SNYDERCOHN
CPAs and Trusted Advisors

Institute for Policy Studies
Financial Statements
and
Independent Auditor's Report

For the Years Ended December 31, 2020 and 2019

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SNYDERCOHN
CPAs and Trusted Advisors

Independent Auditor's Report

To the Board of Trustees
Institute for Policy Studies
Washington, DC

We have audited the accompanying financial statements of Institute for Policy Studies (the Institute) (a nonprofit organization), which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Institute's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Institute for Policy Studies as of December 31, 2020 and 2019, 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.

Snyder Cohn, PC

SNYDER COHN, PC
North Bethesda, Maryland
October 26, 2021

Institute for Policy Studies

Statements of Financial Position

December 31	2020	2019
Assets		
Cash and cash equivalents	$ 3,053,109	$ 2,302,272
Contributions and grants receivable, net	632,605	797,458
Other receivables	1,870	1,000
Investments	6,898,869	4,806,185
Prepaid expenses and deposits	187,960	155,162
Property and equipment, net	319,969	373,305
Total assets	$ 11,094,382	$ 8,435,382
Liabilities and net assets		
Liabilities:		
Accounts payable	$ 128,352	$ 60,894
Accrued vacation	72,391	54,667
Annuity liability	90,358	94,971
Paycheck Protection Program loan	466,400	-
Deferred rent liability	586,006	649,296
Other liabilities	-	3,950
Total liabilities	1,343,507	863,778
Commitments		
Net assets		
Without donor restrictions	2,253,573	2,093,024
With donor restrictions	7,497,302	5,478,580
Total net assets	9,750,875	7,571,604
Total liabilities and net assets	$ 11,094,382	$ 8,435,382

See Accompanying Notes

Institute for Policy Studies

Statement of Activities and Changes in Net Assets

For the year ended December 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support			
Contributions and grants	$ 818,125	$ 5,638,425	$ 6,456,550
Investment income	744,105	-	744,105
Rent income	32,776	-	32,776
Special event income	70,659	-	70,659
Contract income	46,833	-	46,833
Royalty	800	-	800
Change in value of split-interest agreements	(9,142)	-	(9,142)
Net assets released from restrictions:			
Satisfaction of purpose restrictions	3,619,703	(3,619,703)	-
Total revenue and support	5,323,859	2,018,722	7,342,581
Expenses			
Program services:			
New economy	1,745,464	-	1,745,464
Common security	732,489	-	732,489
Affiliates	1,361,704	-	1,361,704
Communications	414,426	-	414,426
Special IPS projects	158,974	-	158,974
Next leaders	160,859	-	160,859
Total program services	4,573,916	-	4,573,916
Supporting services:			
General and administrative	181,817	-	181,817
Fundraising	407,577	-	407,577
Total supporting services	589,394	-	589,394
Total expenses	5,163,310	-	5,163,310
Change in net assets	160,549	2,018,722	2,179,271
Net assets - beginning of year	2,093,024	5,478,580	7,571,604
Net assets - end of year	$ 2,253,573	$ 7,497,302	$ 9,750,875

See Accompanying Notes

Institute for Policy Studies

Statement of Activities and Changes in Net Assets

For the year ended December 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support			
Contributions and grants	$ 783,900	$ 4,392,366	$ 5,176,266
Investment income	628,011	-	628,011
Rent income	89,185	-	89,185
Special event income	67,301	-	67,301
Contract income	41,210	-	41,210
Change in value of split-interest agreements	(9,021)	-	(9,021)
Net assets released from restrictions:			
Satisfaction of purpose restrictions	3,509,255	(3,509,255)	-
Total revenue and support	5,109,841	883,111	5,992,952
Expenses			
Program services:			
New economy	1,478,619	-	1,478,619
Common security	936,195	-	936,195
Affiliates	1,316,500	-	1,316,500
Communications	488,473	-	488,473
Special IPS projects	85,568	-	85,568
Next leaders	159,542	-	159,542
Total program services	4,464,897	-	4,464,897
Supporting services:			
General and administrative	202,622	-	202,622
Fundraising	288,298	-	288,298
Total supporting services	490,920	-	490,920
Total expenses	4,955,817	-	4,955,817
Change in net assets	154,024	883,111	1,037,135
Net assets - beginning of year	1,939,000	4,595,469	6,534,469
Net assets - end of year	$ 2,093,024	$ 5,478,580	$ 7,571,604

See Accompanying Notes

Institute for Policy Studies

Statement of Functional Expenses

For the year ended December 31, 2020

	Programs							Supporting Services			
	New Economy	Common Security	Affiliates	Communications	Special IPS Projects	Next Leaders	Total Program	General and Administrative	Fundraising	Total Supporting Services	Total
Salaries, taxes & benefits	$ 708,625	$ 522,597	$ 164,453	$ 330,419	$ 100,970	$ 90,719	$ 1,917,783	$ 320,109	$ 232,202	$ 552,311	$ 2,470,094
Consultants	518,085	37,600	834,663	1,158	150	44,475	1,436,131	27,043	51,000	78,043	1,514,174
Rent	48,501	-	18,732	-	-	-	67,233	358,967	-	358,967	426,200
Subgrants	10,000	-	102,910	-	39,750	-	152,660	-	-	-	152,660
Accounting & auditing	-	-	-	-	-	-	-	107,757	-	107,757	107,757
Website/database	1,131	376	4,681	960	-	79	7,227	148	65,412	65,560	72,787
Depreciation and amortization	-	-	8,848	-	-	-	8,848	57,117	-	57,117	65,965
IT expenses & computer	1,779	1,574	1,941	9,451	-	1,137	15,882	46,290	104	46,394	62,276
Contributions to Truth School	-	-	56,302	-	-	-	56,302	-	-	-	56,302
Telecommunications	9,290	825	-	3,795	429	825	15,164	24,386	2,079	26,465	41,629
Travel & meals	6,627	5,648	13,733	-	-	-	26,008	938	-	938	26,946
Equipment rental/lease	3,043	-	-	-	-	-	3,043	21,951	-	21,951	24,994
Insurance - general	-	-	7,692	-	-	-	7,692	16,649	-	16,649	24,341
Office supplies	2,693	3,500	7,409	79	100	-	13,781	4,518	300	4,818	18,599
Legal fees	5,410	-	6,606	-	-	-	12,016	210	-	210	12,226
Catering & meeting	-	462	2,324	-	-	-	2,786	151	8,680	8,831	11,617
Printing and copying	1,103	-	1,112	-	-	-	2,215	731	5,046	5,777	7,992
Registration fees	-	-	-	-	-	-	-	7,100	-	7,100	7,100
Contributions to LobeLog	-	-	1,400	-	-	-	1,400	-	-	-	1,400
Other operating expenses	10,708	1,503	16,732	12,074	313	314	41,644	13,551	3,056	16,607	58,251
G&A allocation	418,469	158,404	112,166	56,490	17,262	23,310	786,101	(825,799)	39,698	(786,101)	-
Total expenses	$ 1,745,464	$ 732,489	$ 1,361,704	$ 414,426	$ 158,974	$ 160,859	$ 4,573,916	$ 181,817	$ 407,577	$ 589,394	$ 5,163,310

See Accompanying Notes

Institute for Policy Studies

Statement of Functional Expenses

For the year ended December 31, 2019

	Programs							Supporting Services			
	New Economy	Common Security	Affiliates	Communications	Special IPS Projects	Next Leaders	Total Program	General and Administrative	Fundraising	Total Supporting Services	Total
Salaries, taxes & benefits	$ 673,760	$ 549,717	$ 184,074	$ 380,773	$ 19,404	$ 118,311	$ 1,926,039	$ 332,507	$ 136,728	$ 469,235	$ 2,395,274
Consultants	252,254	30,601	805,816	(650)	27,335	-	1,115,356	18,993	39,244	58,237	1,173,593
Rent	49,429	-	8,991	-	-	-	58,420	347,507	-	347,507	405,927
Subgrants	109,961	84,000	70,440	-	24,225	-	288,626	-	-	-	288,626
Accounting & auditing	-	-	-	-	-	-	-	138,568	-	138,568	138,568
Travel & meals	44,722	17,308	46,209	2,101	8,340	519	119,199	6,095	6,825	12,920	132,119
Website/database	290	-	8,748	301	-	-	9,339	22,920	49,344	72,264	81,603
Depreciation and amortization	51	-	6,163	-	-	-	6,214	52,610	-	52,610	58,824
IT expenses & computer	2,554	-	3,015	8,009	-	-	13,578	43,733	36	43,769	57,347
Telecommunications	7,682	872	1,597	2,845	363	758	14,117	22,276	1,848	24,124	38,241
Catering & meeting	1,382	-	3,102	-	272	-	4,756	8,438	16,439	24,877	29,633
Office supplies	6,423	-	5,340	140	544	1,731	14,178	11,259	9	11,268	25,446
Insurance - general	-	-	3,883	-	-	-	3,883	18,993	-	18,993	22,876
Equipment rental/lease	3,342	-	-	-	-	-	3,342	19,250	-	19,250	22,592
Printing and copying	5,367	-	4,903	85	106	-	10,461	2,175	3,013	5,188	15,649
Legal fees	423	-	2,500	-	-	-	2,923	1,675	-	1,675	4,598
Other operating expenses	15,087	1,263	10,315	6,230	462	92	33,449	28,469	2,983	31,452	64,901
G&A allocation	305,892	252,434	151,404	88,639	4,517	38,131	841,017	(872,846)	31,829	(841,017)	-
Total expenses	$ 1,478,619	$ 936,195	$ 1,316,500	$ 488,473	$ 85,568	$ 159,542	$ 4,464,897	$ 202,622	$ 288,298	$ 490,920	$ 4,955,817

See Accompanying Notes

Institute for Policy Studies

Statements of Cash Flows

For the years ended December 31	2020	2019
Cash flows from operating activities:		
Change in net assets	$ 2,179,271	$ 1,037,135
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Net unrealized and realized gains on investments	(709,867)	(602,607)
Depreciation and amortization	65,965	58,824
Change in value of split-interest agreements	9,142	9,021
Donated securities	(220,756)	(166,251)
(Increase) decrease in:		
Contributions and grants receivable	164,853	535,723
Other receivables	(870)	(912)
Prepaid expenses and deposits	(32,798)	(62,557)
Increase (decrease) in:		
Accounts payable	67,458	(181,853)
Accrued vacation	17,724	(8,117)
Annuity liability	(13,755)	(13,756)
Deferred rent liability	(63,290)	(54,128)
Other liabilities	(3,950)	3,200
Net cash provided by operating activities	1,459,127	553,722
Cash flows from investing activities:		
Purchase of property and equipment	(12,629)	(30,629)
Purchase of investments	(6,048,568)	(2,475,635)
Proceeds from sale of investments	4,886,507	2,255,766
Net cash used in investing activities	(1,174,690)	(250,498)
Cash flows from financing activities:		
Proceeds from Paycheck Protection Program loan	466,400	-
Net increase in cash and cash equivalents	750,837	303,224
Cash and cash equivalents - beginning	2,302,272	1,999,048
Cash and cash equivalents - ending	$ 3,053,109	$ 2,302,272
Supplemental disclosure of cash flow information:		
Cash paid during the year for:		
Interest	$ -	$ 401

See Accompanying Notes

Institute for Policy Studies

Notes to Financial Statements

December 31, 2020 and 2019

Note 1: Summary of significant accounting policies:

Institute for Policy Studies (the Institute), founded in 1963, is a transnational center for research, education and social invention. The Institute sponsors critical examination of the assumptions and policies that define America's posture on domestic and international issues and offers alternative strategies and visions. Areas of focus include domestic policy, national security, international economics and human rights. A tax-exempt, nonprofit organization that accepts no government funds, the Institute guards the freedom of its scholars to be both critical and creative.

The work of the Institute reflects the realization that the social and political problems facing the United States - militarism, environmental decay and economic injustice – are all part of a larger global context. In an effort to seek alternatives to these problems, in 1973, the Institute established its international program, which addresses the fundamental disparity between the rich and poor and nations of the world, investigates its causes and develops alternatives for its remedy. The activities of the Institute are funded primarily through contributions and grants from other organizations and foundations.

Basis of accounting - The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Accordingly, revenue is recognized when earned and expenses when the obligation is incurred.

Cash and cash equivalents - Cash and cash equivalents consist of monies held in demand deposit accounts and highly liquid investments with initial maturity dates of three months or less.

Contributions and grants receivable - Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates appropriate for the expected term of the promise to give. Amortization of the discount is included in contributions and grants revenue in the accompanying statements of activities and changes in net assets. The Institute uses the allowance method to determine uncollectible contributions and grants receivable. The allowance is based on management's analysis of specific contributions. As a result, it is possible that the Institute's estimate of the carrying amount of contributions and grants receivable could change in the near term. As of years ended December 31, 2020 and 2019, all receivables are considered collectible and management has determined that an allowance for doubtful accounts is not necessary.

Note 1: Summary of significant accounting policies: (continued)

Investments - Investments consist of equity securities, government securities, corporate fixed income and municipal bonds. Investments are recorded in the financial statements at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Interest, dividends and realized and unrealized gains or losses are recorded as investment income when earned.

Property and equipment - Property and equipment over $1,000 with a projected useful life exceeding one year are capitalized and recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which range from three to seven years. Leasehold improvements are amortized using the straight-line method over the lesser of the lease term and their estimated useful lives. The cost of property and equipment retired or disposed of is removed from the accounts along with the related accumulated depreciation and any gain or loss is reflected in income or expense in the accompanying statements of activities and changes in net assets. Major additions are capitalized, while replacements, maintenance and repairs that do not improve or extend the lives of the respective assets are expensed as incurred.

Gift annuities - The Institute has received irrevocable gift annuities from several donors. The donors give the Institute a cash contribution and, in return, the Institute agrees to make payments to the donor for the remaining life of the donor or the donor's designated beneficiary. A liability is recorded in the accompanying statements of financial position at the present value of the expected future payments owed by the Institute under these agreements based on current rates in the Internal Revenue Service's actuarial tables for annuities. Actuarial gains or losses resulting from changes in assumptions used to calculate the liability for the present value of future annuity payments are recorded as increases or decreases in the respective net asset class on the accompanying statements of activities and changes in net assets. Upon the donor's death, the remaining liability is eliminated and recognized as revenue.

Paycheck Protection Program (PPP) loan - In May 2020, the Institute received loan proceeds under the Paycheck Protection Program. The proceeds from the PPP were classified as debt on the balance sheet under the FASB guidance ASC 470-10-45. See note 8 for more information about the PPP loan.

Net assets - In the accompanying financial statements, net assets and revenue have been classified based on the existence or absence of donor-imposed restrictions. The classes of net assets are as follows:

Net assets without donor restrictions - Net assets without donor restrictions consist of amounts available for use in general operations.

Note 1: Summary of significant accounting policies: (continued)

Net assets (continued) -

Net assets with donor restrictions - Net assets subject to donor-imposed 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. 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.

Accounting for uncertainty in income taxes - The Institute accounts for the effect of any uncertain tax positions based on a "more likely than not" threshold to the recognition of the tax positions being sustained based on the technical merits of the position under scrutiny by the applicable taxing authority. If a tax position or positions are deemed to result in uncertainties of those positions, the unrecognized tax effect is estimated based on a "cumulative probability assessment" that aggregates the estimated tax liability for uncertain tax positions. Interest and penalties, if any, are accrued as a component of general and administrative expenses when assessed. The Institute is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. Similar to other tax-exempt organizations, the Institute is subject to tax on unrelated business income. Tax years prior to 2017 are no longer subject to examination by taxing authorities.

During the years ended December 31, 2020 and 2019, the Institute did not have net taxable income from unrelated business activities; therefore, there is no provision in these financial statements for income taxes or interest and penalties related to unrecognized tax benefits.

Change in accounting principle - In May 2014, the FASB issued ASU 2014-09, Revenue from Contracts with Customers (Topic 606). The update establishes a comprehensive revenue recognition standard for virtually all industries under GAAP including those that previously followed industry-specific guidance. The principle of the update is that an entity should recognize revenue to depict the transfer of promised goods and services to customers under a contract in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The guidance in Topic 606 requires comprehensive disclosures to help users of the financial statements better understand the nature, amount, timing, and uncertainty of revenue that is recognized. The Institute adopted ASU 2014-09 applying the retrospective method to all periods presented, which had no impact on current or previously reported net income.

Note 1: Summary of significant accounting policies: (continued)

Revenue recognition - Unconditional contributions and grants are recognized as revenue when received or promised and are reported as donor-restricted support if they are received with donor or grantor stipulations that limit the use of donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets. Conditional contributions and grants are not recognized as revenue until the conditions are substantially met. Contribution revenue from charitable gift annuities is recognized at the date the agreement is established, net of the liability recorded for the present value of the estimated future payments to be made to the respective donors or other beneficiaries. The present value of payments to beneficiaries of charitable gift annuities is calculated using discount rates, which represent the risk free rates in existence at the date of the gift. Gains or losses resulting from changes in assumptions used to calculate the discount are recorded as change in value of split-interest agreements in the accompanying statements of activities and changes in net assets. Revenue from all other sources is recognized when earned.

In 2019, the Institute adopted Accounting Standards Update (ASU) 2018-08, Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. The guidance provided in the ASU will assist in evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal) transactions and whether a contribution is conditional. The adoption of ASU 2018-08 did not have a material impact on the Institute's accounting for contributions or grants, and previously reported net assets were unchanged as a result of adoption.

Revenue disaggregation - In accordance with ASU 2014-09, the Institute disaggregates revenue from contracts with customers into major revenue streams and the timing of recognizing revenue. Revenue generated from rent is recognized over the performance obligation period, while the revenue generated from contributions and grants, special events, royalties and contracts is recognized when the contribution and grant, event, royalty payment, or contract occurs.

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 at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates. Management also notes that the COVID-19 pandemic that arose in 2020 subjects these estimates to additional uncertainties due to the widespread economic effects it has caused throughout several industries.

Note 1: Summary of significant accounting policies: (continued)

Risks and uncertainties - In March 2020, the World Health Organization declared the outbreak of a novel coronavirus ("COVID-19") as a pandemic. As a result, economic uncertainties have arisen which are likely to negatively impact the Institute's operating results, but the related financial impact is unknown at this time.

Concentrations of credit risks - The Institute invests in various investment securities. Investment securities are exposed to various risks such as changes in interest rates, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

The Institute maintains its cash balances at multiple financial institutions. The accounts at these institutions are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to certain limits. At various times throughout fiscal year 2020, cash balances at these institutions exceeded the federally insured limits. The Institute has not experienced any losses with respect to its cash balances.

Fair value measurements - The FASB Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 - inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Institute has the ability to access.

Level 2 - inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Note 1: Summary of significant accounting policies: (continued)

Fair value measurements (continued) - The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Functional allocation of expenses - The costs of providing various programs and other activities has been summarized on a functional basis in the accompanying statements of functional expenses. Accordingly, certain indirect costs have been allocated among the programs and supporting services benefited based on management's estimate of shared costs.

Note 2: Liquidity and availability:

The following reflects the Institute's financial assets on December 31, 2020, and 2019 respectively, reduced by amounts that are not available for general use because of donor-imposed endowment and purpose restrictions within one year of the statement of financial position date.

	2020	2019
Financial assets:		
Cash and cash equivalents	$ 3,053,109	$ 2,302,272
Contributions, grants, and other receivables	634,475	798,458
Investments	6,898,869	4,806,185
	10,586,453	7,906,915
Less those unavailable for general expenditure within one year, due to:		
Amounts designated for future endowment and purpose restrictions	(7,497,302)	(5,511,412)
Financial assets available to meet cash needs for general expenditures within one year	$ 3,089,151	$ 2,395,503

Note 2: Liquidity and availability: (continued)

As part of its liquidity management plan, the Institute manages its operations within a balanced budget. Net assets with donor restrictions consist of cash received and pledges to be used for programmatic expenditures in the coming fiscal years. The Institute relies on foundations and individual donors to provide the resources to support a majority of the operating activity. The Institute has sufficient liquid assets to support approximately seven months of operating expenses.

Note 3: Contributions and grants receivable:

Contributions and grants receivable is comprised of unconditional promises to give and is receivable as follows at December 31:

	2020	2019
Receivable in less than one year	$ 501,605	$ 647,458
Receivable in one to five years	131,000	150,000
Total contributions and grants receivable	632,605	797,458
Less: discount on contributions and grants receivable	-	-
	$ 632,605	$ 797,458

Note 4: Investments:

The Institute's investments consist of the following at December 31:

	2020	2019
Equity securities	$ 3,775,545	$ 2,346,368
Government securities	2,727,122	1,757,022
Corporate fixed income	396,202	702,795
Total investments	$ 6,898,869	$ 4,806,185

Note 4: Investments: (continued)

Investment income consists of the following for the years ended December 31:

	2020	2019
Without donor restrictions:		
Interest and dividends	$ 73,635	$ 79,233
Realized/unrealized gain, net of investment expenses	670,470	548,778
Total investment income	$ 744,105	$ 628,011

Note 5: Fair value measurement:

The following tables summarize the Institute's investments which are measured at fair value on a recurring basis, aggregated by type and the fair value hierarchy level under which those measurements were made.

December 31, 2020:

	Level 1	Level 2	Level 3	Total
Investments:				
Equity securities	$ 3,775,545	$ -	$ -	$ 3,775,545
Government securities	2,727,122	-	-	2,727,122
Corporate fixed income	-	396,202	-	396,202
Total fair value	$ 6,502,667	$ 396,202	$ -	$ 6,898,869

December 31, 2019:

	Level 1	Level 2	Level 3	Total
Investments:				
Equity securities	$ 2,346,368	$ -	$ -	$ 2,346,368
Government securities	1,757,022	-	-	1,757,022
Corporate fixed income	-	702,795	-	702,795
Total fair value	$ 4,103,390	$ 702,795	$ -	$ 4,806,185

Note 6: Property and equipment:

Property and equipment consisted of the following at December 31:

	2020	2019
Furniture and equipment	$ 107,643	$ 105,003
Website development	56,526	46,526
Leasehold improvements	523,900	523,900
Total property and equipment	688,069	675,429
Less: accumulated depreciation	(368,100)	(302,124)
Property and equipment, net	$ 319,969	$ 373,305

Depreciation and amortization expense for the years ended December 31, 2020 and 2019 was $65,965 and $58,824, respectively.

Note 7: Annuity liability:

The Institute is a beneficiary of several charitable gift annuity trusts. Under the terms of the agreements, the Institute is obligated to pay fixed quarterly amounts of $5,500 to the original donor or designated beneficiary as long as the beneficiaries are living. The net present value of the obligation under charitable gift annuities, using actuarial tables based on the beneficiaries' expected life, amounted to $90,358 and $94,971 at December 31, 2020 and 2019, respectively.

Note 8: Paycheck Protection Program loan:

In May 2020, the Institute was granted a loan in the amount of $466,400 pursuant to the Paycheck Protection Program (the "PPP") under Division A, Title I of the CARES Act, which was enacted March 27, 2020. The loan carries a term of 24 months, matures in May 2022, and bears interest at a rate of 1.00% per annum. Funds from the loan may be used only for payroll costs, interest on mortgage obligations incurred, and rent and utility expenses. Under the terms of the PPP, the loan will be forgiven if the funds are used only for such qualifying expenses and if the Institute maintains its current level of staff and payroll. The outstanding balance as of December 31, 2020 was $466,400. No interest expense was recognized on this note for the period ended December 31, 2020.

Note 9: Retirement plan:

The Institute sponsors a 403(b) tax-deferred annuity plan for its employees. Employees are eligible to participate in the plan immediately upon commencement of employment. Participating employees may contribute a portion of their income on a tax-deferred basis and the Institute matches 100% of the employee elective deferrals up to a maximum of 4% of each employee's compensation after the employee has completed two years of service. Employees are fully vested in the plan at the time of enrollment. Pension expenses were $29,708 and $28,604 for the years ended December 31, 2020 and 2019, respectively.

Note 10: Commitments:

The Institute has entered into non-cancellable operating lease agreements for its office spaces that expire in October 2021 and December 2026. Under the terms of these leases, base rent is subject to annual increases of approximately 2.5% over the previous year's adjusted rent. Under GAAP, all rental payments, including fixed rent increases, less any rental abatements and lease incentives, are recognized on a straight-line basis over the term of the lease. The difference between GAAP rent expense and the actual lease payments is reflected as deferred rent in the accompanying statements of financial position. Rent expense for the years ended December 31, 2020 and 2019 was $426,200 and $405,927, respectively.

Additionally, the Institute maintained two operating lease agreements for office equipment and related maintenance that expired at various times throughout 2020, which required monthly payments between $199 and $585.

At December 31, 2020, future minimum principal payments under the operating leases are as follows:

	Office Space
2021	$ 420,860
2022	395,665
2023	405,539
2024	415,654
2025	426,079
Thereafter	436,691
Total	$ 2,500,488

The Institute entered into various office sub-lease agreements with tenants, with one-year rental terms and an option to renew on an annual basis.

Note 11: Net assets with donor restrictions:

Net assets with donor restrictions consisted of the following at December 31:

	2020	2019
WHYNOT Initiative	$ 1,671,666	$ 8,331
Global Economy	1,189,546	1,057,079
Economic Hardship Project	912,998	1,045,001
Global Inequality	819,345	648,375
National Priorities Project	448,481	341,725
Black Worker Initiative	427,513	344,755
Raskin Freedoms Fund	282,728	282,728
Trade and Mining	278,588	18,759
New Mexico Fellowship	263,272	193,843
Other Word PC	261,250	196,177
Nuclear Waste	240,254	134,754
New Internationalism	239,324	196,202
Newman Fellowship	158,363	109,523
Michael Ratner Fellow	108,163	3,119
New Priorities Network	99,794	99,794
Poor Peoples Campaign	37,801	37,801
Saul Landau Fellow	27,277	19,614
Transformative Change	9,084	9,084
Lessons of the 60s	5,261	5,261
Inter Press Service	4,933	4,933
Bridging the Divide	4,750	-
Class Action Network	3,489	1,961
#Our 100	3,422	3,422
Boston Book Project	-	21,984
Foreign Policy in Focus - Right Web	-	634
Inequality Boston	-	605,645
LobeLog	-	17,120
Sojourner Truth School	-	70,956
Total net assets with donor restrictions	$ 7,497,302	$ 5,478,580

Note 12: Conditional promises to give:

During 2018, the Organization received restricted grants totaling $1,000,000 that contained donor conditions (primarily matching funds requirements). Since these grants represent conditional promises to give, they are not recorded as contribution revenue until donor conditions are met. The conditions under this agreement were met in 2020 and the $1,000,000 was recorded as donor restricted contributions.

Note 13: Subsequent events:

In February 2021, the Institute was granted another loan in the amount of $481,000 pursuant to the Continuing the Paycheck Protection Program and Other Small Business Support (the "PPP") under Division N, Title III of the Consolidated Appropriations Act, 2021, which was enacted December 27, 2020. The loan carries a term of 60 months, matures in February 2026, and bears interest at a rate of 1.00% per annum.

Subsequent events have been evaluated through October 26, 2021, the date the financial statements were available to be issued.

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