KENNEDY KRIEGER INSTITUTE, INC. AND AFFILIATES

Reports on Federal Awards in Accordance with Uniform Guidance
June 30, 2021
Federal Entity Identification Number 52-1524965

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Part I
Financial Statements and
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2021

Report of Independent Auditors

To the Board of Directors of Kennedy Krieger Institute, Inc. and Affiliates

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Kennedy Krieger Institute, Inc. and Affiliates (the "Institute") , which comprise the consolidated balance sheets as of June 30, 2021 and 2020, and the related consolidated statements of operations and changes in net assets and of cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audits. We conducted our audits in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Institute's preparation and fair presentation of the consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Kennedy Krieger Institute, Inc. and Affiliates as of June 30, 2021 and 2020 , and the results of their operations, changes in net assets, and thier cash flows for the yearsthen ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards for the year ended June 30,2021 is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and is not a required part of the consolidated financial statements. The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 4, 2021 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 for the year ended June 30, 2021. 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 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 Institute's internal control over financial reporting and compliance.

PricewaterhouseCoopers LLP

Baltimore, Maryland
October 4, 2021

Kennedy Krieger Institute, Inc., and Affiliates
Consolidated Balance Sheets
As of June 30, 2021 and 2020
(in thousands)

ASSETS	2021	2020
Current assets:		
Cash and cash equivalents	$ 37,106	$ 21,355
Patient receivables, less allowances of $8,643 and $5,611	21,913	31,304
Grant and contract receivable	4,561	4,395
Tuition receivable	4,215	4,923
Pledges receivable	636	1,412
Prepaid expenses and other	3,334	2,661
Total current assets	71,765	66,050
Non-current assets:		
Property and equipment, net	154,078	159,785
Investments:		
Board designated endowment	74,675	57,031
Investments limited as to use	10,671	8,363
Pledges receivable, less allowances of $2,204 and $2,289	278	704
Total non-current assets	239,702	225,883
Total assets	$ 311,467	$ 291,933
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued expenses	47,074	39,074
Deferred grant revenue	4,058	4,797
Line of credit / short-term note	0	10,000
Current portion of long term debt	3,731	3,292
Total current liabilities	54,863	57,163
Long-term liabilities:		
Long term debt, net	80,346	73,986
Accrued pension	9,487	23,259
Interest rate swap	8,518	11,540
Other long-term liabilities	3,643	4,898
Total long-term liabilities	101,994	113,683
Total liabilities	156,857	170,846
Net assets:		
Without donor restrictions	127,552	93,588
With donor restrictions	27,058	27,499
Total net assets	154,610	121,087
Total liabilities and net assets	$ 311,467	$ 291,933

See accompanying notes to consolidated financial statements

Kennedy Krieger Institute, Inc., and Affiliates
Consolidated Statements of Operations and Changes in Net Assets
As of June 30, 2021 and 2020
(in thousands)

	2021	2020
Operating revenues:		
Patient service revenue, net of contractual allowances	$ 195,123	$ 186,188
Bad debt expense	(6,410)	(4,914)
Net patient service revenue	188,713	181,274
Tuition revenue	42,149	46,775
Grant and contract revenue	36,958	39,304
Net assets released for operating activities	2,127	6,725
Investment earnings used for operating activities	2,256	2,184
Contributions without donor restrictions, net	2,327	1,416
Other operating revenues	944	869
Total operating revenues	275,474	278,547
Operating expenses:		
Salaries, wages and benefits	207,951	209,435
Supplies, purchased services, and other	45,520	50,162
Depreciation and amortization	12,597	11,983
Rent	2,861	3,053
Interest	2,366	3,346
Total operating expenses	271,295	277,979
Operating revenues over operating expenses	4,179	568
Non-operating activity:		
Investment return, net	16,981	592
Realized and unrealized gain (loss) on interest rate swap	1,777	(4,100)
Fundraising expenses related to contributions with donor restrictions	(1,277)	(1,258)
Net non-operating activities	17,481	(4,766)
Excess of revenue (under) expenses	$ 21,660	$ (4,198)

Continued on next page

See accompanying notes to consolidated financial statements

Kennedy Krieger Institute, Inc., and Affiliates
Consolidated Statements of Operations and Changes in Net Assets
As of June 30, 2021 and 2020
(in thousands)

	2021	2020
Net assets without donor restrictions:		
Excess of revenue (under) over expenses	$ 21,660	$ (4,198)
Net assets released from restriction for property and equipment	1,389	1,042
Change in funded status of defined benefit plan	10,915	(4,847)
(Decrease) / Increase in net assets without donor restrictions	33,964	(8,003)
Net assets without donor restrictions, beginning of year	93,588	101,591
Net assets without donor restrictions, end of year	127,552	93,588
Net Assets with donor restrictions:		
Contributions with donor restrictions	3,075	10,966
Net assets released from restrictions for operations	(2,127)	(6,725)
Net assets released from restrictions for property and equipment	(1,389)	(1,042)
Increase / (Decrease) in net assets with donor restrictions	(441)	3,199
Net assets with donor restrictions, beginning of year	27,499	24,300
Net assets with donor restrictions, end of year	27,058	27,499
(Decrease) in total net assets	33,523	(4,804)
Total net assets, beginning of year	121,087	125,891
Total net assets, end of year	$ 154,610	$ 121,087

See accompanying notes to consolidated financial statements

Kennedy Krieger Institute, Inc., and Affiliates
Consolidated Statements of Cash Flows
As of June 30, 2021 and 2020
(in thousands)

	2021	2020
Cash flows from operating activities:		
Change in net assets	$ 33,523	$ (4,804)
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Net realized and unrealized (gains) on investments	(15,490)	(444)
Depreciation and amortization	12,597	11,983
Bad debt expense	6,410	4,914
Change in pension liability, net	(13,772)	4,304
Change in valuation of interest rate swap	(3,022)	3,181
Contributions restricted for long-term purposes	(3,075)	(10,970)
Changes in assets and liabilities:		
Patient receivables	2,981	(11,476)
Other receivables	1,744	1,949
Prepaid expenses	(673)	(114)
Accounts payable and accrued expenses	8,000	3,331
Deferred grant revenue	(739)	3,059
Other liabilities	(455)	1,662
Net cash provided by operating activities	28,029	6,575
Cash flows from investing activities:		
Purchase of property and equipment	(6,890)	(9,941)
Net sales of investments	(2,154)	(11)
Other changes in investments limited to use	(2,308)	(102)
Net cash (used in) investing activities	(11,352)	(10,054)
Cash flows from financing activities:		
Payments on long term debt	(17,751)	(3,173)
Payments on line of credit and short loan	(10,000)	(41,500)
Proceeds from line of credit/short term loan	-	50,500
Proceeds from long term debt	24,550	
Payments on capital lease obligation	(800)	(1,013)
Proceeds from contributions restricted for long-term purposes	3,075	10,970
Net cash provided by financing activities	(926)	15,784
Net increase (decrease) in cash and cash equivalents	15,751	12,305
Cash and cash equivalents, beginning of year	21,355	9,050
Cash and cash equivalents, end of year	$ 37,106	$ 21,355
Cash paid during the year for interest	$ 2,366	$ 3,346

See accompanying notes to consolidated financial statements

1. DESCRIPTION OF ORGANIZATION

Kennedy Krieger Institute, Inc., and Affiliates (the "Institute") is an internationally recognized organization dedicated to improving the lives of children, adolescents and young adults through comprehensive patient care, education, and research. The Institute's primary operating activities include healthcare services, research, training, special education, and fundraising.

The operations of the Institute are carried out through a number of legal corporate entities. The consolidated financial statements of the Institute reflect the accounts of the following separate legal corporate entities:

Kennedy Krieger Institute, Inc.
Kennedy Krieger Children's Hospital, Inc.
Hugo W. Moser Research Institute at Kennedy Krieger, Inc.
Kennedy Krieger Education and Community Services, Inc.
Kennedy Krieger Associates, Inc.
PACT: Helping Children with Special Needs, Inc.
Kennedy Krieger Foundation, Inc.
Madison Street Properties, Inc.

Healthcare services are provided through Kennedy Krieger Children's Hospital, Inc. and include a forty-five bed inpatient unit typically admitting more than 300 patients yearly, over fifty specialty outpatient clinics generating in excess of 200,000 annual visits and the training of over 400 healthcare professionals each year. Net patient service revenue generated through Healthcare activities represents approximately 68.5% and 65.1% of the Institute's operating revenue in fiscal years 2021 and 2020, respectively.

Grant and contract revenue represents approximately 13.4% and 14.1% of the Institute's operating revenue in fiscal years 2021 and 2020, respectively. Approximately 67.4% and 67.0% of this revenue in fiscal years 2021 and 2020, respectively, comes from departments and agencies of the United States government. Major government sponsors included the National Institutes of Health, Center for Disease Control, Health Human Services, Health Resources and Services Administration, Federal Communications Commission and the Department of Education.

Special education services provided through Kennedy Krieger Education and Community Services, Inc. are conducted through non-public special education schools for students from kindergarten to grade eight, high school, specialized autism programs and partnership programs within public schools. Tuition and related contractual revenue generated through special education services represents approximately 15.3% and 16.8% of the Institute's operating revenue in fiscal years 2021 and 2020, respectively.

Kennedy Krieger Institute, Inc., Kennedy Krieger Children's Hospital, Inc., Hugo W. Moser Research Institute at Kennedy Krieger, Inc., Kennedy Krieger Education and Community Services, Inc., Kennedy Krieger Associates, Inc., and PACT: Helping Children with Special Needs, Inc. are Maryland non-stock corporations organized for charitable, scientific, and educational purposes and are tax-exempt under Section 501(c)(3) of the Internal Revenue Code. Kennedy Krieger Foundation, Inc. (the "Foundation"), is a Maryland stock corporation and is tax-exempt under Section 501(c)(3) of the Internal Revenue Code.

Madison Street Properties, Inc. ("MSP") is a tax-exempt supporting organization under Section 509(a)(3) of the Internal Revenue Code and is wholly owned by the Foundation. All real and personal property and leasehold rights owned by the Institute are held by MSP, that in turn leases or subleases the property back to each member of the corporate family utilizing it and also provides property management services, including maintenance, security, and housekeeping.

The Institute maintains an independent affiliation with The Johns Hopkins University. The formal relationship between the parties is set forth in an affiliation agreement whereby (i) the medical, scientific, and other professional staff of the Institute receive primary and adjunct appointments in the appropriate Johns Hopkins University Schools or departments; and (ii) each Institution's independent corporate status is retained. Goods and services are purchased and sold by each organization through arm's length transactions.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The consolidated financial statements of the Institute have been prepared on the accrual basis, which conforms to accounting principles generally accepted in the United States of America. The consolidated financial statements include the accounts of the Institute after elimination of all intercompany accounts and transactions.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Institute considers all highly-liquid investments with original maturities of three months or less to be cash equivalents. These investments are carried at cost, which approximates market value.

Investments and Investment Income

Investments in equity securities with readily determinable fair values and all investments in debt securities are recorded at fair value in the Consolidated Balance Sheets.

Investment income is included in the non-operating activity section of the Statement of Operations. Investment income includes interest and dividends, realized and unrealized gains (losses) on investments.

Allowance for Doubtful Accounts

An allowance for doubtful accounts is recorded for patient receivables which are anticipated to become uncollectible in future periods. Receivables deemed to be uncollectible have been written off.

Grant and Contract Revenue and Receivable

Grant and contract revenues are recorded through cost reimbursement arrangements when allowable costs are incurred, through service rates as services are provided or when contractual

terms are satisfied. Grant and contract receivables are recorded when earned. An allowance for uncollectible grants and contracts receivable is estimated and is recorded against grant and contract receivables.

Tuition Revenue and Receivable
Tuition revenue is recognized when earned over the school term (July to June). The Institute does not record an allowance for uncollectible tuition receivables as tuition invoices are paid in full by the local education agencies at state approved tuition rates. Local education agencies receive a substantial component of this tuition from the State of Maryland.

Pledges Receivable
Unconditional promises to give cash and other assets to the Institute are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the commitment is received in writing.

Pledges receivable from capital campaigns and other contributions, have been recorded net of an allowance for uncollectible pledges. The allowance for uncollectible pledges receivable is estimated based on the nature and source of each pledge including pledge payment history and the donor's likelihood of honoring the commitment. The allowance is applied to pledges greater than one year. Multi-year pledges are recorded at their estimated present value using a risk-free rate of return of 3% for 2021 and 2020.

Excess of Revenue over Expenses
The Statements of Operations include excess of revenues over (under) expenses, which is the Institute's performance indicator. Changes in net assets without donor restrictions, which are excluded from excess of revenues over expenses consistent with industry practice, include unrealized gains and losses on investments, certain pension related transactions and assets acquired using contributions which by donor restrictions were to be used for the purpose of acquiring such assets.

Investments Limited as to Use
Investments limited as to use primarily include assets held by trustees under bond indentures, self-insurance trust arrangements, deferred compensation plans and other donor restricted gift arrangements.

Property and Equipment
Property and equipment acquisitions are recorded at cost. Depreciation is calculated using the straight-line method over the following estimated useful lives:

Buildings and Improvements	30-40 years
Fixed Equipment	10-15 years
Computer Software	5-15 years
Furniture and Equipment	3-5 years

Equipment purchases under grants, where title to the equipment rests with the grantor, are recorded as expenditures of the grant and are not capitalized or depreciated.

Capital Leases
Capital leased assets are amortized over the shorter of their estimated useful lives or the lease term. Depreciation expense on capitalized leased assets is included in depreciation and amortization expenses in the Consolidated Statements of Operations.

Deferred Financing Costs
Costs incurred related to the issuance of bonds payable have been deferred and are being amortized over the life of the bonds using the effective interest method. In fiscal year 2017, the Institute adopted ASU 2015-03, "Simplifying Presentation of Debt Issuance Costs". These debt issuance costs are now presented as a deduction from the carrying value of the associated debt.

Accrued Expenses
Accrued expenses are operating expenses that have been incurred but which have not been paid as of the balance sheet date. These expenses are typically periodic and due within one year or less. They include expenses incurred for payroll, employee benefits, subcontracts, interest and other operating items.

Deferred Grant Revenue
Deferred grant revenue has been recorded to reflect the portion of cash received on awarded grants where the grantor restrictions for its use have not been satisfied. Typically, the donor restrictions are satisfied within a year, therefore, deferred grant revenue is classified as a current liability.

Net Assets
Net assets without donor restrictions include undesignated amounts as well as amounts designated by the Board for a specific purpose. Net assets with donor restrictions are held by the Institute and consist primarily of amounts contributed to the Institute by donors with purpose restrictions. The Institute also has net assets with donor restrictions that are perpetual in nature. Earnings on these assets are available for use as specified by the donors.

Estimated Professional and General Liability Costs
The provision for estimated professional and general liability claims includes estimates of the ultimate costs for both reported claims and claims incurred but not reported.

Derivatives
The use of derivatives by the Institute is generally limited to an interest rate swap. The Institute follows accounting guidance on derivative financial instruments that are based on whether the derivative instrument meets the criteria for designation as cash flow or fair value hedges. The criteria for designating a derivative as a hedge include the assessment of the instrument's effectiveness in risk reduction, matching of the derivative instrument to its underlying transaction, and the assessment of the probability that the underlying transaction will occur. The Institute's only derivative financial instrument is an interest rate swap agreement without hedge accounting designation.

The Institute recognizes the fair value of its interest rate swap as a liability on the Consolidated Balance Sheet at fair value. The change in the fair value of this derivative is recorded as an unrealized gain or loss in the Consolidated Statements of Operations.

Pension Plan
The Institute follows current technical guidance for reporting and accounting for pension benefits provided to employees. This guidance requires recognition of the funded status of a defined benefit plan in the balance sheet as an asset or liability if the plan is over funded or underfunded, respectively. Changes in the funded status of a plan are required to be recognized in the year in which the changes occur through changes in Net assets without donor restrictions. The guidance also requires the measurement date of the plan's funded status to be the same as the company's fiscal year end.

Short-term investments
Short-term investments are carried at fair value and are comprised of instruments with an average duration of 1 year.

Investments
The fair values of marketable equity, government, and fixed income securities included in long-term investments are based on quoted market prices.

Long-term Debt Obligations
Management estimates that the fair value of long-term debt is equal to its carrying value.

Reclassifications
Certain reclassifications have been made to conform with the current year financial statement presentation.

New Accounting Pronouncements
In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-09 "Revenue from Contracts with Customers". This standard implements a single framework for recognition of all revenue earned from customers. This framework ensures that entities appropriately reflect the consideration to which they expect to be entitled in exchange for goods and services by allocating transaction price to identified performance obligations and recognizing revenue as performance obligations are satisfied. The Institute adopted the standard in 2021. There was no material impact on the Consolidated Financial Statements.

In January 2016, the FASB issued ASU 2016-01, "Financial Instruments-Overall: Recognition and Measurement of Financial Assets and Financial Liabilities". ASU 2016-01 addresses accounting for equity investments, financial liabilities under the fair value option, and the presentation and disclosure requirements for financial instruments. Non-public business entities will no longer be required to disclose the fair value of financial instruments carried at amortized cost. The amendments in ASU 2016-01 are effective for years beginning after December 15, 2018. The Institute adopted this standard in fiscal year 2020.

In February 2016, the FASB issued ASU 2016-02 "Leases". This standard requires lessees to recognize assets and liabilities for the rights and obligations created by leases with terms in excess of 12 months. The recognition, measurement, and presentation of expenses and cash flows arising from a lease will primarily depend on its classification as a finance or operating lease. The accounting by lessors remains largely unchanged. The effective date for this standard has been delayed by the FASB. Kennedy Krieger Institute is anticipating adopting the standard in 2023 and is evaluating the impact it will have on the consolidated financial statements.

In August 2016, the FASB issued ASU 2016-14 "Presentation of Financial Statements of Not-for-Profit Entities". The new guidance requires improved presentation and disclosures to help not-for-profits provide more relevant information about their resources to donors, grantor, creditors, and other users. Kennedy Krieger Institute adopted this presentation in fiscal year 2019.

In March 2017, the FASB issued ASU 2017-07, "Compensation-Retirement Benefits (Topic 715), Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost." The new guidance requires employers to report the service cost component of net periodic pension cost in the same line item as other compensation costs arising from services rendered by the pertinent employees during the period. The Institute adopted this standard for fiscal year 2020.

In June 2018, the FASB issued ASU 2018-08, "Not-for-Profit Entities (Topic 958), Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made". The new standard applies to all entities that receive or make contributions. The guidance clarifies the definition of transactions accounted for as an exchange transaction subject to ASU 2014-09 or other applicable guidance, and transactions that should be accounted for as contributions (non-exchange) subject to the contribution accounting model. Further, the guidance provides criteria for evaluating whether contributions are unconditional or conditional. Conditional contributions must specify a barrier that the recipient must overcome and a right of return that releases the donor from its obligation if the barrier is not achieved, otherwise the contribution is unconditional. The update is effective for fiscal years beginning after December 15, 2018, with early adoption permitted. The Institute adopted this standard for fiscal year 2020.

The London Interbank Offered Rate ("LIBOR") is used to price all of the Institute's variable rate debt. At the end of 2021, LIBOR is expected to cease publication and market participants around the world have undertaken reference rate reform initiatives to identify alternative reference rates. In March 2021, the FASB issued ASU 2021-04, Reference Rate Reform *(ASC 848),* to provide some relief to the operational challenges likely to arise due to the change in reference rates. This standard is adoptable as of the beginning of reporting periods including March 12, 2020, but can be adopted in any subsequent reporting period prior to December 31, 2022. The Institute's variable rate financing agreements were modified with each bank debt holder as of August 20, 2020 to address the process for how the LIBOR reference rate will be replaced in each variable rate debt agreement.

3. NET PATIENT SERVICE REVENUE AND ALLOWANCE FOR DOUBTFUL ACCOUNTS

Net patient service revenues from inpatient and outpatient services are reported at estimated net realizable amounts from patients, third-party payers, and others for services rendered including contractual allowances with third-party payers and bad debts.

The Institute has agreements with third-party payers that provide for payments to the Institute at amounts different from its established rates. Net patient service revenue is comprised of the following:

	2021	2020
Gross Inpatient Revenue	$ 59,077	$ 63,937
Less: Contractual Allowances	(13,074)	(14,028)
Bad Debt Expense	(837)	(1,022)
Net Inpatient Revenue	45,166	48,887
Gross Outpatient Revenue	168,703	155,237
Less: Contractual Allowances	(19,583)	(18,958)
Bad Debt Expense	(5,574)	(3,892)
Net Outpatient Revenue	143,546	132,387
Net Patient Service Revenue	$ 188,712	$ 181,274

The percentage of patient service revenue generated by payer category for the fiscal years ended June 30, 2021 and 2020 is as follows:

	2021	2020
Medicaid	38%	34%
Blue Cross	31%	32%
Commerical	28%	31%
Self pay and other	1%	1%
Medicare	2%	2%
	100%	100%

The Allowance for Doubtful Accounts is based upon management's assessment of historical and expected net collections considering trends in healthcare coverage, economic conditions, and payer mix. Management assesses the adequacy of the allowance periodically based upon historical collection and write off experience. After collection of amounts due from third-party payers, the Institute follows internal guidelines for placing certain past-due balances with collection agencies.

	2021	2020
Beginning Allowance for doubtful accounts	$ 5,611	$ 5,016
Plus: Bad debt expense	6,411	4,914
Less: Bad debt write-offs, net of recoveries	(3,379)	(4,319)
Ending Allowance for doubtful accounts	$ 8,643	$ 5,611

A summary of the payment arrangements with major third-party payers and patient financial assistance follows.

Maryland Medicaid
Since January 1, 2007, the Institute has been under a prospective payment system ("PPS") with Maryland Medicaid for both inpatient and outpatient services. Service-based per diem rates for inpatient services are annually adjusted by market basket update factors published by the Centers for Medicare and Medicaid Services ("CMS"). Outpatient services are reimbursed as a percentage of charges and subject to the lower of cost versus charges. Base year costs are trended forward annually using the CMS outpatient PPS market basket update factor and compared to actual charges. No retroactive settlement occurs under these arrangements.

Out of State Medicaid
The Institute has entered into payment agreements with many out-of-state Medicaid plans. The majority of these payment agreements reflect similar rates paid by Maryland Medicaid. No retroactive settlement occurs under these agreements.

Commercial Insurance
The Institute has also entered into payment agreements with commercial insurance carriers, health maintenance organizations and preferred provider organizations. The basis of payment to the Institute under these agreements includes prospectively determined rates per day or discharge, discounts from established charges and prospectively determined daily rates. No retroactive settlement occurs under these agreements.

Medicare
Certain inpatient and outpatient services rendered to Medicare beneficiaries are subject to retrospective cost-based reimbursement. Medicare cost reports have been filed through 2020 and final settled through 2018. No significant settlement due to or from the Medicare Program has been estimated and as a result no receivable or payable has been recorded at June 30, 2021 or 2020.

Financial Assistance and Community Benefit
The Institute provides services without charge or at discounted charges to patients who meet certain criteria under its financial assistance policy. The criteria for financial assistance considers the patient or patient's family's ability to pay at time of service. The Institute uses the federal poverty guidelines to determine eligibility for free care or discounted care. In addition, the Institute's policy applies to patients who are medically indigent. The Institute also offers payment plan options to assist patients who experience a financial hardship paying their hospital and professional services bills, but who might not qualify for financial assistance. In January 2016, the Institute expanded its financial assistance policy along with developing a plain language summary of the policy that is distributed to patients at registration.

The cost for services and supplies furnished under the Institute's financial assistance policy aggregated approximately $3,113 and $1,238 in 2021 and 2020, respectively. The cost has been estimated based on a cost to charge ratio and applied to financial assistance charges.

In addition to patient financial assistance and payment plan options, the Institute provides various community benefits across the developmental disability populations within the State of Maryland. The foundation of the community benefits provided envisions all persons with developmental disabilities ("DD") lead fully inclusive and meaningful lives. A community needs assessment was conducted and is periodically updated to understand the needs of the community served. Based on the needs assessment, the Institute promotes and hosts educational forums, provides respite care resources, acts as a resource finder, provides advocacy and legal services, promotes and arranges information exchange among patients, families, and professionals, promotes workforce development, is a leader in healthcare training in DD, and conducts research, among other things.

4. TUITION REVENUE

Tuition revenue generated by special education school programs is summarized as follows:

	2021	2020
High school	$ 13,561	$ 14,600
Lower/middle school	13,818	14,339
Leap/Autism	6,612	7,532
Montgomery County	7,685	7,831
Partnership programs	-	1,718
PACT daycare	326	485
Other	147	270
	$ 42,149	$ 46,775

Over 487 students are enrolled in special education programs each year and come from Baltimore City and many Maryland counties, Washington D.C., Virginia and other private sources. The percentage of tuition revenue generated by jurisdiction is as follows:

	2021	2020
Prince George's County, MD	21.5%	22.5%
Other local education agencies	18.6%	21.2%
Baltimore County, MD	17.4%	17.0%
Anne Arundel County, MD	17.0%	13.7%
Montgomery County, MD	10.8%	10.5%
Washington, DC	8.1%	7.5%
Baltimore City, MD	5.5%	6.0%
Private	1.1%	1.6%
Total	100.0%	100.0%

5. GRANT AND CONTRACT REVENUE

Grant and contract revenue is generated through the following activities:

	2021	2020
Research	$ 22,741	$ 24,653
Community service	6,346	6,341
Training / Hospital	1,996	2,818
Provider Relief Funds (CARES Act)	5,875	5,492
	$ 36,958	$ 39,304

Research revenue includes all research initiatives funded through government and private sources. Community service revenue is derived from services provided to individuals and families with special needs in a community-based setting and is funded through government programs. Training revenue represents government funding of training programs for professionals in the field of developmental disabilities. Provider Relief Funds consists of funding received through Federal government stimulus payments related to the COVID-19 pandemic.

Grant and contract revenue includes recoveries of facility and administrative costs, with certain limitations and exclusions. Certain revenues and costs in current and prior years are subject to audit and retroactive settlement. No reserve has been recorded for any potential settlements as amounts are not known or are considered immaterial.

6. CARES ACT FUNDING

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) was enacted. The CARES Act provided stimulus funding to assist the US economy with the financial impact caused by the COVID-19 pandemic.

Provider Relief Funds
The CARES Act funded $100.0 billion in appropriations for a Provider Relief Fund (PRF) to be used by healthcare organizations for preventing, preparing for, and responding to the coronavirus by reimbursing for health care related expenses and lost revenue that are attributable to COVID-19.

As of June 30, 2021, the Institute received $13,532 in payments under the PRF and recognized $5,875 and $5,492 as Grant and contract revenue on the Consolidated Statements of Operations and Changes in Net Assets in 2021 and 2020, respectively. The remaining $2,164 has been deferred to 2022 and is recorded as Deferred grant revenue on the Consolidated Balance Sheets.

In June 2021, HHS issued post payment reporting requirements for PRF recipients. The reporting requirements outline the deadlines to use the funds received and the required reporting timeframes based on when the funds were received. It is anticipated that all PRFs received by the Institute will be used by the December 31, 2021 spending deadline and reporting will be completed by March 31, 2022. Based on this latest guidance, it is not anticipated that amounts recorded as Grant and contract revenue or Deferred grant revenue in 2021 or 2020 will have to be repaid to HHS.

Federal Communications Commission (FCC) funding
In April 2020, the Institute was awarded a grant from the FCC in the amount of $995 to fund expenditures incurred to grow telehealth capacity as a result of the COVID-19 pandemic. The Institute recorded $572 and $423 of this funding as Grant and contract revenue in 2021 and 2020, respectively. In June 2021, the Institute was awarded a second FCC grant in the amount of $1,961 related to the Connected Care Pilot Program. This program is intended to expand connected care services, particularly for low-income Americans. No revenue has been earned and recognized in the financial statements for this second award.

Medicare Accelerated and Advance Payments Program
Under the CARES Act, CMS temporarily expanded its current accelerated and advance payment program for Medicare providers. Under this program, qualified healthcare providers received advanced payments from CMS. In May 2020, the Institute received $1,184 in advanced payments under this program. Through June 30, 2021, $90 of advanced payments have been recouped by CMS and the remaining balance will be recouped in 2022. Advanced payment amounting to $1,093 is reflected in Accounts payable and accrued expense on the Consolidated Balance Sheets at June 30, 2021.

Employer Payroll Tax Deferral
Between April 2020 and December 31, 2020, the Institute deferred $6,261 in employer payroll taxes owed as allowed under the CARES Act. Payment of half of this tax deferral is due to the IRS by December 31, 2021, with the remaining half due by December 31, 2022.

Employee Retention Tax Credit
The CARES Act provides for an Employee Retention Tax Credit (ERTC) against applicable employment taxes for eligible employers that pay qualified wages and certain healthcare expenses to employees after March 12, 2020 and before January 1, 2022. The tax credit is designed to encourage employers to keep employees on their payroll during the COVID-19 pandemic. Kennedy Krieger has claimed the credit in the total amount of $3,008 through its employer's quarterly Federal tax returns (IRS form 941) during the state of emergency covering the period from March 2020 to June 2021. Accounts payable and accrued expense reported on the Consolidated Balance Sheets includes net deferred payroll taxes in the amount of $4,489 and $2,267, respectively which and have been netted down with the ERTC.

7. CONTRIBUTIONS FROM FUNDRAISING ACTIVITIES

During 2021 and 2020, the Institute recognized contributions from fundraising activities as summarized below:

	2021	2020
Contributions		
With donor restrictions	$ 3,075	$ 10,966
Without donor restrictions	2,327	1,416
Total Contributions	5,402	12,382
Fundraising expenses		
Without donor restrictions	1,432	1,725
With donor restrictions	1,277	1,258
Total Expenses	$ 2,709	$ 2,983

Contributions with donor restrictions are made up of annual giving and capital campaign contributions which are classified as net assets with donor restrictions on the Consolidated Balance Sheets. Contributions that are donor restricted to be held in perpetuity reflect gifts where the corpus cannot be utilized but where investment earnings are available for use. These contributions are also classified as net assets with donor restrictions on the Consolidated Balance Sheets. Contributions that reflect gifts with no donor restrictions are reported on the Consolidated Statements of Operations as contributions without donor restrictions, net.

Fundraising expenses are reported as operating expenses for those expenses related to contributions without donor restrictions and as non-operating activity for those expenses related to contributions with donor restrictions. Expenses directly related to special events are netted with the revenue from those events.

8. INVESTMENTS AND INVESTMENT INCOME

	2021	2020
Long-term investments		
Fixed income mutual funds	$ 21,590	$ 15,160
Equity mutual funds	53,085	41,871
Total long-term investments	74,675	57,031
Investments limited as to use		
Money market funds	41	239
Fixed income mutual funds	2,299	2,033
Equity securities and funds	8,331	6,091
Total assets limited to use	10,671	8,363
Total Investments	$ 85,346	$ 65,394

Changes in Long-term investments for the years ended June 30, 2021 and 2020 are as follows:

	2021	2020
Long-term investments, beginning of year	$ 57,031	$ 56,576
Investment return, net	17,644	2,639
Investment withdrawals	-	(2,184)
Long-term investments, end of year	$ 74,675	$ 57,031

The Investment Committee of the Board of Directors ("Investment Committee") sets the investment policy for the long-term investments, including investment and spending guidelines. Investments of the long-term investments are based on the objective of achieving capital appreciation and investment income. Assets are invested in a manner that is intended to achieve an average annual real return in excess of inflation while assuming an acceptable level of investment risk. To monitor the effectiveness of the investment strategy of long-term investments, performance goals are established and monitored related to benchmark indices and returns earned by comparable funds.

To satisfy its long-term rate of return objectives of the long-term investments, the Institute employs a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current income (interest and dividends). The investment policy includes a target asset allocation that is well diversified among suitable asset classes and that is expected to generate, on average, the level of expected return necessary to meet the long-term investments' objectives while assuming a level of risk (volatility) consistent with achieving that return.

The asset allocation of the Long-term investments at June 30, 2021 and 2020 is summarized below. The Investment Committee regularly reviews the actual asset allocation against the target and periodically rebalances the investment, as appropriate.

	Target Allocation	Actual Allocation 2021	Actual Allocation 2020
Equities	70%	72%	72%
Fixed income	30%	28%	28%
	100%	100%	100%

The investment policy also provides for an investment earnings withdrawal to be used in support of operating activities, as determined by Institute management, and approved through the annual budget. The annual withdrawal is determined based on 4% of the three-year average market value of the portfolio. Calculated withdrawals under the policy are $2,256 and $2,184 and actual withdrawals were $0 and $2,184 in 2021 and 2020, respectively. Since policy inception, $4,014 in calculated withdrawals have been deferred.

Investments with a market value of $1,435 as of June 30, 2021 and 2020 have been pledged as collateral under the Institute's self-funded unemployment insurance plan.

Investments Limited as To Use
Investments limited as to use at June 30, 2021 and 2020 are made up of the following:

	2021	2020
Self insurance trust fund	$ 5,954	$ 4,689
Deferred compensation	2,637	2,010
Donor restricted fund	1,389	1,093
Planned gifts, net of reserve	396	276
Donor advised fund	295	295
Total investments limited as to use	$ 10,671	$ 8,363

Investment Income and Gains and Losses

Investment income and gains and losses are comprised of the following:

	2021	2020
Investment return		
Interest and dividend income	$ 2,357	$ 2,297
Realized gain on investments, net	2,237	194
Less: Investment earnings appropriated for operating activites	(2,256)	(2,184)
Net investment income	$ 2,338	$ 307
Net unrealized gain on investments	$ 14,643	$ 285

Liquidity and Availability

Financial assets at June 30, 2021 are made up of the following:

Cash	$ 37,106
Patient receivable, net	21,913
Grant and contract receivable	4,561
Tuition receivable	4,215
Pledges receivable	914
Prepaid expenses and other current assets	3,334
Investments limited as to use	10,671
Long-term investments	74,675
Total financial assets	$ 157,389
Less amounts not available:	
Investments limited as to use	$ 10,671
Pledges receivable, in excess of 1 year	278
Financial assets not available to be used within one year	$ 10,949
Financial assets available to meet general expenditures within one year	$ 146,440

As part of the Institute's liquidity management plan, cash in excess of daily requirements is invested in either money market funds, short-term investments, or long-term investments. Investment decisions are based on anticipated liquidity needs, such that financial assets are available as general expenditures, liabilities, and other obligations come due. Additionally, the Institute maintains a line of credit with a bank, as discussed in Note 14.

9. FAIR VALUE MEASUREMENTS

FASB's guidance on the fair value option for financial assets and financial liabilities permits companies to choose to measure many financial assets and liabilities, and certain other items at fair value. This guidance requires a company to record unrealized gains and losses on items for which the fair value option has been elected. The fair value option may be applied on an instrument by instrument basis. Once elected, the fair value option is irrevocable for that instrument. The fair value option can be applied only to entire instruments and not to portions thereof.

Kennedy Krieger Institute follows the guidance on fair value measurements, which defines fair value as 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, establishes a framework for measuring fair value, and expands disclosures about such fair value measurements. This guidance applies to other accounting pronouncements that require or permit fair value measurements and, accordingly, this guidance does not require any new fair value measurements.

This guidance discusses valuation techniques such as the market approach, cost approach and income approach. The guidance establishes a three-tier level hierarchy for fair value measurements based upon the transparency of inputs used to value an asset of liability as of the measurement date. The three-tier hierarchy prioritizes the inputs used in measuring fair value as follows:

- Level 1 – Observable inputs such as quoted market prices for identical assets or liabilities in active markets;
- Level 2 – Observable inputs for similar assets or liabilities in an active market, or other than quoted prices in an active market that are observable either directly or indirectly; and
- Level 3 – Unobservable inputs in which there is little or no market data that requires the reporting entity to develop its own assumptions.

The financial instrument's categorization within the hierarch is based upon the lowest level of input that is significant to the fair value measurement. Each of the financial instruments below has been valued utilizing the market approach.

The following tables present the fair value of investments and liabilities as of June 30, 2021 and June 30, 2020, by the valuation hierarchy defined above and also presents information on the liquidity aspects of each investment.

Fair Value of Investments
as of June 30, 2021

	Level 1	Level 2	Level 3	Total Fair Value
Investments:				
Money market funds (1)	$ 41	$ -	$ -	$ 41
Fixed income mutual funds (2)	23,888	-	-	23,888
Equity securities and funds (3)	61,122	-	-	61,122
Privately held investments (4)	-	-	295	295
Total Investments	$ 85,051	$ -	$ 295	$ 85,346
Liabilities:				
Interest rate swap (5)	$ -	$ 8,518	$ -	$ 8,518
Total Liabilities	$ -	$ 8,518	$ -	$ 8,518

Fair Value of Investments
as of June 30, 2020

	Level 1	Level 2	Level 3	Total Fair Value
Investments:				
Money market funds (1)	$ 239	$ -	$ -	$ 239
Fixed income mutual funds (2)	17,194	-	-	17,194
Equity securities and funds (3)	47,666	-	-	47,666
Privately held investments (4)	-	-	295	295
Total Investments	$ 65,099	$ -	$ 295	$ 65,394
Liabilities:				
Interest rate swap (5)	$ -	$ 11,540	$ -	$ 11,540
Total Liabilities	$ -	$ 11,540	$ -	$ 11,540

(1) Money market funds include investments in short-term debt securities, including U.S. Treasury bills and commercial paper with same day or next day liquidity.

(2) Fixed income mutual funds include funds whose underlying investments include domestic and international corporate bonds, obligations issued or guaranteed by the U.S. government or its agencies, bankers acceptances, bank certificates of deposit, repurchase agreements, commercial paper, fixed income instruments denominated in currencies of emerging market countries and fixed income instruments represented by forwards or derivatives including options, future contracts, and swap agreements. All funds are traded in active markets and offer next day liquidity.

(3) Equity funds include investments in common stock mutual funds with next day liquidity.

(4) Privately held investments include common stock of a privately held company. There is no market for the common stock.

(5) The Institute has classified the valuation of its interest rate swap as Level 2 within the fair value hierarchy. Over-the-counter derivatives that trade in liquid markets, such as interest rate swaps, model inputs (i.e. contractual terms, market prices, yield curves, credit curves, and measures of volatility) can generally be verified, and model selection does not involve significant management judgment.

10. PROPERTY AND EQUIPMENT

A summary of property and equipment at June 30, 2021 and 2020 is as follows:

	2021	2020
Land	$ 4,657	$ 4,657
Building and improvements	219,630	216,842
Furniture & equipment, including computer software	58,752	59,030
	283,039	280,529
Less: Accumulated depreciation	(128,961)	(120,744)
Property and equipment, net	154,078	159,785

Depreciation expense was $12,506 and $11,953 in 2021 and 2020, respectively.

Capital Lease Obligations

The Institute maintains lease agreements for computer equipment, software, and the renovation of leased space. The Institute records these leases as capital leases and capitalized the property and equipment on the Consolidated Balance Sheets.

The future minimum lease payments required under the capital lease are as follows:

2022	$ 833
2023	667
2024	282
2025	57
Total future minimum lease payments	$ 1,839

11. PLEDGES RECEIVABLE

Pledges receivable at June 30, 2021 and 2020 are summarized below:

	2021	2020
Pledges receivable:		
With donor restrictions	3,128	3,454
Without donor restrictions	1	951
	3,129	4,405
Less: Present value adjustment	(116)	(181)
Allowance for uncollectible pledges	(2,099)	(2,108)
Net pledges receivable	914	2,116
Less: Pledges due within one year	(636)	(1,412)
Pledges due in one to five years	$ 278	$ 704

The present value adjustments for 2021 and 2020 were made utilizing discount rates in effects at the time of the gift. The allowance for uncollectible pledges has been estimated based on management evaluation of each pledge's likelihood to be collected and using historical pledge write-off experience.

12. SIGNIFICANT CONCENTRATIONS OF CREDIT RISK

The Institute records patient receivables due for services provided to patients and others. The majority of these patients either qualify for federal/state assistance programs or have insurance through commercial insurance companies or managed care organizations. The Institute maintains reserves for potential losses and such losses have been within management's expectations. The mix of patient receivables due from patients and third-party payers at June 30, 2021 and 2020 are as follows:

	2021	2020
Medicaid	11.9%	14.0%
Medicaid managed care	27.0%	25.7%
Total Medicaid	38.9%	39.7%
Commercial Insurance	15.6%	31.8%
Blue Cross	21.6%	19.9%
Self-pay and other	21.2%	7.7%
Medicare	2.7%	0.9%
	100.0%	100.0%

13. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses at June 30, 2021 and 2020 are made up of the following:

	2021	2020
Accounts payable and PO accruals	$ 11,560	$ 9,584
Payroll payable	8,513	6,807
Accrued vacation	7,313	6,668
Performance incentive accruals	5,145	3,824
Employer FICA deferral	4,489	2,267
Workers' compensation, unemployment and health benefits	4,030	3,414
General and professional liability	1,641	1,641
Other accrued expenses	4,383	4,869
	$ 47,074	$ 39,074

14. DEBT

Long-term Debt – (Bonds Payable and Bank Loans)
Bonds payable issued through the Maryland Health and Higher Educational Facilities Authority ("MHHEFA") and Bank Loans at June 30, 2021 and 2020 consisted of the following:

	2021	2020
MHHEFA Series 2011 Bonds	$ -	$ 14,238
MHHEFA Series 2013 Bonds	14,550	15,355
MHHEFA Series 2017A Bonds	21,695	22,383
MHHEFA Series 2017B Bonds	25,204	25,853
MHHEFA Series 2020 Bonds	13,350	-
2020 Bank Loan	10,156	-
	84,955	77,829
Less: Current portion	(3,731)	(3,292)
Less: Unamortized deferred financing costs	(877)	(551)
Long term debt, net	$ 80,347	$ 73,986

The Series 2011 Bonds were privately placed with Bank of America through a $19,610 non-bank qualified term loan with a 25-year amortization and a bank commitment maturity date of June 1, 2021. The 2011 Bonds were refunded on August 20, 2020 through the issuance of MHHEFA Series 2020 Bonds.

The Series 2013 Bonds issued through MHHEFA were privately placed with Bank of America through a $16,730 non-bank qualified term loan with a 20-year amortization and a bank commitment maturity date of July 1, 2023. Principal and interest are due in monthly installments on the first day of each month. Terms of the loan call for a fixed interest rate of 3.62%.

The Series 2017A Bonds issued through MHHEFA were privately placed in March 2017 with CapitalOne Municipal Funding through a $23,000 non-bank qualified term loan with a 25-year amortization and a bank commitment maturity date of April 1, 2027. Principal and interest payments are due in monthly installments on the first day of each month. Principal payments began on April 1, 2019. Terms of the loan agreement called for an original fixed rate of interest of 3.21%. Due to the change in the maximum federal corporate tax rate, the loan agreement was amended in May 2018, with a fixed rate of interest of 3.79%.

The Series 2017B Bonds issued through MHHEFA were privately placed with BB&T through a $27,510 non-bank qualified term loan with a maturity date of April 1, 2027. The loan is being amortized through March 1, 2037. Terms of the loan agreement call for interest to be paid based on a percentage of 30-day LIBOR plus a credit spread. On August 20, 2020, the terms of 2017B Bonds were amended by Truist Bank (formerly BB&T) to extend the bank commitment date through August 2030 and add an interest rate floor. Additionally, a benchmark replacement was put in place to replace the LIBOR index. Principal and interest payments continue to be due in monthly installments.

The Series 2020 Bonds issued through MHHEFA were privately placed through a $14,300 non-bank qualified term loan with Fulton Bank. Terms of the Series 2020 Bonds call for 10-year bank commitment with amortization continuing through July 1, 2036. Principal and interest are to be paid monthly with interest determined based on an index floating rate plus a credit spread and subject to an interest rate floor.

On October 16, 2019, the Institute closed on a $10,000 364-day, unsecured short-term note with Truist Bank (formerly BB&T). Proceeds from the short-term note payable was used for fund various operating, capital and working capital requirements associated with its electric health record system implementation. Pricing on the note payable was based on 30-day LIBOR plus a credit spread. The short-term note payable included interest only payable monthly. The short-term note payable was refunded with the 2020 Bank Loan

The 2020 Bank Loan was closed with Truist Bank on August 20, 2020 in the amount of $10,250 and refunded the $10,000 short-term loan plus closing costs. Terms of the 2020 Bank Loan include a 5-year bank commitment with a 10-year amortization. Principal and interest are to be paid monthly with interest determined based on an index floating rate plus a credit spread and subject to an interest rate floor.

The obligated group for Bonds Payable and Bank Loan (the “Debt”) include Kennedy Krieger Institute, Inc., and each of its affiliated entities. Bonds Payable were issued in parity and contain certain restrictions on the Institute’s ability to incur additional indebtedness, restrict its use of facilities, maintain stipulated insurance coverage, and maintain a rate structure sufficient to meet its total annual cash requirements. The Institute must maintain compliance with certain debt

covenants contained in the bond and loan agreements. At June 30, 2021 and 2020, the Institute was in compliance with all debt covenants in accordance with these agreements.

The aggregate future maturities of Bonds Payable and Bank Loan over the next five years and thereafter are summarized below at June 30, 2021.

2022	$	3,731
2023		4,258
2024		4,600
2025		4,793
2026		4,983
Thereafter		62,590
	$	84,955

Unamortized deferred bond financing costs of $877 in 2021 and $551 in 2020 are netted against tax-exempt bonds. Amortization expense was $91 and $30 in 2021 and 2020, respectively.

Line of Credit
The Institute maintains a working capital line of credit with Truist bank. The committed amount under the line of credit is $15,000 and with the commitment extended through August 20, 2022. There was no balance drawn against the line of credit at June 30, 2021 and 2020. The line of credit is secured by a pledge on the revenues of the Institute and debt covenant requirements are consistent with the Bonds Payable and the Bank Loan.

15. RETIREMENT PLANS

The Institute maintains defined benefit and defined contribution plans covering substantially all of its employees.

Defined Benefit Plan
The Institute's defined benefit pension plan (the "plan") provides benefits to staff-level employees based on years of service and the employees' final average compensation. The Institute's policy is to annually fund the amount necessary to meet minimum funding requirement under ERISA. Contributions of $5,100 and $2,570 were made for 2021 and 2020, respectively. The plan was amended effective April 1, 2019 to allow lump sum payments to employees hired before July 1, 1989 and to allow in-service distributions to Plan participants who reach normal retirement age while still employed. The settlement amount for these lump sum payments was $4,947.

The net periodic benefit cost calculated in accordance with current guidance for employer's accounting for pension obligations is $2,242 and $2,573 for 2021 and 2020, respectively. The service cost components of net periodic pension cost is reported within salaries, wages and benefits on the Consolidated Statements of Operations and Changes in Net Assets.

The following table sets for the plan's funded status and benefit obligations recognized in the Institute's consolidated financial statements at June 30, 2021 and 2020:

	2021	2020
Change in benefit obligation:		
Benefit obligation at beginning of year	$ 66,026	$ 58,761
Service cost	688	974
Interest cost	1,795	2,057
Actuarial (gain)/loss	(1,448)	8,081
Benefits paid from the Plan	(3,031) *	(3,847)
Projected benefit obligation at end of year	$ 64,030	$ 66,026
Change in plan assets:		
Fair value of plan assets at beginning of year	$ 42,767	$ 39,806
Actual return on plan assets	9,707	4,238
Employer contribution	5,100	2,570
Benefits paid from the Plan	(3,031) *	(3,847)
Fair value of plan assets at end of year	$ 54,543	$ 42,767
Funded status at end of year	$ (9,487)	$ (23,259)

** Includes annuites of $1,103 and lump sums of $1,928*

Amounts recognized in the Consolidated Balance Sheets:		
Non current liabilities	$ (9,487)	$ (23,259)
Amounts recognized in Net assets without donor restrictions:		
Net actuarial loss/(gain)	$ 13,448	$ 24,363
Information for pension plans with a accumulated benefit obligation in excess of plan assets:		
Projected benefit obligation	$ 64,030	$ 66,026
Accumulated benefit obligation	$ 64,030	$ 66,026
Fair value of assets	$ 54,544	$ 42,767
Components of net periodic pension cost:		
Service cost	$ 688	$ 974
Interest cost	1,795	2,057
Expected return on plan assets	(2,609)	(2,433)
Recognized net actuarial (gain)/loss	2,368	1,975
Net periodic pension cost	$ 2,242	$ 2,573
Other changes in plan assets and benefit obligations recognized in Net assets without donor restrictions:		
Net actuarial loss/(gain)	$ 13,448	$ 24,363
Total recognized in net periodic benefit cost and Net assets without donor restrictions:	$ 15,690	$ 26,936

Assumptions:

Weighted-average assumptions used to determine benefit oblication at:	6/30/2021	6/30/2020
Discount rate	2.82%	2.76%
Rate of compensation increase	N/A	N/A

Weighted-average assumptions used to determine net periodic benfits cost from years ended:	6/30/2021	6/30/2020
Discount rate	2.76%	3.55%
Expected long-term return on plan assets	6.00%	6.00%
Rate of compensation increase	N/A	N/A

Cash flows:
Contributions: The expectied contributions to be made during the 2022 fiscal year are $3,600.

Estimated future benefit payments to be paid for fiscal year ending:

2022	$ 2,130
2023	2,210
2024	2,262
2025	2,322
2026	2,442
2027-2031	13,744

The discount rate assumption for fiscal years ending 2021 and 2020 was based on the FTSE Pension Above-Median Discount Curve as of June 30, 2021 and 2020. The mortality tables used in fiscal year 2021 are based on the RP-2014 mortality table, no collar adjustment, and the MP-2018 mortality projection scale.

In determining the expected long-term rate of return on plan assets, the Institute evaluated the historical long-term rate of return for each class of asset in determining an acceptable overall range of expected returns for the plan.

The following tables present fair value measurements for plan assets as of June 30, 2021 and 2020 by the valuation hierarchy as defined in footnote 9 and also includes the liquidity aspects of each investment:

Fair Value of Investments as of June 30, 2021:

	Level 1	**Level 2**	**Level 3**	**Total Fair Value**
Investments:				
Money market funds (1)	$ 261	$ -	$ -	$ 261
Fixed income mutual funds (2)	19,122	-	-	19,122
Equity securities and funds (3)	35,161	-	-	35,161
Total Investments	$ 54,544	$ -	$ -	$ 54,544

Fair Value of Investments as of June 30, 2020:

	Level 1	Level 2	Level 3	Total Fair Value
Investments:				
Money market funds (1)	$ 221	$ -	$ -	$ 221
Fixed income mutual funds (2)	13,965	-	-	13,965
Equity securities and funds (3)	28,581	-	-	28,581
Total Investments	$ 42,767	$ -	$ -	$ 42,767

(1) Money market funds include investments in short-term debt securities, including US Treasury bills and commercial paper with same day or next day liquidity.

(2) Fixed income mutual funds include funds whose underlying investments include domestic and international corporate bonds, obligations issued or guaranteed by the U.S. government or its agencies, bankers acceptances, bank certificates of deposit, repurchase agreements, commercial paper, fixed income instruments denominated in currencies of emerging market countries and fixed income instruments represented by forwards or derivatives including options, future contracts, and swap agreements. All funds are traded in active markets with next day liquidity.

(3) Equity funds include investments in common stock mutual funds and are traded in active markets with next day liquidity.

The plan's target allocations and actual asset allocation at June 30, by asset category, was as follows:

	Target Allocation	Actual Allocation 2021	Actual Allocation 2020
Money market funds	-	0.5%	0.5%
Equities	65%	64.4%	66.8%
Fixed income	35%	35.1%	32.7%
	100%	100.0%	100.0%

The objectives of the plan's investment strategy are to maximize the plan's funded status and minimize the Institute's contributions and plan expense.

The Investment Committee establishes a target asset allocation and regularly reviews the actual asset allocation against the target. It also periodically rebalances the investment allocations, as appropriate.

Defined Contribution Plan
The Institute maintains a qualified defined contribution retirement plan which is in compliance with section 401(k) of the Internal Revenue Code (IRC). The 401(k) plan is active and available to all employees (including all faculty and senior staff members) and provides for up to a 50% employer match on employee contributions up to certain levels of compensation. During 2021 and 2020, the aggregate contributions to the 401(k) plan were $21,918 and $20,942.

Deferred Compensation Plan
The Institute also offers a non-qualified deferred compensation plan (457(b) of the IRC) for certain of its executives which allows for the deferral of compensation up to IRS limits. A deferred compensation balance of $2,637 and $2,010 in fiscal years 2021 and 2020, respectively, was

reported in Investments limited as to use in the Consolidated Balance Sheet. An associated liability of an equal amount is included in Other long-term liabilities in the Consolidated Balance Sheet. The Institute makes no contributions to the Deferred Compensation Plan.

16. INTEREST RATE SWAP

The Institute manages the fixed/variable mix of its debt portfolio, including hedging exposure to increasing interest expense on variable rate debt, by utilizing an interest rate swap. The Institute maintains a fixed payer interest rate swap which hedges the variable interest rate risk on the majority of the outstanding balance of the Series 2020, 2017B and 2011 Series Bonds. Under the terms of the agreement with a local bank, the Institute pays a fixed rate of 3.636% and receives a percentage of an applicable variable reference rate on notional amounts that reduce annually until July 2036. Notional amounts of $34,415 and $35,239 were effective June 30, 2021 and 2020, respectively. Under the terms of the agreement, no collateral requirements exist on the part of the Institute.

The fair value of the interest rate swap and the related unrealized (losses) were as follows as of June 30, including the classification on the Consolidated Balance Sheets and Statements of Operations:

	Fair Market Value	
	2021	**2020**
Interest rate swap liability	$ 8,518	$ 11,540

	Amount recognized in Non-operating activity	
	2021	**2020**
Unrealized gain/(loss) on interest rate swap valuation	$ 3,022	$ (3,181)
Interest rate swap payments	(1,245)	(919)

17. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were held for the following purposes at June 30, 2021 and 2020:

	2021	**2020**
Capital Campaigns	$ 1,943	$ 2,168
Research and clinical projects	22,700	22,917
Perpetual in nature	2,414	2,414
	$ 27,057	$ 27,499

During 2021 and 2020, net assets with donor restrictions were released by satisfying donor restrictions in the following amounts:

	2021	2020
Property and equipment	$ 1,389	$ 1,042
Operating activities	2,127	6,725
Total	$ 3,516	$ 7,767

18. SELF INSURANCE

Professional and General Liability
The Institute maintains a self-insurance trust (the "Trust") for general and professional liability to cover liability claims arising out of the ordinary course of its business. Excess coverage with an insurance company is in place to cover losses above self-insured retention levels.

Assets in the Trust are to provide for payment of professional and general liability claims and expenses. Potential losses from asserted and unasserted claims are accrued based on estimates that incorporate the Institute's past experience, as well as other considerations, including the nature of each claim or incident, applicable insurance coverage and relevant trend factors.

An accrued liability related to asserted and unasserted self-insured general and professional liability claims of $1,641 has been recorded at June 30, 2021 and 2020 and is included in Accounts payable and accrued expenses on the Consolidated Balance Sheets. Investments in the Trust have a market value of $5,954 and $4,689 at June 30, 2021, and 2020, respectively and are reported in Investments limited as to use on the Consolidated Balance Sheets.

Workers' Compensation, Unemployment and Health Benefits
The Institute self-insures its workers' compensation, unemployment and employee health and dental benefits. Losses from claims identified by the Institute, as well as provisions for estimated losses for incurred but not reported incidents, are accrued based on estimates that incorporate the past experience of the Institute, as well as other considerations, including the nature of the claims or incidents and relevant trend factors. An accrued liability of $4,031 and $5,215 has been recorded on June 30, 2021, and 2020, respectively for these self-insured plans and is included in Accounts payable and accrued expenses on the Consolidated Balance Sheets.

19. COMMITMENTS AND CONTINGENCIES

Litigation
The Institute is involved in claims and litigation on professional liability and personnel matters that arise in the ordinary course of its business. This litigation is not expected to result in losses that exceed insurance limits or have a materially adverse effect on the Institute's financial position.

There have been claims filed against the Hugo W. Moser Research Institute at Kennedy Krieger, Inc. arising out of two Federally funded research studies performed in the early 1990s. The Institute has insurance believed adequate to cover any compensatory damages awarded for these claims. The Institute has been successful in defending its position on these cases and does not anticipate any material exposure going forward.

Rental Lease Commitments
Through the creation of MSP, all property and major equipment is leased/subleased to each operating entity. These transactions are eliminated through the consolidating of the Institute's financial statements.

Commitments for leases that do not meet the criteria for capitalization are classified as operating leases with related rentals charged to operations as incurred. The following is a schedule by year of future minimum lease payments under operating leases as of June 30, 2021, that have initial or remaining lease terms in excess of one year.

2022	$ 2,289
2023	2,128
2024	1,570
2025	1,303
2026	1,336
2027-2033	8,717
Total	$ 17,343

Rent expense on external lease commitments for the years ended June 30, 2021 and 2020 was $2,861 and $3,053, respectively.

Charitable Gift Annuities
The Institute has received charitable gift annuities from donors from which the Institute has guaranteed payments to the donor on a quarterly basis until the donor's death.

The Institute has recorded gift annuities, net of future annuity payments, consistent with the rates adopted by the American Council on Gift Annuities at the time of issuance of the gift annuity. Gift annuities with a market value of $588 and $549 have been recorded in 2021 and 2020, net of a future annuity payment liability of $329 and $385, respectively, and are reported in Investments limited as to use on the Consolidated Balance Sheets. Maryland Insurance Commission required reserves for annuity payments are $335 and $377 in 2021 and 2020. Assets maintained on outstanding annuity agreements exceed the amount of the Maryland Insurance Commission required reserve.

20. FUNCTIONAL EXPENSES

The Institute provides specialty pediatric health care services, conducts laboratory and clinical research, operates special education school programs, and administers community-based services, conducts fundraising activities, and provides institutional support. Costs not directly attributable to a function, including depreciation and interest, are allocated to function based on square footage.

Expenses related to providing these services are as follows:

June 30, 2021

	Healthcare	Research	Education/ Community Svcs	Fundraising	Institutional Support	Total
Salaries, wages and benefits	$ 132,137	$ 17,711	$ 34,136	$ 1,973	$ 23,063	$ 209,020
Supplies and other	18,404	8,055	2,320	1,234	16,288	46,301
Rent	2,468	-	393	-	-	2,861
Interest	1,101	242	677	12	334	2,366
Depreciation and amortization	5,864	1,290	3,604	62	1,778	12,598
Total	$ 159,974	$ 27,298	$ 41,130	$ 3,281	$ 41,463	$ 273,146

June 30, 2020

	Healthcare	Research	Education/ Community Svcs	Fundraising	Institutional Support	Total
Salaries, wages and benefits	$ 129,854	$ 18,370	$ 38,210	$ 2,144	$ 21,978	$ 210,556
Supplies and other	18,101	7,701	3,991	990	20,160	50,943
Rent	2,545	-	508	-	-	3,053
Interest	1,558	343	956	16	473	3,346
Depreciation and amortization	5,581	1,227	3,421	59	1,695	11,983
Total	$ 157,639	$ 27,641	$ 47,086	$ 3,209	$ 44,306	$ 279,881

21. SUBSEQUENT EVENTS

The Institute has evaluated subsequent events through October 4, 2021, which is the date the Consolidated Financial Statements were issued. There have been no events subsequent to that date that needed to be disclosed.

Report of Independent Auditors

To the Board of Directors of Kennedy Krieger Institute, Inc., and Affiliates,

We have audited the consolidated financial statements of Kennedy Krieger Institute, Inc., and Affiliates as of and for the year ended June 30, 2021, and our report thereon appears on page 1 of this document. That audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The consolidating information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole. The consolidating information is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations and cash flows of the individual companies and is not a required part of the consolidated financial statements. Accordingly, we do not express an opinion on the financial position, results of operations and cash flows of the individual companies.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Baltimore, MD
October 4, 2021

SUPPLEMENTAL CONSOLIDATING FINANCIAL STATEMENTS

Kennedy Krieger Institute, Inc., and Affiliates
Consolidating Balance Sheet Information
Year Ended June 30, 2021

	Kennedy Krieger Children's Hospital, Inc	Hugo W. Moser Research Institute at Kennedy Krieger, Inc.	Kennedy Krieger Education & Community Services, Inc.	Kennedy Krieger Foundation, Inc.	PACT: Helping Children with Special Needs, Inc.	Madison Street Properties, Inc.	Consolidating Eliminations	Consolidated Totals
Assets								
Current assets:								
Cash and cash equivalents	$ 18,985,934			$ 17,565,251	$ 554,775			$ 37,105,960
Patient receivables, net	20,212,676		$ 1,618,181		81,693			21,912,550
Grant and contract receivable	(81,372)	$ 3,394,792	798,476		448,729			4,560,625
Tuition receivable			4,215,042					4,215,042
Pledges receivable				632,700	3,000			635,700
Due from affilitates	64,364,219		7,523,866		207,167		$ (72,095,252)	-
Prepaid expenses and other	2,667,666	662,598	185,000	1,722	1,697		(185,000)	3,333,683
Total current assets	106,149,123	4,057,390	14,340,565	18,199,673	1,297,061	-	(72,280,252)	71,763,560
Non-current assets:								
Property and equipment, net						154,077,614		154,077,614
Board designated endow ment				74,164,929	510,262			74,675,191
Investments limted as to use	8,591,405			2,079,845				10,671,250
Pledges receivable, net				265,268	12,500			277,768
Total non-current assets	8,591,405	-	-	76,510,042	522,762	154,077,614	-	239,701,823
Total assets	$ 114,740,528	$ 4,057,390	$ 14,340,565	$ 94,709,715	$ 1,819,823	$ 154,077,614	$ (72,280,252)	$ 311,465,383
Liabilities and net assets								
Current liabilities:								
Accounts payable and accrued expenses	$ 43,935,097	$ 983,558	$ 234,683	$ 15,000	$ 26,195	$ 1,878,987		$ 47,073,520
Deferred grant revenue	2,147,223	1,570,096	239,226		101,160			4,057,705
Due to affiliates		15,183,466		11,890,890		45,020,896	(72,095,252)	-
Line of credit / short term note								-
Current portion of long-term liabilities						3,731,113		3,731,113
Total Current Liabilities	46,082,320	17,737,120	473,909	11,905,890	127,355	50,630,996	(72,095,252)	54,862,338
Non-current Liabilities:								
Tax-exempt bonds, net						80,346,128		80,346,128
Accrued pension	9,486,342							9,486,342
Interest rate sw ap						8,518,399		8,518,399
Other long-term liabilities	3,642,398							3,642,398
Total long-term liabilities	13,128,740	-	-	-	-	88,864,527	-	101,993,267
Total liabilities	59,211,060	17,737,120	473,909	11,905,890	127,355	139,495,523	(72,095,252)	156,855,605
Net assets:								
Without donor restrictions	52,076,575	(23,804,836)	12,671,000	71,667,576	544,668	14,582,091	(185,000)	127,552,074
With donor restrictions	3,452,893	10,125,106	1,195,656	11,136,249	1,147,800			27,057,704
Total net assets	55,529,468	(13,679,730)	13,866,656	82,803,825	1,692,468	14,582,091	(185,000)	154,609,778
Total liabilities and net assets	$ 114,740,528	$ 4,057,390	$ 14,340,565	$ 94,709,715	$ 1,819,823	$ 154,077,614	$ (72,280,252)	$ 311,465,383

Kennedy Krieger Institute, Inc., and Affiliates
Combining Statement of Operations
Year Ended June 30, 2021

Kennedy Krieger Institute, Inc. and Affiliates
Combining Statement of Operations
For the Year Ended June 30, 2021

	Kennedy Krieger Children's Hospital, Inc	Hugo W. Moser Research Institute at Kennedy Krieger, Inc	Kennedy Krieger Education & Community Services, Inc.	Kennedy Krieger Foundation Inc.	Pact: Helping Children with Special Needs, Inc.	Madison Street Properties Inc.	Combining Eliminations	Combined Total
Operating revenues:								
Patient service revenue, net	$ 185,576,337	$ 1,954,357	$ 1,065,993		$ 116,070			$ 188,712,757
Tuition revenue			41,822,870		326,260			42,149,130
Grants and contract revenue	7,812,296	22,741,302	4,504,091		1,900,588			36,958,277
Net assets released for operating activities	623,310	1,803,499	393,852	411,370	284,244		(1,388,808)	2,127,467
Investment earnings used for operating activities		2,256,437						2,256,437
Unrestricted contributions from fundraising activities, net				2,326,692				2,326,692
Other operpating revenues	610,256	934,924	66,215		388,025	36,792,562	(37,848,229)	943,753
Total operating revenues	194,622,199	29,690,519	47,853,021	2,738,062	3,015,187	36,792,562	(39,237,037)	275,474,513
Operating expenses:								
Salaries, wages and benefits	140,215,376	19,159,624	37,029,999	969,663	2,436,858	8,139,730		207,951,250
Supplies, purchased services and other	23,526,916	9,704,304	3,813,092	484,608	426,203	10,318,805	(2,754,756)	45,519,172
Space costs, net	23,441,849	5,030,824	7,100,147	251,511	148,760	3,370,493	(36,482,281)	2,861,303
Depreciation						12,597,186		12,597,186
Rent								-
Interest						2,366,273		2,366,273
Total operating expenses	187,184,141	33,894,752	47,943,238	1,705,782	3,011,821	36,792,487	(39,237,037)	271,295,184
Operating revenues over (under) expenses	7,438,058	(4,204,233)	(90,217)	1,032,280	3,366	75	-	4,179,329
Non-operating activity:								
Investment return, net	1,319,049			15,539,935	120,374	1,692		16,981,050
Gain (loss) on interest rate swap						1,777,019		1,777,019
Restricted fundraising expenses				(1,276,854)				(1,276,854)
Net non-operating activities	1,319,049	-	-	14,263,081	120,374	1,778,711	-	17,481,215
Excess of revenues (under) over expenses	$ 8,757,107	$ (4,204,233)	$ (90,217)	$ 15,295,361	$ 123,740	$ 1,778,786	$ -	$ 21,660,544

Kennedy Krieger Institute, Inc., and Affiliates
Combining Statement of Changes in Net Assets
Year Ended June 30, 2021

	Kennedy Krieger Children's Hospital, Inc	Hugo W. Moser Research Institue at Kennedy Krieger, Inc.	Kennedy Krieger Education & Community Services, Inc.	Kennedy Krieger Foundation Inc.	PACT: Helping Children with Special Needs, Inc.	Madison Street Properties Inc.	Consolidating Eliminations	Consolidated Totals
Net assets without donor restrictions:								
Excess of revenue over (under) expenses	$ 8,757,107	$ (4,204,233)	$ (90,217)	$ 15,295,361	$ 123,740	$ 1,778,786	$ -	$ 21,660,544
Net assets released from restrictions used for property and equipment						1,388,809		1,388,809
Change in funded status of defined benefit plan	10,914,760							10,914,760
Increase (decrease) in net assets without donor restrictions	19,671,867	(4,204,233)	(90,217)	15,295,361	123,740	3,167,595		33,964,113
Net assets without donor restictions, beginning of year	32,404,708	(19,600,603)	12,761,217	56,372,215	420,928	11,414,496	(185,000)	93,587,961
Net assets without donor restrictions, end of year	52,076,575	(23,804,836)	12,671,000	71,667,576	544,668	14,582,091	(185,000)	127,552,074
Net asets with donor restrictions:								
Contributions with donor restrictions	950,304	1,007,861	646,458	132,924	337,774			3,075,321
Net assets released from restrictions used for:								
Operating activities	(623,310)	(414,692)	(393,852)	(411,370)	(284,244)			(2,127,468)
Purchases of property and equipment		(1,388,807)						(1,388,807)
Increase (decrease) in net assets with donor restrictions	326,994	(795,638)	252,606	(278,446)	53,530			(440,954)
Net assets with donor restrictions, beginning of year	3,125,899	10,920,744	943,050	11,414,695	1,094,270			27,498,658
Net assets with donor restrictions, end of year	3,452,893	10,125,106	1,195,656	11,136,249	1,147,800	-	-	27,057,704
Increase (decrease) in total net assets	19,998,861	(4,999,871)	162,389	15,016,915	177,270	3,167,595		33,523,159
Total net assets, beginning of year	35,530,607	(8,679,859)	13,704,267	67,786,910	1,515,198	11,414,496	(185,000)	121,086,619
Total net assets, end of year	$55,529,468	($13,679,730)	$13,866,656	$82,803,825	$1,692,468	$14,582,091	($185,000)	$154,609,778

Kennedy Krieger Institute, Inc., and Affiliates
Consolidating Balance Sheet Information
Year Ended June 30, 2020

	Kennedy Krieger Children's Hospital, Inc	Hugo W. Moser Research Institute at Kennedy Krieger, Inc.	Kennedy Krieger Education & Community Services, Inc.	Kennedy Krieger Foundation, Inc.	PACT: Helping Children with Special Needs, Inc.	Madison Street Properties, Inc.	Consolidating Eliminations	Consolidated Totals
Assets								
Current assets:								
Cash and cash equivalents	$ 7,598,922			$ 13,240,204	$ 515,953			$ 21,355,079
Patient receivables, net	27,952,500		$ 3,241,524		109,501			31,303,525
Grant and contract receivable	707,840	$ 2,597,844	737,175		352,614			4,395,473
Tuition receivable			4,922,605					4,922,605
Pledges receivable				1,392,498	19,500			1,411,998
Due from affilitates	64,950,500		4,970,643		263,088		$ (70,184,231)	
Prepaid expenses and other	2,196,913	269,055	268,761	1,667	1,697	$ 107,751	(185,000)	2,660,844
Total current assets	103,406,675	2,866,899	14,140,708	14,634,369	1,262,353	107,751	(70,369,231)	66,049,524
Non-current assets:								
Property and equipment, net						159,785,430		159,785,430
Board designated endow ment				56,641,600	389,888			57,031,488
Investments limted as to use	6,698,776			1,664,001				8,362,777
Pledges receivable, net				703,982				703,982
Total non-current assets	6,698,776	-	-	59,009,583	389,888	159,785,430	-	225,883,677
Total assets	$ 110,105,451	$ 2,866,899	$ 14,140,708	$ 73,643,952	$ 1,652,241	$ 159,893,181	$ (70,369,231)	$ 291,933,201
Liabilities and net assets								
Current liabilities:								
Accounts payable and accrued expenses	$ 34,458,840	$ 2,035,490	$ 204,936	$ 45,080	$ 31,691	$ 2,298,727		$ 39,074,764
Deferred grant revenue	3,000,018	1,460,031	231,505		105,352			4,796,906
Due to affiliates		8,051,237		5,811,962		56,321,032	(70,184,231)	-
Line of credit / short term note								-
Current portion of long-term liabilities	10,000,000					3,291,519		13,291,519
Total Current Liabilities	47,458,858	11,546,758	436,441	5,857,042	137,043	61,911,278	(70,184,231)	57,163,189
Non-current Liabilities:								
Tax-exempt bonds, net						73,986,501		73,986,501
Accrued pension	23,259,080							23,259,080
Interest rate sw ap						11,539,990		11,539,990
Other long-term liabilities	3,856,906					1,040,916		4,897,822
Total long-term liabilities	27,115,986	-	-	-	-	86,567,407	-	113,683,393
Total liabilities	74,574,844	11,546,758	436,441	5,857,042	137,043	148,478,685	(70,184,231)	170,846,582
Net assets:								
Without donor restrictions	32,404,708	(19,600,603)	12,761,217	56,372,215	420,928	11,414,496	(185,000)	93,587,961
With donor restrictions	3,125,899	10,920,744	943,050	11,414,695	1,094,270			27,498,658
Total net assets	35,530,607	(8,679,859)	13,704,267	67,786,910	1,515,198	11,414,496	(185,000)	121,086,619
Total liabilities and net assets	$ 110,105,451	$ 2,866,899	$ 14,140,708	$ 73,643,952	$ 1,652,241	$ 159,893,181	$ (70,369,231)	$ 291,933,201

Kennedy Krieger Institute, Inc., and Affiliates
Combining Statement of Operations
Year Ended June 30, 2020

	Kennedy Krieger Children's Hospital, Inc	Hugo W. Moser Research Inst at Kennedy Krieger, Inc.	Kennedy Krieger Education & Community Services, Inc.	Kennedy Krieger Foundation Inc.	PACT: Helping Children with Special Needs, Inc.	Madison Street Properties Inc.	Consolidating Eliminations	Consolidated Totals
Operating revenues:								
Patient service revenue, net	$ 176,385,761	$ 2,651,762	$ 2,074,694		$ 162,118			$ 181,274,335
Tuition revenue			46,290,110		484,881			46,774,991
Grants and contract revenue	8,309,778	24,653,419	4,648,902		1,691,661			39,303,760
Net assets released for operating activities	1,049,351	2,225,641	1,208,463	$ 3,205,342	78,224		$ (1,041,569)	6,725,452
Investment earnings used for operating activities		2,183,663						2,183,663
Contributions without donor restrictions, net				1,416,449				1,416,449
Other operating revenues	506,367	1,144,410	65,500		360,561	$ 37,687,771	(38,895,781)	868,828
Total operating revenues	186,251,257	32,858,895	54,287,669	4,621,791	2,777,445	37,687,771	(39,937,350)	278,547,478
Operating expenses:								
Salaries, wages and benefits	136,814,074	19,793,338	41,279,461	1,099,592	2,372,221	8,075,834		209,434,520
Supplies, purchased services and other	23,980,925	9,579,711	6,315,127	3,312,811	312,597	11,161,424	(4,499,407)	50,163,188
Space costs, net	21,559,767	6,143,535	6,894,891	248,318	97,484	493,948	(35,437,943)	-
Depreciation						11,982,605		11,982,605
Rent						3,052,813		3,052,813
Interest	274,072	57,599	81,980	6,996	4,135	2,921,147		3,345,929
Total operating expenses	182,628,838	35,574,183	54,571,459	4,667,717	2,786,437	37,687,771	(39,937,350)	277,979,055
Operating revenues over (under) expenses	3,622,419	(2,715,288)	(283,790)	(45,926)	(8,992)	-	-	568,423
Non-operating activity:								
Investment return, net	301,083			278,604	11,493	904		592,084
Gain (loss) on interest rate swap						(4,100,664)		(4,100,664)
Fundraising expenses related to contributions with donor restrictions				(1,257,612)				(1,257,612)
Net non-operating activity	301,083	-	-	(979,008)	11,493	(4,099,760)	-	(4,766,192)
Excess of revenues (under) over expenses	$ 3,923,502	$ (2,715,288)	$ (283,790)	$ (1,024,934)	$ 2,501	$ (4,099,760)	$ -	$ (4,197,769)

Kennedy Krieger Institute, Inc., and Affiliates
Combining Statement of Changes in Net Assets
Year Ended June 30, 2020

	Kennedy Krieger Children's Hospital, Inc	Hugo W. Moser Research Institue at Kennedy Krieger, Inc.	Kennedy Krieger Education & Community Services, Inc.	Kennedy Krieger Foundation Inc.	PACT: Helping Children with Special Needs, Inc.	Madison Street Properties Inc.	Consolidating Eliminations	Consolidated Totals
Net assets without donor restrictions:								
Excess of revenue over (under) expenses	$ 3,923,502	$ (2,715,288)	$ (283,790)	$ (1,024,934)	$ 2,501	$ (4,099,760)	$ -	$ (4,197,769)
Net assets released from restrictions used for property and equipment						1,041,569		1,041,569
Change in funded status of defined benefit plan	(4,846,274)							(4,846,274)
Increase (decrease) in net assets without donor restrictions	(922,772)	(2,715,288)	(283,790)	(1,024,934)	2,501	(3,058,191)		(8,002,474)
Net assets without donor restictions, beginning of year	33,327,480	(16,885,315)	13,045,007	57,397,149	418,427	14,472,687	(185,000)	101,590,435
Net assets without donor restrictions, end of year	32,404,708	(19,600,603)	12,761,217	56,372,215	420,928	11,414,496	(185,000)	93,587,961
Net asets with donor restrictions:								
Contributions with donor restrictions	759,775	10,319,943	928,795	(1,442,891)	399,859			10,965,481
Net assets released from restrictions used for:								
Operating activities	(1,049,351)	(1,725,641)	(809,044)	(3,063,192)	(78,224)			(6,725,452)
Purchases of property and equipment		(500,000)	(399,419)	(142,150)				(1,041,569)
Increase (decrease) in net assets with donor restrictions	(289,576)	8,094,302	(279,668)	(4,648,233)	321,635			3,198,460
Net assets with donor restrictions, beginning of year	3,415,475	2,826,442	1,222,718	16,062,928	772,635			24,300,198
Net assets with donor restrictions, end of year	3,125,899	10,920,744	943,050	11,414,695	1,094,270	-	-	27,498,658
Increase (decrease) in total net assets	(1,212,348)	5,379,014	(563,458)	(5,673,167)	324,136	(3,058,191)		(4,804,014)
Total net assets, beginning of year	36,742,955	(14,058,873)	14,267,725	73,460,077	1,191,062	14,472,687	(185,000)	125,890,633
Total net assets, end of year	$35,530,607	($8,679,859)	$13,704,267	$67,786,910	$1,515,198	$11,414,496	($185,000)	$121,086,619

1. Basis of Presentation and Accounting

The consolidating supplemental schedules have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

The Supplemental Consolidating Financial Statements presented on pages 37-39 were derived from and relate directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial positions and changes in net assets of the individual companies within the Institute and are not a required part of the consolidated financial statements. The individual affiliates within the Institute as presented within the supplemental consolidating financial statements are disclosed within Note 1 to the consolidated financial statements.

Schedule of Expenditures of Federal Awards and Notes to Schedule of Expenditures of Federal Awards

Cluster / Federal Program	Entity	Assistance Listing Number	Pass-Through Entity	Grant award number or pass-through entity identification number	Federal Expenditures Total Expenditures	Federal Expenditures Passed through to subrecipients
Research and Development Cluster- Direct Awards						
Department of Health and Human Services						
Centers for Disease Control & Prevention						
Maternal Child Health Careers/Research Initatives-Undergrad	R	93.456		U50 MN000004-03	153,502	0
Maternal Child Health Careers/Research Initatives-Undergrad	R	93.456		U50 MN000004-03	82,330	0
Maternal Child Health Careers/Research Initatives-Undergrad	R	93.456		U50 MN000004-03	7,929	7,929
Maternal Child Health Careers/Research Initatives-Undergrad	R	93.456		U50 MN000004-03	17,820	17,820
Maternal Child Health Careers/Research Initatives-Undergrad	R	93.456		U50 MN000004-03	58,891	27,752
Maternal Child Health Careers/Research Initatives-Undergrad	R	93.456		U50 MN000004-04	410,553	150
Maternal Child Health Careers/Research Initatives-Undergrad	R	93.456		U50 MN000004-04	189,437	0
Maternal Child Health Careers/Research Initatives-Undergrad	R	93.456		U50 MN000004-04	10,718	10,718
Maternal Child Health Careers/Research Initatives-Undergrad	R	93.456		U50 MN000004-04	22,370	18,908
National Institute of Health						
Clinical and Neuroimagin Phenotypes of Neurological Disorders In Pediatric Sickle Cell Disease	R	93.839		K 23 HI133455-02A	1,277	
Clinical and Neuroimagin Phenotypes of Neurological Disorders In Pediatric Sickle Cell Disease	R	93.839		K 23 HI133455-03A	11,819	0
Clinical and Neuroimagin Phenotypes of Neurological Disorders In Pediatric Sickle Cell Disease	R	93.839		K 23 HI133455-04A	136,470	0
MRI-based Quantitative Brain Oximetry for Sickle Cell Disease	R	93.839		K25 HL145129-02	75,164	6,336
MRI-based Quantitative Brain Oximetry for Sickle Cell Disease	R	93.839		K25 HL145129-03	27,256	0
Non-Contrast-Enhanced Velocity-Selective MR Angiography	R	93.837		R01HL138182-03	119,980	0
Non-Contrast-Enhanced Velocity-Selective MR Angiography	R	93.837		R01HL138182-03	112,825	0
Velocity-Selective Arterial Spin Labeling based Perfusion Mapping for Cerebrovascular Diseases	R	93.837		R01HL144751-01	77,134	0
Velocity-Selective Arterial Spin Labeling based Perfusion Mapping for Cerebrovascular Diseases	R	93.837		R01HL144751-02	249,299	8,279
MRI Based Phosphocreatine Mapping Method to Assess Patients with Peripheral Arterial Disease	R	93.837		R01HL149742-01A1	266,728	31,982
Resources for Quantitive Functional MRI	R	93.286		P41 RR15241-18 Suppl	10,815	0
Resources for Quantitive Functional MRI	R	93.286		P41 RR15241-18 Miller sub	7,348	7,348
Resources for Quantitive Functional MRI	R	93.286		P41 RR15241-19	(32,446)	0
Resources for Quantitive Functional MRI	R	93.286		P41 RR15241-19 Miller sub	27,817	27,817
Resources for Quantitive Functional MRI	R	93.286		P41 RR15241-19 Caffo sub	182	182
Resources for Quantitive Functional MRI	R	93.286		P41 RR15241-20	818,777	0
Resources for Quantitive Functional MRI	R	93.286		P41 RR15241-20 Miller sub	113,102	113,102
Resources for Quantitive Functional MRI	R	93.286		P41 RR15241-20 Caffo sub	71,311	71,311
Novel Approaches for CEST Labeling, Detection, Quantification and Translation	R	93.286		5 R01 EB015032-08	50,153	0
Development and Translation of D-Glucose as a Diagnostic Agent for MRI	R	93.286		R01EB019934-04	(28,708)	0
Development and Translation of D-Glucose as a Diagnostic Agent for MRI	R	93.286		R01EB019934-05	29,306	0
Role of Peripheral and Brain Iron in the Development of Attention	R	93.286		R03EB023359-01A1	4,108	0
Development and Translation of D-Glucose as an MRI Contrast Agent for MS	R	93.286		1K99EB026312-01A1	18,022	0
Development and Translation of D-Glucose as an MRI Contrast Agent for MS	R	93.286		1K99EB026312-02	35,666	0
Development and Translation of D-Glucose as an MRI Contrast Agent for MS	R	93.286		1K99EB026312-02	44,265	0
Sensitivity Enhanced MRI Imaging of Receptor Binding in Breast Cancer	R	93.286		R21EB025295-02A	32,477	0
Sensitivity Enhanced MRI Imaging of Receptor Binding in Breast Cancer	R	93.286		R21EB025295-03A	91,396	0
Gastric Electrical Slow Wave Functional MRI of the Human Brain	R	93.286		r21eb030009-01	106,251	9,336
Resident Training in Brain Injury Rehab	R	93.865		5T32HD007414-25	59,291	0
Resident Training in Brain Injury Rehab	R	93.865		5T32HD007414-25	160,700	2,627
Mechanism & Rehabilitation of Cerebella Ataxia	R	93.865		R01 HD40289-15A	56,148	0
Mechanism & Rehabilitation of Cerebella Ataxia	R	93.865		R01 HD40289-16A	58,417	0

The accompanying notes are an integral part of this schedule

Cluster / Federal Program	Entity	Assistance Listing Number	Pass-Through Entity	Grant award number or pass-through entity identification number	Federal Expenditures Total Expenditures	Federal Expenditures Passed through to subrecipients
Mechanism & Rehabilitation of Cerebella Ataxia	R	93.865		R01 HD40289-16A	4,379	4,379
Mechanism & Rehabilitation of Cerebella Ataxia	R	93.865		R01 HD40289-17A	123,474	0
Mechanism & Rehabilitation of Cerebella Ataxia	R	93.865		R01 HD40289-17A	22,022	22,022
Mechanism & Rehabilitation of Cerebella Ataxia	R	93.865		R01 HD40289-18A	82,309	0
Human Locomotors Plasticity in Health and Disease	R	93.865		R37 NS090610-14	(4,100)	0
Human Locomotors Plasticity in Health and Disease	R	93.865		R37 NS090610-14 CELNIK SUB	5,199	5,199
Human Locomotors Plasticity in Health and Disease	R	93.865		R37 NS090610-14 ZIPUNN SUB	7,613	7,613
Human Locomotors Plasticity in Health and Disease	R	93.865		R37 NS090610-15	231,972	0
Human Locomotors Plasticity in Health and Disease	R	93.865		R37 NS090610-15 ZIPUNN SUB	6,420	6,420
Human Locomotors Plasticity in Health and Disease	R	93.865		R37 NS090610-16	23,744	0
Delineating Subypes of Self-Injurious Behavior Maintained by Automatic	R	93.865		R01 HD076653-06	114,246	2,749
Delineating Subypes of Self-Injurious Behavior Maintained by Automatic	R	93.865		R01 HD076653-07	243,561	0
Delineating Subypes of Self-Injurious Behavior Maintained by Automatic	R	93.865		R01 HD076653-08	0	0
Intellectual and Developmental Disablities Research Centers 2013	R	93.865		U54 HD079123-06	6,051	5,548
Intellectual and Developmental Disablities Research Centers 2013	R	93.865		U54 HD079123-06	18,974	8,087
Intellectual and Developmental Disablities Research Centers 2013	R	93.865		U54 HD079123-06	7,094	0
Intellectual and Developmental Disablities Research Centers 2013	R	93.865		U54 HD079123-06	5,572	5,572
Intellectual and Developmental Disablities Research Centers 2013	R	93.865		U54 HD079123-06	18,622	13,824
Intellectual and Developmental Disablities Research Centers 2013	R	93.865		P50HD103538-01 ADMIN	148,345	0
Intellectual and Developmental Disablities Research Centers 2013	R	93.865		P50HD103538 CLIN	168,895	0
Intellectual and Developmental Disablities Research Centers 2013	R	93.865		P50HD103538-01 RESEARCH	136,215	0
Intellectual and Developmental Disablities Research Centers 2013	R	93.865		P50HD103538 NEURO	65,540	0
Intellectual and Developmental Disablities Research Centers 2013	R	93.865		P50HD103538 BEH PHENOTYP	191,863	0
Intellectual and Developmental Disablities Research Centers 2013	R	93.865		P50HD103538 GENOMICS	52,880	0
Intellectual and Developmental Disablities Research Centers 2013	R	93.865		IDDRC-JHU SUB VOLK	38,778	38,778
Intellectual and Developmental Disablities Research Centers 2013	R	93.865		IDDRC-JHU SUB KANNAN	25,863	25,863
Intellectual and Developmental Disablities Research Centers 2013	R	93.865		IDDRC-JHU SUB VOLK_II	53,027	53,027
Intellectual and Developmental Disablities Research Centers 2013	R	93.865		IDDRC-JHU SUB MILLER	15,578	0
Intellectual and Developmental Disablities Research Centers 2013	R	93.865		IDDRC-JHU SUB LIN	16,275	16,275
Intellectual and Developmental Disablities Research Centers 2013	R	93.865		IDDRC-JHU SUB DOHENY	58,225	58,225
Intellectual and Developmental Disablities Research Centers 2013	R	93.865		P50HD103538-02 ADMIN	9,243	0
Intellectual and Developmental Disablities Research Centers 2013	R	93.865		P50HD103538 CLIN	2,345	0
Intellectual and Developmental Disablities Research Centers 2013	R	93.865		P50HD103538-02 RESEARCH	3,589	0
Intellectual and Developmental Disablities Research Centers 2013	R	93.865		P50HD103538 NEURO IMAG	1,747	0
Intellectual and Developmental Disablities Research Centers 2013	R	93.865		P50HD103538 BEH PHENOTYP	7,398	0
Mechanisms Regulating KCC@ Hypofunction	R	93.865		R01 HD090884-02	13,581	0
Mechanisms Regulating KCC@ Hypofunction	R	93.865		R01 HD090884-03	44,498	33,372
Mechanisms Regulating KCC@ Hypofunction	R	93.865		R01 HD090884-04	225,945	0
Subtle Motor Functioning and Functional Connectivity in Youth After Mild TBI	R	93.865		R01HD090266-02	111,959	0
Subtle Motor Functioning and Functional Connectivity in Youth After Mild TBI	R	93.865		R01HD090266-02-CAFFO SUB	150	150
Subtle Motor Functioning and Functional Connectivity in Youth After Mild TBI	R	93.865		R01HD090266-02-TEKES SUB	0	0
Subtle Motor Functioning and Functional Connectivity in Youth After Mild TBI	R	93.865		R01HD090266-03	304,188	0
Subtle Motor Functioning and Functional Connectivity in Youth After Mild TBI	R	93.865		R01HD090266-03	19,871	19,871
Subtle Motor Functioning and Functional Connectivity in Youth After Mild TBI	R	93.865		R01HD090266-03	18,464	18,464
Subtle Motor Functioning and Functional Connectivity in Youth After Mild TBI	R	93.865		R01HD090266-03	184,683	0
Subjective Valuation of Ohysical Effort in Health and Disease	R	93.865		R01HD097619-01A1	83,499	0
Subjective Valuation of Ohysical Effort in Health and Disease	R	93.865		R01HD097619-01A1	4,660	4,660
Subjective Valuation of Ohysical Effort in Health and Disease	R	93.865		R01HD097619-01A1 CELNIK SUB	5,255	5,255
Subjective Valuation of Ohysical Effort in Health and Disease	R	93.865		R01HD097619-01A1JHU SUB	30,118	30,118
Subjective Valuation of Ohysical Effort in Health and Disease	R	93.865		R01HD097619-02	162,883	0

The accompanying notes are an integral part of this schedule

Cluster / Federal Program	Entity	Assistance Listing Number	Pass-Through Entity	Grant award number or pass-through entity identification number	Federal Expenditures Total Expenditures	Federal Expenditures Passed through to subrecipients
Subjective Valuation of Ohysical Effort in Health and Disease	R	93.865		R01HD097619-03	68	0
Identifying Precursors to Severe Problem Behavior	R	93.865		R03HD096180-01A	25,711	0
Identifying Precursors to Severe Problem Behavior	R	93.865		R03HD096180-02A	38,356	0
Preparing for a Clinical Trial in Kabuki Syndrome	R	93.865		K23HD101646-01	169,340	0
Anomalous Motor System Physiology in ADHD	R	93.242		R01MH078160-11	246,045	0
Adolescent Changes in Brain and Behavior in Boys and Girls with ADHD	R	93.242		R01MH085328-11A1	0	0
Adolescent Changes in Brain and Behavior in Boys and Girls with ADHD	R	93.242		R01MH085328-11A1 CAFFO SUB	1	1
Adolescent Changes in Brain and Behavior in Boys and Girls with ADHD	R	93.242		R01MH085328-12A1	28,319	0
Adolescent Changes in Brain and Behavior in Boys and Girls with ADHD	R	93.242		R01MH085328-13A1	20,317	0
Adolescent Changes in Brain and Behavior in Boys and Girls with ADHD	R	93.242		R01MH085328-13A1-SUPP	(1,760)	0
Adolescent Changes in Brain and Behavior in Boys and Girls with ADHD	R	93.242		R01MH085328-13A1-MILLER SUB	1,523	1,523
Adolescent Changes in Brain and Behavior in Boys and Girls with ADHD	R	93.242		R01MH085328-13A1 CAFFO SUB	194	194
Adolescent Changes in Brain and Behavior in Boys and Girls with ADHD	R	93.242		R01MH085328-13A1 GIEDD SUB	3,043	3,043
Adolescent Changes in Brain and Behavior in Boys and Girls with ADHD	R	93.242		R01MH085328-14A1	321,010	0
Adolescent Changes in Brain and Behavior in Boys and Girls with ADHD	R	93.242		R01MH085328-14A1 MILLER SUB	4,884	4,884
Adolescent Changes in Brain and Behavior in Boys and Girls with ADHD	R	93.242		R01MH085328-14A1 CAFFO SUB	1,351	1,351
Adolescent Changes in Brain and Behavior in Boys and Girls with ADHD	R	93.242		R01MH085328-14A1 GIEDD SUB	4,838	4,838
Adolescent Changes in Brain and Behavior in Boys and Girls with ADHD	R	93.242		R01MH085328-14A1 UNCSUB	7,742	7,742
Adolescent Changes in Brain and Behavior in Boys and Girls with ADHD	R	93.242		R01MH085328-14A1 CMI SUB	30,613	0
Role of Somatic Mosaicism in Autsim, Schizophrenia and Bipolar Disorder Brain	R	93.242		U01MH106884-02-SUPL	1,957	0
Role of Somatic Mosaicism in Autsim, Schizophrenia and Bipolar Disorder Brain	R	93.242		U01MH106884-04	15,162	0
Role of Somatic Mosaicism in Autsim, Schizophrenia and Bipolar Disorder Brain	R	93.242		U01MH106884-04-SUPL	4,293	0
Role of Somatic Mosaicism in Autsim, Schizophrenia and Bipolar Disorder Brain	R	93.242		U01MH106884-05-SUPL	92,283	4,563
Virtual Brain Electrode (VIBE) for Imaging Neuronal Activity	R	93.242		R24MH109085-02	1,131	0
Virtual Brain Electrode (VIBE) for Imaging Neuronal Activity	R	93.242		R24MH109085-03	20,158	0
Visual-Motor Development in Infants at High Risk for Autism	R	93.242		K01MH109766-02	2,308	0
Visual-Motor Development in Infants at High Risk for Autism	R	93.242		K01MH109766-03	4,361	0
Visual-Motor Development in Infants at High Risk for Autism	R	93.242		K01MH109766-04	13,572	0
Visual-Motor Development in Infants at High Risk for Autism	R	93.242		K01MH109766-05	103,461	0
A Novel Framework for Impaired Imitation in ASD	R	93.242		R01 MH113652-03A	68,041	10,996
A Novel Framework for Impaired Imitation in ASD	R	93.242		R01 MH113652-04A	338,447	0
A Novel Framework for Impaired Imitation in ASD	R	93.242		R01 MH113652-04A-SUB	32,872	32,872
Behavioral and Neural Representations of Subjective Effort Cost	R	93.242		R56 MG113627-01A1	12,179	0
Genomic Basis of Pediatric Bipolar Disorder	R	93.242		R36 MH118005-01	48,428	0
Behavioral and Neural Representations of Subjective Effort Cost	R	93.242		R01MH119086-01A1	28,037	1,683
Behavioral and Neural Representations of Subjective Effort Cost	R	93.242		R01MH119086-02	274,640	4,209
Examinatin of Developmental Trajectories of Cognitive, Motor, & Emotional Control	R	93.242		R03MH119457-01A1	46,583	0
Examinatin of Developmental Trajectories of Cognitive, Motor, & Emotional Control	R	93.242		R03MH119457-01A1	33,309	0
Magnetic Resonance Imaging and Apectroscopy	R	93.853		K23NS091379-03	127	0
Magnetic Resonance Imaging and Apectroscopy	R	93.853		K23NS091379-05	54,033	0
Methyl-CpG-dependent transcription factor function in human glioma	R	93.853		R01NS091165-04	(695)	0
Methyl-CpG-dependent transcription factor function in human glioma	R	93.853		R01NS091165-05	100,433	8,843
GABAergic Sensorimotor Dysfunction in Tourette Syndrome	R	93.853		R01NS096207-02	(7,013)	0
GABAergic Sensorimotor Dysfunction in Tourette Syndrome	R	93.853		R01NS096207-03	7,013	0
GABAergic Sensorimotor Dysfunction in Tourette Syndrome	R	93.853		R01NS096207-04	44,145	0
GABAergic Sensorimotor Dysfunction in Tourette Syndrome	R	93.853		R01NS096207-04 CAFFO SUB	499	499
GABAergic Sensorimotor Dysfunction in Tourette Syndrome	R	93.853		R01NS096207-04 EDDEN SUB	24,407	24,407
GABAergic Sensorimotor Dysfunction in Tourette Syndrome	R	93.853		R01NS096207-05	117,876	0
GABAergic Sensorimotor Dysfunction in Tourette Syndrome	R	93.853		R01NS096207-05 CAFFO SUB	3,726	3,726
GABAergic Sensorimotor Dysfunction in Tourette Syndrome	R	93.853		R01NS096207-05 EDDEN SUB	5,152	5,152
GABAergic Sensorimotor Dysfunction in Tourette Syndrome	R	93.853		R01NS096207-05 CINN SUB	2,791	0

The accompanying notes are an integral part of this schedule

Cluster / Federal Program	Entity	Assistance Listing Number	Pass-Through Entity	Grant award number or pass-through entity identification number	Federal Expenditures Total Expenditures	Federal Expenditures Passed through to subrecipients
Targeted Therapies for Neonatal White Matter Injury	R	93.853		R01NS097511-04	45	0
Targeted Therapies for Neonatal White Matter Injury	R	93.853		R01NS097511-04 SUB	53,747	53,747
Targeted Therapies for Neonatal White Matter Injury	R	93.853		R01NS097511-05	205,562	0
Targeted Therapies for Neonatal White Matter Injury	R	93.853		R01NS097511-05 SUB	91,549	91,549
Child Neurologist Career Development Program	R	93.853		K12NS098482-02 ROCHESTER SUB	6,506	6,506
Child Neurologist Career Development Program	R	93.853		K12NS098482-02 CH HOSP SUB	88,054	88,054
Child Neurologist Career Development Program	R	93.853		K12NS098482-02 JHU SUB	37,544	37,544
Child Neurologist Career Development Program	R	93.853		K12NS098482-02 SEATTLE SUB	87,498	87,498
Child Neurologist Career Development Program	R	93.853		K12NS098482-02 STANFORD SUB	159,646	159,646
Child Neurologist Career Development Program	R	93.853		K12NS098482-02 DUKE SUB	16,718	0
Child Neurologist Career Development Program	R	93.853		K12NS098482-03 CORNELL SUB	5,342	5,342
Child Neurologist Career Development Program	R	93.853		K12NS098482-03 ROCHESTER SUB	27,696	27,696
Child Neurologist Career Development Program	R	93.853		K12NS098482-03 IOWA SUB	(12,141)	(12,141)
Child Neurologist Career Development Program	R	93.853		K12NS098482-03 JHU SUB	11,086	11,086
Child Neurologist Career Development Program	R	93.853		K12NS098482-03 UCAL SUB	24,635	24,635
Child Neurologist Career Development Program	R	93.853		K12NS098482-03 SEATTLE SUB	48,441	48,441
Child Neurologist Career Development Program	R	93.853		K12NS098482-03 DUKE SUB	73,210	0
Child Neurologist Career Development Program	R	93.853		K12NS098482-03-WASH SUB	13,604	13,604
Child Neurologist Career Development Program	R	93.853		K12NS098482-03-BAYLOR SUB	159,080	159,080
Child Neurologist Career Development Program	R	93.853		K12NS098482-03-UCLA SUB	64,475	64,475
Child Neurologist Career Development Program	R	93.853		K12NS098482-03-JHU SUB	33,956	33,956
Child Neurologist Career Development Program	R	93.853		K12NS098482-03-MGH SUB	164,970	164,970
Child Neurologist Career Development Program	R	93.853		K12NS098482-03-UCSF SUB	4,032	4,032
Child Neurologist Career Development Program	R	93.853		K12NS098482-03-LSJU SUB	7,717	7,717
Child Neurologist Career Development Program	R	93.853		K12NS098482-03-ROCHESTER SUB	5,750	5,750
Child Neurologist Career Development Program	R	93.853		K12NS098482-04	4,499	0
Child Neurologist Career Development Program	R	93.853		K12NS098482-04-COLO SUB	24,500	24,500
Child Neurologist Career Development Program	R	93.853		K12NS098482-04-STANFORD SUB	123,764	123,764
Child Neurologist Career Development Program	R	93.853		K12NS098482-04-WASH UNIV SUB	144,639	144,639
Child Neurologist Career Development Program	R	93.853		K12NS098482-04-BAYLOR SUB	32,695	32,695
Child Neurologist Career Development Program	R	93.853		K12NS098482-04-JHU SUB	43,670	43,670
Child Neurologist Career Development Program	R	93.853		K12NS098482-04-MGH SUB	92,086	92,086
Child Neurologist Career Development Program	R	93.853		K12NS098482-04-UCSF SUB	7,010	7,010
Child Neurologist Career Development Program	R	93.853		K12NS098482-04-LSJU SUB	13,228	13,228
Child Neurologist Career Development Program	R	93.853		K12NS098482-04-ROCHESTER SUB	6,148	6,148
Child Neurologist Career Development Program	R	93.853		K12NS098482-04-U OF MICH SUB	74,536	74,536
Child Neurologist Career Development Program	R	93.853		K12NS098482-05	89,855	0
Child Neurologist Career Development Program	R	93.853		K12NS098482-05-CORNELL SUB	6,921	6,921
Child Neurologist Career Development Program	R	93.853		K12NS098482-05-LSJU SUB	8,830	8,830
Child Neurologist Career Development Program	R	93.853		K12NS098482-05-ROCHESTER	3,044	3,044
Child Neurologist Career Development Program	R	93.853		K12NS098482-05-COLO SUB	107,157	107,157
Child Neurologist Career Development Program	R	93.853		K12NS098482-05-STANFORD	53,000	53,000
Chromatin Modifications in GBM-Propagating Cells	R	93.853		R01NS096754-02A	14,417	14,417
Chromatin Modifications in GBM-Propagating Cells	R	93.853		R01NS096754-03A	85,170	0
Chromatin Modifications in GBM-Propagating Cells	R	93.853		R01NS096754-03A JHU SUB	5,350	5,350
Chromatin Modifications in GBM-Propagating Cells	R	93.853		R01NS096754-03A JHU SUB	12,686	12,686
Chromatin Modifications in GBM-Propagating Cells	R	93.853		R01NS096754-04A	309,805	0
Chromatin Modifications in GBM-Propagating Cells	R	93.853		R01NS096754-04A	62,199	62,199
Chromatin Modifications in GBM-Propagating Cells	R	93.853		R01NS096754-04A	141,023	0
Targeting Hyaluronan-Mediated Motility Receptor in Glioblastoma Stem Cells	R	93.853		R01NS099460-02	(3,980)	0
Targeting Hyaluronan-Mediated Motility Receptor in Glioblastoma Stem Cells	R	93.853		R01NS099460-03	58,391	0
Targeting Hyaluronan-Mediated Motility Receptor in Glioblastoma Stem Cells	R	93.853		R01NS099460-04	262,996	0
Targeting TAZ-driven Oncogenic Signaling in Medulloblastoma	R	93.853		R21NS106407-01	(2,171)	0
Targeting TAZ-driven Oncogenic Signaling in Medulloblastoma	R	93.853		R21NS106407-02	64,829	0

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Cluster / Federal Program	Entity	Assistance Listing Number	Pass-Through Entity	Grant award number or pass-through entity identification number	Federal Expenditures Total Expenditures	Federal Expenditures Passed through to subrecipients
Defining the Ischemic Penumbra by pH Mapping in Acute Ischemia	R	93.853		R03NS109664-01	1,511	4,826
Imaging Small Blood and Lympahtic Vessel Abnormalities	R	93.853		R01NS108452-01	4,949	0
Imaging Small Blood and Lympahtic Vessel Abnormalities	R	93.853		R01NS108452-01 JHU SUB	45,460	45,460
Imaging Small Blood and Lympahtic Vessel Abnormalities	R	93.853		R01NS108452-02	17,857	0
Imaging Small Blood and Lympahtic Vessel Abnormalities	R	93.853		R01NS108452-02 SUPP	279,663	109,747
Imaging Small Blood and Lympahtic Vessel Abnormalities	R	93.853		R01NS108452-02 JHU SUB	(2,836)	(31,332)
Imaging Small Blood and Lympahtic Vessel Abnormalities	R	93.853		R01NS108452-03	406,131	0
Imaging Small Blood and Lympahtic Vessel Abnormalities	R	93.853		R01NS108452-03	14,828	14,828
Imaging Small Blood and Lympahtic Vessel Abnormalities	R	93.853		R01NS108452-04	14,235	0
Cerebrovascular Abnormalities in Huntingtons Disease	R	93.853		R21NS104480-01A1 JHU SUB	42,567	42,567
Cerebrovascular Abnormalities in Huntingtons Disease	R	93.853		R21NS104480-02A1	83,115	16,346
Cerebrovascular Abnormalities in Huntingtons Disease	R	93.853		R21NS104480-02A1 JHU SUB	16,331	16,331
Paracrine Angiotensin II Signaling Promotes Medulloblastoma	R	93.853		R21NS101400-01A1	115	0
Paracrine Angiotensin II Signaling Promotes Medulloblastoma	R	93.853		R21NS101400-02A1	69,278	0
Cortical Functional Connectivity as an Early Biomarker of Recovery in SCI	R	93.853		R21NS104644-02	4,597	0
Cortical Functional Connectivity as an Early Biomarker of Recovery in SCI	R	93.853		R21NS104644-02S1	45,314	0
Tet2 Regulation and Function in Glioma Cell Phenotype Reprogramming	R	93.853		R01NS110087-01A	26,784	0
Tet2 Regulation and Function in Glioma Cell Phenotype Reprogramming	R	93.853		R01NS110087-02A	281,722	0
Tet2 Regulation and Function in Glioma Cell Phenotype Reprogramming	R	93.853		R01NS110087-03A	9,342	0
3RD International SYNGAP1 Meeting	R	93.853		R13NS119003-01A	10,000	0
Bioenergetic Failure Underlies Cerebral Dysmaturity After Perinatal Brain Injury	R	93.853		R01NS099461-05	110,955	0
Molecular Determinanats of Cellular Heteroeneity and Theapeutic Resistance in GBM	R	93.853		R01NS120949-01	18,403	0
Development of Mechanisms Underlying Human Motor Learning	R	93.853		R35NS122266-01	4,581	0
Noninvasive Prediction of Tumor Response to Gemcitabine using MRI	R	93.394		R01CA211087-03A	(26,906)	0
Noninvasive Prediction of Tumor Response to Gemcitabine using MRI	R	93.394		R01CA211087-04A	115,821	20,568
Leveraging energetics to Improve Gait Rehabilitation after Stroke	R	93.866		R21 AG059184-02A1	123,867	5,605
Impaired Cerebral Glucose Uptake in the Brain as an MRI marker for Alzheimer's Disease	R	93.866		R21 AG065794-01	284,746	52,657
Impaired Cerebral Glucose Uptake in the Brain as an MRI marker for Alzheimer's Disease	R	93.866		R21 AG065794-02	38,200	0
Contributions of Local Cerebral Iron to Cognitive Decline during Aging and Preclinical Alheimer's Disease	R	93.866		R03 AG065527	45,429	13,588
Contributions of Local Cerebral Iron to Cognitive Decline during Aging and Preclinical Alheimer's Disease	R	93.866		R03 AG065527	18,857	0
Advanced MR Imaging of Olfactory Impairment in Prodromal Alzheimers Disease	R	93.866		R01 AG064093-01	169,752	0
Advanced MR Imaging of Olfactory Impairment in Prodromal Alzheimers Disease	R	93.866		R01 AG064093-01	209,313	209,313
Advanced MR Imaging of Olfactory Impairment in Prodromal Alzheimers Disease	R	93.866		R01 AG064093-02	38,689	0
Developing MRI Contrast Agents to Detect Progression in Renal Disease	R	93.847		R01DK121847-01A1	63,566	0
Developing MRI Contrast Agents to Detect Progression in Renal Disease	R	93.847		R01DK121847-01A1	15,632	15,832
Developing MRI Contrast Agents to Detect Progression in Renal Disease	R	93.847		R01DK121847-01A1	12,715	12,715
Developing MRI Contrast Agents to Detect Progression in Renal Disease	R	93.847		R01DK121847-01A1	11,633	11,633
Developing MRI Contrast Agents to Detect Progression in Renal Disease	R	93.847		R01DK121847-02A1	74,241	0
Developing MRI Contrast Agents to Detect Progression in Renal Disease	R	93.847		R01DK121847-02A1	9,825	9,825
Developing MRI Contrast Agents to Detect Progression in Renal Disease	R	93.847		R01DK121847-02A1	6,591	6,591
					0	
					0	
Administration for Community Living					0	
Covid-19: Expanding Disabilities Networks Access to COVID 19 Vaccines	R	93.632		90DDC50061	5,641	0
					0	
Health Resources and Services Administration					0	
MCH RESEARCH	R	93.110		T16MC29832-04	(2,064)	0
MCH RESEARCH	R	93.110		T16MC29832-05	119,069	11,202

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Cluster / Federal Program	Entity	Assistance Listing Number	Pass-Through Entity	Grant award number or pass-through entity identification number	Federal Expenditures Total Expenditures	Federal Expenditures Passed through to subrecipients
MCH RESEARCH	R	93.110		T16MC29832-06	24,466	0
Telehealth NetworkGrant Program	R	93.211		H2ARH30299-04	88,125	0
Total Department of Health and Human Services					**15,461,052**	**3,374,963**
Department of Defense						
Dept of the Army						
Neurovascular Changes Associated with Olfactory Deficits in Early Parkinson's Disease	R	12.420		W81XWH017-PRP-FIA	61,609	0
Alzheimers Research Program	R	12.420		W81XWH1810797	11,817	17,801
Randomized Trial of Telehealth Parent-Implemneted Intervention	R	12.420		W81XWH2110230	33	0
Total Department of Defense					**73,459**	**17,801**
Total Research and Development Cluster - Direct Awards					**15,534,511**	**3,392,764**
Research and Development Cluster- Pass Through Awards						
Department of Health and Human Services						
Mental Health Research						
Neurobehavioral Correlates of Frustration in Children with ADHD	R	93.242	Johns Hopkins University	2002610904	2,431	0
Neurobehavioral Correlates of Frustration in Children with ADHD	R	93.242	Johns Hopkins University	2002610904	2,872	0
Neurobehavioral Correlates of Frustration in Children with ADHD	R	93.242	Johns Hopkins University	2002610904	37,810	0
Somatossensory Inhibitory Dysfunction in Austism Spectrum Disorder	R	93.242	Johns Hopkins University	2003046760	45,969	0
Somatossensory Inhibitory Dysfunction in Austism Spectrum Disorder	R	93.242	Johns Hopkins University	2003046760	144,953	0
Feasibility, Acceptability, and Preliminary Efficacy ot Text4Father for Improving Infant & Family Health	R	93.242	Johns Hopkins University	2004623345	760	0
Feasibility, Acceptability, and Preliminary Efficacy ot Text4Father for Improving Infant & Family Health	R	93.242	Johns Hopkins University	2004623345	8,088	0
Gene-Environment Interactions for Cortical Development and Schizophrenia	R	93.242	Johns Hopkins University	2003126169	18,356	0
National Institute of Health						
Developing plans for a Baltimore site if the HEALthy BCD study	R	93.279	Johns Hopkins University	2004576594	24,431	0
High-Specificity Imaging Agents for Aggressive Prostate Cancer	R	93.394	Johns Hopkins University	2003179660	2,188	0
Amide Proton Transfer MRI of Brain Tumors at 3T	R	93.394	Johns Hopkins University	2004159420	8,379	0
Amide Proton Transfer MRI of Brain Tumors at 3T	R	93.394	Johns Hopkins University	2004159420	2,390	0
Highly Accelerated Chemical Exchange Saturation Transfer MRI Using Compresse Sensing	R	93.394	Johns Hopkins University	2004334298	21,776	0
A Wireless Multi-Function Microscope for Lifetime Imaging of the Brain Tumor Vasculome	R	93.394	Johns Hopkins University	2004637973	15,111	0
A Wireless Multi-Function Microscope for Lifetime Imaging of the Brain Tumor Vasculome	R	93.394	Johns Hopkins University	2004637973	14,863	0
Quantitative CEST MRI for GBM Ealry Response Prediction and Biopsy Guidance	R	93.394	Johns Hopkins University	2005008457	3,605	0
Computational Assessment of Galectin-3 Significance in Heart Failure	R	93.837	Johns Hopkins University	2003534038	8,109	0
Functional & Molecular Properties of PAX7	R	93.846	Johns Hopkins University	2003341654	(2,944)	0
Functional & Molecular Properties of PAX7	R	93.846	Johns Hopkins University	2003341654	20,772	0
Functional & Molecular Properties of PAX7	R	93.846	Johns Hopkins University	2003341654	72,005	0
Imaging Neurodegeneration in MS	R	93.853	Johns Hopkins University	2003795776	(3,604)	0
Imaging Neurodegeneration in MS	R	93.853	Johns Hopkins University	2003795776	105,339	0
Development of Dendrimer N Acctylcysteine for the Treatment of Neonatal Brain Injury	R	93.853	Johns Hopkins University	2004023957	13,753	0
Development of Dendrimer N Acctylcysteine for the Treatment of Neonatal Brain Injury	R	93.853	Johns Hopkins University	2004023957	10,515	0

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Development of MRI Microvascular Biomarkers in Cognitive Impairment and Dementia	R	93.853	Johns Hopkins University	2003986087	1,785	0
Development of MRI Microvascular Biomarkers in Cognitive Impairment and Dementia	R	93.853	Johns Hopkins University	2003986087	94,728	0
Lymphocyte CpG Methylation Changes and Brain Pathology in Restless Leg Syndrome	R	93.853	Johns Hopkins University	2004063802	2,262	0
Lymphocyte CpG Methylation Changes and Brain Pathology in Restless Leg Syndrome	R	93.853	Johns Hopkins University	2004063802	41,046	0
Lymphocyte CpG Methylation Changes and Brain Pathology in Restless Leg Syndrome	R	93.853	Johns Hopkins University	2004063802	3,067	0
Targeted Therapies for Rett Syndrome	R	93.853	Johns Hopkins University	2004344161	46,562	0
MOVE - Modeling of Fast Movement for Enhancement via Neuroprosthetics	R	93.853	Johns Hopkins University	2004347342	4,999	0
Development of Novel Functional Markers for TBI Using Molecular MRI	R	93.853	Johns Hopkins University	2004487313	4,153	0
Imaging Brain Glucose Uptake by in VDMP MRI in Huntington's Disease	R	93.853	Johns Hopkins University	2004799501	57,784	0
Preclinical Stroke Trial with the PARP Inhibitor Veliparib	R	93.853	Johns Hopkins University	2004854058	61,184	0
Development of Novel Functional Markers for TBI Using Molecular MRI	R	93.853	Johns Hopkins University	2004868799	14,967	0
Biomarkers of Brain Injury in Criticlly Ill Children on Extracorporeal Membrance Oxygenation ECMO	R	93.853	Johns Hopkins University	2005010377	5,886	0
Trial Readiness in Cavernous Angiomas and Symtomatic Hemmorage	R	93.853	Johns Hopkins University	2005069221	6,642	0
Adult Biomarkers in Neonatal Brain Injury	R	93.865	Johns Hopkins University	2003671299	(3,622)	0
Adult Biomarkers in Neonatal Brain Injury	R	93.865	Johns Hopkins University	2003671299	58,160	0
CSA as a Preventable Public Health Problem	R	93.865	Johns Hopkins University	2004209564	3,529	0
CSA as a Preventable Public Health Problem	R	93.865	Johns Hopkins University	2004209564	17,730	0
MRI Biosensors and Complementary DRUG Nonocarriers for Effective Image Guided Drug Delivery	R	93.865	Johns Hopkins University	2004411797	47,109	0
Measuring Altered Glutathione in Children with Austism	R	93.865	Johns Hopkins University	2005040776	44,808	0
Biomarkers of Cognitive Decline Amoung Normal Individual: the Biocard Cohort	R	93.866	Johns Hopkins University	2002373351	14,382	0
Alzheimer's Disease Neuroimaging Initiative	R	93.866	Johns Hopkins University	2003373473	3,272	0
Longitudinal Molecular Imaging of Neuropathology	R	93.866	Johns Hopkins University	2003816131	4,339	0
Brain Oxygen Consumption as an MRI Biomarker	R	93.866	Johns Hopkins University	2003950256	44,149	0
Neural Network Connectivity of Financial Capacity in Mild Cognitive Impairment	R	93.866	Johns Hopkins University	2003527906	7,688	0
Neurometabolic Profil of Mild Cognitive Impairment Using Multiplexed Edited MRS	R	93.866	Johns Hopkins University	2004031612	28,264	0
Neurometabolic Profil of Mild Cognitive Impairment Using Multiplexed Edited MRS	R	93.866	Johns Hopkins University	2004031612	(23,295)	0
Contribution of Cerebral Iron Load to Elderly Individuals with High Risk for Alzheimers	R	93.866	Johns Hopkins University	2004149879	24,077	0
Towards a Comprehansive Neurometabolic Profile in Patients with Mild Cognitive Impairment	R	93.866	Johns Hopkins University	2004206239	12,940	0
Early Onset AD Consortium - LEADS	R	93.866	Johns Hopkins University	2004394773	6,787	0
Early Onset AD Consortium - LEADS	R	93.866	Johns Hopkins University	2004394773	1,134	0
Contribution of Cerebral Iron Load to Elderly Individuals with High Risk for Alzheimers	R	93.866	Johns Hopkins University	2004407223	2,366	0
Phase ll/lll Trial for Slowing Progression in Mild Cognitive Impairment	R	93.866	Johns Hopkins University	2004141582	30,262	0
JH Alzheimer's Disease Research Center	R	93.866	Johns Hopkins University	2004738174	14,297	0
JH Alzheimer's Disease Research Center	R	93.866	Johns Hopkins University	2004738174	1,134	0
Contribution of Cerebral Iron Load to Elderly Individuals with High Risk for Alzheimers	R	93.866	Johns Hopkins University	2004811688	20,583	0
Contribution of Cerebral Iron Load to Elderly Individuals with High Risk for Alzheimers	R	93.866	Johns Hopkins University	2004811688	1,424	0
Developing Protein-based Biomarkers for Alzheimer's Disease	R	93.866	Johns Hopkins University	2004839016	13,446	0
Developing Protein-based Biomarkers for Alzheimer's Disease	R	93.866	Johns Hopkins University	2004839016	4,536	0
Non-Contrast MR imaging of Blood-Brain-Barrier Permeability in Alzheimer's Disease	R	93.866	Johns Hopkins University	2004827086	11,683	0

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Non-Contrast MR imaging of Blood-Brain-Barrier Permeability in Alzheimer's Disease	R	93.866	Johns Hopkins University	2004827086	4,820	0
Transcranial Direct Current Stimulation on Typical & Atypical Alzheimer's Disease	R	93.866	Johns Hopkins University	2004902841	20,989	0
Transcranial Direct Current Stimulation on Typical & Atypical Alzheimer's Disease	R	93.866	Johns Hopkins University	2004902841	13,608	0
Neurodegenerative and Neurodevelopmental Subcortical Shape Diff	R	93.286	Johns Hopkins University	2003386771	3,152	0
Neurodegenerative and Neurodevelopmental Subcortical Shape Diff	R	93.286	Johns Hopkins University	2003386771	7,354	0
Neurodegenerative and Neurodevelopmental Subcortical Shape Diff	R	93.286	Johns Hopkins University	2003386771	(1,258)	0
Neurodegenerative and Neurodevelopmental Subcortical Shape Diff	R	93.286	Johns Hopkins University	2003386771	0	0
Simultaneous Hadamard Editing of GABA and Glutathione	R	93.286	Johns Hopkins University	2003385023	15,413	0
Simultaneous Hadamard Editing of GABA and Glutathione	R	93.286	Johns Hopkins University	2003385023	33,502	0
Label-Free Imaging Research for Technical Innovations	R	93.286	Johns Hopkins University	2003464965	807	0
Resource for Molecular Imaging agents in Precision Medicine	R	93.286	Johns Hopkins University	2003638047	101,000	0
Investigating Air Pollution Effects on the Developing Brain and ASD	R	93.113	Johns Hopkins University	2003188501	(3,988)	0
Investigating Air Pollution Effects on the Developing Brain and ASD	R	93.113	Johns Hopkins University	2003188501	23,501	0
Stress and Chronic Alcohol Interactions	R	93.273	Johns Hopkins University	2003325699	41,500	0
Stress and Chronic Alcohol Interactions	R	93.273	Johns Hopkins University	2003325699	28,145	0
Gene Delivery Nanoparticles to Treat Glioblastoma	R	93.395	Johns Hopkins University	2004276542	28,174	0
Gene Delivery Nanoparticles to Treat Glioblastoma	R	93.395	Johns Hopkins University	2004276542	36,577	0
Johns Hopkins Institute for Clinical Translational Research	R	93.350	Johns Hopkins University	2004382572	151,429	0
Johns Hopkins Institute for Clinical Translational Research	R	93.350	Johns Hopkins University	2004382572	10,196	0
Johns Hopkins Institute for Clinical Translational Research	R	93.847	Johns Hopkins University	2004422191	31,936	0
The Brain Vascular Matt Clinic Research	R	93.853	University of California	8397	(220)	0
In Vivo Assessment of Meningeal Inflammation and it's Clinical Impact in MS	R	93.853	University of Maryland, Baltimore	1712	122,071	0
A CEST MRI Reporter Gene for Image Incolytic Virotherapy	R	93.394	Massachusetts General Hospital	228473	12,401	0
Biomarkers for Therapy of FSHD (U54)	R	93.865	University of Massachusetts	WA00764093/OSP2018146	6,296	0
Biomarkers for Therapy of FSHD (U54)	R	93.865	University of Massachusetts	WA00764092/OSP2018147	14,814	0
Biomarkers for Therapy of FSHD (U54)	R	93.865	University of Massachusetts	WA00764092/OSP2018147	51,986	0
Biomarkers for Therapy of FSHD (U54)	R	93.865	University of Massachusetts	WA00763694/OSP2018141	6,296	0
Biomarkers for Therapy of FSHD (U54)	R	93.865	University of Massachusetts	WA00763696/OSP2018145	(221)	0
Biomarkers for Therapy of FSHD (U54)	R	93.865	University of Massachusetts	WA00763696/OSP2018145	(7,995)	0
Biomarkers for Therapy of FSHD (U54)	R	93.865	University of Massachusetts	WA00763696/OSP2018145	120,692	0
Brittle Bone Disorders Consortium of the Rare Disease Clinical Network	R	93.846	Baylor University	U54AR068069	7,873	0
Brittle Bone Disorders Consortium of the Rare Disease Clinical Network	R	93.846	Baylor University	U54AR068069	83,062	0
An ASF Enriched Risk ECHO Cohort	R	93.310	Drexel University	UG30D023342	60,044	0
An ASF Enriched Risk ECHO Cohort	R	93.310	Drexel University	UG30D023342	77,800	0
Oxidative Stree and Bipolar Disorder Trajectories	R	93.242	Partners Healthcare	11614	12,037	0
Clinical Readiness to Solve Barriers to Drug Development in FSHD	R	93.853	University of Rochester	417259/URFAO:GR510743	43,206	0
Meaningful Outcomes & MultiSite Readiness for Clinical Trials in Juvenile Neuronal Ceriod Lipofuscinosis	R	93.853	University of Rochester	URFAO: GR530284	26,286	0
Meaningful Outcomes & MultiSite Readiness for Clinical Trials in Juvenile Neuronal Ceriod Lipofuscinosis	R	93.853	University of Rochester	URFAO: GR530284	35,460	0
Meaningful Outcomes & MultiSite Readiness for Clinical Trials in Juvenile Neuronal Ceriod Lipofuscinosis	R	93.853	University of Rochester	URFAO: GR530285	28,402	0
Non-Contrast Enhanced Peripheral MR Angiography	R	93.837	Case Western University	RES514359	16,365	0
Non-Contrast Enhanced Peripheral MR Angiography	R	93.837	Case Western University	RES514359	60,467	0
The Role of Executve Functions in Reading and Remediation	R	93.865	Children's Hospital Medical Center	3100658971	8,850	0
The Role of Executve Functions in Reading and Remediation	R	93.865	Children's Hospital Medical Center	3100658971	34,591	0
The Global Leukodystrophy Initiative Clinical Trials Network	R	93.853	Children's Hospital of Philadelphia	3202030620	2,991	0
The Global Leukodystrophy Initiative Clinical Trials Network	R	93.853	Children's Hospital of Philadelphia	3202060620	6,025	0
The Global Leukodystrophy Initiative Clinical Trials Network	R	93.853	Children's Hospital of Philadelphia	3202060620	22,210	0
The Global Leukodystrophy Initiative Clinical Trials Network	R	93.853	Children's Hospital of Philadelphia	3202030620	18,295	0
The Global Leukodystrophy Initiative Clinical Trials Network	R	93.853	Children's Hospital of Philadelphia	3202060620	51,575	0
The Global Leukodystrophy Initiative Clinical Trials Network	R	93.853	Children's Hospital of Philadelphia	3202060620	54,416	0
Social Adversities, Epigenetics and the Obesity Epidemic	R	93.307	North Carolina State University	2017-1593-01	69	0

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Social Adversities, Epigenetics and the Obesity Epidemic	R	93.307	North Carolina State University	2017-1593-01	9,993	0
Social Adversities, Epigenetics and the Obesity Epidemic	R	93.307	North Carolina State University	2017-1593-01	(1,829)	0
Social Adversities, Epigenetics and the Obesity Epidemic	R	93.307	North Carolina State University	2017-1593-01	69,389	0
Social Adversities, Epigenetics and the Obesity Epidemic	R	93.307	North Carolina State University	2017-1593-01	7,259	0
Bioengineering a Novel Electromagnetic Perspective Gene	R	93.853	Michigan State University	RC108091KKI	9,218	0
Solving the MRI Motion Problem with Framewise Integrated Real Time MRI Monitoring Software	R	93.242	Nous Imaging	R44MH121276-sub5	131,062	0
Motion-Robust Brain MRI for Infants	R	93.242	Nous Imaging	R44MH124567-sub5	64,924	0
In Vivo Efficacy Studies to Support the Development of DUX4-targeted RNAi therapy for FSHD	R	93.853	The Research Institute at Nationwide Children's Hospital	700144-0720-00	77,338	0
Covid-19: Supporting the Health & Well-Being of Children with Intellectual & Developmental Disability during COVID	R	93.310	The Washington University	WU-21-213	218,319	0
WUIDDRC and KKI Safe Return to School	R	93.310	The Washington University	WU-21-378	112,292	0
Enginering 3DBiomimetric Osteogenesis Imprefect Models to Dissect Mechanisms of N-Cadherin	R	93.846	ADA Science & Research Institute	LC004151	21,960	0
Center for Disease Control and Prevention						
Covid-19: Addressing COVID-19 Vaccine Access and Confidence Among People with Disabilites	R	93.421	Association of Unversity Centers on Disabilities	6/21/8815	2,744	0
Centers for Autism & Developmental Disabilities Research	R	93.073	Johns Hopkins University	2001438612	29,244	0
Centers for Autism & Developmental Disabilities Research	R	93.073	Johns Hopkins University	2001438612	142,779	0
Discovering Network Structure in the Space of Group Level Functional Differences	R	47.040	Johns Hopkins University	2004042235	53,976	0
Substance Abuse and Mental Health Services Administration						
Family Informed Trauma Treatment CTR-FITT	R	93.243	University of Maryland, Baltimore	1701143	9,689	0
Family Informed Trauma Treatment CTR-FITT	R	93.243	University of Maryland, Baltimore	1701143	31,606	0
Administration for Children and Families						
National Center for Child Welfare Curriculum Development	R	93.648	University of Maryland, Baltimore	SR00005575	45,332	0
Administration for Community Living						
Center for Dignity in Heakthcare for People with Disabilities	R	93.631	Children's Hospital Medical Center	309541	18,764	0
Center for Dignity in Heakthcare for People with Disabilities	R	93.631	Children's Hospital Medical Center	309541	32,637	0
Total Department of Health and Human Services					**3,923,871**	**0**
National Science Foundation						
Identifying Model-Based Motor Control Strategies	R	47.041	Johns Hopkins University	2004042235	23,086	0
Total National Science Foundation					**23,086**	**0**
Department of Defence						
Department of the Army						
Assessing Arrhythmic Risk in Adult Patients with Duchenne Muscular Dystrophy	R	12.420	Johns Hopkins University	2004925324	22,512	
Mapping of Brain GABA Levels in Tuberous Sclerosis Complex Using High-Resolution Proton Imaging	R	12.420	Johns Hopkins University	2004851931	23,006	0
Total Department of Defence					**45,518**	**0**
Total Research and Development Cluster - Pass Through Awards					**3,992,475**	**0**
Total Research and Development Cluster					**19,526,986**	**3,392,764**

The accompanying notes are an integral part of this schedule

Cluster / Federal Program	Entity	Assistance Listing Number	Pass-Through Entity	Grant award number or pass-through entity identification number	Federal Expenditures Total Expenditures	Federal Expenditures Passed through to subrecipients
Child Nutrition Cluster						
United States Department of Agriculture						
Food and Nutrition Service						
School Breakfast Program	C	10.553		9962	1,853	0
School Lunch Program	C	10.555		9962	4,925	0
Total Child Nutrition Cluster					**6,778**	**0**
Special Education Cluster						
United States Department of Education						
Office of Special Education and Rehabilitative Services						
Providing Technical Assistance to the Eastern Shore of Maryland	R	84.027		200829	389	0
Providing Technical Assistance to the Eastern Shore of Maryland	R	84.027		200829	200,000	0
Providing Technical Assistance to the Eastern Shore of Maryland	R	84.027		200829	102	0
Implementing Models of Best Practice to Improve Outcomes	R	84.027		190322	31	0
State Gratn - B - Kodem Kol	R	84.027		201838	12,000	0
Pact: World Of Care Child Care Center	P	84.173		180782	30,632	0
Pact: World Of Care Child Care Center	P	84.173		180540	1,092	0
Pact: World Of Care Child Care Center	P	84.173		190384	113,234	0
Pact: World Of Care Child Care Center	P	84.173		190384	12,057	0
Pact: Helping Children w/Special Needs Therapeutic Nursery -YMCA	P	84.173		190604	(57)	0
Pact: Helping Children w/Special Needs Therapeutic Nursery -YMCA	P	84.173		190604	11,229	0
Pact: Helping Children w/Special Needs Therapeutic Nursery -YMCA	P	84.173		190604	849	0
Pact: Helping Children w/Special Needs Therapeutic Nursery -YMCA	P	84.173		190604	116,559	0
Pact: Helping Children w/Special Needs Therapeutic Nursery -YMCA	P	84.173		190604	10,977	0
Total Special Education Cluster					**509,094**	**0**
Head Start Cluster						
United States Department of Health and Human Services						
Administration for Children and Families						
Southeast Baltimore EHS	C	93.600		362	6,218	0
Southeast Baltimore EHS	C	93.600		362	13,840	0
Maryland Family Network	P	93.600		3034	68,944	0
Maryland Family Network	P	93.600		3034	224,108	0
Covid-19: Maryland Family Network - COVID 19 Fund	P	93.600		3034	17,436	0
Early Head Start Center	C	93.600		650	168,891	0
Early Head Start Center	C	93.600		650	495,006	0
Early Head Start Center	C	93.600		650	42,473	0
Early Head Start Center	C	93.600		650	13,832	0
Total Head Start Cluster					**1,050,748**	**0**
Other Sponsored Programs - Direct Awards						
Department of Health and Human Services						
Health Resources and Services Administration						
Children's Hospital Graduate Medical Education	H	93.255		338-002	291,909	0
Total ALN 93.255					**291,909**	0
COVID-19: Provider Relief Funds	C	93.498			58,327	0
COVID-19: Provider Relief Funds	H	93.498			8,473,399	0
Total ALN 93.498					**8,531,726**	0
MCH Training Program in Neurodevelopment Disabilities	R	93.110		2 T73 MC17245-11-00	880,298	0
Total ALN 93.110					**880,298**	**0**

The accompanying notes are an integral part of this schedule

Cluster / Federal Program	Entity	Assistance Listing Number	Pass-Through Entity	Grant award number or pass-through entity identification number	Federal Expenditures Total Expenditures	Federal Expenditures Passed through to subrecipients
Assistant Secretary for Preparedness and Response						
COVID-19: Preparedness and Response Activities	H	93.899			29,701	0
COVID-19: Preparedness and Response Activities	H	93.899			7,805	0
Total ALN 93.899					**37,506**	**0**
Administration for Community Living						
Developmental Disabilities	H	93.632		90DD0707/04	571,733	
Developmental Disabilities	H	93.632		90DD0707/04	97	0
Total ALN 93.632					**571,830**	0
United States Department of Education						
Institute of Education Sciences						
Efficacy Trial of Early Achievements Comp Intervention Preschoolers with Autism	R	84.324A		R 324 A160228	7,199	0
Efficacy Trial of Early Achievements Comp Intervention Preschoolers with Autism	R	84.324A		R 324 A160228	250,385	0
Development of an Intervention for Center-Based Early Childhood Education	R	84.324A		R 324 A180085	(108)	0
Development of an Intervention for Center-Based Early Childhood Education	R	84.324A		R 324 A180085	(17,325)	0
Development of an Intervention for Center-Based Early Childhood Education	R	84.324A		R 324 A180085	197,955	0
Development of an Intervention for Center-Based Early Childhood Education	R	84.324A		R 324 A180085	227	0
Developing Early Achievements for Pre-K Children with Developmental Language Disorders	R	84.324A		R 324 A210031	271	0
Total ALN 84.324A					**438,604**	0
COVID-19: Coronavirus Response & Relief Supplemental Appropriations Act - GEER	H	84.425R			92,104	0
Total ALN 84.425R					**92,104**	**0**
Federal Communications Commission						
COVID-19: Telecommunications and Equipment	H	32.006		0043	572,113	0
Total ALN 32.006					**572,113**	**0**
Department of the Treasury						
Departmental Offices						
COVID-19: Providing Emergency Relief for Community Providers of Services to Individuals with Disablities - COVID	H	21.027			2,523	0
Total ALN 21.027					**2,523**	**0**
COVID-19: Coronavirus Aid, Relief and Economic Security	H	21.019			28,538	0
COVID-19: Coronavirus Aid, Relief and Economic Security	H	21.019			50,000	0
Total ALN 21.019					**78,538**	**0**
Total Other Programs - Direct Awards					**11,497,151**	**0**
Other Sponsored Programs - Pass Through Awards						
United States Department of Justice						
Office of Justice Programs						
Underserved Victims	C	16.575	Governor's Office Of Crime Control & Prevention	1299	56,307	0
Underserved Victims	C	16.575	Governor's Office Of Crime Control & Prevention	1299	178,637	0
Total ALN 16.575					**234,944**	**0**

The accompanying notes are an integral part of this schedule

Cluster / Federal Program	Entity	Assistance Listing Number	Pass-Through Entity	Grant award number or pass-through entity identification number	Federal Expenditures Total Expenditures	Federal Expenditures Passed through to subrecipients
United States Department of Education (ED)						
Preschool Development	C	84.419	Governor's Office Of Crime Control & Prevention	170362	992	0
Preschool Development	C	84.419	Governor's Office Of Crime Control & Prevention	200630	255,637	0
Total ALN 84.419					**256,629**	**0**
Covid-19: Building School Psychologist's Knowledge, Skills, and Practice to Support Education - COVID	C	84.424A	Governor's Office Of Crime Control & Prevention	211094	38,305	0
Total ALN 84.424A					**38,305**	**0**
Office of Special Education and Rehabilitative Services						
Baltimore City Infants & Toddlers Program	P	84.181A	Baltimore City	CO#38176	45,574	0
Baltimore City Infants & Toddlers Program	P	84.181A	Baltimore City	CO#38177	58,419	0
Baltimore City Infants & Toddlers Program	P	84.181A	Baltimore City	CO#38177	46	0
Baltimore City Infants & Toddlers Program	P	84.181A	Baltimore City	CO#37753	51,582	0
Total ALN 84.181A					**155,621**	**0**
United States Department of Health and Human Services						
Administration for Children and Families						
Promoting Positive Outcomes for Infant & Toddlers	C	93.434	Governor's Office Of Crime Control & Prevention	211283	162,096	24,997
Promoting Positive Outcomes for Infant & Toddlers	C	93.434	Governor's Office Of Crime Control & Prevention	211283	88,962	14,481
Total ALN 93.434					**251,058**	**39,478**
Administration for Community Living						
Enhancing Advocacy & Public Policy Work Project	H	93.630	Maryland Developmental Disablities Council	19-QA-01	26,393	0
Enhancing Advocacy & Public Policy Work Project	H	93.630	Maryland Developmental Disablities Council	20-QA-01	57,389	0
Nurse Consultation and Coaching Demonstration Project	H	93.630	Maryland Developmental Disablities Council	19-CC-01	11,307	0
Total ALN 93.630					**95,089**	**0**
Health Resources and Services Administration						
Genetics Laboratory	H	93.994	Maryland Department of Health and Mental Hygiene	PHPA-G2084	38,329	0
Within My World	H	93.994	Maryland Department of Health and Mental Hygiene	FH795CSN/PHPA-G-1165	400,000	0
Enhancing Child Care For Children	H	93.994	Maryland Department of Health and Mental Hygiene	MR554 MFC	256,981	0
Project STIR	H	93.994	Maryland Department of Health and Mental Hygiene	DD964 ISS	130,696	0
Project STIR	H	93.994	Maryland Department of Health and Mental Hygiene	DD964 ISS	115,222	0
Total ALN 93.994					**941,228**	**0**

The accompanying notes are an integral part of this schedule

Cluster / Federal Program	Entity	Assistance Listing Number	Pass-Through Entity	Grant award number or pass-through entity identification number	Federal Expenditures Total Expenditures	Federal Expenditures Passed through to subrecipients
Baltimore Mental Health Systems						
Therapeutic Nursery	P	93.000	Baltimore Mental Health Systems	POS#40	152,000	0
Therapeutic Nursery	P	93.000	Baltimore Mental Health Systems	POS#40	129	0
Total Baltimore Mental Health Systems					**152,129**	**0**
Total Other Programs - Pass Through Awards					**2,125,003**	**39,478**
Total Other Sponsored Programs					**13,622,154**	**39,478**
Total Federal Expenditures					**34,715,760**	**3,432,242**

R=Hugo W. Moser Research Institute at Kennedy Krieger Inc. (formerly Kennedy Krieger Research Institute, Inc.)
H=Kennedy Krieger Children's Hospital, Inc.
C=Kennedy Krieger Education & Community Services, Inc.
P=PACT: Helping Children with Special Needs, Inc.

The accompanying notes are an integral part of this schedule

1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") summarizes the expenditures of Kennedy Krieger Institute, Inc. and Affiliates (the "Institute") under programs of the Federal Government for the year ended June 30, 2021. The information presented in the Schedule is presented on the accrual basis of accounting, which is in accordance with the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Expenditures for federal awards are determined using the cost principles set forth in the Uniform Guidance. Under these cost principles, certain types of expenditures are not allowable or are limited to reimbursement.

The accompanying Schedule includes the federal grant transactions of the Institute and includes Federal Awards made to the following corporate entities: Kennedy Krieger Children's Hospital, Inc., Hugo W. Moser Research Institute at Kennedy Krieger, Inc., Kennedy Krieger Education & Community Services, Inc. and PACT: Helping Children with Special Needs, Inc. under programs of the federal government for the year ended June 30, 2021. These corporate entities are denoted on the Schedule as follows:

	Total Expenditures	Passed to Subrecipients
R	$ 21,058,410	$ 3,392,764
H	11,156,239	-
C	1,586,301	39,478
P	914,810	-
	$ 34,715,760	$ 3,432,242

R – Hugo W. Moser Research Institute at Kennedy Krieger, Inc.
H – Kennedy Krieger Children's Hospital, Inc.
C – Kennedy Krieger Education & Community Services, Inc.
P – PACT: Helping Children with Special Needs, Inc.

Because the Schedule presents only a selected portion of the operations of the Institute, it is not intended to and does not present the financial position, results of operations and non-operating activity, or cash flows of the Institute. Negative amounts reflect adjustments made to expenditures reported in prior years in the normal course of business.

For purposes of the Schedule, federal awards include all awards in the form of grants, contracts, and similar agreements entered into directly between the Institute and agencies and departments of the federal government, or non-federal pass-through entities. Federal CFDA and pass-through identification numbers are included when available.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Schedule reflects federal award program expenditures recognized on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The Institute has not elected to use the 10% de minimis rate for indirect costs. Indirect costs are billed based upon negotiated and budgeted rates.

3. DEPARTMENT OF HEATH AND HUMAN SERVICES – PROVIDER RELIEF FUNDS

The Schedule includes grant activity related to the Department of Health and Human Services ("HHS") Provider Relief Fund and American Rescue Plan (ARP) Distribution Assistance Listing Number 93.498. As required based on guidance in the 2021 OMB Compliance Supplement, the Schedule includes all Period 1 funds received between April 10, 2020 and June 30, 2020 and

expended by June 30, 2021 as reported to HRSA via the PRF Reporting Portal. The Schedule thus includes $6,859,560 of direct expenditures and $1,613,839 in lost revenue. Given the timing covered by Period 1 funds, certain of these expenses were reflected in the Institutes fiscal year 2020 financial statements. Additionally, lost revenue does not represent an expenditure in the Institutes financial statements and thus is a reconciling item between the federal expenses in the financial statements and the amount included on the Schedule.

Part II
Reports on Compliance and Internal Control

Report of Independent Auditors 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 of Kennedy Krieger Institute, Inc. and Affiliates

We have audited, in accordance with 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 consolidated financial statements of Kennedy Krieger Institute, Inc. and Affiliates (the "Institute"),, which comprise the consolidated balance sheet as of June 30, 2021, and the related consolidated statements of operations and changes in net assets and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 4, 2021

Internal Control Over Financial Reporting

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Institute's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under Government Auditing Standards and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2021-001.

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Baltimore, Maryland
October 4, 2021

Report of Independent Auditors on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with the Uniform Guidance

To the Board of Directors of Kennedy Krieger Institute, Inc. and Affiliates

Report on Compliance for Each Major Federal Program

We have audited Kennedy Krieger Institute Inc.'s and Affiliates (the "Institute") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Institute's major federal programs for the year ended June 30, 2021. The Institute's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Insittute's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Institute's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Institute's compliance.

Opinion on Each Major Federal Program

In our opinion, the Institute complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Other Matters

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

The Institute's response to the noncompliance findings identified in our audit is described in the accompanying corrective action plan. The Institute's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the Institute is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Institute's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Institute's 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

PricewaterhouseCoopers LLP

Baltimore, Maryland
September 29, 2022

Part III
Schedule of Findings and Questioned Costs

I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
1. Material weakness(es) identified?	No
2. Significant deficiency(ies) identified?	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major federal programs:	
1. Material weakness(es) identified?	No
2. Significant deficiency(ies) identified?	None Reported
Type of auditor's report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	Yes

Identification of major federal programs:

Assistance Listing Number(s)	Name of Federal Program/Cluster
93.994	Maternal and Child Health Services Block Grant to the States
93.498	**COVID-19:** Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution

Dollar threshold used to distinguish between type A and type B programs:	$1,041,473
Auditee qualified as a low-risk auditee?	Yes

II. Financial Statement Findings

There were no matters reported

III. Federal Award Findings and Questioned Costs

2021-001: Lost Revenues Reporting Methodology

Cluster: Not applicable
Federal Granting Agency: Health Resources and Services Administration
Award Name: COVID-19 Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution – Period 1
Assistance Listing #: 93.498
Assistance Listing Title: COVID-19 Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution – Period 1
Award Year: January 1, 2020 – June 30, 2021

Criteria
Step Six of the Steps on Reporting on Use of Funds section of the June 11, 2021 Provider Relief Fund (PRF) General and Targeted Distribution Post-Payment Notice of Reporting Requirements requires recipients that apply PRF payments toward lost revenues to use one of the following three options for calculating lost revenues:

- Option (i): difference between actual patient care revenues;
- Option (ii): difference between budgeted (prior to March 27, 2020) and actual patient care revenues; or
- Option (iii): calculated by any reasonable method of estimating revenues

Condition
The Company calculated the portion of its Period 1 PRF payments applied toward lost revenues using Option (iii); however, the Company completed its Period 1 PRF Reporting Portal submissions and attested to calculating lost revenues using Option (i).

Cause

The Company did not interpret the HRSA PRF Reporting instructions correctly therefore attested to using Option (i) in its Period 1 PRF Reporting Portal submissions.

Effect
The Company incorrectly attested to the methodology utilized to calculate lost revenue in accordance with the June 11, 2021 PRF General and Targeted Distribution Post-Payment Notice of Reporting Requirements. In addition, as required by the Health Resources & Services Administrator (HRSA) when Option (iii) is utilized, information used to support the methodology used was not provided to HRSA when the portal reporting was submitted.

Questioned Costs
None noted.

Recommendation
We recommend the Company contact the Health Resources & Services Administrator (HRSA) to determine any required corrective actions related to the incorrect reporting.

Management's Views and Corrective Action Plan

Management's response is included in "Management's Views and Corrective Action Plan" included at the end of this report.

III. Federal Award Findings and Questioned Costs

No findings from prior years that require an update.

Kennedy Krieger Institute

Finance

September 8, 2022

Management's Views and Corrective Action Plan:

Finding 2021-001: Provider Relief Fund Lost Revenue Reporting Methodology for Kennedy Krieger Children's Hospital

In attesting to the methodology used to calculate lost revenue in accordance with the June 11, 2021 General and Targeted Distribution Post-Payment Notice of Reporting Requirements, Option (i) difference between actual patient care revenues was selected in the HRSA reporting portal. Differences in actual patient care revenues were used in both the base and target periods, however, we made a modification to what was included in patient care revenue and only included those revenues generated through inpatient services and excluded patient care revenue generated from outpatient services. The rationale for including inpatient revenue and excluding outpatient revenue is detailed below.

The pandemic impacted patient service revenue on the inpatient units by contributing to lower inpatient census for a variety of reasons. These reasons include mandatory infection control, patient distancing an isolation requirements and severe staffing shortages. All of our semi-private and other multi-patient rooms were converted to private rooms to limit patient contact with other patients and their families during admission. Additionally, we only permitted patient admissions from Maryland and our neighboring states (State mandates), thereby limiting the patient admission pool. Last, the pandemic created severe staffing shortages in nursing, therapy and clinical aids thereby requiring reduced admissions for patient safety reasons. The shortages occurred due staff COVID infection, exposure, isolation and other limitations on their ability to perform their jobs. These factors drove down inpatient admissions, patient days and the related patient service revenue levels as compared to pre-pandemic levels.

At the outset of the pandemic, outpatient operations were essentially shut down with very few patients seen. However, within 2 to 4 weeks from pandemic outset, we were able to effectively pivot operations from a completely on-site operation to providing services to more than 20,000 outpatient visits through tele-health. Using tele-health, patients were able to see their clinical providers from their home via a Zoom link. Same was true for the clinical providers. The quick transition to tele-health really limited the impact that the pandemic had on outpatient operations and specifically limited lost revenue to only a couple weeks. The quick change in the method of care delivery between on-site services and services rendered by telehealth had a significant impact on provider productivity and the type of revenue recognized. It was determined that these differences did not allow for an accurate apples to apples comparison of patient service revenue pre-pandemic versus during the pandemic.

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We concur with the finding that Option (iii) should have been selected as the methodology used in determining lost revenue for Provider Relief Fund reporting. We plan to contact HRSA by September 30, 2022 to determine if there are any required corrections to the previous reporting portal submissions.

Contact Name: Michael J. Neuman
Senior Vice President – Finance
neuman@kennedykrieger.org
443-923-1810

Sincerely,

Michael J. Neuman
Senior Vice President - Finance