



## **Pacific Institute for Research and Evaluation and Affiliates**

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

**Pacific Institute for Research and  
Evaluation and Affiliates**

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

# Pacific Institute for Research and Evaluation and Affiliates

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## **Independent Auditor's Report**

To the Board of Directors  
**Pacific Institute for Research and Evaluation and Affiliates**  
Beltsville, Maryland

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

#### ***Opinion***

We have audited the consolidating financial statements of **Pacific Institute for Research and Evaluation and Affiliates** (the "Institute"), which comprise the consolidating statement of financial position as of December 31, 2021, and the related consolidating statements of activities, functional expenses, changes in net assets, and cash flows for the year then ended, and the related notes to the consolidating financial statements.

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

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

We conducted our audit 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 Consolidating 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 audit. 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 Consolidating Financial Statements***

Management is responsible for the preparation and fair presentation of the consolidating 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 consolidating financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidating 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 consolidating financial statements are issued or available to be issued.

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

Our objectives are to obtain reasonable assurance about whether the consolidating 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 consolidating 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 consolidating 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 consolidating 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 consolidating 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.

### **Other Matters**

#### ***Report on 2020 Summarized Comparative Information***

We have previously audited the Institute's 2020 consolidating financial statements, and we expressed an unmodified audit opinion on those audited consolidating financial statements in our report dated April 23, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020 is consistent, in all material respects, with the audited consolidating financial statements from which it has been derived.



### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the consolidating 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 consolidating financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidating financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidating financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidating financial statements or to the consolidating 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 consolidating 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 April 20, 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

April 20, 2022

**Consolidating  
Financial Statements**

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Pacific Institute for Research and Evaluation and Affiliates

Consolidating Statements of Financial Position

December 31, 2021 (With summarized financial information for 2020)

	2021			2020	
	PIRE	PIRE Programs NF	PIRE CA	Total	Total
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	\$ 2,120,064	\$ 10,000	\$ 10,500	\$ 2,140,564	\$ 1,434,677
Cash and cash equivalents - restricted	455,302	-	-	455,302	455,255
Short-term investments	1,335,170	-	-	1,335,170	2,905,389
Receivable on grants and contracts	2,337,376	899,886	-	3,237,262	3,331,830
Other accounts receivable	28,771	-	-	28,771	57,121
Due (to) from affiliate	(2,223,245)	1,395,879	827,366	-	-
Prepaid expenses	277,060	-	-	277,060	327,139
<b>Total current assets</b>	<b>4,330,498</b>	<b>2,305,765</b>	<b>837,866</b>	<b>7,474,129</b>	<b>8,511,411</b>
<b>Noncurrent assets</b>					
Property and equipment, net	38,317	-	-	38,317	68,083
Investments	3,891,616	-	-	3,891,616	3,785,075
Investments - deferred compensation plan	843,877	-	-	843,877	740,112
Rent deposits	50,743	-	-	50,743	42,782
<b>Total noncurrent assets</b>	<b>4,824,553</b>	<b>-</b>	<b>-</b>	<b>4,824,553</b>	<b>4,636,052</b>
<b>Total assets</b>	<b>\$ 9,155,051</b>	<b>\$ 2,305,765</b>	<b>\$ 837,866</b>	<b>\$ 12,298,682</b>	<b>\$ 13,147,463</b>
<b>Liabilities and Net Assets</b>					
<b>Current liabilities</b>					
Accounts payable	\$ 536,378	\$ -	\$ -	\$ 536,378	\$ 375,959
Accrued expenses	2,863,293	-	559	2,863,852	3,137,105
Refundable advances	658,578	543,036	819,750	2,021,364	2,550,879
<b>Total current liabilities</b>	<b>4,058,249</b>	<b>543,036</b>	<b>820,309</b>	<b>5,421,594</b>	<b>6,063,943</b>
<b>Noncurrent liabilities</b>					
Paycheck Protection Program (PPP) loan payable	-	-	-	-	360,000
Deferred compensation plan	843,877	-	-	843,877	740,112
Deferred rent liability	85,317	-	-	85,317	105,691
<b>Total noncurrent liabilities</b>	<b>929,194</b>	<b>-</b>	<b>-</b>	<b>929,194</b>	<b>1,205,803</b>
<b>Total liabilities</b>	<b>4,987,443</b>	<b>543,036</b>	<b>820,309</b>	<b>6,350,788</b>	<b>7,269,746</b>
<b>Commitments and contingencies</b>					
<b>Net assets</b>					
Without donor restrictions	3,712,306	1,762,729	17,557	5,492,592	5,422,462
With donor restrictions	455,302	-	-	455,302	455,255
<b>Total net assets</b>	<b>4,167,608</b>	<b>1,762,729</b>	<b>17,557</b>	<b>5,947,894</b>	<b>5,877,717</b>
<b>Total liabilities and net assets</b>	<b>\$ 9,155,051</b>	<b>\$ 2,305,765</b>	<b>\$ 837,866</b>	<b>\$ 12,298,682</b>	<b>\$ 13,147,463</b>

See accompanying notes to consolidating financial statements.



Pacific Institute for Research and Evaluation and Affiliates

Consolidating Statements of Activities

Year ended December 31, 2021 (With summarized financial information for 2020)

	2021			2020	
	PIRE	PIRE Programs NF	PIRE CA	Total	Total
<b>Changes in Net Assets Without Donor Restrictions</b>					
<b>Revenue</b>					
Grants and contracts	\$ 14,951,491	\$ 4,327,935	\$ 548,907	\$ 19,828,333	\$ 23,690,036
Investment income, net	171,249	1,034	1,032	173,315	155,083
Gain from Paycheck Protection Program loan forgiveness	360,000	-	-	360,000	-
Miscellaneous	15,468	-	-	15,468	15,656
<b>Total revenue without donor restrictions</b>	<b>15,498,208</b>	<b>4,328,969</b>	<b>549,939</b>	<b>20,377,116</b>	<b>23,860,775</b>
<b>Expenses</b>					
Grants and contracts	10,818,965	3,294,166	401,369	14,514,500	17,687,869
Administrative	4,703,066	939,461	149,959	5,792,486	6,303,361
<b>Total expenses</b>	<b>15,522,031</b>	<b>4,233,627</b>	<b>551,328</b>	<b>20,306,986</b>	<b>23,991,230</b>
<b>(Decrease) increase in net assets without donor restrictions</b>	<b>(23,823)</b>	<b>95,342</b>	<b>(1,389)</b>	<b>70,130</b>	<b>(130,455)</b>
<b>Changes in Net Assets With Donor Restrictions</b>					
Investment income, net	47	-	-	47	2,064
<b>Increase in net assets with donor restrictions</b>	<b>47</b>	<b>-</b>	<b>-</b>	<b>47</b>	<b>2,064</b>
<b>Change in net assets</b>	<b>\$ (23,776)</b>	<b>\$ 95,342</b>	<b>\$ (1,389)</b>	<b>\$ 70,177</b>	<b>\$ (128,391)</b>

See accompanying notes to consolidating financial statements.

Pacific Institute for Research and Evaluation

Consolidating Statements of Functional Expenses

Year ended December 31, 2021 (With summarized financial information for 2020)

	2021												2020
	Grants and Contracts				Administrative				Total				
	PIRE Programs		PIRE CA	Total	PIRE Programs		PIRE CA	Total	PIRE Programs		PIRE CA	Total	
PIRE	NF	PIRE			NF	PIRE			NF	PIRE			NF
Salaries and wages, and fringe benefits	\$ 6,332,353	\$ 2,404,611	\$ 247,447	\$ 8,984,411	\$ 3,474,446	\$ 875,222	\$ 141,117	\$ 4,490,785	\$ 9,806,799	\$ 3,279,833	\$ 388,564	\$ 13,475,196	\$ 14,353,309
Subcontractors	3,219,519	278,249	114,695	3,612,463	-	-	-	-	3,219,519	278,249	114,695	3,612,463	3,922,753
Professional fees	410,945	452,917	-	863,862	153,638	6,534	2,410	162,582	564,583	459,451	2,410	1,026,444	1,705,774
Occupancy and rent	495,505	35,140	1,578	532,223	271,875	12,790	901	285,566	767,380	47,930	2,479	817,789	1,014,344
Dues and licenses	127,392	6,098	286	133,776	285,176	9,749	379	295,304	412,568	15,847	665	429,080	430,639
Consultants	45,537	81,878	20,050	147,465	48,708	-	-	48,708	94,245	81,878	20,050	196,173	1,507,376
Library	33,438	3,400	-	36,838	146,931	28	-	146,959	180,369	3,428	-	183,797	201,667
Liability insurance	-	-	-	-	113,100	13,429	1,605	128,134	113,100	13,429	1,605	128,134	124,802
Supplies	13,252	3,846	-	17,098	45,310	7,616	73	52,999	58,562	11,462	73	70,097	94,447
Respondent fees	48,518	18,789	2,533	69,840	-	-	-	-	48,518	18,789	2,533	69,840	68,973
Depreciation and amortization	28,050	-	-	28,050	15,390	-	-	15,390	43,440	-	-	43,440	57,824
Communications	23,370	1,334	13	24,717	12,823	571	7	13,401	36,193	1,905	20	38,118	58,359
Bank fees	30	755	-	785	35,879	-	-	35,879	35,909	755	-	36,664	39,645
Workshops	-	-	-	-	28,414	4,500	-	32,914	28,414	4,500	-	32,914	1,181
Meetings and conferences	11,812	3,175	3,715	18,702	12,393	500	-	12,893	24,205	3,675	3,715	31,595	41,347
Relocation	-	-	-	-	24,882	2,094	250	27,226	24,882	2,094	250	27,226	-
Board meetings and allowances	-	-	-	-	17,580	1,141	3,136	21,857	17,580	1,141	3,136	21,857	24,928
Duplication and printing	5,884	448	-	6,332	1,353	-	-	1,353	7,237	448	-	7,685	29,449
Recruiting	4,022	50	20	4,092	3,297	261	31	3,589	7,319	311	51	7,681	92,304
Tuition reimbursement	1,441	-	5,970	7,411	-	-	-	-	1,441	-	5,970	7,411	12,140
Postage and shipping	1,069	41	86	1,196	5,878	81	-	5,959	6,947	122	86	7,155	9,959
Travel	5,886	466	-	6,352	-	-	-	-	5,886	466	-	6,352	60,408
Repairs and maintenance	-	-	-	-	3,843	-	-	3,843	3,843	-	-	3,843	3,431
Equipment rental	-	-	-	-	1,900	-	-	1,900	1,900	-	-	1,900	6,053
Institutional review board	-	-	-	-	250	-	-	250	250	-	-	250	-
Miscellaneous	10,942	2,969	4,976	18,887	-	4,945	50	4,995	10,942	7,914	5,026	23,882	130,118
	\$ 10,818,965	\$ 3,294,166	\$ 401,369	\$ 14,514,500	\$ 4,703,066	\$ 939,461	\$ 149,959	\$ 5,792,486	\$ 15,522,031	\$ 4,233,627	\$ 551,328	\$ 20,306,986	\$ 23,991,230

See accompanying notes to consolidating financial statements.

Pacific Institute for Research and Evaluation and Affiliates

Consolidating Statements of Changes in Net Assets

Year ended December 31, 2021

	Without Donor Restrictions				With Donor Restrictions	
	PIRE	PIRE Programs NF	PIRE CA	Total	PIRE	Total
Net assets, December 31, 2020	\$ 3,736,129	\$ 1,667,387	\$ 18,946	\$ 5,422,462	\$ 455,255	\$ 5,877,717
Change in net assets	(23,823)	95,342	(1,389)	70,130	47	70,177
Net assets, December 31, 2021	\$ 3,712,306	\$ 1,762,729	\$ 17,557	\$ 5,492,592	\$ 455,302	\$ 5,947,894

See accompanying notes to consolidating financial statements.

Pacific Institute for Research and Evaluation and Affiliates

Consolidating Statements of Cash Flows

Year ended December 31, 2021 (With summarized financial information for 2020)

	2021				2020
	PIRE	PIRE Programs NF	PIRE CA	Total	Total
<b>Cash flows from operating activities</b>					
Change in net assets	\$ (23,776)	\$ 95,342	\$ (1,389)	\$ 70,177	\$ (128,391)
<b>Adjustments to reconcile change in net assets to net cash used in operating activities:</b>					
Depreciation and amortization	43,440	-	-	43,440	57,824
Unrealized gain on investments	(57,103)	-	-	(57,103)	(1,481)
Gain from Paycheck Protection Program loan forgiveness	(360,000)	-	-	(360,000)	-
<b>(Increase) decrease in assets</b>					
Receivable on grants and contracts	(406,235)	500,803	-	94,568	932,791
Other accounts receivable	28,350	-	-	28,350	10,827
Due (to) from affiliate	532,330	(621,221)	88,891	-	-
Prepaid expenses	50,079	-	-	50,079	(7,350)
Rent deposits	(7,961)	-	-	(7,961)	-
<b>Increase (decrease) in liabilities</b>					
Accounts payable	160,419	-	-	160,419	(534,389)
Accrued expenses	(268,945)	-	(4,308)	(273,253)	(224,369)
Refundable advances	74,567	(225,730)	(378,352)	(529,515)	(485,482)
Deferred rent liability	(20,374)	-	-	(20,374)	(53,897)
<b>Net cash used in operating activities</b>	<b>(255,209)</b>	<b>(250,806)</b>	<b>(295,158)</b>	<b>(801,173)</b>	<b>(433,917)</b>
<b>Cash flows from investing activities</b>					
Acquisitions of property and equipment	(13,674)	-	-	(13,674)	-
Proceeds from sale of investments	4,065,971	250,806	250,806	4,567,583	3,615,695
Purchases of investments	(3,046,802)	-	-	(3,046,802)	(3,031,144)
<b>Net cash provided by investing activities</b>	<b>1,005,495</b>	<b>250,806</b>	<b>250,806</b>	<b>1,507,107</b>	<b>584,551</b>
<b>Cash flows from financing activities</b>					
Proceeds from Paycheck Protection Program loan payable	-	-	-	-	2,325,100
Repayment of Paycheck Protection Program loan payable	-	-	-	-	(1,965,100)
Proceeds from line-of-credit	-	-	-	-	1,684,405
Repayments of line-of-credit	-	-	-	-	(1,684,405)
<b>Net cash provided by financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>360,000</b>
<b>Increase (decrease) in cash and cash equivalents and restricted cash</b>	<b>750,286</b>	<b>-</b>	<b>(44,352)</b>	<b>705,934</b>	<b>510,634</b>
<b>Cash and cash equivalents and restricted cash, beginning of year</b>	<b>1,825,080</b>	<b>10,000</b>	<b>54,852</b>	<b>1,889,932</b>	<b>1,379,298</b>
<b>Cash and cash equivalents and restricted cash, end of year</b>	<b>\$ 2,575,366</b>	<b>\$ 10,000</b>	<b>\$ 10,500</b>	<b>\$ 2,595,866</b>	<b>\$ 1,889,932</b>

See accompanying notes to consolidating financial statements.

# Pacific Institute for Research and Evaluation and Affiliates

## Notes to Consolidating Financial Statements

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### 1. Summary of Accounting Policies

#### *Organization*

Pacific Institute for Research and Evaluation (“PIRE”) was organized to conduct research, evaluate programs, develop policy and deliver training and technical assistance in the broad area of human service. The primary fields of endeavor to date have been alcohol, drug abuse, HIV, violence prevention, intervention and evaluation (including high risk youth), technical assistance in providing juvenile justice programs and traffic safety.

National Center for the Advancement of Prevention, doing business as “PIRE Programs NF” (formerly “HBSA”), was organized to provide systems design, consulting and support services in the health and community service areas to other nonprofit organizations and other organizations or individuals working on programs or projects furthering the health and welfare of citizens.

PIRE California, Inc. (“PIRE CA”) was organized in the State of California primarily to support PIRE’s State of California funded research programs and support activities or otherwise benefit the exempt purposes of PIRE.

The three entities are collectively referred to as the Institute in these consolidating financial statements.

#### *Consolidation Policy*

The consolidating financial statements include the accounts of PIRE and its affiliates, PIRE Programs NF and PIRE CA. All significant transactions between the organizations, including all interorganization balances, have been eliminated on consolidation.

#### *Basis of Accounting*

The accompanying consolidating financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) and are presented on the accrual basis of accounting.

#### *Cash and Cash Equivalents*

For purposes of these consolidating financial statements, the Institute considers cash on hand, deposits in banks and highly liquid debt instruments with an original maturity of three months or less to be cash and cash equivalents. Restricted cash and cash equivalents at December 31, 2021 consist of money market accounts restricted by the donors for various corporate development initiatives of the Institute’s Albuquerque and Louisville offices, or to provide general support for the Albuquerque and Louisville offices’ general operations, that have not been recovered under grant awards and contracts.

#### *Short-term Investments*

Short-term investments consist of certificates of deposit and corporate bonds invested in securities of short-term duration. Net investment income is reported in the consolidating statements of activities and consists of interest and dividend income, realized and unrealized gains and losses, less external and direct internal investment expenses.

# Pacific Institute for Research and Evaluation and Affiliates

## Notes to Consolidating Financial Statements

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### ***Receivable on Grants and Contracts***

Receivable on grants and contracts consists of amounts due from federal agencies and non-federal sources resulting from allowable expenditures incurred, which have not been recovered from the relevant federal agencies and non-federal sources, as of the end of the year. The allowance method is used to determine the uncollectible amounts, if any. The allowance is based upon prior years' experience and management's analysis of subsequent collections.

Management considers all receivables on grants and contracts to be fully collectible, therefore, no allowance for doubtful accounts has been established. Receivables are written off if reasonable collection efforts prove unsuccessful.

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

Furniture, equipment and leasehold improvement acquisitions are recorded at cost. These assets are depreciated using the straight-line method over their estimated useful lives or the anticipated term of the lease, if shorter, for leasehold improvements.

The Institute capitalizes assets with an original cost of \$5,000 or greater. When assets are sold or otherwise disposed of, the cost and related accumulated depreciation and amortization are removed from the accounts, with any gain or loss reflected in current operations. Expenditures for repairs and maintenance are charged to expense, when incurred.

### ***Investments***

Investments consist of corporate bonds, mutual funds and certificates of deposit held on long-term duration and are reported at fair value. Net investment income is reported in the consolidating statements of activities and consists of interest and dividend income, realized and unrealized gains and losses, less external and direct internal investment expenses.

### ***Investments - Deferred Compensation Plan***

Investments in mutual funds associated with the deferred compensation plan are reported at fair value. Investment gains and losses from the mutual funds are recorded directly to the asset account, and the corresponding liability account, for deferred compensation.

### ***Refundable Advances***

A transfer of assets (i.e. cash received) that is related to a conditional contribution is accounted for as a refundable advance in the accompanying consolidating statements of financial position until the conditions have been substantially met or explicitly waived by the donor.

### ***Deferred Rent Liability***

Deferred rent liability reflects the difference between rent expense, which is recognized on a straight-line basis over the term of the Institute's various leases, and cash payments.

# Pacific Institute for Research and Evaluation and Affiliates

## Notes to Consolidating Financial Statements

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### **Net Assets**

#### *Net Assets Without Donor Restrictions*

Net assets without donor restrictions are available for use in general operating purposes and are not subject to donor (or certain grantor) restrictions. From time to time, the Board designates a portion of these net assets for specific purposes which makes them unavailable for use at management's discretion. The Institute did not have board designated net assets as of December 31, 2021.

#### *Net Assets With Donor Restrictions*

Net assets with donor restrictions consist of assets and the related income whose use is limited by donor-imposed, time and/or purpose restrictions.

The Institute reports gifts of cash and other assets as restricted support, if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, the net assets are reclassified as net assets without donor restriction and reported in the consolidating statements of activities as net assets released from restrictions.

At December 31, 2021, these net assets were restricted for various corporate development initiatives of the Institute's Albuquerque and Louisville offices, or to provide general support for the Albuquerque and Louisville offices' general operations, that have not been recovered under grant awards and contracts. These net assets are the result of unsolicited contributions from two organizations, and there were no fundraising expenses incurred related to these contributions.

### **Revenue Recognition**

Grants and contracts revenue awarded by federal agencies or passed through to the Institute from another donor that received funding from the U.S. federal government or awarded from foundations and other private institutions are generally considered nonreciprocal transactions restricted by the awarding agency/entity for certain purposes. Revenue is recognized when qualifying expenditures are incurred and conditions under the grant agreements are met. Grants and contracts revenue totaled \$19,828,333 for the year ended December 31, 2021. All Institute government grants and contracts are subject to audit by its awarding agencies. Such audits have been performed in the past and did not result in material adjustments to previously reported revenue.

Funds received in advance of satisfying grants and contractual performance obligations are recorded as refundable advances in the consolidating statements of financial position. As of December 31, 2021, the Institute has refundable advances of \$2,021,364 in the consolidating statements of financial position.

At December 31, 2021, the Institute had remaining award balances on federal and non-federal conditional grants and contracts for sponsored projects of \$24,599,347 and \$2,560,129, respectively. These conditional award balances are not recognized as assets and will be recognized as revenue as the projects progress and conditions are met, generally as expenses are incurred. The Institute has awarded conditional grants to subrecipients related to the performance of the federal and non-federal conditional grants and contracts for sponsored projects, which have outstanding commitments of up to \$1,995,178 and \$356,936, respectively, as of December 31, 2021.

# Pacific Institute for Research and Evaluation and Affiliates

## Notes to Consolidating Financial Statements

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### ***Description of Program and Supporting Services***

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

Grants and contracts represent the costs of conducting research, evaluating programs, developing policy and delivering training and technical assistance in the area of human service, including safety and health, through federal and non-federal grants and contracts.

#### ***Administrative***

Administrative expenses include the functions necessary to provide an adequate working environment, maintain competent legal services for program administration and manage the financial and budgetary responsibilities of the Institute.

### ***Functional Allocation of Expenses***

The costs of providing various programs of the Institute have been summarized on a functional basis in the consolidating statements of activities. The consolidating financial statements report certain categories of expenses that are attributed to more than one program or supporting function of the Institute. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Fringe benefits which includes medical insurance, pension, and payroll taxes, are allocated on the basis of actual time and effort. Occupancy and rent, communications, depreciation and amortization expenses are allocated based on a percentage of salaries and wages and fringe benefits.

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

The preparation of consolidating financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the consolidating financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

### ***Financial Instruments and Credit Risk***

Financial instruments that potentially subject the Institute to concentrations of credit risk consist principally of cash and investments held at creditworthy financial institutions. By policy, these amounts are kept within limits designed to prevent risks caused by concentration. The Institute has never experienced losses related to these accounts.

Credit risk with respect to accounts receivable is limited to amounts receivable on grants and contracts for services rendered mainly to the federal government. The Institute has not experienced significant losses related to these receivables, and therefore, believes the credit risk related to receivables is minimal.



# Pacific Institute for Research and Evaluation and Affiliates

## Notes to Consolidating Financial Statements

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### *Accounting Pronouncements to be Adopted*

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*, which supersedes the current lease guidance under *Leases (Topic 840)* and makes several changes, such as requiring an entity to recognize a right-of-use (ROU) asset and corresponding lease obligation on the statement of financial position, classified as financing or operating, as appropriate. In an effort to provide relief to entities impacted as a result of the COVID-19 pandemic, the FASB issued ASU 2020-05, which delays the effective date of ASC 842 by one year to include all nonpublic entities that have not yet issued their financial statements. The deferred effective date is for fiscal years beginning after December 15, 2021, and interim periods with fiscal years beginning after December 15, 2022. Management will evaluate the effect that the adoption of this new standard will have on the Institute's consolidating financial statements.

In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-For-Profit-Entities for Contributed Nonfinancial Assets*. This ASU requires a not-for-profit organization to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash or other financial assets and requires additional disclosures related to contributed nonfinancial assets. This ASU must be applied on a retrospective basis to all periods presented and is effective for annual reporting periods beginning after June 15, 2021 and interim periods with annual periods beginning after June 15, 2022. Management will evaluate the effect that the adoption of this new standard will have on the Institute's consolidating financial statements.

## **2. Income Tax Status**

PIRE has been granted tax exempt status under Section 501(c)(3) of the Internal Revenue Code (IRC) and by the California Franchise Tax Board. In addition, the Internal Revenue Service (IRS) has determined that the organization is not a private foundation, as defined in Section 509(a) of the IRC. PIRE is licensed to do business in the state of Maryland as a foreign nonprofit corporation. PIRE is also registered with the Registry of Charitable Trusts of the Office of Attorney General of the state of California.

PIRE Programs NF has been granted tax exempt status under Section 501(c)(3) of the IRC and is licensed to do business as a nonprofit corporation in the state of Maryland. In addition, the IRS has determined that the organization is not a private foundation, as defined in Section 509(a) of the IRC.

PIRE CA has been granted tax exempt status under Section 501(c)(3) of the IRC and is licensed to do business as a nonprofit corporation in the state of California. In addition, the IRS has determined that the organization is a public charity, as defined in Section 509(a)(3) of the IRC.

In accordance with U.S. GAAP, the Institute must recognize the tax benefit associated with tax positions taken for tax return purposes when it is more likely than not that the position will be sustained on examination. The Institute does not believe there are any unrecognized tax benefits that should be recorded.

For the year ended December 31, 2021, there were no interest or penalties related to income taxes included in the consolidating statements of activities. The Institute is still open to examination by taxing authorities from year 2018 forward.

# Pacific Institute for Research and Evaluation and Affiliates

## Notes to Consolidating Financial Statements

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### 3. Liquidity and Availability

The Institute maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due. To help manage unanticipated liquidity needs, the Institute has a committed line-of-credit of \$1,500,000, which it could draw upon. The Institute did not have an outstanding balance on this line-of-credit as of December 31, 2021.

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the consolidating statement of financial position date, are comprised of the following at December 31, 2021:

	PIRE	PIRE Programs NF	PIRE CA	Total
Cash and cash equivalents	\$ 2,120,064	\$ 10,000	\$ 10,500	\$ 2,140,564
Short-term investments	1,335,170	-	-	1,335,170
Receivable on grants and contracts	2,337,376	899,886	-	3,237,262
Other accounts receivable	28,771	-	-	28,771
	<u>\$ 5,821,381</u>	<u>\$ 909,886</u>	<u>\$ 10,500</u>	<u>\$ 6,741,767</u>

As part of the liquidity management plan, the Institute invests cash in excess of daily requirements in short-term investments and money market funds included in cash and cash equivalents.

### 4. Comparative Financial Information

The consolidating financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Institute's consolidating financial statements for the year ended December 31, 2020, from which the summarized information was derived.

# Pacific Institute for Research and Evaluation and Affiliates

## Notes to Consolidating Financial Statements

### 5. Investments

Investments, at fair value, consist of the following at December 31, 2021:

	PIRE	PIRE Programs NF	PIRE CA	Total
Corporate bonds	\$ 2,141,214	\$ -	\$ -	\$ 2,141,214
Mutual funds	1,789,289	-	-	1,789,289
Certificates of deposit	1,296,283	-	-	1,296,283
Mutual funds - deferred compensation plan	843,877	-	-	843,877
	6,070,663	-	-	6,070,663
Less investment - deferred compensation plan	843,877	-	-	843,877
Less short-term investments	1,335,170	-	-	1,335,170
Noncurrent investments	\$ 3,891,616	\$ -	\$ -	\$ 3,891,616

Investment gains and losses from mutual funds associated with the deferred compensation plan are recorded directly to the asset account, and the corresponding liability account, for deferred compensation.

### 6. Fair Value Measurements

As defined in FASB Accounting Standards Codification (ASC) 820, *Fair Value Measurement*, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. FASB ASC 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value and maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the observable inputs be used when available. 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 measurements involving significant unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are as follows:

Level 1 - Valuation based on quoted prices in active markets for identical assets or liabilities that a reporting entity has the ability to access at the measurement date, and where transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 - Valuation based on inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, that is markets in which there are few transactions, prices are not current, or prices vary substantially over time.

# Pacific Institute for Research and Evaluation and Affiliates

## Notes to Consolidating Financial Statements

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Level 3 - Valuation based on inputs that are unobservable for an asset or liability and shall be used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. This input therefore reflects the Institute's assumptions about what market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

### **Investments - Deferred Compensation Plan**

The Institute's investments in CREF are registered investments which are valued based on market quotations or independent pricing services. The CREF fund consists of several investment portfolios which include money market accounts, growth funds, stock funds, global equities funds, social choice funds, and fixed income bond funds.

Investments in TIAA Real Estate Account (TIAA REA) are investments in a pooled separate account of TIAA. The value of the units held in the pooled separate account is based on the market value of the underlying real estate holdings which are valued principally utilizing external appraisals and involve significant judgment.

Investments in TIAA Traditional Annuity are investments in fixed annuity contracts that are fully and unconditionally guaranteed by TIAA. The contracts, consisting of fixed return contracts, are included in the financial statements at fair value as reported by TIAA. Fair value represents contributions made under the contract, plus earnings less withdrawals and administrative expenses. The fixed annuity contract buys a contractual or guaranteed amount of future benefits. The fixed annuity contract is subject to certain withdrawal limitations.

### **Other Investments**

Investments in corporate bonds and mutual funds are held by an investment manager. The fair market value of these investments is determined based on market quotations or by independent pricing services.

# Pacific Institute for Research and Evaluation and Affiliates

## Notes to Consolidating Financial Statements

The following table presents the Institute's investments that are measured at fair value on a recurring basis:

Description	Fair value measurement at reporting date using			Balance as of December 31, 2021
	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant other unobservable inputs (Level 3)	
Corporate bonds	\$ 2,141,214	\$ -	\$ -	\$ 2,141,214
Mutual funds	1,789,289	-	-	1,789,289
Certificates of deposit	1,296,283	-	-	1,296,283
CREF Fund				
Growth	164,066	-	-	164,066
Stocks	276,543	-	-	276,543
Equities	137,741	-	-	137,741
Social choice	141,363	-	-	141,363
Bonds	72,364	-	-	72,364
TIAA Real Estate	-	-	14,621	14,621
TIAA Traditional Annuity	-	-	37,179	37,179
	\$ 6,018,863	\$ -	\$ 51,800	\$ 6,070,663

See Note 5 for the reconciliation of the fair value measurement disclosures of the Institute's investments to the line items in the consolidating statements of financial position.

The following table summarizes the Institute's activities for assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the year ended December 31, 2021.

	TIAA Real Estate	TIAA Traditional Annuity	Total
Net appreciation in fair value	\$ 2,216	\$ 1,115	\$ 3,331

During the year ended December 31, 2021, the Institute did not have additional contributions, transfers, and/or distributions in Level 3 investments, other than the activity noted above.

# Pacific Institute for Research and Evaluation and Affiliates

## Notes to Consolidating Financial Statements

Quantitative information as of December 31, 2021, with respect to assets measured and carried at fair value on a recurring basis with the use of significant unobservable inputs (Level 3) follows:

Description	Fair Value	Principal Valuation Techniques	Unobservable Inputs	Weighted Average
TIAA Real Estate	\$ 14,621	Appraisals	Values of underlying real estate holdings/ investments	N/A
TIAA Traditional Annuity	\$ 37,179	Contract value	Accumulated cash contributions, interest credited and transfers	N/A
	\$ 51,800			

### 7. Property and Equipment

Property and equipment consists of the following at December 31, 2021:

Leasehold improvements	\$ 131,483
Furniture and equipment	925,275
	1,056,758
Less: accumulated depreciation and amortization	1,018,441
	\$ 38,317

Depreciation and amortization expense charged to operations was \$43,440 for 2021.

### 8. Line-of-Credit

The Institute maintains a revolving line-of-credit with Sandy Spring Bank. Any outstanding principal is due on demand by August 31, 2022, the maturity date. The maximum borrowing amount was \$1,500,000 and no principal was outstanding at December 31, 2021. Interest is calculated at 0.5% over the Sandy Spring Bank Prime Rate. The interest rate was 3.75% at December 31, 2021. The line-of-credit is secured by a perfected first lien security interest in all collateral of the Institute, including all grants and contracts, other accounts receivable, and property and equipment.

The line-of-credit carries certain covenants, which, if not met, would make the loan in default, and due upon demand. At December 31, 2021, the Institute met all covenants.

# Pacific Institute for Research and Evaluation and Affiliates

## Notes to Consolidating Financial Statements

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### 9. Paycheck Protection Program (PPP) Loan

The Institute received loan proceeds under the Paycheck Protection Program (“PPP”) in the amount of \$2,325,100 on April 21, 2020, with a fixed interest rate of 1.00% per annum from Sandy Spring Bank. The application for these funds requires the Institute to, in good faith, certify that the current economic uncertainty made the loan request necessary to support the ongoing operations of the Institute. This certification further requires the Institute to take into account the Institute’s current activity and the Institute’s ability to access other sources of liquidity sufficient to support ongoing operations in a manner that is not significantly detrimental to the Institute. The receipt of these funds, and the forgiveness of the loan attendant to these funds, is dependent on the Institute having initially qualified for the loan and qualifying for the forgiveness of such loan based on our future adherence to the forgiveness criteria.

The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loan and accrued interest are forgivable after the appropriate time period as long as the borrower has initially qualified for the loan and uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the appropriate time period.

The Institute repaid \$1,825,100 on May 1, 2020, and repaid an additional \$140,000 on November 17, 2020, leaving the remaining loan balance of \$360,000 reported as Paycheck Protection Program loan payable in the consolidating statements of financial position as of December 31, 2020. The Institute submitted their application for loan forgiveness on January 12, 2021 and received a preliminary forgiveness notice from the bank on March 1, 2021. On July 9, 2021, the Small Business Administration granted the forgiveness application and remitted the sum of \$364,389 including interest to Sandy Spring Bank. The loan forgiveness is reported under gain on Paycheck Protection Program loan forgiveness in the consolidating statements of activities for the year ended December 31, 2021. On July 27, 2021, the Institute paid the remaining interest balance of \$1,333. The balance reported under Paycheck Protection Program loan payable is \$0 in the consolidating statements of financial position as of December 31, 2021.

# Pacific Institute for Research and Evaluation and Affiliates

## Notes to Consolidating Financial Statements

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### 10. Commitments and Contingencies

#### *Operating Leases*

The Institute leases facilities to conduct its operations under operating lease agreements expiring at various times through January 2027.

The Institute leases space in California, Maryland, Kentucky, New Mexico and North Carolina. Several of the operating lease commitments provide for increased annual rent, based on increases in real estate taxes and building operating expenses. Occupancy expenses, including month-to-month rentals, were \$889,516, for the year ended December 31, 2021.

Additionally, the Institute generated rental income from subleasing office space in its facilities under leases that expired in 2021. Total lease income was \$71,727 for year ended December 31, 2021 and was netted against rental expense in the consolidating statements of activities and functional expenses.

Minimum future lease payments are as follows:

<i>Year Ending December 31,</i>	Lease Payments
2022	\$ 597,975
2023	456,642
2024	130,028
2025	103,941
2026	106,539
Thereafter	9,007
	<hr/>
	\$ 1,404,132

#### *Grants and Contracts Backlog*

As of December 31, 2021, the Institute had a backlog of approximately \$27.2 million in grants and contracts to be used in future years.

### 11. Retirement Plans

#### *Profit Sharing Plan and Trust*

In May 2002, the Institute amended and restated the Pacific Institute for Research and Evaluation Employees Supplemental Retirement Plan, a discretionary defined contribution plan. The new plan, Pacific Institute for Research and Evaluation, Inc. Profit Sharing Plan and Trust, is subject to the guidelines of the IRC and ERISA (Employee Retirement Income Security Act of 1974).



# Pacific Institute for Research and Evaluation and Affiliates

## Notes to Consolidating Financial Statements

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Employees classified as full-time employees, who work at least 60 percent of the full time equivalent, are eligible to participate in the Plan. Part-time employees who work in excess of 1,000 hours per year are also eligible to participate in the Plan. It is the intention of the Institute to contribute an amount equal to at least ten percent of an eligible employee's gross compensation, subject to availability of resources.

Retirement expense under the amended and restated Profit-Sharing Plan and Trust for the year ended December 31, 2021 was \$956,783.

### *Deferred Compensation 457(f) Plan*

In December 1998, the Institute established a nonqualified deferred compensation plan under §457(f) of the IRC (the 457(f) Plan). Eligibility for the 457(f) Plan is restricted to level 7 and 8 employees of the Institute, who hold jobs at the senior manager and executive management levels. Employees vest in the 457(f) Plan at a rate of 10% for each year of service. Contributions to the 457(f) Plan are made annually, at the discretion of the Board, and are based on performance evaluations. There was no retirement expense under the 457(f) Plan for the year ended December 31, 2021.

## 12. Major Sources of Funding

The Institute received a substantial portion of revenues from research and development grants and contracts from the U.S. Department of Health and Human Services. Revenue recognized from this source for 2021 was as follows:

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U.S. Department of Health and Human Services	\$	12,327,473	60%
Other sources		8,049,643	40%
	\$	20,377,116	100%

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## 13. COVID-19 and CARES Act

Beginning in late 2019 and continuing through December 31, 2021, and beyond, the outbreak of the novel coronavirus disease, or COVID-19, has resulted in the declaration of a global pandemic and has adversely affected economic activity across virtually all sections and industries on a local, national and global scale. The impact of COVID-19 on the economy and the Institute continues to be a fluid situation.

In response to the COVID-19 pandemic, many state, local and foreign governments have put in place, and others in the future may put in place, quarantines, executive orders, shelter-in place orders, and similar government orders and restrictions in order to control the spread of the disease. Such orders or restrictions, or the perception of such orders or restrictions could occur, have resulted in business closures, work stoppages, slowdowns and delays, work-from-home policies, and travel restrictions, among other effects that could negatively disrupt the Institute's operations. To further limit health risks associated with the COVID-19 virus, the Institute required that all staff at all of its offices work remotely and program activities have been transitioned to a virtual environment. The Institute is complying with state and local health officials, as well as the World Health Organization (WHO) recommendations, to do its part in reducing the impact on its employees and overall population.

# Pacific Institute for Research and Evaluation and Affiliates

## Notes to Consolidating Financial Statements

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The Institute's operations are heavily dependent on funding from the federal government, as well as foundations and other private institutions. Additionally, access to grants and contracts from federal, state and local governments may decrease or may not be available depending on appropriations to the Institute. Operationally, the Institute has remained focused on supporting its clients, community, and employees during this time. Through December 31, 2021, the Institute has not seen a significant adverse impact to the financial position, change in net assets, and cash flows and liquidity as a result of COVID-19. The values of the Institute's investments have and may fluctuate in response to changing market conditions. The ultimate impact of COVID-19 on the business is not estimable at this time and will be largely dependent upon a number of factors outside of the Institute's control including the extent and duration of the outbreak as well as any mitigating actions which may be undertaken by federal and local governments and the general public.

On March 27, 2021, the former President of the United States signed into law the CARES Act. The CARES Act, among other things, includes provisions related to refundable payroll tax credits, deferment of employer side social security payments, net operating loss carryback periods, alternative minimum tax credit refunds, modifications to the net interest deduction limitations, increased limitations on qualified charitable contributions, and technical corrections to tax depreciation methods for qualified improvement property. It also appropriated funds for the Small Business Administration (SBA) Paycheck Protection Program loans that are forgivable in certain situations to promote continued employment, as well as Economic Injury Disaster Loans to provide liquidity to small businesses harmed by COVID-19. The Institute elected to utilize the provisions enacted by the CARES Act and received a PPP loan in the amount of \$2,325,100 as discussed in Note 9.

On December 27, 2020, the Consolidated Appropriations Act, 2021 (the Act) was passed, which includes \$900 billion in stimulus relief as a result of the COVID-19 pandemic. The Institute believes that the Act will have no impact on its operations.

On March 11, 2021, the American Rescue Plan Act of 2021 (the 2021 Act) was passed, a \$1.9 trillion stimulus relief package that was intended to provide support to individuals and businesses affected by COVID-19. The Institute believes that the 2021 Act will have no impact on its operations.

The global pandemic continues to rapidly evolve, and the Institute will continue to monitor the COVID-19 situation closely. The ultimate impact of the global pandemic is highly uncertain and subject to change. The Institute does not yet know the full extent of potential delays or impacts on operations, or the global economy as a whole, which makes future results difficult to predict.

### 14. Subsequent Events

The Institute has evaluated subsequent events through April 20, 2022, which is the date the consolidating financial statements were available to be issued. There were no events noted that required adjustments to, or disclosure in, these consolidating financial statements.

**Schedule of Expenditures  
of Federal Awards**

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## Pacific Institute for Research and Evaluation and Affiliates

### Schedule of Expenditures of Federal Awards

Year ended December 31, 2021

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal Assistance Listing/Contract Number	Pass-Through Entity or Other Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
<b>Pacific Institute for Research and Evaluation</b>				
<b>Research and Development Cluster</b>				
<u>Department of Health and Human Services</u>				
<i>National Institutes of Health</i>				
Alcohol Research Program - Direct	93.273	Various	\$ 1,502,254	\$ 4,090,028
Alcohol Research Program - Pass-through	93.273	Various	-	175,709
Drug Abuse Research Programs - Direct	93.279	Various	33,826	178,068
Drug Abuse Research Programs - Pass-through	93.279	Various	-	14,445
Mental Health Research Grant - Direct	93.242	Various	-	43,630
Mental Health Research Grant - Pass-through	93.242	Various	-	126,461
Other National Institutes of Health				
Pass-through from University of Louisville Research Foundation	93.121	ULRF 15-1506	-	214,660
Improving Native American Elder Access to and Use of Healthcare through Effective Health System Navigation	93.307	R01 MD010292	39,159	489,467
Enhancing Primary Care Services for Diverse Sexual and Gender Minority Populations	93.307	R21 MD011648	676	90,722
Place-based Strengths and Vulnerabilities for Mental Wellness among Rural Minority Seniors	93.307	K99 MD015765	-	14,691
Pass-through from University of Texas Southwestern	93.350	GM0210806	-	18,290
Pass-through from Health Research, Inc.	93.361	403-01	-	19,971
Pass-through from Western Carolina University	93.361	A21-0030-5001	-	25,307
Pass-through from Yale University	93.393	GK000216	-	44,826
Pass-through from University of New Mexico	93.838	32-312-0217571-66401L	-	7,394
Implementing School Nursing Strategies to Reduce LGBTI Adolescent Suicide	93.865	R01 HD083399	48,722	348,426
Pass-through from Children's Hospital Los Angeles	93.865	RGF011226-E	-	2,549
Development of a Digital Intervention to Address Stigma Among Pregnant Unmarried Adolescents Living with HIV	93.989	R21TW011788	-	22,032
Pass-through from the CDM Group, Inc.	93.RD	HHSN275201800002I-01	-	263,598
<i>Substance Abuse and Mental Health Service Administration</i>				
Pass-through from Indian Health Council	93.243	SM063511	-	35,240
Pass-through from Little Traverse Bay Band of Odawas	93.243	SP022101	-	84,761
Pass-through from Falling Colors for New Mexico OSAP-BHSD	93.243	SP022114	-	105,074
Pass-through from Falling Colors for New Mexico OSAP-BHSD	93.243	SP022084	-	77,765
Pass-through from Falling Colors for New Mexico OSAP-BHSD	93.243	SP020769	-	3,395
Pass-through from Governor's Institute	93.243	SP022087	-	59,682
Pass-through from Bernalillo County Community Health Council	93.243	SP022084	-	34,335
Pass-through from Alabama Dept. of Mental Health	93.243	C8-061-859917	-	47,859
Pass-through from Association of American Indian Physicians	93.243	SP080999	-	24,174
Pass-through from South Dakota Department of Education	93.243	2019C-379	-	133,700
Pass-through from Idaho Office of Drug Policy	93.243	CPO19200364	-	59,265
Pass-through from Indiana Department of Education	93.243	33834	34,390	326,927

## Pacific Institute for Research and Evaluation and Affiliates

### Schedule of Expenditures of Federal Awards

Year ended December 31, 2021

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal Assistance Listing/Contract Number	Pass-Through Entity or Other Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
<b>Pacific Institute for Research and Evaluation</b>				
<b>Research and Development Cluster - (continued)</b>				
<u>Department of Health and Human Services - (continued)</u>				
<i>Substance Abuse and Mental Health Service Administration - (continued)</i>				
Pass-through from South Carolina Department of Education	93.243	4400021574	-	143,527
Pass-through from Hazel Pittman Center	93.243	SP081714	-	28,926
Pass-through from Youth Environmental Services Inc.	93.243	SP081365	-	38,560
Pass-through from the Phoenix Center	93.243	SP081588	-	50,522
Albuquerque-Bernalillo County Youth Underage Drinking & RX Opioid Misuse Prevention Partnership (ABC Prevent)	93.243	H79SP081613	195,939	331,002
Pass-through from United Way of Addison County	93.243	SP081663	-	16,321
Pass-through from Little Traverse Bay Band of Odawas	93.243	SP081753	-	34,499
Pass-through from Burlington Partnership	93.243	SP081658	-	23,935
Pass-through from Falling Colors for New Mexico OSAP-BHSD	93.243	TI082506	-	131,678
Pass-through from National Center for Frontier Communities	93.243	SP082535	-	49,190
Pass-through from Howard University	93.243	GRT0009950 - 10001187	-	43,929
Pass-through from Falling Colors for New Mexico OSAP-BHSD	93.243	SP082761	-	13,564
Pass-through from Falling Colors for New Mexico OSAP-BHSD	93.243	SP082728	-	7,772
Pass-through from United Way Addison County	93.276	SP081953	-	11,411
Pass-through from Lamoille Family Center	93.276	SP081849	-	1,992
Pass-through from Northeastern Vermont Regional Hospital	93.276	NH28CE003107	-	7,511
COVID-19 - Pass-through from North Dakota Dept. of Human Services	93.665	PTE #510-11739	3,206	130,050
Pass-through from Indian Health Council	93.788	TI081796	-	2,102
Pass-through from Community Impact NC, Inc.	93.788	TI081710	-	18,249
Pass-through from North Dakota Dept. of Human Services	93.788	PTE #510-11739B	-	82,423
Pass-through from United Way of Northwest Vermont	93.788	TI081694	-	24,518
Pass-through from Northeastern Vermont Regional Hospital	93.788	PTE #0342008687	-	25,675
Pass-through from Baltimore County, MD	93.788	Master #00004286	-	24,406
Pass-through from Ohio University	93.958	UT21576	-	113,488
Pass-through from Ohio University	93.958	UT21685	-	55,078
Pass-through from Ohio Mental Health Services	93.958	PTE #2100901	327,364	392,741
Pass-through from Ohio Mental Health Services	93.958	PTE #2200593	-	12,221
Pass-through from Falling Colors for New Mexico OSAP-BHSD	93.958	TI083466	-	5,539
Pass-through from Falling Colors for New Mexico OSAP-BHSD	93.959	TI083510	-	5,539
Pass-through from Ohio University	93.959	UT20615	-	46,325
Pass-through from Rocky Mountain Youth Corps	93.959	TI010037	-	19,981
Pass-through from Falling Colors for New Mexico OSAP-BHSD	93.959	TI010037	-	289,124
Pass-through from Idaho Office of Drug Policy	93.959	CPO19200364	-	52,751
Pass-through from South Carolina Dept. of Alcohol & Other Drugs	93.959	TI010048	-	41,219
Pass-through from Gloucester Police Dept.	93.959	TI083046	-	9,667
Pass-through from Growth Partners, LLC	93.959	TI083041	-	50,921

## Pacific Institute for Research and Evaluation and Affiliates

### Schedule of Expenditures of Federal Awards

Year ended December 31, 2021

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal Assistance Listing/Contract Number	Pass-Through Entity or Other Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
<b>Pacific Institute for Research and Evaluation</b>				
<b>Research and Development Cluster - (continued)</b>				
<u>Department of Health and Human Services - (continued)</u>				
<i>Substance Abuse and Mental Health Service Administration - (continued)</i>				
Pass-through from North Dakota Dept. of Human Services	93.982	PTE #510-11739C	-	75,814
Pass-through from Advancement Strategy, LLC	93.RD	75520120C00001-02	-	121,506
Pass-through from South Carolina Dept. of Alcohol and Other Drugs	93.RD	4400022017	-	116,803
<i>Other Agencies</i>				
<i>Health Resources &amp; Services Administration (HRSA)</i>				
Pass-through from Education Development Center	93.110	11905	-	168,799
Rural Communities Opioid Response (Implementation)	93.211	GA1RH33532	174,340	425,989
Pass-through from Ohio University	93.211	UT21208	-	30,610
Pass-through from Purchase District Health Department	93.912	GA1RH39592	-	51,496
Pass through from Center for Health Innovation	93.912	GA1RH39543	-	113,276
Pass-through from Purchase District Health Department	93.912	D06RH37519	-	41,309
Pass-through from Purchase District Health Department	93.912	G20RH33275	-	6,121
Rural Communities Opioid Response Program-Psychostimulant Support	93.912	H7NRH42563	-	5,654
<i>Administration for Children and Families (ACF)</i>				
Pass-through from Center for Women & Families	93.592	90EV0465	-	185,089
Pass-through from Central Susquehanna Intermediate Unit	93.093	90FX0033	-	93,593
Pass-through from University of North Carolina at Chapel Hill	93.596	2101NCCCDF	-	639
<i>Other Agencies</i>				
Pass-through from Center for Women & Families	93.088	ASTWH190075	-	315,022
Pass-through from Baltimore County, MD	93.136	Master 00004286	-	212,633
Pass-through from City of New Bedford Health Department	93.136	PTE #20510234	-	341
Pass-through from Albuquerque Area Indian Health Board, Inc.	93.391	Agreement #20-20	-	52,984
Pass-through from Springfield Turning Point	93.421	NU38OT000306	-	23,597
Pass-through from Greater Falls Connections	93.799	NH28CE003317	-	1,644
Pass-through from Ketchum, Inc.	93.RD	75CMC18D0044	-	765,747
<b>Total Department of Health and Human Services</b>			<b>2,359,876</b>	<b>12,327,473</b>
<u>Department of Justice</u>				
21st Century Policing: Cross-Site, Multi-Stakeholder Sentinel Event Review Project	16.560	2016-IJ-CX-K005	-	138,456
Research on the Effect of an Anonymous Tip Line and Multidisciplinary Response Teams in Schools Across the State of Nevada	16.560	2016-CK-BX-0007	527,261	921,181
Pass-through from Vermont Department of Health	16.754	39044	-	22,596
Pass-through from Mansfield Urban Minority Alcoholism and Drug Abuse Outreach Program, Inc.	16.812	2020-CZ-BX-0007	-	17,745
Pass-through from Purchase District Health Department	16.838	2020-AR-BX-0139	-	93,428
Pass-through from Umbrella	16.888	2020-CY-AX-0008	-	7,238
<b>Total Department of Justice</b>			<b>527,261</b>	<b>1,200,644</b>

## Pacific Institute for Research and Evaluation and Affiliates

### Schedule of Expenditures of Federal Awards

Year ended December 31, 2021

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal Assistance Listing/Contract Number	Pass-Through Entity or Other Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
<b>Pacific Institute for Research and Evaluation</b>				
<b>Research and Development Cluster - (continued)</b>				
<u>Department of Transportation</u>				
<i>National Highway Traffic Safety Administration</i>				
Pass-through from Dunlap & Associates	20.RD	693JJ918F000192	-	15,577
Pass-through from Dunlap & Associates	20.RD	693JJ919F000202	-	4,799
Pass-through from Dunlap & Associates	20.RD	693JJ921F000047	-	12,361
Pass-through from Network of Employers for Traffic Safety	20.RD	DTNH22-16-H-00005	-	1,007
Update Cost of Motor Vehicle Crash Components*	20.RD	693JJ920F000111	-	89,995
<b>Total Department of Transportation</b>			-	<b>123,739</b>
<u>Department of Agriculture</u>				
Pass-through from University of Alaska-Fairbanks	10.310	P0529157	-	43,076
Pass-through from University of Kentucky Research Foundation	10.RD	3200002889-20-244	-	38,793
<b>Total Department of Agriculture</b>			-	<b>81,869</b>
<u>Department of Education</u>				
Pass-through from University of North Carolina-Chapel Hill	84.326P	5110486	-	59,608
Pass-through from SRI International	84.373Z	44577	-	153,045
<b>Total Department of Education</b>			-	<b>212,653</b>
<u>Consumer Product Safety Commission</u>				
Update the Injury Cost Model to Account for Secondary Injuries in the NEISS Data*	87.RD	61320620F0085	-	62,327
<b>Total Consumer Product Safety Commission</b>			-	<b>62,327</b>
<u>Federal Emergency Management Agency</u>				
Development and Testing of the Fire Service Drinking Toolkit	97.044	EMW-2018-FP-00593	332,382	443,570
<b>Total Department of Homeland Security</b>			<b>332,382</b>	<b>443,570</b>
<u>Department of Veterans Affairs</u>				
Education Services for Whole Health*	64.RD	VA777-15-F-0330	-	3,754
<b>Total Department of Veterans Affairs</b>			-	<b>3,754</b>
<u>Department of Defense</u>				
Pass-through from Florida State University	12.420	R000002865	-	54,943
<b>Total Department of Defense</b>			-	<b>54,943</b>
<u>Department of State/INL</u>				
Pass-through from Columbo Plan Drug Advisory Commission	19.RD	IN26US03	-	177,083
Pass-through from Organization of American States	19.RD	USINL 20/303	-	55,230
<b>Total Department of State/INL</b>			-	<b>232,313</b>
<u>Department of Treasury</u>				
COVID-19 - Pass-through from Ohio University	21.019	UT22260	-	25,541
<b>Total Department of Treasury</b>			-	<b>25,541</b>
<b>Total Research and Development Cluster</b>			<b>3,219,519</b>	<b>14,768,826</b>
<b>Total Expenditures of Federal Awards</b>			<b>\$ 3,219,519</b>	<b>\$ 14,768,826</b>

*The accompanying notes are an integral part of this schedule.*

\* Firm-fixed price contracts

# Pacific Institute for Research and Evaluation and Affiliates

## Notes to the Schedule of Expenditures of Federal Awards Year Ended December 31, 2021

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### 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Pacific Institute for Research and Evaluation and Affiliates (the Institute) under programs of the federal government for the year ended December 31, 2021. The information in this Schedule is presented in accordance with the 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). Because the Schedule presents only a selected portion of the operations of the Institute, it is not intended to and does not present the consolidating financial position, changes in net assets or cash flows of the Institute.

### 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following 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 on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

### 3. Indirect Cost Rate

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

### 4. Assistance Listing Numbers

When assistance listing numbers are not available, awards are classified in the Schedule based on sponsor program description and agreement identification numbers, and clustered for major program determination as provided by the Uniform Guidance.

### 5. Reconciliation of Schedule of Expenditures of Federal Awards to the Consolidating Statement of Activities

The Institute records additional revenue from grants and contracts with the federal agencies which are not required to be recorded within the Schedule.

*Year ended December 31, 2021*

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Schedule of Expenditures of Federal Awards	\$ 14,768,826
Non-federal grants and contracts revenue	4,876,842
Additional revenue from grants and contracts in excess of expenditures recognized within the Schedule	182,665
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Consolidating financial statement grants and contracts, as reported	\$ 19,828,333

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**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***

To the Board of Directors  
**Pacific Institute for Research and Evaluation and Affiliates**  
Beltsville, Maryland

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 consolidating financial statements of **Pacific Institute for Research and Evaluation and Affiliates** (the “Institute”), which comprise the Institute’s consolidating statement of financial position as of December 31, 2021, and the related consolidating statements of activities, functional expenses, changes in net assets, and cash flows for the year then ended, and the related notes to the consolidating financial statements, and have issued our report thereon dated April 20, 2022.

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

In planning and performing our audit of the consolidating 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 consolidating 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 entity’s consolidating 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 consolidating 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 consolidating 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*

April 20, 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**

To the Board of Directors  
**Pacific Institute for Research and Evaluation and Affiliates**  
Beltsville, Maryland

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

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

We have audited the **Pacific Institute for Research and Evaluation and Affiliates’** (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 the 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 major 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.



## Report on Internal Control Over Compliance

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.

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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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.

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

April 20, 2022

# Pacific Institute for Research and Evaluation and Affiliates

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

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

#### Consolidating Financial Statements

Type of report the auditor issued on whether the consolidating 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 major federal program:

- Material weakness(es) identified? \_\_\_\_\_ yes      X   no
- Significant deficiency(ies) identified? \_\_\_\_\_ yes      X   none reported

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

\_\_\_\_\_ yes      X   no

Identification of major federal program:

Federal Assistance Listing/Contract Number  
Various

Name of Federal Program or Cluster  
Research and Development

See Schedule of Expenditures of Federal Awards for detail by award.

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

  X   yes    \_\_\_\_\_ no

# Pacific Institute for Research and Evaluation and Affiliates

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

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### Section II - Financial Statement Findings

There were no findings related to the consolidating 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

There were no findings and questioned costs for Federal awards (as defined in section 2 CFR 200.516(a)) that are required to be reported.