and does not meet the definition of an exchange transaction under the clarified guidance in ASU 2018-08. However, certain of the Institute's revenue-producing arrangements do meet the definition of a contract under ASC 606, as the customer receives commensurate value.

#### ***Contracts with Customers Accounted for in Accordance with ASC 606***

##### ***Contract Amounts Earned***

The Institute recognizes revenue as performance obligations are satisfied under a contract. A performance obligation is the unit of account for revenue recognition and refers to a promise in a contract to transfer a distinct service or good to the customer and may be satisfied over time or at a point in time. Contract amounts earned contain a single performance obligation involving various

# The Urban Institute

## Notes to the Financial Statements

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activities that are highly interrelated and/or interdependent which are performed together to deliver a combined programmatic research service or solution.

The Institute recognizes revenue over time as the customer simultaneously receives and consumes the benefits of performance as the promised services are performed over the duration of the contract. For U.S. federal government contracts, continuous transfer of control to the customer is evidenced by clauses in the contract that allow the customer to unilaterally terminate the contract for convenience, pay for costs incurred plus a reasonable profit and take control of any work-in-process.

Contract amounts earned are derived from contracts with departments or agencies of the U.S. federal government. The Institute's contracts do not include any significant financing terms. The Institute performs under various types of contracts, which include time-and-materials (T&M), cost-plus-fixed-fee (CPFF), and firm-fixed-price (FFP) contracts. Revenue from T&M and CPFF contracts is recognized over time using the right-to-invoice practical expedient as the Institute is contractually able to invoice the customer based on the control transferred to the customer. Revenue from FFP contracts is recognized over time using either a cost-input method (referred to as the cost-to-cost method) or a milestone method (an output method). The Institute utilizes the cost-input method to measure the extent of progress towards completion of a performance obligation over time and revenue is recognized based on the proportion of total costs incurred to estimated total costs-at-completion (EAC). A performance obligation's EAC includes all direct costs such as materials, labor, subcontract costs, overhead and a ratable portion of general and administrative costs. Under the milestone method, revenue is recognized upon a customer's acceptance of a deliverable on the assigned due date as each distinct payment invoiced by the Institute corresponds directly with the value of services performed for the amount invoiced. Some contracts are invoiced in advance of costs being incurred. These amounts are reflected in the accompanying statements of financial position as contract liabilities.

Contract costs include direct labor, combined with allocations of operational overhead and other direct costs. During the performance of the Institute's contracts, estimated final contract prices and costs are reviewed periodically and changes are made as required and recorded as changes in revenue and cost of revenue in the period in which they are determined. Amounts representing contract change orders or limitations in funding on contracts are variable consideration. Changes in contract revenue and cost estimates and the related effect to operating income are recognized using a cumulative catch-up adjustment, which recognizes in the current period the cumulative effect of the changes on current and prior periods based on a contract's percentage of completion. Changes in estimated revenue and cost could result in a forward loss or an adjustment to a forward loss. Provisions for estimated losses on uncompleted long-term contracts are recognized on a contract level in the period in which such losses are determined. Changes in job performance, job conditions, and estimated profitability may result in revisions to cost and revenue and are recognized in the year in which such revisions are determined.

### ***Revenue Accounted for in Accordance with ASU 2018-08***

#### ***Program and Project Grants and General Contributions***

The Institute receives contributions from individuals, government, private institutions and other organizations. Contributions are transactions under which the donor does not receive commensurate value. Contributions may be either conditional or unconditional transactions. Depending on the type of the agreement, if unconditional, the Organization recognizes the revenue the earlier of the period received or promised, or if conditional, when the condition has been met. Contributions

# The Urban Institute

## Notes to the Financial Statements

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received are considered to be without donor restrictions unless specifically restricted by the donor. Amounts received that are designated for a future period, or are restricted by the donor for specific purposes are reported as net assets with donor restrictions. Unconditional promises to give, which do not state a due date, are presumed to be time-restricted by the donor until received and are reported as net assets with donor restrictions. When the donor-imposed restrictions are met, the funds are released with an offset to without donor restrictions support.

Program and project grants represent resources received for restricted operating purposes as provided by each specific grant. Each grant is accounted for separately, and related expenditures constitute current revenues in the year expended. Some grant payments are received in advance of related expenditures.

General support grants and contributions are not designated for specific purposes but are received for general support to the Institute's research programs and are recognized as revenue when notice of intent is given.

Other revenues are recognized when earned.

### ***Cash Equivalents***

Cash equivalents include money market funds and repurchase agreements with original maturities of 90 days or less.

### ***Contract Receivables***

Contract receivables consists of billed receivables, net and contract assets. Contract receivables are generated from prime and subcontracting arrangements with federal governmental agencies and various commercial entities.

Billed receivables, net represent the Institute's unconditional right to consideration under the contract and include the amounts billed and currently due from customers. The amounts are stated at their net estimated realizable value. There were no significant impairment losses related to billed receivables in 2021 or 2020. Management determines the allowance for doubtful accounts by regularly evaluating individual customer receivables and considering a customer's financial condition, credit history, and current economic conditions. Management has recorded an allowance for contract receivables that are considered to be uncollectible. Billed contract receivables are considered past due if the invoice has been outstanding more than 30 days. The Institute does not charge interest on billed contract receivables; however, federal governmental agencies generally pay interest on invoices outstanding more than 30 days. The Institute records interest income from federal governmental agencies when received.

Contract assets represent amounts that are invoiced as work progresses in accordance with agreed-upon contractual terms, either at periodic intervals or upon achievement of contractual milestones. When revenue recognition occurs before billing, it results in contract assets.

### ***Other Receivables***

Other receivables largely consists of pending investment sales representing proceeds not yet received from the sales of the Institute's investments.

# The Urban Institute

## Notes to the Financial Statements

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### ***Contributions Receivable***

Contributions receivable consist of unconditional promises to give, which are recorded as contribution revenue upon receipt of the promise. Promises that are expected to be collected within one year are recorded at their net realizable value. Promises that are expected to be collected beyond one year are recorded at their net present value. Management believes that all contributions receivable are collectible.

### ***Property and Equipment***

The Institute's policy is to capitalize property and equipment purchases in excess of \$1,000. Property and equipment are carried at cost. Expenditures for major additions and improvements are capitalized, and minor replacements, maintenance, and repairs are charged to expense as incurred. When property and equipment is retired, or otherwise disposed of, the cost and accumulated depreciation and amortization is removed from the accounts and any resulting gain or loss is included in the results of operations for the respective year. Depreciation and amortization of property and equipment is computed using the straight-line method over the estimated useful lives of the assets. Leasehold improvements are amortized using the straight-line method over the lesser of the lease or life of the asset. The asset categories and their estimated useful lives are as follows:

Assets	Estimated Useful Lives
Leasehold improvements	Lesser of life of lease or life of asset
Software	3 - 8 years
Computer equipment	3 years
Furniture and equipment	5 - 7 years

Equipment purchased under the execution of a specific contract or grant is expensed in the year of acquisition.

### ***Investments***

Investments are carried at fair value. The fair value of the investments is based upon quoted market prices where available or values provided by investment companies if the investments are not publicly traded. Interest and dividend income is accounted for on the accrual basis. Investment income or loss generated from investments are considered non-operating activities and are classified accordingly in the accompanying statements of activities and change in net assets.

As of December 31, 2021 and 2020, the Institute's investments are comprised of shares held in several investment funds. These investment funds also may invest in foreign and domestic equity and debt instruments, derivative instruments such as hedges and foreign currency contracts, and also certain leveraged arrangements. Any significant changes in the fair value of these investment funds could significantly affect the overall value of the Institute's investment portfolio and its net assets.

# The Urban Institute

## Notes to the Financial Statements

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### ***Accrued Paid Time Off***

Under the Institute's paid time off policy, employees are permitted to accumulate unused paid time off up to certain maximum amounts. The policy also provides for payment to employees of such unused amounts at termination. The Institute accrues paid time off as it is earned by the employees.

### ***Contract Liabilities***

The Institute receives advances and milestone payments from customers on selected contracts that exceed revenue earned to date, resulting in contract liabilities. Contract liabilities typically are not considered a significant financing component because they are used to meet working capital demands that can be higher in the early stages of a contract and they protect the Institute from the customer failing to adequately complete some or all of its obligations under the contract. Contract liabilities are reported in the statements of financial position on a net contract basis at the end of each reporting period.

### ***Benefit Plans***

The Institute has a non-contributory defined contribution retirement plan (the Plan) covering substantially all full-time employees. The Institute recorded contributions of \$4,509,461 and \$4,395,495 to the Plan for the years ended December 31, 2021 and 2020, respectively, based on a fixed rate applied to annual compensation of covered employees. All retirement costs accrued are funded, and there are no unfunded prior service costs in connection with the Plan.

The Institute established a trust in 1993 to serve as a funding vehicle for benefits provided under the Institute's contributory health and welfare plan. The Institute recorded expenses of \$2,827,001 and \$2,281,824 for the years ended December 31, 2021 and 2020, respectively, based on an estimate of expected claims, reinsurance premiums, and administrative costs under the health and welfare plans.

### ***Classification of Net Assets***

The Institute groups net assets into the following two classes:

***Net Assets Without Donor Restrictions*** - Net assets without donor restrictions generally result from net revenues derived from contracts and grants, unrestricted contributions, publication activities, investment income and other net inflows of assets whose use by the Institute is not limited by donor-imposed restrictions. Net assets without donor restrictions also include some net assets that have been designated by the Board of Trustees for specific purposes as a quasi-endowment fund. The Board of Trustees approves spending from the Board-designated quasi-endowment fund each year and appropriates funds to certain programs at their discretion.

***Net Assets With Donor Restrictions*** - Net assets with donor restrictions consist of amounts that are subject to donor restrictions and income earned on net assets with donor restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. The Institute is permitted to use up or expend these assets in accordance with the donors' restrictions. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

# The Urban Institute

## Notes to the Financial Statements

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The Institute's donor-restricted endowment is subject to the authoritative guidance issued by the FASB on net asset classifications of endowment funds, such that earnings on donor-restricted endowment funds for not-for-profit organizations that are subject to the District of Columbia Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) are classified as net assets with restrictions until such amounts are appropriated for expenditure.

### *Operating and Non-operating Activities*

Operating activities include all transactions and other events which generally involve providing the Institute's services. Non-operating activities are investing activities related to the management of the Institute's endowments and other net assets with donor restrictions.

### *Functional Allocation of Expenses*

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of functional expenses for the years ended December 31, 2021 and 2020. Accordingly, certain costs, including general and administrative costs, have been allocated among the programs and supporting services benefited.

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function, requiring allocation of these expenses on a reasonable basis that is consistently applied. Expenses that are allocated include occupancy costs, furniture repair, depreciation and amortization, which are allocated by labor dollar, information technology by labor hours, salaries and benefits by timesheet job costing, and remaining costs by job costing dollars.

The statements of activities and change in net assets report operating costs as incurred under contracts, grants, and for other research. Further, costs are reported as development, publication and public affairs and other costs. These categories sum to total program costs as reported in the statements of functional expenses.

### *Income Taxes*

Under provisions of the Internal Revenue Code (the IRC) Section 501(c)(3) and the applicable regulations of the District of Columbia, the Institute is exempt from taxes on income other than unrelated business income. The Institute incurred unrelated business income tax expense of \$4,253 and \$351 for the years ended December 31, 2021 and 2020, respectively. The Institute is not a private foundation under Section 509(a)(2) of the IRC.

In accordance with authoritative guidance on accounting for uncertainty in income taxes issued by the FASB, the Institute recognizes tax liabilities for uncertain tax positions when it is more likely than not that a tax position will not be sustained upon examination and settlement with various taxing authorities. Liabilities for uncertain tax positions are measured based upon the largest amount of benefit that is greater than 50% likely of being realized upon settlement. The guidance on accounting for uncertainty in income taxes also addresses de-recognition, classification, and interest and penalties on income taxes. With few exceptions, the Institute is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years ended December 31, 2017 and prior. Management has evaluated the Institute's tax positions and has concluded that the Institute has taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance.

# The Urban Institute

## Notes to the Financial Statements

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### *Fair Value of Financial Instruments*

The fair value of the Institute's short-term financial instruments, including cash and cash equivalents, contract receivables, contributions receivable, prepaid expenses, accounts payable, accrued payroll, accrued paid time off, other accrued expenses, and deferred revenue approximate their carrying amounts due to the short maturity of these instruments.

### *Valuation of Long-Lived Assets*

The Institute accounts for the valuation of long-lived assets under authoritative guidance issued by the FASB, which requires that long-lived assets be reviewed for impairment whenever events or circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of the long-lived assets is measured by a comparison of the carrying amount of the asset to future undiscounted net cash flows expected to be generated by the assets. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets.

Assets to be disposed of are reportable at the lower of the carrying amount or fair value, less costs to sell. No indicators of impairment were identified for the years ended December 31, 2021 and 2020.

### *Concentrations of Credit Risk*

The Institute's assets that are exposed to credit risk consist primarily of cash and cash equivalents, investments, accounts receivable and contributions receivable. Domestic deposits are maintained at financial institutions and, at times, balances may exceed federally insured limits. The Institute has historically not experienced any losses related to these balances. Amounts on deposit in excess of federally insured limits at December 31, 2021 approximate \$40.7 million. The Institute invests its excess cash and cash equivalents, and maintains its investments with high-quality financial institutions. The Institute performs yearly evaluations of these institutions for relative credit standing. Management regularly monitors the composition and maturities of investments. The Institute limits the amount of credit exposure to any one financial institution. Accounts receivable consist primarily of amounts due from various agencies of the federal government or prime contractors doing business with the federal government. Contributions receivable consist of amounts due from private foundations, individual donors and major donors (see Note 10). Historically, the Institute has not experienced significant losses related to accounts and contributions receivable and, therefore, believes that the credit risk related to these receivables is minimal.

### *Other Concentrations*

In April 2021, the Institute's staff notified management that a supermajority of eligible staff elected to form the Urban Institute Employees' Union (UIEU) and authorized the Nonprofit Professional Employees Union (NPEU), International Federation of Professional and Technical Engineers (IFPTE) Local 70 to be their representative.

Approximately 262 employees, or about 43% of the Institute's workforce are in scope of the bargaining unit.

# The Urban Institute

## Notes to the Financial Statements

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### ***Recent Accounting Pronouncements Not Yet Adopted***

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, amending the existing accounting standards for lease accounting, including requiring lessees to recognize most leases on their balance sheets and making targeted changes to lessor accounting. Topic 842 was subsequently updated by ASUs 2018-01, 2018-10, 2018-11, 2018-20, 2019-01, and 2019-10. The new lease standard provides lessors with a practical expedient, by class of underlying asset, to elect not to separate nonlease components from the associated lease component and, instead, to account for those components as a single component if the nonlease components otherwise would be accounted for under ASC 606 and both the timing and pattern of transfer of the nonlease component(s) and associated lease component are the same, and the lease component, if accounted for separately, would be classified as an operating lease. If the nonlease component or components associated with the lease component are the predominant component of the combined component, an entity is required to account for the combined component in accordance with ASC 606. Otherwise, the entity must account for the combined component as an operating lease in accordance with Topic 842.

In June 2020, the FASB issued ASU 2020-05 to provide a one-year deferral of the effective date of Topic 842. The revised effective date for calendar-year private companies will be for annual periods beginning after December 15, 2021. Management will evaluate the effect that adoption of this new standard will have on the Institute's financial statements.

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848), Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. The ASU provides optional guidance for a limited period of time to ease the potential burden in accounting for or recognizing the effects of reference rate reform on financial reporting. The ASU applies only to contracts, hedging relationships and other transactions that reference LIBOR or another reference rate expected to be discontinued because of the reference rate reform. The ASU is effective for the Institute at March 12, 2020 through December 31, 2022. This guidance has been subsequently updated by ASU 2021-01. Management will evaluate the effect that the adoption of this new standard will have on the Institute's financial statements.

In September 2020, the FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. In an effort to improve transparency in reporting nonprofit gifts-in-kind, the ASU requires not-for-profit organizations to change the financial statement presentation and disclosure of contributed nonfinancial assets. Under the new requirements, gifts-in-kind are to be presented as a separate line item, and include enhanced disclosures about the valuation of those contributions, description of any donor-imposed restrictions, and description of the valuation techniques and inputs used to arrive at a fair value measure. The new standard is to be applied retrospectively, with amendments taking effect for annual reporting periods beginning after June 15, 2021, and interim periods within annual reporting periods beginning after June 15, 2022. Early adoption is permitted. Management will evaluate the effect that the adoption of this new standard will have on the Institute's financial statements.

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments - Credit Losses (Topic 326), Measurement of Credit Losses on Financial Instruments*. This update, along with ASU 2018-19, *Codification Improvements to Topic 326, Financial Instruments - Credit Losses* changes the impairment model for most financial assets that are measured at amortized cost and certain other instruments from an incurred loss model to an expected loss model. Entities will be required to estimate credit losses over the entire contractual term of an instrument. The ASU is effective for the Institute's year beginning on January 1, 2023. Early adoption may be selected for fiscal years beginning after December 15, 2018. An entity must apply the amendments in the ASU through a

# The Urban Institute

## Notes to the Financial Statements

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cumulative-effect adjustment to net assets as of the beginning of the first reporting period in which the guidance is effective except for certain exclusions. Management is currently evaluating the impact of this ASU on the Institute's financial statements.

The Institute has assessed other accounting pronouncements issued or effective during the year ended December 31, 2021 and deemed they were not applicable to the Institute or are not anticipated to have a material effect on the financial statements.

### 2. Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following at:

<i>December 31,</i>	2021	2020
Cash and cash equivalents	\$ 39,968,773	\$ 35,993,140
Receivables	69,350,784	57,063,758
Investments	170,129,589	136,249,391
Financial assets, at year-end	279,449,146	229,306,289
Adjustments for amounts not available for general expenditures within one year:		
Restricted by donor with time or purpose restrictions	(94,550,409)	(72,321,866)
Board-designated quasi-endowment fund	(138,603,777)	(129,109,388)
Financial assets available to meet cash needs for general expenditure within one year	\$ 46,294,960	\$ 27,875,035

The Organization has donor-restricted endowment funds of approximately \$8.3 million and \$7.5 million, which are included in net assets with donor restrictions of approximately \$95.3 million and \$72.9 million as of December 31, 2021 and 2020, respectively. Donor-restricted endowment funds and unspent donor-restricted gifts are not available for general use.

Institute management is authorized by the Board of Trustees to draw up to 2.5% of endowment assets on an annual basis in support of ongoing organizational health and operations. The Board of Trustees may also approve an additional annual draw of up to 2.5% during the annual budget review process in order to support the Institute's mission. The endowment asset balance used to calculate the annual percentage draw is based on the average of the quarter-end endowment value from the prior twenty quarters. The unexpended balance of an approved annual draw may be carried over for use in the subsequent fiscal year. The President or his/her designee may draw additional amounts from the endowment without Board of Trustees approval where required to meet the Institute's short-term borrowing needs for cash flow purposes provided that such amounts are repaid to the endowment within thirty days from the date when borrowed.

To further supplement liquidity, the Institute also has a \$7 million line-of-credit with a bank, which it can draw upon if conditions dictate.

# The Urban Institute

## Notes to the Financial Statements

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### 3. Contract Receivables and Contract Liabilities

Contract receivables and contract liabilities recognized consist of the following at December 31:

	2021	2020
Billed receivables, net	\$ 8,740,339	\$ 6,730,581
Contract assets	11,977,534	10,541,643
<b>Total contract receivables</b>	<b>\$ 20,717,873</b>	<b>\$ 17,272,224</b>
<b>Contract liabilities</b>	<b>\$ 2,980,526</b>	<b>\$ 5,644,963</b>

The Institute's performance obligations are satisfied either over time as work progresses or at a point in time. Fixed-price contracts are typically billed to the client using milestone payments or ratably over the contract period of performance, while cost-reimbursable and time and material contracts are typically billed to the client on a monthly basis as indicated by the negotiated billing terms and conditions of the contract. As a result, for each of the Institute's contracts, the timing of revenue recognition, client billings and cash collections results in a net contract asset or liability at the end of each reporting period.

#### ***Billed Receivables, Net***

Billed receivables consist of receivables for which the Institute has prepared an invoice and sent to the customer. The components of billed receivables are as follows at December 31:

	2021	2020
Billed receivables	\$ 9,109,339	\$ 7,099,581
Allowance for doubtful accounts	(369,000)	(369,000)
<b>Billed receivables, net</b>	<b>\$ 8,740,339</b>	<b>\$ 6,730,581</b>

The Institute does not believe that they have significant exposure to credit risk as billed and unbilled receivables are primarily due from the U.S. government. The allowance for doubtful accounts represents the Institute's estimate for exposure to compliance, contractual issues and bad debts related to prime contractors.

#### ***Contract Assets***

Contract assets include unbilled receivables, which is the amount of revenue recognized that exceeds the amount billed to the client, where right to payment is not just subject to the passage of time.

#### ***Contract Liabilities***

Contract liabilities consist primarily of revenue recognized in excess of payments received on performance obligations under the clients' contracts.

# The Urban Institute

## Notes to the Financial Statements

Contract liabilities recognized at December 31, 2021 and 2020 consist primarily of timing differences between billings (which are based upon contractually set milestones) and amounts recognized as revenue (which are based upon costs incurred and contract performance).

Other receivables consists of the following at December 31:

	2021	2020
Other receivables		
Pending investment sales	\$ 12,479,238	\$ 6,864,883
Other billed receivables	531,370	443,732
Travel and other advances to employees	(6,769)	(8,042)
	\$ 13,003,839	\$ 7,300,573

#### 4. Contributions Receivable

Contributions receivable consist of amounts due in:

<i>December 31,</i>	2021	2020
Less than one year	\$ 26,464,599	\$ 21,779,734
One year to five years	9,355,282	10,923,849
	35,819,881	32,703,583
Less: contributions receivable discount	(190,809)	(212,622)
	\$ 35,629,072	\$ 32,490,961

Contributions due in more than one year have been recorded at their present value using a discount rate of 1.10% and 1.14% in 2021 and 2020, respectively.

#### 5. Property and Equipment

Property and equipment consists of the following at December 31:

	2021	2020
Software	\$ 4,898,598	\$ 4,896,779
Leasehold improvements	20,582,786	20,586,407
Computer equipment	5,366,938	4,924,738
Furniture and equipment	6,577,453	6,506,848
	37,425,775	36,914,772
Less: accumulated depreciation and amortization	(21,280,536)	(18,513,133)
	\$ 16,145,239	\$ 18,401,639

Depreciation and amortization expense on property and equipment aggregated \$2,767,403 and \$2,696,767 for the years ended December 31, 2021 and 2020, respectively.

**The Urban Institute**  
**Notes to the Financial Statements**

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**6. Investments**

Investment return is comprised of the following for the years ended December 31:

	2021	2020
Interest and dividend income	\$ 1,292,001	\$ 1,164,739
Realized gain on investments	24,331,869	4,302,736
Unrealized (loss) gain on investments	(6,335,197)	12,933,181
	19,288,673	18,400,656
Less:		
Management fees and investment expenses	(985,555)	(832,384)
Investment return allocation	(3,138,585)	(3,189,300)
	\$ 15,164,533	\$ 14,378,972

**7. Bank Line-of-Credit**

The Institute has an unsecured bank line-of-credit under which it may borrow up to \$7,000,000 from a commercial bank. The terms allow the Institute to borrow at the thirty-day indexed London Inter-bank Offered Rate (LIBOR) plus one percent (1.10% as of December 31, 2021). There were no outstanding balances due under the bank line-of-credit as of December 31, 2021 or 2020. The line-of-credit expires, if not renewed, on June 30, 2022.

# The Urban Institute

## Notes to the Financial Statements

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### 8. Net Assets with Donor Restrictions

The Institute receives contributions for several programmatic research areas, which are classified as contributions with donor restrictions. The accumulated balance of unexpended contributions is consolidated below by the Institute Research Center.

Accumulated unappropriated earnings on the Institute's donor-restricted endowment fund are classified as net assets with donor restrictions (see Note 9).

Net assets with donor restrictions consist of the following as of December 31:

	2021	2020
Purpose restrictions:		
Research to Action Lab	\$ 21,347,460	\$ 18,287,526
Executive Office Research	14,303,710	9,752,356
Metropolitan Housing and Communities Policy Center	9,689,859	2,649,975
Center on Nonprofits and Philanthropy	8,570,644	1,262,673
Justice Policy Center	8,254,852	8,781,422
Health Policy Center	7,625,692	10,050,569
Tax Policy Center	5,485,872	4,727,379
Income and Benefits Policy Center	3,500,203	3,747,770
Center on Education Data and Policy	2,620,478	3,248,533
Center on Labor, Human Services, and Population	2,585,136	1,039,715
Housing Finance Policy Center	2,244,320	1,043,715
Technology and Data Science	53,198	-
Time restrictions:		
General support grants and contributions	746,930	839,158
Endowments:		
Subject to appropriation and expenditure when a specified event occurs		
Tax Policy Center	1,340,008	872,086
Social Policy Analysis	3,433,929	3,132,950
Perpetual in nature, earnings from which are subject to endowment spending policy and appropriation		
Tax Policy Center	2,500,000	2,496,077
Social Policy Analysis	1,000,000	1,000,000
	\$ 95,302,291	\$ 72,931,904

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### 9. Endowment and Quasi-Endowments

The Institute's endowment consists of two donor-restricted endowment funds and a Board-designated quasi-endowment fund. Net assets associated with endowment funds, including funds designated by the Board of Trustees to function as an endowment, are classified and reported based on the existence or absence of donor-imposed restrictions.

# The Urban Institute

## Notes to the Financial Statements

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The Board of Trustees of the Institute has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Institute retains in perpetuity (a) the original value of initial and subsequent gift amounts (including promises to give net of discount and allowance for doubtful accounts) donated to the endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by the Institute in a manner consistent with the standard of prudence prescribed by UPMIFA. We consider the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the Institute and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Institute
- (7) The investment policies of the Institute

The Board of Trustees authorized the establishment of the quasi-endowment fund in 1983 to provide an ongoing source of funding for general operations.

The donors' intent in contributing to the Institute's endowment fund was to provide an ongoing source of funding for senior scholars in social policy analysis. The investment committee of the Board of Trustees is responsible for the oversight and management of the Institute's endowment.

The Institute has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of the donor-restricted fund that the Institute must hold in perpetuity as well as the Board-designated fund. Under this policy, as approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to maximize the total rate of return for assets consistent with prudent investment management, taking into consideration the potential for market appreciation, the safety of principal, and income.

To satisfy its long-term rate-of-return objectives, the Institute relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Institute targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints (see Note 12).

**The Urban Institute**  
**Notes to the Financial Statements**

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Endowment net assets consist of the following at December 31:

	2021		
	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated quasi-endowment fund	\$ 147,174,374	\$ -	\$ 147,174,374
Donor-restricted endowment fund:			
Original donor-restricted gift amounts required to be maintained in perpetuity by the donor	-	3,500,000	3,500,000
Accumulated investment gain	-	4,773,939	4,773,939
Total endowment funds	\$ 147,174,374	\$ 8,273,939	\$ 155,448,313

	2020		
	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated quasi-endowment fund	\$ 135,664,236	\$ -	\$ 135,664,236
Donor-restricted endowment fund:			
Original donor-restricted gift amounts required to be maintained in perpetuity by the donor	-	3,496,077	3,496,077
Accumulated investment gain	-	4,005,036	4,005,036
Total endowment funds	\$ 135,664,236	\$ 7,501,113	\$ 143,165,349

**The Urban Institute**  
**Notes to the Financial Statements**

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The following table presents the endowment-related balances and activities by net asset classification as of and for the years ended December 31, 2021 and 2020:

	Without Donor Restrictions	With Donor Restrictions
Endowment net assets, December 31, 2019	\$ 116,245,566	\$ 6,711,477
Net investment return		
Investment income, net	1,112,225	52,514
Net gain	16,458,811	777,106
Investment management fees	(794,860)	(37,524)
Total investment return	16,776,176	792,096
Contributions	-	19,060
Appropriations	(3,182,918)	(21,520)
Transfer of investments from other receivables	5,825,412	-
Endowment net assets, December 31, 2020	135,664,236	7,501,113
Net investment return		
Investment income, net	1,192,025	55,254
Net gain	17,262,276	800,157
Investment management fees	(941,895)	(43,660)
Total investment return	17,512,406	811,751
Contributions	-	3,923
Appropriations	(370,977)	(42,848)
Transfer of investments to other receivables	(5,631,291)	-
Endowment net assets, December 31, 2021	\$ 147,174,374	\$ 8,273,939

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Institute to retain as a fund of perpetual duration. In accordance with U.S. GAAP, deficiencies of this nature are classified as net assets with donor restrictions. There were no such deficiencies as of December 31, 2021 and 2020.

**10. Major Donors**

As of December 31, 2021 and 2020, two donors accounted for 31% and 46%, respectively, of the Institute's total contributions receivable. For the years ended December 31, 2021 and 2020, two donors represented 29% and 32%, respectively, of the Institute's total contributions revenue balance which is included in program and project grants in the statements of activities and change in net assets.

# The Urban Institute

## Notes to the Financial Statements

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### 11. Commitments and Contingencies

#### *General*

The Institute may enter into service agreements with service providers in which it agrees to indemnify the service provider against certain losses and liabilities arising from the service provider's performance under the agreement. Generally, such indemnification obligations do not apply in situations in which the service provider is grossly negligent, engages in willful misconduct, or acts in bad faith. The indemnifications serve to place the Institute in a liability position no different than if it had performed the services for itself. The Institute was not aware of any liability under such agreements for the years ended December 31, 2021 or 2020.

In the normal course of business, the Institute is a party to certain claims and assessments. In the opinion of management, these matters will not have a material effect on the Institute's financial position, change in net assets, or cash flows.

#### *Leases*

On December 30, 2016, the Institute signed a new lease agreement for their new headquarters office, located in Washington, D.C. The lease commenced on March 1, 2019 for a term of 15 years, with a five-year option to extend at the end of the initial lease term. The office space lease contains escalation provisions requiring scheduled increases of 2.5% annually, plus operating expense escalations as estimated by property management. The lease included provisions which allowed the minimum rental payments to be adjusted annually for increases in operating expenses and real estate taxes attributed to the leased property. The lease provides for a tenant allowance of \$17,282,960.

During 2020, the Institute signed new lease agreements for equipment. The leases commenced in 2020 for a term of five years. The leases do not contain escalation provisions.

In accordance with authoritative guidance issued by the FASB, the Institute recognizes the total cost of its office leases and tenant allowance ratably over the respective lease periods. The difference between the expense and the required lease payments is reflected as deferred rent and tenant allowance in the accompanying statement of financial position and is being recorded on a straight-line basis over the term of the office space lease. Total rent expense was \$6,845,406 and \$6,810,466 for the years ended December 31, 2021 and 2020, respectively.

As of December 31, 2021, approximate future minimum rental payments due under operating leases for the new headquarters office and other operating leases are as follows:

#### *Years ending December 31,*

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2022	\$ 7,218,000
2023	7,421,000
2024	7,568,000
2025	7,770,000
2026	7,988,000
Thereafter	64,127,000

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\$ 102,092,000

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# The Urban Institute

## Notes to the Financial Statements

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### ***Contracts and Grants***

A substantial number of the Institute's contracts and grants are with departments or agencies of the United States Government and are subject to audit by government auditors. Contract and grant revenue has been recorded in amounts that are expected to be realized upon final settlement. The Institute is of the opinion that adjustments, if any, arising from such audits will not have a material effect on the financial statements.

### ***Indirect Cost Rates***

In connection with its ongoing relationship with U.S. Department of Health and Human Services and the regulatory provisions for its Negotiated Indirect Cost Rate Agreement (NICRA), the Institute is finalizing provisional indirect cost rates. As of December 31, 2021, the Institute has finalized indirect cost rates through fiscal year 2020 and provisional indirect cost rates for fiscal years 2021 - 2023. The Institute is partnered with the U.S. Department of Health and Human Services to negotiate indirect rate agreements.

### ***Risks and Uncertainties***

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of a coronavirus originating in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spread globally beyond its point of origin. On March 11, 2020, the WHO declared COVID-19 a global pandemic. As of the date of issuance, this public health emergency stands to substantially impact the global economy, including significant volatility in the financial markets. The Institute cannot reasonably estimate the length or severity of this pandemic or the impact on the economy. Management is continually monitoring the impact of the pandemic on operations and it may have a material impact on the amount of reported assets and net assets associated with the market value of investments in the near term. While the resulting disruptions are expected to be temporary, there is considerable uncertainty around its duration. Although the Institute cannot estimate the length or gravity of the impact of the COVID-19 outbreak at this time, if the pandemic continues, it may have an adverse effect on the Institute's results of future operations, financial position, and liquidity in fiscal year 2022.

## **12. Fair Value Measurements**

Certain assets are recorded at fair value. Fair value is defined as the price that would be received to sell an asset between market participants in an orderly transaction on the measurement date. The market in which the reporting entity would sell the asset with the greatest volume and level of activity for the asset 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 with the price that maximizes the amount that would be received. Fair value is based on assumptions market participants would make in pricing the asset. 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 Urban Institute

## Notes to the Financial Statements

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The Institute reports certain investments using the net asset value per share as determined by investment managers under the so called “practical expedient.” The practical expedient allows net asset value per share to represent fair value for reporting purposes when the criteria for using this method are met. Investments at net asset value are excluded from the fair market value hierarchy.

The Institute’s assets recorded at fair value on a recurring basis are categorized based on the priority of the inputs used to measure fair value. Fair value measurement standards require an entity to maximize the use of observable inputs (such as quoted prices in active markets) and minimize the use of unobservable inputs (such as appraisals or other valuation techniques) to determine fair value. The inputs used in measuring fair value are categorized into three levels, as follows:

- **Level 1** - Inputs that are based upon quoted prices for identical instruments traded in active markets.
- **Level 2** - Inputs that are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar investments in markets that are not active, or models based on valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the investment.
- **Level 3** - Inputs that are generally unobservable and typically reflect management’s estimates of assumptions that market participants would use in pricing the asset. The fair values are therefore determined using model-based techniques that include option pricing models, discounted cash flow models, and similar techniques.

The following section describes the valuation methodologies the Institute uses to measure its financial assets at fair value.

### *Investments*

Investments include debt securities, equity securities, hedge funds, and other alternative investments.

In general, and where applicable, the Institute uses quoted prices in active markets for identical assets to determine fair value. This pricing methodology applies to Level 1 investments such as certain debt and equity securities. If quoted prices in active markets for identical assets are not available to determine fair value, then the Institute uses quoted prices for similar assets or inputs other than the quoted prices that are observable either directly or indirectly. These investments are included in Level 2.

As of December 31, 2021 and 2020, \$88,614,932 and \$89,051,154, respectively, of the Institute’s investments are reported at net asset value under the practical expedient rule. The remaining \$81,514,657 and \$47,198,237 for 2021 and 2020, respectively, of investments are classified as Level 1 investments. All investment managers used by the Institute undergo annual financial statement audits. In addition, the Institute employs third-party investment advisors for detailed independent reviews of all investment managers holding Institute funds. These reviews entail an assessment of the methodologies used in measuring fair value. The Institute reports the investment fund fair values as calculated by the investment managers without adjustment.

# The Urban Institute

## Notes to the Financial Statements

Institute senior management and the investment committee of the Board of Trustees regularly review the monthly and year-to-date returns for each investment in order to analyze individual returns as well as overall investment performance. There were no changes in valuation techniques noted for the Institute's investments for 2021 and 2020.

Investments measured at fair value on a recurring basis are summarized below:

<i>Description</i>	As of December 31, 2021			
	Assets Measured at Fair Value	Fair Value Hierarchy Level		
		Level 1	Level 2	Level 3
<b>Debt securities</b>				
Trading debt securities	\$ 28,342,299	\$ 28,342,299	\$ -	\$ -
<b>Total debt securities</b>	<b>28,342,299</b>	<b>28,342,299</b>	<b>-</b>	<b>-</b>
<b>Equity securities</b>				
Domestic equity	32,308,955	32,308,955	-	-
International equity	20,863,403	20,863,403	-	-
<b>Total equity securities</b>	<b>53,172,358</b>	<b>53,172,358</b>	<b>-</b>	<b>-</b>
<b>Hedge funds and alternatives</b>				
Measured at net asset value*	88,614,932	-	-	-
<b>Total</b>	<b>\$ 170,129,589</b>	<b>\$ 81,514,657</b>	<b>\$ -</b>	<b>\$ -</b>

\* Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of financial position.

**The Urban Institute**  
**Notes to the Financial Statements**

<i>Description</i>	As of December 31, 2020			
	Assets Measured at Fair Value	Fair Value Hierarchy Level		
		Level 1	Level 2	Level 3
<b>Debt securities</b>				
Trading debt securities	\$ 16,406,710	\$ 16,406,710	\$ -	\$ -
<b>Total debt securities</b>	<b>16,406,710</b>	<b>16,406,710</b>	<b>-</b>	<b>-</b>
<b>Equity securities</b>				
Domestic equity	16,559,290	16,559,290	-	-
Global equity	695,232	695,232	-	-
International equity	8,132,468	8,132,468	-	-
Emerging markets	5,404,537	5,404,537	-	-
<b>Total equity securities</b>	<b>30,791,527</b>	<b>30,791,527</b>	<b>-</b>	<b>-</b>
<b>Hedge funds and alternatives</b>				
Measured at net asset value*	89,051,154	-	-	-
<b>Total</b>	<b>\$ 136,249,391</b>	<b>\$ 47,198,237</b>	<b>\$ -</b>	<b>\$ -</b>

\* Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of financial position.

The major categories of the Institute's investments that are valued at net asset value or its equivalent, including general information related to each category, are as follows at December 31:

<i>December 31, 2021</i>	Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Notice Period (Days)
Global equity	\$ 19,591,416	\$ -	Quarterly, Annually	30, 90
Private equity	18,646,446	6,869,517	N/A	N/A
Multi-strategy	16,628,400	-	Quarterly, Biennially, Annually	60, 65, 90, 105
Domestic equity	12,605,314	-	Monthly	30
International equity	7,351,001	-	Monthly	10
Long/short equity	6,647,208	-	Quarterly, Annually	60, 105
Emerging markets equity	5,038,120	-	Monthly, Annually	30, 90
Private debt	2,107,027	370,300	N/A	N/A
<b>Balance at December 31, 2021</b>	<b>\$ 88,614,932</b>	<b>\$ 7,239,817</b>		

# The Urban Institute

## Notes to the Financial Statements

<i>December 31, 2020</i>	Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Notice Period (Days)
Multi-strategy	\$ 21,308,401	\$ -	Quarterly, Biennially, Annually	60, 65, 90, 105
Global equity	17,203,378	-	Quarterly, Annually	30, 90
Domestic equity	14,751,673	-	Monthly	30
Private equity	12,017,092	11,327,371	N/A	N/A
Long/short equity	8,315,502	-	Quarterly, Annually	60, 105
Emerging markets equity	7,935,828	-	Monthly, Annually	30, 90
International equity	5,935,663	-	Monthly	10
Private debt	1,583,617	827,443	N/A	N/A
Balance at December 31, 2020	\$ 89,051,154	\$ 12,154,814		

**Global Equity** - Investments include equity securities in both domestic and developed foreign markets. The fair values of the investments in this class have been estimated using the net asset value per share of the investments. All of the investments in the category have satisfied applicable lock-up requirements and are available with notice during the next allowable liquidation window.

**Multi-Strategy** - Investments include credit and debt vehicles from both foreign and domestic issuers. Assets may also be invested in equity long/short, event-driven, relative value, and global asset allocation. The fair values of the investments in this class have been estimated using the net asset value per share of the investments. All of the investments in the category have satisfied applicable lock-up requirements and are available with notice during the next allowable liquidation window.

**Private Equity** - This class includes private equity funds investing in small to mid-market buyout and growth opportunities and investments in the energy, mining, and power industries. The fair values of the investments in this class have been estimated using the net asset value per share of the investments. These investments can never be redeemed with the funds. Distributions from each fund will be received as the underlying investments of these funds are liquidated. It is estimated that the underlying assets of the funds will be liquidated over the next eight to 15 years.

**Domestic Equity** - Investments include domestic equity security holdings. The fair values of the investments in this class have been estimated using the net asset value per share of the investments. All investments have satisfied applicable lock-up requirements and are available with notice during the next allowable liquidation window.

**International Equity** - Investments include equity security holdings in developed foreign markets. The fair values of the investments in this class have been estimated using the net asset value per share of the investments. 5% are available for special redemption, but full redemption will not be available for a period of 12 months.

# The Urban Institute

## Notes to the Financial Statements

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**Long/short Equity** - These managers invest primarily in equity long/short underlying hedge funds or direct investments. Some event-driven opportunities may be utilized. Strategies range from value to growth and small to large capitalization. The fair values of the investments in this class have been estimated using the net asset value per share of the investments. 20% of the investments have satisfied applicable lock-up requirements and are available with notice during the next allowable liquidation window.

**Emerging Markets equity** - Investments include equity security holdings in emerging foreign markets. The fair values of the investments in this class have been estimated using the net asset value per share of the investments. All of the investments have satisfied applicable lock-up requirements and are available with notice during the next allowable liquidation window.

**Private Debt** - This class includes holdings of private debt funds of commercial mortgage backed securitizations. The fair values of the investments in this class have been estimated using the net asset value per share of the investments. These investments can never be redeemed with the funds. Distributions from each fund will be received as the underlying investments of these funds are liquidated. It is estimated that the underlying assets of the funds will be liquidated over the next 12 years.

### 13. Subsequent Events

The Institute has evaluated its December 31, 2021 financial statements for subsequent events through June 30, 2022, the date the financial statements were available to be issued. The Institute is not aware of any subsequent events which would require recognition or disclosure in the financial statements.

## Schedule of Expenditures of Federal Awards

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# The Urban Institute

## Schedule of Expenditures of Federal Awards Research and Development Cluster

Year Ended December 31, 2021

UI#	FEDERAL GRANTOR / PRIME SOURCE	FEDERAL ASSISTANCE LISTING NUMBER	UI SOURCE	ABBREVIATED TITLE	PRIME AWARD NUMBER	PASS THROUGH AWARD NUMBER	AMOUNT PASSED THROUGH TO SUBRECIPIENTS	TOTAL 2021 FEDERAL EXPENDITURES
102163-0001-001	Appalachian Regional Commission	23.011	Appalachian Regional Commission	Evaluation of Grant Performance Measurement	CO-20006-20	N/A	\$ -	\$ 49,749
Total - Direct Awards							Appalachian Regional Commission	49,749
Total -							Appalachian Regional Commission	49,749
102351-0001-001	Centers for Disease Control and Prevention	93.185	Centers for Disease Control and Prevention	COVID 19 - Supporting CBOs to Increase Vaccination Coverag	NH23IP922651	N/A	1,068,952	2,464,809
102433-0001-001	Centers for Disease Control and Prevention	N/A	Centers for Disease Control and Prevention	IPA - CDC COSSAP FY21	21IPA2111283-MOD 1	N/A	-	43,618
Total - Direct Awards							Centers for Disease Control and Prevention	1,068,952
Total -							Centers for Disease Control and Prevention	2,508,427
101922-0001-001	Department of Agriculture	N/A	Baylor University	Evaluation of Summer Food Program in Rural Texas	USDA-FNS-CN-19-RSMDP-TX01	10030132	-	86,883
102466-0001-001	Department of Agriculture	10.579	Baylor University	2021 Meals to You Expansion Evaluation	USDAFNSCN21FSMDPTX01	1001246	-	34,800
102343-0001-001	Department of Agriculture	10.310	University of Kentucky	The Nexus of Water/Waste Water Systems	2021-68006-34031	PO 7800005739 / 3200003852-	-	20,846
102157-0001-001	Department of Agriculture	10.579	Baylor University	Baylor Pilot Food Box Delivery Expansion	USDA-FNS-CN-20-RSMDP-TX01	30060157-01 / PO ORD0001524	-	117,461
102162-0001-001	Department of Agriculture	10.579	Baylor University	Emergency Meals to You Evaluation 00596	USDA-FNS-CN-20-RSMDP-TX-03	30060190-01	-	362,475
Total - Pass-Through							Department of Agriculture	622,465
Total -							Department of Agriculture	622,465
101751-0001-001	Department of Commerce	11.312	Department of Commerce	EDA - Understanding Impact	ED18HDQ3120012	N/A	-	377,646
Total - Direct Awards							Department of Commerce	377,646
Total -							Department of Commerce	377,646
102445-0001-001	Department of Education	84.305	Department of Education	Yr 1 IES 2020 DC Pre-K Proposal	R305A210506	N/A	11,886	54,598
102067-0001-001	Department of Education	N/A	Mathematica Policy Research	Evaluation of Promise Neighborhoods and Full Servi	91990020C0001	50947506418	-	1,404
101882-0001-001	Department of Education	84.215	University of Maryland	Promise Heights BMore Promise-Nhbrhood Eval 00977	U215N180040	SR00005688 / 1903160 / 2542	-	173,910
Total - Pass-Through							Department of Education	11,886
Total -							Department of Education	229,912
100865-0019-001	Department of Health and Human Services	N/A	Department of Health and Human Services	CHAFEE PHASE II EVAL ACTIVITIE 08800-5-051	HHSP23337051T	N/A	-	918,574
101378-0001-001	Department of Health and Human Services	N/A	Department of Health and Human Services	Home Visiting-Career Trajectory CLIN 1 09340-A-001	HHSP23337009T	N/A	-	135,655
101378-0001-002	Department of Health and Human Services	N/A	Department of Health and Human Services	Home Visiting-Career Trajectory CLIN 2 09340-A-002	HHSP23337009T	N/A	-	(639)
101379-0001-001	Department of Health and Human Services	N/A	Department of Health and Human Services	CHILD WELFARE EVIDENCE CLIN 1 09341-A-001	HHSP23337014T	N/A	-	986,867
101379-0001-003	Department of Health and Human Services	N/A	Department of Health and Human Services	CHILD WELFARE EVIDENCE CLIN 2 09341-A-002	HHSP23337014T	N/A	-	533,879
101379-0001-004	Department of Health and Human Services	N/A	Department of Health and Human Services	CHILD WELFARE EVIDENCE CLIN 8 09341-A-008	HHSP23337014T	N/A	-	219,510
101379-0001-005	Department of Health and Human Services	N/A	Department of Health and Human Services	CHILD WELFARE EVIDENCE CLIN 3 09341-A-003	HHSP23337014T	N/A	-	47,749
101380-0001-002	Department of Health and Human Services	N/A	Department of Health and Human Services	S&L CCDBG IMP CLIN 2 OSC2	HHSP23337016T	N/A	-	149,503
101387-0001-005	Department of Health and Human Services	93.092	Department of Health and Human Services	2020 PASS EVALUATION	90AP2685	N/A	128,352	376,182
101550-0004-001	Department of Health and Human Services	N/A	Department of Health and Human Services	HHS - State TANF Policies Database Project CLIN 4	HHSP23337018T	N/A	-	358,746

(Continued)

# The Urban Institute

## Schedule of Expenditures of Federal Awards (Continued) Research and Development Cluster

Year Ended December 31, 2021

UI#	FEDERAL GRANTOR / PRIME SOURCE	FEDERAL ASSISTANCE LISTING NUMBER	UI SOURCE	ABBREVIATED TITLE	PRIME AWARD NUMBER	PASS THROUGH AWARD NUMBER	AMOUNT PASSED THROUGH TO SUBRECIPIENTS	TOTAL 2021 FEDERAL EXPENDITURES
101759-0003-001	Department of Health and Human Services	N/A	Department of Health and Human Services	CCDF Policies Database CLIN 3	HHSP233201500064I	N/A	-	337,529
101759-0004-001	Department of Health and Human Services	N/A	Department of Health and Human Services	CCDF Policies Database CLIN 4	HHSP233201500064I	N/A	-	122,532
101761-0001-002	Department of Health and Human Services	N/A	Department of Health and Human Services	EHR Option Year 1	HHSP23337004T	N/A	-	605,663
101779-0001-001	Department of Health and Human Services	N/A	Department of Health and Human Services	Service Component 1	HHSP23337020T	N/A	-	58,707
101779-0001-002	Department of Health and Human Services	N/A	Department of Health and Human Services	Optional Services Component 2	HHSP23337020T	N/A	-	81,403
101968-0001-002	Department of Health and Human Services	N/A	Department of Health and Human Services	Annual Survey of Refugees 2020-2022 CLIN 2	75P00119F37024	N/A	-	8,345
101968-0001-003	Department of Health and Human Services	N/A	Department of Health and Human Services	Annual Survey of Refugees 2020-2022 CLIN 3	75P00119F37024	N/A	-	692,096
101968-0001-004	Department of Health and Human Services	N/A	Department of Health and Human Services	Annual Survey of Refugees 2020-2022 CLIN 4	75P00119F37024	N/A	-	154,480
101968-0001-009	Department of Health and Human Services	N/A	Department of Health and Human Services	Annual Survey of Refugees 2020-2022 CLIN 3001	75P00119F37024	N/A	-	65,466
101975-0002-001	Department of Health and Human Services	93.575	Department of Health and Human Services	Year 2 Child Care Policy Research	90YE0221-02	N/A	-	150,635
101975-0002-002	Department of Health and Human Services	93.575	Department of Health and Human Services	CARRYOVER Child Care Policy Research	90YE0221-02	N/A	-	107,813
101975-0003-001	Department of Health and Human Services	93.575	Department of Health and Human Services	Y3 Child Care Policy Research Partnerships	90YE0221-03-00	N/A	-	71,677
101983-0001-001	Department of Health and Human Services	N/A	Department of Health and Human Services	CCECB Center CLIN 1	75P00119F37025	N/A	-	160,446
101983-0001-003	Department of Health and Human Services	N/A	Department of Health and Human Services	CCECB Center CLIN 3 OSC2b	75P00119F37025	N/A	-	84,431
101983-0001-004	Department of Health and Human Services	N/A	Department of Health and Human Services	CCECB Center CLIN 4 OSC2c	75P00119F37025	N/A	-	10,468
101983-0001-005	Department of Health and Human Services	N/A	Department of Health and Human Services	CCECB Center CLIN 5 OSC2d	75P00119F37025	N/A	-	32,330
101983-0001-007	Department of Health and Human Services	N/A	Department of Health and Human Services	CCECB Center CLIN 7 OSC3a	75P00119F37025	N/A	-	961
101983-0001-008	Department of Health and Human Services	N/A	Department of Health and Human Services	CCECB Center CLIN 8 OSC3b	75P00119F37025	N/A	-	108,470
101983-0001-009	Department of Health and Human Services	N/A	Department of Health and Human Services	CCECB Center CLIN 9 OSC3c	75P00119F37025	N/A	-	3,010
101983-0001-012	Department of Health and Human Services	N/A	Department of Health and Human Services	CCECB Center CLIN 12 OSC4	75P00119F37025	N/A	-	103,749
101983-0001-013	Department of Health and Human Services	N/A	Department of Health and Human Services	CCECB Center CLIN 13 OSC5	75P00119F37025	N/A	-	269
101983-0001-015	Department of Health and Human Services	N/A	Department of Health and Human Services	CCECB Center CLIN 15 OSC7a	75P00119F37025	N/A	-	124,792
101983-0001-016	Department of Health and Human Services	N/A	Department of Health and Human Services	CCECB Center CLIN 16 OSC7b	75P00119F37025	N/A	-	30,534
102221-0001-001	Department of Health and Human Services	93.575	Department of Health and Human Services	Secondary Analyses on Early Care & Ed. 00015	90YE0229	N/A	-	53,124
102222-0001-001	Department of Health and Human Services	93.575	Department of Health and Human Services	Demand for Nontraditional Work Hrs. Research 00730	90YE0241	N/A	-	46,253
102223-0001-001	Department of Health and Human Services	93.575	Department of Health and Human Services	NSECE Childcare Workforce Study 00731	90YE0238	N/A	-	14,920
102224-0001-001	Department of Health and Human Services	N/A	Department of Health and Human Services	CLIN1 Base Year	75P00120F37006	N/A	-	277,827
102224-0001-002	Department of Health and Human Services	N/A	Department of Health and Human Services	CLIN2 Option Period 1	75P00120F37006	N/A	-	132,277
102224-0001-006	Department of Health and Human Services	N/A	Department of Health and Human Services	CLIN6 Opt 1.01	75P00120F37006	N/A	-	175,595
102224-0001-007	Department of Health and Human Services	N/A	Department of Health and Human Services	CLIN7 opt 1.02	75P00120F37006	N/A	-	192,340
102224-0001-008	Department of Health and Human Services	N/A	Department of Health and Human Services	CLIN8 opt 1.03	75P00120F37006	N/A	-	145,678
102224-0001-009	Department of Health and Human Services	N/A	Department of Health and Human Services	CLIN9 opt 1.04	75P00120F37006	N/A	-	137,159
102224-0001-010	Department of Health and Human Services	N/A	Department of Health and Human Services	CLIN10 opt 1.05	75P00120F37006	N/A	-	77,865
102224-0001-011	Department of Health and Human Services	N/A	Department of Health and Human Services	CLIN11 opt 1.06 HSP TA	75P00120F37006	N/A	-	79,395
102224-0001-012	Department of Health and Human Services	N/A	Department of Health and Human Services	CLIN12 opt 1.07	75P00120F37006	N/A	-	71,352
102224-0001-013	Department of Health and Human Services	N/A	Department of Health and Human Services	CLIN13 opt 1.08 Census	75P00120F37006	N/A	-	46,736
102224-0001-014	Department of Health and Human Services	N/A	Department of Health and Human Services	CLIN14 opt 1.09	75P00120F37006	N/A	-	21,910
102224-0001-015	Department of Health and Human Services	N/A	Department of Health and Human Services	CLIN15 opt 1.10	75P00120F37006	N/A	-	17,530
102224-0001-016	Department of Health and Human Services	N/A	Department of Health and Human Services	CLIN16 opt 1.11	75P00120F37006	N/A	-	8,073
102224-0001-017	Department of Health and Human Services	N/A	Department of Health and Human Services	CLIN17 opt1.12	75P00120F37006	N/A	-	4,215
102224-0001-018	Department of Health and Human Services	N/A	Department of Health and Human Services	CLIN18 Optional Task 2.01	75P00120F37006	N/A	-	14,072
102224-0001-019	Department of Health and Human Services	N/A	Department of Health and Human Services	CLIN19 Optional Task 2.02	75P00120F37006	N/A	-	18,668

(Continued)

# The Urban Institute

## Schedule of Expenditures of Federal Awards (Continued) Research and Development Cluster

Year Ended December 31, 2021

UI#	FEDERAL GRANTOR / PRIME SOURCE	FEDERAL ASSISTANCE LISTING NUMBER	UI SOURCE	ABBREVIATED TITLE	PRIME AWARD NUMBER	PASS THROUGH AWARD NUMBER	AMOUNT PASSED THROUGH TO SUBRECIPIENTS	TOTAL 2021 FEDERAL EXPENDITURES
102224-0001-026	Department of Health and Human Services	N/A	Department of Health and Human Services	CLIN26 Optional Task 2.09	75P00120F37006	N/A	-	20,054
102230-0001-001	Department of Health and Human Services	N/A	Department of Health and Human Services	HS2EHS CLIN1	75P00120F37027	N/A	-	198,239
102230-0001-002	Department of Health and Human Services	N/A	Department of Health and Human Services	HS2EHS CLIN2	75P00120F37027	N/A	-	4,706
102230-0001-003	Department of Health and Human Services	N/A	Department of Health and Human Services	HS2EHS CLIN3	75P00120F37027	N/A	-	6,742
102230-0001-008	Department of Health and Human Services	N/A	Department of Health and Human Services	HS2EHS CLIN8	75P00120F37027	N/A	-	44,329
102467-0001-001	Department of Health and Human Services	N/A	Department of Health and Human Services	TANF Welfare Rules Database 2021 OSC1	75ACF121F80030	N/A	-	80,427
102487-0001-001	Department of Health and Human Services	N/A	Department of Health and Human Services	IPA - Prendergast	21IPA	N/A	-	31,848
102488-0001-001	Department of Health and Human Services	N/A	Department of Health and Human Services	Advancing CAMPE SC1	75ACF121F80036	N/A	-	38,794
102488-0001-002	Department of Health and Human Services	N/A	Department of Health and Human Services	Advancing CAMPE OSC2	75ACF121F80036	N/A	-	9,365
102488-0001-003	Department of Health and Human Services	N/A	Department of Health and Human Services	Advancing CAMPE OSC3	75ACF121F80036	N/A	-	2,116
102488-0001-004	Department of Health and Human Services	N/A	Department of Health and Human Services	Advancing CAMPE OSC4	75ACF121F80036	N/A	-	3,116
102488-0001-005	Department of Health and Human Services	N/A	Department of Health and Human Services	Advancing CAMPE OSC5	75ACF121F80036	N/A	-	1,980
102499-0001-001	Department of Health and Human Services	93.575	Department of Health and Human Services	Coordinated Evaluations of Child Care and Developm	90YE0257	N/A	-	5,579
102396-0001-001	Department of Health and Human Services	93.866	Department of Health and Human Services	Aging, Health, and Care (Resubmission)	RF1AG068846-01A1	N/A	-	38,883
Total - Direct Awards					Department of Health and Human Services		128,352	8,862,999
100889-0002-002	Department of Health and Human Services	N/A	ABT Associates	CAREER PATH 2ND GEN CLIN 2 08826-B-202	HHSP23320095624WC	44135	-	208,453
100889-0002-005	Department of Health and Human Services	N/A	ABT Associates	CAREER PATH 2ND GEN CLIN 5 08826-B-205	HHSP23320095624WC	44135	-	71,425
101894-0001-001	Department of Health and Human Services	93.865	Brown University	NIH Pub & Pvt Spend Chldrn & Achvmt Gaps 00590	1R03HD097421-01	00001348	-	830
102321-0001-001	Department of Health and Human Services	93.243	County of Hamilton, Tennessee	Fuse Initiative	H79SM080906	Hamilton County FUSE	-	144,249
101243-0001-002	Department of Health and Human Services	N/A	ABT Associates	HPOG2 IMPACT STUDY CLIN 16	HHSP233201500052C	45791	-	28,603
101243-0001-003	Department of Health and Human Services	N/A	ABT Associates	HPOG IMPACT STUDY CLIN 11	HHSP233201500052C	45791	-	1,204
101243-0004-001	Department of Health and Human Services	N/A	ABT Associates	NT EVAL 2ND GEN HPO GRANTS 09201-D-004 CLIN 4	HHSP233201500052C	45791	-	87,505
102502-0001-001	Department of Health and Human Services	N/A	American Institutes for Research	AIR-Long Analysis Medical Long-Term Services NHATS	HHSP233201500032I	PO# 0523900001	-	483
102087-0001-001	Department of Health and Human Services	N/A	Insight Policy Research	Maternal Opioid Misuse - IPR	HHSM-500-2011- 000161	51001	-	711,204
101451-0001-001	Department of Health and Human Services	93.866	Johns Hopkins University	CAREGIVING FOR ALZHEIMER'S 09403-A-001	R01AG054004	2003252042	-	53,188
102073-0001-002	Department of Health and Human Services	N/A	L&M Policy Research, LLC	Option 1-CMS Minority Health Analytical Initiative	HHSM-500-2011-000191	CMS-OMH-SIA-HE-UI-2019-1	-	10,526
102073-0001-003	Department of Health and Human Services	N/A	L&M Policy Research, LLC	Option 2 CMS Minority Health Analytical Initiative	HHSM-500-2011-000191	CMS-OMH-SIA-HE-UI-2019-1	-	329
102019-0001-002	Department of Health and Human Services	N/A	NORC at the University of Chicago	PTAC Option Year 2	HHSP233201500048I	8395.URBAN.02	-	91,101
102019-0001-003	Department of Health and Human Services	N/A	NORC at the University of Chicago	PTAC Option Year 3	HHSP233201500048I	8395.URBAN.02	-	36,665
102241-0001-001	Department of Health and Human Services	N/A	NORC at the University of Chicago	Consumer Education and Parental Choice CLIN 1	75P00120F37019	8933.UI.01	-	293,817
102241-0001-002	Department of Health and Human Services	N/A	NORC at the University of Chicago	Consumer Education and Parental Choice CLIN 2	75P00120F37019	8933.UI.01	-	12,950
102241-0001-003	Department of Health and Human Services	N/A	NORC at the University of Chicago	Consumer Education and Parental Choice CLIN 3	75P00120F37019	8933.UI.01	-	3,081
102241-0001-004	Department of Health and Human Services	N/A	NORC at the University of Chicago	Consumer Education and Parental Choice CLIN 4	75P00120F37019	8933.UI.01	-	8,041
102241-0001-006	Department of Health and Human Services	N/A	NORC at the University of Chicago	Consumer Education and Parental Choice CLIN 6	75P00120F37019	8933.UI.01	-	759
101236-0001-001	Department of Health and Human Services	N/A	Research Triangle Institute	SIM EVALUATION ROUND II 09194-A-001	HHSM-500-2014-00037I	7-312-0214448-52309L	-	790,013
101384-0001-001	Department of Health and Human Services	N/A	Research Triangle Institute	STAGE 2 MEDICARE-MEDICAID EVAL 09346-A-001	HHSM-500-2014-00037I	20-312-0214448-52755L	-	308,555
102260-0001-001	Department of Health and Human Services	93.086	Rubicon Programs	Fatherhood FIRE - Rubicon	90ZJ0014-01-01	Agreement signed 5/2/2021	-	182,592
101241-0001-006	Department of Health and Human Services	N/A	Social and Scientific Systems, Inc	Option Period V	HHSM-500-2014-00038I	HPDA-SSS-S-14-004103	-	10,324
101825-0001-001	Department of Health and Human Services	93.866	University of Michigan	UMich - Economic distress in Life Expectancy	1R01AG059743-01	SUBK00008381/PO 3005220295	-	107,014
102025-0001-001	Department of Health and Human Services	N/A	MEF Associates	CLIN 1	HHSP233201500077I	75P00119F37008	-	25,961
101986-0001-001	Department of Health and Human Services	N/A	2M Research	2M Research Subcontract	75P00119F37004	2019-ACF-10124	-	61,717
102465-0001-001	Department of Health and Human Services	N/A	Deloitte Consulting LLP	Deloitte-Health Equity Accelerator	75FCMC21F0086	109494-1	-	66,297

(Continued)

# The Urban Institute

## Schedule of Expenditures of Federal Awards (Continued) Research and Development Cluster

Year Ended December 31, 2021

UI#	FEDERAL GRANTOR / PRIME SOURCE	FEDERAL ASSISTANCE LISTING NUMBER	UI SOURCE	ABBREVIATED TITLE	PRIME AWARD NUMBER	PASS THROUGH AWARD NUMBER	AMOUNT PASSED THROUGH TO SUBRECIPIENTS	TOTAL 2021 FEDERAL EXPENDITURES	
102322-0001-001	Department of Health and Human Services	N/A	Fathers Incorporated	Research Partner for the National Responsible Fath	HHSP233201800027	FI-UI-2021-001	-	99,375	
102322-0001-002	Department of Health and Human Services	N/A	Fathers Incorporated	FY22 Research Partner for the National Responsible	HHSP233201800027	FI-UI-2021-001	-	24,504	
Total - Pass-Through							Department of Health and Human Services	-	3,440,765
Total -							Department of Health and Human Services	128,352	12,303,764
102027-0001-001	Department of Homeland Security	97.044	International Public Safety Data Institute	FY2018 Fire Prevention & Safety grant	EMW-2018-FP-00108	FY18FPS-03-UI	-	23,640	
Total - Pass-Through							Department of Homeland Security	-	23,640
102009-0001-001	Department of Housing and Urban Development	N/A	Department of Housing and Urban Development	Choice Neighborhoods Implementation Eval 01004	86614819F00516	N/A	-	199,026	
102009-0001-002	Department of Housing and Urban Development	N/A	Department of Housing and Urban Development	Choice Neighborhoods Implementation Eval 01110	86614819F00516	N/A	-	32	
102010-0001-001	Department of Housing and Urban Development	N/A	Department of Housing and Urban Development	Family Unification Program & Self Sufficiency	86614919F00014	N/A	-	265,721	
102265-0001-001	Department of Housing and Urban Development	14.536	Department of Housing and Urban Development	Calculating FMRs for Tight Rental Markets 01141	H-21698CA	N/A	-	132,784	
102277-0001-001	Department of Housing and Urban Development	N/A	Department of Housing and Urban Development	Evaluation of the HUD-DOJ Pay for Success Re-Entry	86614921C00001	N/A	-	242,805	
102350-0001-001	Department of Housing and Urban Development	14.536	Department of Housing and Urban Development	Social and Economic Impacts of the CBDG	H-21734 CA	N/A	-	11,189	
Total - Direct							Department of Housing and Urban Development	-	851,557
101343-0001-004	Department of Housing and Urban Development	N/A	State Street Bank and Trust Company	GNMA-GLOBAL INVESTOR SERVICE OY4	DU100G-16-D-01	01	-	75,265	
102317-0001-001	Department of Housing and Urban Development	N/A	ABT Associates	Housing Choice Voucher YR 1	86614820F00030	51829	-	102,894	
101994-0001-001	Department of Housing and Urban Development	N/A	Econometrica Inc	RAD Choice Mobility and Long-Term Affordability Ev	GS00F101CA/86614819F00518	1916-1917-URB-2019	-	309,951	
Total - Pass-Through							Department of Housing and Urban Development	-	488,110
Total -							Department of Housing and Urban Development	-	1,339,667
101424-0001-001	Department of Justice	16.560	Department of Justice	ELDER ABUSE PREVENTION:PLAN PH 09333-A-001	2016-MU-CX-K006	N/A	207,802	670,971	
101544-0001-001	Department of Justice	16.734	Department of Justice	JPC_BJS_FJASPBPR	2017-BJ-CX-K055	N/A	-	10,527	
101549-0001-001	Department of Justice	16.203	Department of Justice	SMART_A/1 and A/N Risk and Needs AssessmentBR	2017-AW-BX-K002	N/A	770	248,299	
101749-0001-001	Department of Justice	16.560	Department of Justice	Wireless Contraband Interdiction	2018-75-CX-K005	N/A	27,829	76,680	
101763-0001-001	Department of Justice	16.560	Department of Justice	EVALUATION TELEHEALTH FOR OPIOID USE DISORDERS	2018-75-CX-0022	N/A	-	210,698	
101764-0001-001	Department of Justice	16.123	Department of Justice	YOUTH VIOLENCE PREVENTION PRACTICE STRATEGY	2018-PB-FX-K002	N/A	-	284,198	
101771-0001-001	Department of Justice	16.734	Department of Justice	Criminal Cases in State Courts (CCSC)	2018-85-CX-K029	N/A	210,390	628,478	
101772-0001-001	Department of Justice	16.560	Department of Justice	Phased Evaluation of Victim Connect	2018-V3-GX-0003	N/A	-	302	
101786-0001-001	Department of Justice	16.026	Department of Justice	Examining the Implementation of the SAFE Protocol	2018-SI-AX-0002	N/A	11,032	216,233	
101909-0001-001	Department of Justice	16.827	Department of Justice	Justice Reinvestment Initiative	2019-ZB-BX-K004	N/A	-	686,235	
101990-0001-001	Department of Justice	16.734	Department of Justice	Survey of Public Defenders	2019-85-CX-K003	N/A	81,018	185,757	
102012-0001-001	Department of Justice	16.812	Department of Justice	IMPROVING SAFETY FOR INSTITUTIONAL CORRECTIONS	2019-UP-BX-K001	N/A	18,832	360,215	
102485-0001-001	Department of Justice	16.026	Department of Justice	Perceptions of Justice for Dom. Violence Survivors	15JOVW-21-GG-02483-MUMU	N/A	-	2,827	
Total - Direct Awards							Department of Justice	557,673	3,581,420

(Continued)

# The Urban Institute

## Schedule of Expenditures of Federal Awards (Continued) Research and Development Cluster

Year Ended December 31, 2021

UI#	FEDERAL GRANTOR / PRIME SOURCE	FEDERAL ASSISTANCE LISTING NUMBER	UI SOURCE	ABBREVIATED TITLE	PRIME AWARD NUMBER	PASS THROUGH AWARD NUMBER	AMOUNT PASSED THROUGH TO SUBRECIPIENTS	TOTAL 2021 FEDERAL EXPENDITURES	
101821-0001-001	Department of Justice	16.838	Warren County, Ohio	Comprehensive Opioid Abuse Site-Based Program	2018-MU-MU-K073	1	-	61,153	
101900-0001-001	Department of Justice	16.320	American University	MOSAICS: Maximizing OVC's Survivor Assistance	2018-VT-BX-K0168	31497-A190074-S01	-	10,380	
102150-0001-001	Department of Justice	16.839	City of Milwaukee	STOP School Violence & Threat Assessment Solutions	2019-YS-BX-0072	Terms and Conditions dated Apr	-	16,388	
102394-0001-001	Department of Justice	16.812	Council of State Governments	Second Chance Act TTA on PFS, Housing and Family S	2020-CZ-BX-K001	21-SA-161-2982	-	25,729	
102331-0001-001	Department of Justice	16.817	University of Maryland	Byrne Criminal Justice Innovation II	2016-AJ-BX-0012	1701263	-	55,134	
101914-0001-001	Department of Justice	16.746	Wayne County Prosecutor's Office	Upholding the Rule of Law	2018-FA-BX-0007	URL_URBAN_2018	-	63,293	
101860-0001-001	Department of Justice	16.838	Institute for Intergovernmental Research	Initial Assessment and Evaluation of COAP	2017-AR-BX-K003	Agreement dated 02/12/19	-	511,561	
Total - Pass-Through							Department of Justice	-	<b>743,638</b>
Total -							Department of Justice	<b>557,673</b>	<b>4,325,058</b>
101553-0001-001	Department of Labor	N/A	Department of Labor	DOL - Alt. Strat. For Financing Unemployment	1605DC-17-U-00130	N/A	-	2,143	
101774-0001-001	Department of Labor	N/A	Department of Labor	The Great Recession: Lessons Learned for UI System	1605DC-18-F-00386	N/A	-	50,403	
101930-0001-002	Department of Labor	N/A	Department of Labor	Option Year 1	1630DC-19-F-00038	N/A	-	1,078,046	
101930-0001-003	Department of Labor	N/A	Department of Labor	Option Year 2	1630DC-19-F-00038	N/A	-	566,947	
101931-0001-001	Department of Labor	N/A	Department of Labor	Apprenticeship Expansion and Modernization Fund	1605DC-19-F-00180	N/A	-	6,610,235	
101981-0001-001	Department of Labor	N/A	Department of Labor	Base contract tasks 1-6	1605DC-19-F-00312	N/A	-	345,096	
101981-0001-002	Department of Labor	N/A	Department of Labor	Optional Task 10	1605DC-19-F-00312	N/A	-	478,534	
101981-0001-003	Department of Labor	N/A	Department of Labor	Optional Task 7	1605DC-19-F-00312	N/A	-	136,890	
102212-0001-001	Department of Labor	N/A	Department of Labor	Office of Disability Employment Policy and Eval	1605C5-20-F-00042	N/A	-	56,146	
102397-0001-001	Department of Labor	N/A	Department of Labor	Older Workers Implementation and Descriptive Study	1605C2-21-F-00029	N/A	-	199,629	
102432-0001-001	Department of Labor	17.285	Department of Labor	Registered Apprenticeship TA Centers of Excellence	AP-36653-21-75-A-11	N/A	-	82,218	
Total - Direct							Department of Labor	-	<b>9,606,287</b>
101330-0001-001	Department of Labor	N/A	ABT Associates	AMERICAN APPRENTICESHIP INITIA 09289-A-001	GS-00F-252-CA	46865	-	487,786	
101787-0001-001	Department of Labor	N/A	ABT Associates	EVAL ADVANCE REEMPLOYMENT SERVICES 00630	GS-00F-252-CA	50027	-	278,376	
101581-0001-001	Department of Labor	N/A	Mathematica Policy Research	HVRP - BR	DOLQ129633249/1605DC- 17-	50510S05662	-	148,813	
101840-0001-001	Department of Labor	N/A	Mathematica Policy Research	Eval_Behvrl_Intrvtns_Labor_Progs_00646	DOLQ129633249	PAA MPR DOL 50516S05956	-	8,437	
102540-0001-001	Department of Labor	17.285	W.E. Upjohn Institute for Employment Research	Michigan SAE 2020 Grant (State Apprenticeship Expansion)	SAE 2020_YARG_MWSW	21-10	-	3,977	
Total - Pass-Through							Department of Labor	-	<b>927,389</b>
Total -							Department of Labor	-	<b>10,533,676</b>
102257-0001-001	Institute of Museum and Library Services	N/A	Institute of Museum and Library Services	IMLS Performance Management 00322	53987120F0019	N/A	-	169,205	
Total - Direct							Institute of Museum and Library Services	-	<b>169,205</b>
Total -							Institute of Museum and Library Services	-	<b>169,205</b>
101746-0001-001	Medicare Payment Advisory Commission	N/A	Medicare Payment Advisory Commission	MedPAC - Estimating variations in IRF PPS	MED18P0077	N/A	-	9,298	
101942-0001-001	Medicare Payment Advisory Commission	N/A	Medicare Payment Advisory Commission	MedPAC - Proxies of Functional Status in a PAC PPS	MED19P0065	N/A	-	15,467	
102413-0001-001	Medicare Payment Advisory Commission	N/A	Medicare Payment Advisory Commission	MedPac - Updated unified post-acute care PPS	MEDPAC160001A/MED21P0070	N/A	-	36,708	
102435-0001-001	Medicare Payment Advisory Commission	N/A	Medicare Payment Advisory Commission	MedPac - Variation in IRF profitability - Part 2	MEDPAC160001A/MED21P0073	N/A	-	39,624	
Total - Direct							Medicare Payment Advisory Commission	-	<b>101,097</b>
Total -							Medicare Payment Advisory Commission	-	<b>101,097</b>

(Continued)

# The Urban Institute

## Schedule of Expenditures of Federal Awards (Continued) Research and Development Cluster

Year Ended December 31, 2021

UI#	FEDERAL GRANTOR / PRIME SOURCE	FEDERAL ASSISTANCE LISTING NUMBER	UI SOURCE	ABBREVIATED TITLE	PRIME AWARD NUMBER	PASS THROUGH AWARD NUMBER	AMOUNT PASSED THROUGH TO SUBRECIPIENTS	TOTAL 2021 FEDERAL EXPENDITURES
102490-0001-001	National Institutes of Health (NIH)	N/A	National Institutes of Health (NIH)	C1 Supply-Building and Sustainability Effort SC1	75N98021F00364	N/A	-	116,113
102490-0001-005	National Institutes of Health (NIH)	N/A	National Institutes of Health (NIH)	C5 Supply-Building and Sustainability Effort OSC4a	75N98021F00364	N/A	-	4,413
Total - Pass-Through					National Institutes of Health (NIH)		-	120,526
Total -					National Institutes of Health (NIH)		-	120,526
102191-0001-001	National Science Foundation	47.075	National Science Foundation	HNDS-I: Collaborative Research	2024330	N/A	-	67,106
102213-0001-001	National Science Foundation	N/A	National Science Foundation	IRS Validation Server for Administrative Tax Data	49100420C0028	N/A	-	472,596
Total - Direct					National Science Foundation		-	539,702
101649-0002-001	National Science Foundation	47.075	University of Virginia	Mod 1, Additional Funds	1735786	GA11260. PO#2267814	-	17,619
102372-0001-001	National Science Foundation	47.070	University Of North Carolina	South Big Data Hub Seed Fund Grant	OAC-1916454	5120181	-	50,365
Total - Pass-Through					National Science Foundation		-	67,984
Total -					National Science Foundation		-	607,686
102463-0001-001	Social Security Administration	N/A	Social Security Administration	IPA - Boyens FY22	Assignment Agmt - 9/22/21	N/A	-	707
102464-0001-001	Social Security Administration	N/A	Social Security Administration	IPA - Smalligan FY22	Assignment Agmt - 9/22/21	N/A	-	1,337
Total - Direct					Social Security Administration		-	2,044
102049-0001-002	Social Security Administration	96.007	Boston College	RDRC FFY 2021 Subaward #5107173-02, PO #0000145502	1RDR18000004	5107173-02	-	235,257
102504-0001-001	Social Security Administration	96.007	Boston College	Retirement & Disability Research FFY2022	5RDR18000004	5107174-02	-	440
Total - Pass-Through					Social Security Administration		-	235,697
Total -					Social Security Administration		-	237,741
102054-0001-001	U.S. Agency for International Development	N/A	ABT Associates	Nepal Sajhedari - Support to Federalism 00327	7206719C00001	50738	-	259,154
101578-0001-001	U.S. Agency for International Development	98.001	JSI Research & Training Institute, Inc	BUILDING HEALTH CITIES	AID-OAA-A-17-00028	AID-OAA-A-17-00028-001	-	23,936
101661-0001-001	U.S. Agency for International Development	98.001	International Research and Exchange Board	MY COMMUNITY MOLDOVA	720-117-18-CA-00002	FY18-CM-UI (01)	-	127,910
101702-0001-001	U.S. Agency for International Development	N/A	Training Resources Group, Inc.	COMMUNICATIONS, EVIDENCE & LEARNING TASK ORDER 01	7200AA18M00006	7200AA-18-M-00006-Urban Instit	-	122,387
Total - Pass-Through					U.S. Agency for International Development		-	533,387
Total -					U.S. Agency for International Development		-	533,387
<b>TOTAL - Expenditures of Federal Awards - Research and Development Cluster</b>							<b>\$ 1,766,863</b>	<b>\$ 34,083,646</b>

*See accompanying notes to the schedule of expenditures of federal awards.*

# The Urban Institute

## Notes to the Schedule of Expenditures of Federal Awards

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### 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of The Urban Institute (the Institute) under programs of the federal government for the year ended December 31, 2021. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Institute, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Institute. The Schedule does not include federal assistance listing number for certain financial programs as some of the Institute's federal programs are performed in foreign countries or under cost-reimbursable contract agreements.

### 2. Summary of Significant Accounting Policies

Expenditures reported in the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in Office of Management and Budget (OMB) Circular A-122, *Cost Principles for Non-Profit Organizations*, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown in the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

### 3. Indirect Cost Rates

The Institute has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

### 4. Reconciliation of Schedule of Expenditures of Federal Awards to the Statement of Activities and Change in Net Assets

The following is a reconciliation of total expenditures as shown in the Schedule to the expenses shown on the 2021 statement of activities and change in net assets.

Program costs as shown in the statement of activities and change in net assets	\$ 105,394,183
Less: non-federal grants	(4,681,461)
Less: non-federal contracts	(7,512,875)
Less: fixed price federal contracts	(5,955,056)
Less: other research	(52,865,792)
Less: unbillable costs	(295,353)
<hr/>	
Total per the Schedule	\$ 34,083,646

**Independent Auditor's Reports Required by *Government Auditing Standards* and the Uniform Guidance**

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## **Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards***

Board of Trustees  
The Urban Institute  
Washington, D.C.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of The Urban Institute (the Institute), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities and change in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 30, 2022.

### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Institute's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control. Accordingly, we do not express an opinion on the effectiveness of the Institute's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Institute's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.



## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Institute's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Institute's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Institute's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*BDO USA, LLP*

McLean, Virginia  
June 30, 2022



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## **Independent Auditor's Report on Compliance for the Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance**

Board of Trustees  
The Urban Institute  
Washington, D.C.

### **Report on Compliance for the Major Federal Program**

#### ***Opinion on the Major Federal Program***

We have audited The Urban Institute's (the Institute) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the Institute's major federal program for the year ended December 31, 2021. The Institute's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Institute complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2021.

#### ***Basis for Opinion on the Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Institute and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Institute's compliance with the compliance requirements referred to above.

#### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Institute's federal programs.



### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Institute's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Institute's compliance with the requirements of the federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Institute's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Institute's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### ***Other Matters***

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2021-001. Our opinion on the major federal program is not modified with respect to this matter.

*Government Auditing Standards* requires the auditor to perform limited procedures on the Institute's response to the noncompliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Institute's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.



The Institute is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. The Institute's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

### **Report on Internal Control Over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiency in internal control over compliance that we consider to be significant deficiency.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2021-001 to be significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

*Government Auditing Standards* requires the auditor to perform limited procedures on the Institute's response to the internal control over compliance finding identified in our audit described in the accompanying schedule of findings and questioned costs. The Institute's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The Institute is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. The Institute's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.



The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*BDO USA, LLP*

McLean, Virginia  
June 30, 2022

## **Schedule of Findings and Questioned Costs**

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# The Urban Institute

## Schedule of Findings and Questioned Costs Year Ended December 31, 2021

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### Section I - Summary of Auditor's Results

#### *Financial Statements*

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ Yes   X   No
- Significant deficiency(ies) identified \_\_\_\_\_ Yes   X   None reported

Noncompliance material to financial statements noted? \_\_\_\_\_ Yes   X   No

#### *Federal Awards*

Internal control over the major federal program:

- Material weakness(es) identified? \_\_\_\_\_ Yes   X   No
- Significant deficiency(ies) identified?   X   Yes \_\_\_\_\_ None reported

Type of auditor's report issued on compliance for the major federal program: Unmodified

Any audit findings disclosed that are required to be reported in accordance 2 CFR 200.516(a)?   X   Yes \_\_\_\_\_ No

Identification of the major federal program:

Assistance Listing Number	Name of Federal Program or Cluster
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Various

Research and Development Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \$1,022,509

Auditee qualified as low-risk auditee?   X   Yes \_\_\_\_\_ No

# The Urban Institute

## Schedule of Findings and Questioned Costs Year Ended December 31, 2021

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### Section II - Financial Statement Findings

During the audit for the year ended December 31, 2021, there were no findings related to the financial statements which are required to be reported in accordance with generally accepted government auditing standards (GAGAS).

### Section III - Federal Award Findings and Questioned Costs

#### 2021-001 Subrecipient Monitoring

##### Information on the Major Federal Program -

Federal Agency:	Various
Program Name:	Research and Development Cluster
Assistance Listing Number:	Various
Award Number:	Various
Award Period:	Various

Criteria - In accordance with the requirements of 2 Code of Federal Regulations (CFR) §1402.300, a non-Federal entity is responsible for complying with all requirements of the Federal award. For all Federal awards, this includes the provisions of the Federal Funding and Accountability Act (FFATA), which includes requirements on executive compensation, and also requirements implementing the Act for the non-Federal entity at 2 CFR part 25, Financial Assistance Use of Universal Identifier and System for Award Management and 2 CFR part 170, Reporting Subaward and Executive Compensation Information.

In accordance with 2 CFR Part 170, Appendix A, under FFATA, the Institute is required to collect and report information on each subaward or amendment of \$30,000 or more in federal funds in the FFATA Subaward Reporting System.

Condition - During our testing of subrecipient monitoring, we selected seven subawards. For one sample tested, there were no actions taken to perform the mandatory FFATA requirements.

Transactions Tested	Subaward Not Reported	Report Not Timely	Subaward Amount Incorrect	Subaward Missing Key Elements
7	1	1	Not applicable - no report was submitted	Not applicable - no report was submitted

Dollar Amount of Tested 2021 Awards	Subaward Not Reported	Report Not Timely	Subaward Amount Incorrect	Subaward Missing Key Elements
\$384,698	\$1,493,161	\$1,493,161	Not applicable - no report was submitted	Not applicable - no report was submitted

Cause - The Institute did not adhere to its existing policies and procedures to ensure compliance with the requirements regarding subrecipient monitoring.

# The Urban Institute

## Schedule of Findings and Questioned Costs Year Ended December 31, 2021

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Effect or Potential Effect - Failure to comply with the subrecipient monitoring requirements of the Uniform Guidance could result in the awarding agency taking action such as reducing future funding.

Questioned costs - None.

Context - This is a condition identified based upon our review of the Institute's compliance with specified requirements. The sample was selected based on a non-statistical basis. The prevalence of this finding is detailed in the condition section above.

Repeat Finding - This is not a repeat finding.

Recommendation - BDO recommends that the Institute strictly adhere to its policies and procedures to ensure that the required information is collected and reported in the FFATA Subaward Reporting System.

Views of Responsible Officials - Urban acknowledges and agrees with this recommendation. While we believe this to be an isolated incident, we are taking steps to address the issue.

**Management's Section**  
**Management's Corrective Action Plan**

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## Appendix A - Management's Corrective Action Plan Year Ended December 31, 2021

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### **2021-001 Subrecipient Monitoring**

- Refresh training for staff responsible for FFATA reporting (completed)
- Replace periodic spot checks with quarterly review of FFATA reporting (underway)  
Explore the possibility of implementing a workflow within an existing platform to initiate and track FFATA reporting (anticipated completion 12/31/2022)

### **Individual(s) Responsible for Corrective Action Plan**

Name: Rachel Conway  
Position: Vice President, Grants and Contracts  
Contact number: (202) 261-5409  
Anticipated Completion Date: 12/31/2022