

Form 990  
2016Department of the Treasury  
Internal Revenue Service

## Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

- Do not enter social security numbers on this form as it may be made public
- Information about Form 990 and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990)

Open to Public  
Inspection

## A For the 2016 calendar year, or tax year beginning 10-01-2016, and ending 09-30-2017

- Check if applicable
- Address change
- Name change
- Initial return
  - Final
  - Return/terminated
  - Amended return
  - Application pending

C Name of organization THE RAND CORPORATION		D Employer identification number 95-1958142	
% MICHAEL JANUZIK Doing business as		E Telephone number (310) 393-0411	
Number and street (or P O box if mail is not delivered to street address) 1776 MAIN STREET PO BOX 2138		Room/suite	G Gross receipts \$ 431,157,682
City or town, state or province, country, and ZIP or foreign postal code SANTA MONICA, CA 904072138			
F Name and address of principal officer MICHAEL D RICH 1776 MAIN STREET SANTA MONICA, CA 90401		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

I Tax-exempt status  501(c)(3)  501(c) ( ) ► (insert no)  4947(a)(1) or  527

J Website: ► WWW RAND ORG

K Form of organization  Corporation  Trust  Association  Other ►

- H(b) Are all subordinates included?  Yes  No
- If "No," attach a list (see instructions)
- H(c) Group exemption number ►

L Year of formation 1948 M State of legal domicile CA

## Part I Summary

1 Briefly describe the organization's mission or most significant activities HELP IMPROVE POLICY AND DECISION MAKING THROUGH RESEARCH AND ANALYSIS		
2 Check this box ► <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
3 Number of voting members of the governing body (Part VI, line 1a)	3	26
4 Number of independent voting members of the governing body (Part VI, line 1b)	4	25
5 Total number of individuals employed in calendar year 2016 (Part V, line 2a)	5	2,232
6 Total number of volunteers (estimate if necessary)	6	11
7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	22,768
b Net unrelated business taxable income from Form 990-T, line 34	7b	

8 Contributions and grants (Part VIII, line 1h)	305,503,767	321,419,709
9 Program service revenue (Part VIII, line 2g)	10,345,635	9,563,269
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	10,528,762	13,276,998
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	1,677	2,050
12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	326,379,841	344,262,026

13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	235,290	290,095
14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	230,293,642	237,317,841
16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b Total fundraising expenses (Part IX, column (D), line 25) ► 4,478,275		
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	96,128,788	101,806,581
18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	326,657,720	339,414,517
19 Revenue less expenses Subtract line 18 from line 12	-277,879	4,847,509

20 Total assets (Part X, line 16)	454,202,275	485,932,930
21 Total liabilities (Part X, line 26)	215,809,474	205,033,957
22 Net assets or fund balances Subtract line 21 from line 20	238,392,801	280,898,973

## Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here	Signature of officer	2018-02-09
	MICHAEL JANUZIK VP & CFO	Date
	Type or print name and title	

Paid Preparer Use Only	Print/Type preparer's name KARA ADAMS	Preparer's signature KARA ADAMS	Date	Check <input type="checkbox"/> if self-employed	PTIN P00023315
	Firm's name ► ERNST & YOUNG US LLP	Firm's EIN ►			
	Firm's address ► 18101 VON KARMAN AVENUE SUITE 1700 IRVINE, CA 92612	Phone no (949) 794-2300			

May the IRS discuss this return with the preparer shown above? (see instructions)  Yes  No

For Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form 990 (2016)

**Part III Statement of Program Service Accomplishments**Check if Schedule O contains a response or note to any line in this Part III **1** Briefly describe the organization's mission

HELP IMPROVE POLICY AND DECISION MAKING THROUGH RESEARCH AND ANALYSIS

**2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?  Yes  No

If "Yes," describe these new services on Schedule O

**3** Did the organization cease conducting, or make significant changes in how it conducts, any program services?  Yes  No

If "Yes," describe these changes on Schedule O

**4** Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported**4a** (Code ) (Expenses \$ 258,505,682 including grants of \$ 290,095 ) (Revenue \$ 9,563,269 )  
See Additional Data**4b** (Code ) (Expenses \$ including grants of \$ ) (Revenue \$ )**4c** (Code ) (Expenses \$ including grants of \$ ) (Revenue \$ )**4d** Other program services (Describe in Schedule O )  
(Expenses \$ including grants of \$ ) (Revenue \$ )**4e** Total program service expenses ► 258,505,682

**Part IV Checklist of Required Schedules**

	<b>Yes</b>	<b>No</b>
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1 Yes	
2 Is the organization required to complete Schedule B, <i>Schedule of Contributors</i> (see instructions)?	2 Yes	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	No
4 <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4 Yes	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5	No
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6	No
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7	No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8 Yes	
9 Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9 Yes	
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V	10 Yes	
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	11a Yes	
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII	11b Yes	
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII	11c	No
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX	11d	No
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	11e Yes	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X	11f	No
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	12a	No
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional	12b Yes	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	No
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a Yes	
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV	14b Yes	
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV	15	No
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV	16	No
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	17	No
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	No
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	No

**Part IV Checklist of Required Schedules (continued)**

**20a** Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H . . . . .  
**b** If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?

**21** Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II . . . . .  
**22** Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III . . . . .  
**23** Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J . . . . .

**24a** Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K If "No," go to line 25a . . . . .  
**b** Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . . .  
**c** Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .  
**d** Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . . .

**25a** **Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I . . . . .  
**b** Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I . . . . .

**26** Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If "Yes," complete Schedule L, Part II . . . . .

**27** Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III . . . . .

**28** Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)  
**a** A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV . . . . .  
**b** A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV . . . . .  
**c** An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV . . . . .

**29** Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M . . . . .

**30** Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M . . . . .

**31** Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I . . . . .

**32** Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II . . . . .

**33** Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? If "Yes," complete Schedule R, Part I . . . . .  
**34** Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1 . . . . .

**35a** Did the organization have a controlled entity within the meaning of section 512(b)(13)?  
**b** If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2 . . . . .  
**36** **Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2 . . . . .  
**37** Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI . . . . .  
**38** Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O . . . . .

	Yes	No
<b>20a</b>		No
<b>20b</b>		
<b>21</b>		No
<b>22</b>	Yes	
<b>23</b>	Yes	
<b>24a</b>	Yes	
<b>24b</b>		No
<b>24c</b>		No
<b>24d</b>		No
<b>25a</b>		No
<b>25b</b>		No
<b>26</b>		No
<b>27</b>		No
<b>28a</b>		No
<b>28b</b>		No
<b>28c</b>		No
<b>29</b>		No
<b>30</b>		No
<b>31</b>		No
<b>32</b>		No
<b>33</b>	Yes	
<b>34</b>	Yes	
<b>35a</b>	Yes	
<b>35b</b>	Yes	
<b>36</b>	Yes	
<b>37</b>		No
<b>38</b>	Yes	

**Part V Statements Regarding Other IRS Filings and Tax Compliance**

Check if Schedule O contains a response or note to any line in this Part V . . . . .

		Yes	No
<b>1a</b> Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . . .	<b>1a</b>	648	
<b>b</b> Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	<b>1b</b>	0	
<b>c</b> Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? . . . . .	<b>1c</b>	Yes	
<b>2a</b> Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return . . . . .	<b>2a</b>	2,232	
<b>b</b> If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	<b>2b</b>	Yes	
<b>3a</b> Did the organization have unrelated business gross income of \$1,000 or more during the year? . . . . .	<b>3a</b>	Yes	
<b>b</b> If "Yes," has it filed a Form 990-T for this year? <i>If "No" to line 3b, provide an explanation in Schedule O</i> . . . . .	<b>3b</b>	Yes	
<b>4a</b> At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? . . . . .	<b>4a</b>	Yes	
<b>b</b> If "Yes," enter the name of the foreign country ►AS , UK See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR)			
<b>5a</b> Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . . . .	<b>5a</b>	No	
<b>b</b> Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? . . . . .	<b>5b</b>	No	
<b>c</b> If "Yes," to line 5a or 5b, did the organization file Form 8886-T? . . . . .	<b>5c</b>		
<b>6a</b> Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? . . . . .	<b>6a</b>	No	
<b>b</b> If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? . . . . .	<b>6b</b>		
<b>7</b> <b>Organizations that may receive deductible contributions under section 170(c).</b>	<b>7a</b>	Yes	
<b>a</b> Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor? . . . . .	<b>7b</b>	Yes	
<b>b</b> If "Yes," did the organization notify the donor of the value of the goods or services provided? . . . . .	<b>7c</b>	No	
<b>c</b> Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? . . . . .			
<b>d</b> If "Yes," indicate the number of Forms 8282 filed during the year . . . . .	<b>7d</b>		
<b>e</b> Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . . . .	<b>7e</b>	No	
<b>f</b> Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . . . .	<b>7f</b>	No	
<b>g</b> If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required? . . . . .	<b>7g</b>		
<b>h</b> If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C? . . . . .	<b>7h</b>		
<b>8</b> <b>Sponsoring organizations maintaining donor advised funds.</b> Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year? . . . . .	<b>8</b>		
<b>9a</b> Did the sponsoring organization make any taxable distributions under section 4966? . . . . .	<b>9a</b>		
<b>b</b> Did the sponsoring organization make a distribution to a donor, donor advisor, or related person? . . . . .	<b>9b</b>		
<b>10</b> <b>Section 501(c)(7) organizations.</b> Enter			
<b>a</b> Initiation fees and capital contributions included on Part VIII, line 12 . . . . .	<b>10a</b>		
<b>b</b> Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	<b>10b</b>		
<b>11</b> <b>Section 501(c)(12) organizations.</b> Enter			
<b>a</b> Gross income from members or shareholders . . . . .	<b>11a</b>		
<b>b</b> Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them) . . . . .	<b>11b</b>		
<b>12a</b> <b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041? <b>b</b> If "Yes," enter the amount of tax-exempt interest received or accrued during the year	<b>12a</b>		
<b>13</b> <b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>			
<b>a</b> Is the organization licensed to issue qualified health plans in more than one state? <b>Note.</b> See the instructions for additional information the organization must report on Schedule O	<b>13a</b>		
<b>b</b> Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans . . . . .	<b>13b</b>		
<b>c</b> Enter the amount of reserves on hand . . . . .	<b>13c</b>		
<b>14a</b> Did the organization receive any payments for indoor tanning services during the tax year? . . . . .	<b>14a</b>	No	
<b>b</b> If "Yes," has it filed a Form 720 to report these payments? <i>If "No," provide an explanation in Schedule O</i> . . . . .	<b>14b</b>		

**Part VI Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions

Check if Schedule O contains a response or note to any line in this Part VI

**Section A. Governing Body and Management**

		Yes	No
<b>1a</b> Enter the number of voting members of the governing body at the end of the tax year	<b>1a</b>	26	
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O			
<b>b</b> Enter the number of voting members included in line 1a, above, who are independent	<b>1b</b>	25	
<b>2</b> Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	<b>2</b>		No
<b>3</b> Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	<b>3</b>		No
<b>4</b> Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	<b>4</b>		No
<b>5</b> Did the organization become aware during the year of a significant diversion of the organization's assets?	<b>5</b>		No
<b>6</b> Did the organization have members or stockholders?	<b>6</b>		No
<b>7a</b> Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	<b>7a</b>		No
<b>b</b> Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	<b>7b</b>		No
<b>8</b> Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
<b>a</b> The governing body?	<b>8a</b>	Yes	
<b>b</b> Each committee with authority to act on behalf of the governing body?	<b>8b</b>	Yes	
<b>9</b> Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	<b>9</b>		No

**Section B. Policies** (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
<b>10a</b> Did the organization have local chapters, branches, or affiliates?	<b>10a</b>	No
<b>b</b> If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	<b>10b</b>	
<b>11a</b> Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	<b>11a</b>	No
<b>b</b> Describe in Schedule O the process, if any, used by the organization to review this Form 990	<b>12a</b>	Yes
<b>12a</b> Did the organization have a written conflict of interest policy? If "No," go to line 13	<b>12b</b>	Yes
<b>b</b> Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	<b>12c</b>	Yes
<b>c</b> Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	<b>13</b>	Yes
<b>13</b> Did the organization have a written whistleblower policy?	<b>14</b>	Yes
<b>14</b> Did the organization have a written document retention and destruction policy?	<b>15</b>	
<b>15</b> Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?	<b>15a</b>	Yes
<b>a</b> The organization's CEO, Executive Director, or top management official	<b>15b</b>	Yes
<b>b</b> Other officers or key employees of the organization	<b>16a</b>	No
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)	<b>16b</b>	
<b>16a</b> Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		
<b>b</b> If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?		

**Section C. Disclosure**

<b>17</b> List the States with which a copy of this Form 990 is required to be filed►	AL , CA , MA , MS , NJ , NY , OR , PA , VA
<b>18</b> Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply	
<input type="checkbox"/> Own website <input checked="" type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request <input type="checkbox"/> Other (explain in Schedule O)	
<b>19</b> Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year	
<b>20</b> State the name, address, and telephone number of the person who possesses the organization's books and records	►MICHAEL JANUZIK 1776 MAIN STREET SANTA MONICA, CA 90401 (310) 393-0411

## **Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response or note to any line in this Part VII

**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

**1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations

List persons in the following order: individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

**Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)**

<b>1b Sub-Total . . . . .</b>	►			
<b>c Total from continuation sheets to Part VII, Section A . . . . .</b>	►			
<b>d Total (add lines 1b and 1c) . . . . .</b>	►	5,572,467	639,069	908,147

**2** Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ► 766

		Yes	No
3	Did the organization list any <b>former</b> officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3	Yes
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	4	Yes
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>	5	No

---

**Section B. Independent Contractors**

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
JOHNSON CONTROLS BUILDING AUTOMATION, 5757 N GREEN BAY AVE PO BOX 591 MILWAUKEE, WI 53201	BUILDING MAINTENANCE	1,242,797
SERVICON SYSTEMS INC, 3965 LANDMARK ST CULVER CITY, CA 90232	JANITORIAL SERVICES	794,249
SODEXO AFFILIATES, 9801 WASHINGTON BLVD GAIITHERSBURG, MD 20878	FOOD MANAGEMENT	625,156
PRICEWATERHOUSECOOPERS LLP, 300 MADISON AVE NEW YORK, NY 10017	ACCOUNTING SERVICES	581,000
FALKEN INDUSTRIES LLC, 10372 BATTLEVIEW PARKWAY MANASSAS, VA 20109	GUARD/SECURITY SVCS	549,091

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ► 54

**Part VIII Statement of Revenue**Check if Schedule O contains a response or note to any line in this Part VIII 

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	1a Federated campaigns . . .	1a					
	b Membership dues . . .	1b					
	c Fundraising events . . .	1c	0				
	d Related organizations . . .	1d					
	e Government grants (contributions) . . .	1e	269,846,176				
	f All other contributions, gifts, grants, and similar amounts not included above . . .	1f	51,573,533				
	g Noncash contributions included in lines 1a-1f \$ . . .		0				
	<b>h Total.</b> Add lines 1a-1f . . . ►		321,419,709				
			Business Code				
<b>Program Service Revenue</b>	2a FEE REVENUE . . .	900099	9,563,269	9,563,269	0	0	
	b . . .						
	c . . .						
	d . . .						
	e . . .						
	f All other program service revenue . . .		9,563,269				
	<b>g Total.</b> Add lines 2a-2f . . . ►						
<b>Other Revenue</b>	3 Investment income (including dividends, interest, and other similar amounts) . . . ►		6,047,605		20,718	6,026,887	
	4 Income from investment of tax-exempt bond proceeds . . . ►		0				
	5 Royalties . . . ►		0				
	6a Gross rents . . .	(i) Real	(ii) Personal				
	b Less rental expenses . . .						
	c Rental income or (loss) . . .	0	0				
	d Net rental income or (loss) . . . ►			0			
	7a Gross amount from sales of assets other than inventory . . .	(i) Securities	(ii) Other				
	b Less cost or other basis and sales expenses . . .	94,118,752					
c Gain or (loss) . . .	86,889,359						
d Net gain or (loss) . . . ►	7,229,393		7,229,393			7,229,393	
8a Gross income from fundraising events (not including \$ . . . of contributions reported on line 1c) See Part IV, line 18 . . .	a	0					
b Less direct expenses . . .	b	0					
c Net income or (loss) from fundraising events . . . ►		0					
9a Gross income from gaming activities See Part IV, line 19 . . .	a	0					
b Less direct expenses . . .	b	0					
c Net income or (loss) from gaming activities . . . ►		0					
10a Gross sales of inventory, less returns and allowances . . .	a	8,347					
b Less cost of goods sold . . .	b	6,297					
c Net income or (loss) from sales of inventory . . . ►		2,050				2,050	
Miscellaneous Revenue	Business Code						
11a . . .							
b . . .							
c . . .							
d All other revenue . . .							
<b>e Total.</b> Add lines 11a-11d . . . ►		0					
<b>12 Total revenue.</b> See Instructions . . . ►		344,262,026	9,563,269	22,768	13,256,280		

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A)

Check if Schedule O contains a response or note to any line in this Part IX 

<b>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</b>	<b>(A)</b> Total expenses	<b>(B)</b> Program service expenses	<b>(C)</b> Management and general expenses	<b>(D)</b> Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments See Part IV, line 21	0	0		
2 Grants and other assistance to domestic individuals See Part IV, line 22	290,095	290,095		
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals See Part IV, line 15 and 16	0	0		
4 Benefits paid to or for members	0	0		
5 Compensation of current officers, directors, trustees, and key employees	2,969,978	1,068,170	1,797,571	104,237
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	1,341,356	636,473	636,876	68,007
7 Other salaries and wages	158,678,864	130,657,999	25,708,236	2,312,629
8 Pension plan accruals and contributions (include section 401 (k) and 403(b) employer contributions)	14,284,714	11,343,633	2,732,959	208,122
9 Other employee benefits	47,245,088	36,419,671	10,130,233	695,184
10 Payroll taxes	12,797,841	10,323,286	2,299,446	175,109
11 Fees for services (non-employees)				
a Management	0	0	0	0
b Legal	698,554	3,432	690,343	4,779
c Accounting	977,644	0	977,644	0
d Lobbying	0	0	0	0
e Professional fundraising services See Part IV, line 17	0			0
f Investment management fees	530,263	0	530,263	0
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	11,449,476	5,574,553	5,440,619	434,304
12 Advertising and promotion	0	0	0	0
13 Office expenses	7,550,242	4,726,840	2,699,094	124,308
14 Information technology	13,973,471	10,700,325	3,237,474	35,672
15 Royalties	0	0	0	0
16 Occupancy	7,999,945	4,553,468	3,342,206	104,271
17 Travel	15,111,159	12,480,332	2,460,743	170,084
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0	0	0	0
19 Conferences, conventions, and meetings	449,391	312,848	123,147	13,396
20 Interest	3,151,845	0	3,151,845	0
21 Payments to affiliates	0	0	0	0
22 Depreciation, depletion, and amortization	11,032,579	2,491,443	8,541,136	0
23 Insurance	1,695,826	501,949	1,193,877	0
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O )				
a SUBCONTRACTS	25,081,932	25,081,932	0	0
b LETTER AGREEMENTS	1,157,266	1,149,936	6,830	500
c TAXES AND LICENSES	563,689	155,819	406,246	1,624
d MISCELLANEOUS EXPENSES	383,299	33,478	323,772	26,049
e All other expenses				
<b>25 Total functional expenses.</b> Add lines 1 through 24e	339,414,517	258,505,682	76,430,560	4,478,275
<b>26 Joint costs.</b> Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation	0			
Check here ► <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

**Part X Balance Sheet**Check if Schedule O contains a response or note to any line in this Part IX 

		(A) Beginning of year		(B) End of year
Assets	1 Cash—non-interest-bearing	11,054,952	1	6,524,590
	2 Savings and temporary cash investments	25,336,190	2	26,849,909
	3 Pledges and grants receivable, net	5,076,570	3	9,265,085
	4 Accounts receivable, net	49,157,840	4	46,272,504
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L	0	5	0
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L	0	6	0
	7 Notes and loans receivable, net	3,837,398	7	4,288,736
	8 Inventories for sale or use	13,190	8	15,041
	9 Prepaid expenses and deferred charges	6,052,352	9	9,034,265
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	231,742,088		
	b Less accumulated depreciation	10b	121,487,808	110,885,863
			10c	110,254,280
	11 Investments—publicly traded securities	148,368,514	11	152,786,026
	12 Investments—other securities See Part IV, line 11	87,965,587	12	111,246,431
	13 Investments—program-related See Part IV, line 11	0	13	0
	14 Intangible assets	0	14	0
	15 Other assets See Part IV, line 11	6,453,819	15	9,396,063
	16 Total assets. Add lines 1 through 15 (must equal line 34)	454,202,275	16	485,932,930
Liabilities	17 Accounts payable and accrued expenses	71,952,111	17	69,145,101
	18 Grants payable	0	18	0
	19 Deferred revenue	18,412,459	19	18,446,634
	20 Tax-exempt bond liabilities	110,777,242	20	108,315,780
	21 Escrow or custodial account liability Complete Part IV of Schedule D	0	21	0
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L	0	22	0
	23 Secured mortgages and notes payable to unrelated third parties	0	23	0
	24 Unsecured notes and loans payable to unrelated third parties	0	24	0
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D	14,667,662	25	9,126,442
	26 Total liabilities. Add lines 17 through 25	215,809,474	26	205,033,957
Net Assets or Fund Balances	<b>Organizations that follow SFAS 117 (ASC 958), check here ► <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>			
	27 Unrestricted net assets	148,197,167	27	178,212,911
	28 Temporarily restricted net assets	30,394,375	28	39,783,467
	29 Permanently restricted net assets	59,801,259	29	62,902,595
	<b>Organizations that do not follow SFAS 117 (ASC 958), check here ► <input type="checkbox"/> and complete lines 30 through 34.</b>			
	30 Capital stock or trust principal, or current funds	0	30	0
	31 Paid-in or capital surplus, or land, building or equipment fund	0	31	0
	32 Retained earnings, endowment, accumulated income, or other funds	0	32	0
	33 Total net assets or fund balances	238,392,801	33	280,898,973
	34 Total liabilities and net assets/fund balances	454,202,275	34	485,932,930

**Part XI Reconciliation of Net Assets**Check if Schedule O contains a response or note to any line in this Part XI 

1	Total revenue (must equal Part VIII, column (A), line 12)	1	344,262,026
2	Total expenses (must equal Part IX, column (A), line 25)	2	339,414,517
3	Revenue less expenses Subtract line 2 from line 1	3	4,847,509
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	238,392,801
5	Net unrealized gains (losses) on investments	5	24,511,046
6	Donated services and use of facilities	6	
7	Investment expenses	7	0
8	Prior period adjustments	8	0
9	Other changes in net assets or fund balances (explain in Schedule O)	9	13,147,617
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	280,898,973

**Part XII Financial Statements and Reporting**Check if Schedule O contains a response or note to any line in this Part XII 

	Yes	No
1 Accounting method used to prepare the Form 990	<input type="checkbox"/> Cash	<input checked="" type="checkbox"/> Accrual
If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a Were the organization's financial statements compiled or reviewed by an independent accountant?		
If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both		
<input type="checkbox"/> Separate basis	<input type="checkbox"/> Consolidated basis	<input type="checkbox"/> Both consolidated and separate basis
2b Were the organization's financial statements audited by an independent accountant?		
If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both		
<input type="checkbox"/> Separate basis	<input checked="" type="checkbox"/> Consolidated basis	<input type="checkbox"/> Both consolidated and separate basis
2c If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?		
If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O		
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		
3b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits		

## Additional Data

**Software ID:**

**Software Version:**

**EIN:** 95-1958142

**Name:** THE RAND CORPORATION

Form 990 (2016)

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### **Form 990, Part III, Line 4a:**

PUBLIC POLICY RESEARCH ALL IN THE FURTHERANCE OF OUR CHARTER "TO FURTHER AND PROMOTE SCIENTIFIC, EDUCATIONAL, AND CHARITABLE PURPOSES ALL FOR THE PUBLIC WELFARE AND SECURITY OF THE UNITED STATES THE OPERATION OF DOCTORAL AND DEGREE PROGRAMS

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**Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)				(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Former Officer Or Director	Individual trustee	Institutional Trustee	Key employee	Highest compensated employee		
MICHAEL D RICH	40 0		X		X		871,225	0
PRESIDENT & CEO	0 0							73,098
BARBARA BARRETT	1 0		X				0	0
TRUSTEE	0 0							0
CARL O BILDT	1 0		X				4,200	0
TRUSTEE	0 0							0
RICHARD J DANZIG	1 0		X				0	0
TRUSTEE	0 0							0
KAREN ELLIOTT HOUSE	1 0		X				0	0
TRUSTEE	0 0							0
KENNETH FEINBERG	1 0		X				0	0
TRUSTEE	0 0							0
MALA GAONKAR	1 0		X				0	0
TRUSTEE	0 0							0
MALCOLM GLADWELL	1 0		X				3,500	0
TRUSTEE	0 0							0
PEDRO JOSE GREER JR	1 0		X				4,409	0
TRUSTEE	0 0							0
MICHAEL GOULD	1 0		X				4,200	0
TRUSTEE	0 0							0

**Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)				(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations	
		Individual trustee Or Director	Institutional Trustee	Official	Key Employee	Former Employee			
CHUCK HAGEL	1 0						5,834	0	0
TRUSTEE	0 0	X							
BONNIE HILL	1 0						0	0	0
TRUSTEE	0 0	X							
JOEL Z HYATT	1 0						4,200	0	0
TRUSTEE	0 0	X							
LIONEL C JOHNSON	1 0						3,500	0	0
TRUSTEE	0 0	X							
PAUL G KAMINSKI	1 0						3,500	0	0
TRUSTEE (PART YEAR)	0 0	X							
ANN MC LAUGHLIN KOROLOGOS	1 0						4,290	0	0
TRUSTEE	0 0	X							
PHILIP LADER	1 0						4,200	0	0
TRUSTEE	0 0	X							
MICHAEL E LEITER	1 0						0	0	0
TRUSTEE	0 0	X							
JAMES B LOVELACE	1 0						2,100	0	0
TRUSTEE	0 0	X							
PETER LOWY	1 0						0	0	0
TRUSTEE	0 0	X							

**Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)				(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations	
		Individual trustee or director	Institutional trustee	Official	Key employee	Former employee			
MICHAEL LYNTON	1 0						0	0	0
TRUSTEE	0 0	X							
SOLEDAD O'BRIEN	1 0								
TRUSTEE	0 0	X					3,500	0	0
GERALD L PARSKY	1 0						0	0	0
TRUSTEE	0 0	X							
MARY E PETERS	1 0						4,200	0	0
TRUSTEE	0 0	X							
DAVID L PORGES	1 0						4,200	0	0
TRUSTEE	0 0	X							
DONALD B RICE	1 0						5,449	0	0
TRUSTEE	0 0	X							
HECTOR RUIZ	1 0								
TRUSTEE (PART YEAR)	0 0	X					2,100	0	0
LEONARD D SCHAEFFER	1 0						0	0	0
TRUSTEE	0 0	X							
RICHARD FALCON	40 0								
SVP AND CFO (PART YEAR)	0 0		X				461,503	0	62,749
ANDREW HOEHN	40 0								
SVP, RESEARCH AND ANALYSIS	0 0		X				405,537	0	50,675

**Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C)			(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee Or Director	Institutional Trustee	Official Key employee Employee Highest compensated Employee			
MICHAEL J JANUZIK ..... VP, CHIEF FINANCIAL OFFICER 0 0	40 0 ..... 0 0		X		306,590	0	59,194
SUSAN L MARQUIS ..... DEAN, PRGS & VP, EPRM 0 0	40 0 ..... 0 0		X		357,481	0	59,189
DEBRA L SCHROEDER ..... VP, GENERAL COUNSEL & CORP SEC 0 0	40 0 ..... 0 0		X		307,728	0	57,809
ALLISON E ELDER ..... VP, HUMAN RESOURCES 0 0	40 0 ..... 0 0			X	260,708	0	55,476
TIMOTHY M BONDS ..... VP, DIR, RESEARCH 0 0	40 0 ..... 0 0			X	334,566	0	51,404
JENNIFER DP MORONEY ..... DIR, RAND AUSTRALIA 40 0	0 0 ..... 40 0			X	0	446,046	48,829
K JACK RILEY ..... VP, DIR, RESEARCH 0 0	40 0 ..... 0 0			X	353,734	0	50,501
JAMES P SMITH ..... SENIOR PRINCIPAL RESEARCHER 0 0	40 0 ..... 0 0			X	359,759	0	45,391
JEFFREY WASSERMAN ..... VP, DIR OF RAND HEALTH 0 0	40 0 ..... 0 0			X	362,867	0	62,076
EDWARD T HARSHBERGER ..... VICE PRESIDENT (FRMR OFFICER) 0 0	40 0 ..... 0 0			X	321,627	0	63,664

**Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest**

## **Compensated Employees, and Independent Contractors**

<b>Compensated Employees, and Independent Contractors</b>		Average hours per week (list any hours for related organizations below dotted line)	Position (do not check more than one box, unless person is both an officer and a director/trustee)					(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations	
Name and Title	(B) Contractors		(C)	Or director	Individual trustee	Institutional Trustee	Officer	Key employee	Highest compensated		
DEBRA S KNOPMAN ..... VICE PRESIDENT (FRMR OFFICER)	40 0 ..... 0 0								X	248,569 ..... 0	51,699 ..... 0
CHARLES P RIES ..... VICE PRESIDENT (FRMR OFFICER)	40 0 ..... 0 0								X	274,037 ..... 0	39,143 ..... 0
MELISSA K ROWE ..... VICE PRESIDENT (FRMR OFFICER)	40 0 ..... 0 0								X	283,154 ..... 0	61,115 ..... 0
HANS PUNG ..... VICE PRESIDENT (FRMR OFFICER)	0 0 ..... 40 0								X	0 ..... 193,023	16,135 ..... 0

**SCHEDULE A**  
(Form 990 or  
990EZ)**Public Charity Status and Public Support**

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

► Attach to Form 990 or Form 990-EZ.

► Information about Schedule A (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).**2016****Open to Public  
Inspection**Department of the Treasury  
Internal Revenue Service**Name of the organization**  
THE RAND CORPORATION**Employer identification number**

95-1958142

**Part I Reason for Public Charity Status** (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is (For lines 1 through 12, check only one box )

1  A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.

2  A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E (Form 990 or 990-EZ))

3  A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.

4  A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state \_\_\_\_\_

5  An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II )

6  A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.

7  An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II )

8  A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II )

9  An agricultural research organization described in **170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land grant college of agriculture See instructions Enter the name, city, and state of the college or university

10  An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2)**. (Complete Part III )

11  An organization organized and operated exclusively to test for public safety See **section 509(a)(4)**.

12  An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3)**. Check the box in lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g

a  **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization **You must complete Part IV, Sections A and B**.

b  **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s) **You must complete Part IV, Sections A and C**.

c  **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions) **You must complete Part IV, Sections A, D, and E**.

d  **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions) **You must complete Part IV, Sections A and D, and Part V**.

e  Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization

f Enter the number of supported organizations \_\_\_\_\_

g Provide the following information about the supported organization(s)

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		

**Total**For Paperwork Reduction Act Notice, see the Instructions for  
Form 990 or 990-EZ.

Cat No 11285F

**Schedule A (Form 990 or 990-EZ) 2016**

**Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**  
 (Complete only if you checked the box on line 5, 7, 8, or 9 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

**Section A. Public Support**

	<b>Calendar year (or fiscal year beginning in) ►</b>	<b>(a)2012</b>	<b>(b)2013</b>	<b>(c)2014</b>	<b>(d)2015</b>	<b>(e)2016</b>	<b>(f)Total</b>
<b>1</b>	Gifts, grants, contributions, and membership fees received (Do not include any "unusual grant")	261,940,012	271,589,437	294,847,366	305,503,767	321,419,709	1,455,300,291
<b>2</b>	Tax revenues levied for the organization's benefit and either paid to or expended on its behalf	0	0	0	0	0	0
<b>3</b>	The value of services or facilities furnished by a governmental unit to the organization without charge	0	0	0	0	0	0
<b>4</b>	<b>Total.</b> Add lines 1 through 3	261,940,012	271,589,437	294,847,366	305,503,767	321,419,709	1,455,300,291
<b>5</b>	The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						0
<b>6</b>	<b>Public support.</b> Subtract line 5 from line 4						1,455,300,291

**Section B. Total Support**

	<b>Calendar year (or fiscal year beginning in) ►</b>	<b>(a)2012</b>	<b>(b)2013</b>	<b>(c)2014</b>	<b>(d)2015</b>	<b>(e)2016</b>	<b>(f)Total</b>
<b>7</b>	Amounts from line 4	261,940,012	271,589,437	294,847,366	305,503,767	321,419,709	1,455,300,291
<b>8</b>	Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	4,485,162	5,058,167	6,214,281	6,848,893	6,047,605	28,654,108
<b>9</b>	Net income from unrelated business activities, whether or not the business is regularly carried on	0	0	0	0	0	0
<b>10</b>	Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI )	996,400	528,807	636,748	0	0	2,161,955
<b>11</b>	<b>Total support.</b> Add lines 7 through 10						1,486,116,354
<b>12</b>	Gross receipts from related activities, etc (see instructions)					<b>12</b>	52,178,523

**13 First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ►

**Section C. Computation of Public Support Percentage**

<b>14</b>	Public support percentage for 2016 (line 6, column (f) divided by line 11, column (f))	<b>14</b>	97 926 %
<b>15</b>	Public support percentage for 2015 Schedule A, Part II, line 14	<b>15</b>	97 842 %
<b>16a</b>	<b>33 1/3% support test—2016.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here</b> . The organization qualifies as a publicly supported organization	► <input checked="" type="checkbox"/>	
<b>b</b>	<b>33 1/3% support test—2015.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and <b>stop here</b> . The organization qualifies as a publicly supported organization	► <input type="checkbox"/>	
<b>17a</b>	<b>10%-facts-and-circumstances test—2016.</b> If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here</b> . Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization	► <input type="checkbox"/>	
<b>b</b>	<b>10%-facts-and-circumstances test—2015.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here</b> . Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization	► <input type="checkbox"/>	
<b>18</b>	<b>Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions	► <input type="checkbox"/>	

**Part III Support Schedule for Organizations Described in Section 509(a)(2)**

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a)2012	(b)2013	(c)2014	(d)2015	(e)2016	(f)Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>6 Total.</b> Add lines 1 through 5						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons						
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
<b>c</b> Add lines 7a and 7b						
<b>8 Public support.</b> (Subtract line 7c from line 6 )						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a)2012	(b)2013	(c)2014	(d)2015	(e)2016	(f)Total
9 Amounts from line 6						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
<b>c</b> Add lines 10a and 10b						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
<b>12</b> Other income Do not include gain or loss from the sale of capital assets (Explain in Part VI )						
<b>13 Total support.</b> (Add lines 9, 10c, 11, and 12 )						
<b>14 First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b>						

**Section C. Computation of Public Support Percentage**

15 Public support percentage for 2016 (line 8, column (f) divided by line 13, column (f))	<b>15</b>	
16 Public support percentage from 2015 Schedule A, Part III, line 15	<b>16</b>	

**Section D. Computation of Investment Income Percentage**

17 Investment income percentage for 2016 (line 10c, column (f) divided by line 13, column (f))	<b>17</b>	
18 Investment income percentage from 2015 Schedule A, Part III, line 17	<b>18</b>	

19a <b>33 1/3% support tests—2016.</b> If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and <b>stop here</b> . The organization qualifies as a publicly supported organization	<input type="checkbox"/>
<b>b</b> <b>33 1/3% support tests—2015.</b> If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and <b>stop here</b> . The organization qualifies as a publicly supported organization	<input type="checkbox"/>

20 <b>Private foundation.</b> If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions	<input type="checkbox"/>
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**Part IV Supporting Organizations**

(Complete only if you checked a box on line 12 of Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d of Part I, complete Sections A and D, and complete Part V.)

**Section A. All Supporting Organizations**

		Yes	No
1	Are all of the organization's supported organizations listed by name in the organization's governing documents? If "No," describe in <b>Part VI</b> how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain	1	
2	Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? If "Yes," explain in <b>Part VI</b> how the organization determined that the supported organization was described in section 509(a)(1) or (2)	2	
3a	Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? If "Yes," answer (b) and (c) below	3a	
b	Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? If "Yes," describe in <b>Part VI</b> when and how the organization made the determination	3b	
c	Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? If "Yes," explain in <b>Part VI</b> what controls the organization put in place to ensure such use	3c	
4a	Was any supported organization not organized in the United States ("foreign supported organization")? If "Yes" and if you checked 12a or 12b in Part I, answer (b) and (c) below	4a	
b	Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? If "Yes," describe in <b>Part VI</b> how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations	4b	
c	Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? If "Yes," explain in <b>Part VI</b> what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes	4c	
5a	Did the organization add, substitute, or remove any supported organizations during the tax year? If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in <b>Part VI</b> , including (i) the names and EIN numbers of the supported organizations added, substituted, or removed, (ii) the reasons for each such action, (iii) the authority under the organization's organizing document authorizing such action, and (iv) how the action was accomplished (such as by amendment to the organizing document)	5a	
b	<b>Type I or Type II only.</b> Was any added or substituted supported organization part of a class already designated in the organization's organizing document?	5b	
c	<b>Substitutions only.</b> Was the substitution the result of an event beyond the organization's control?	5c	
6	Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? If "Yes," provide detail in <b>Part VI</b> .	6	
7	Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ)	7	
8	Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ)	8	
9a	Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? If "Yes," provide detail in <b>Part VI</b> .	9a	
b	Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? If "Yes," provide detail in <b>Part VI</b> .	9b	
c	Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? If "Yes," provide detail in <b>Part VI</b> .	9c	
10a	Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? If "Yes," answer line 10b below	10a	
b	Did the organization have any excess business holdings in the tax year? (Use Schedule C, Form 4720, to determine whether the organization had excess business holdings)	10b	

**Part IV Supporting Organizations (continued)**

	Yes	No
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?		
b A family member of a person described in (a) above?		
c A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in Part VI		
11a		
11b		
11c		

**Section B. Type I Supporting Organizations**

	Yes	No
1 Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? If "No," describe in <b>Part VI</b> how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year		
2 Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? If "Yes," explain in <b>Part VI</b> how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised or controlled the supporting organization		
1		
2		

**Section C. Type II Supporting Organizations**

	Yes	No
1 Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? If "No," describe in <b>Part VI</b> how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s)		
1		

**Section D. All Type III Supporting Organizations**

	Yes	No
1 Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
1		
2 Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? If "No," explain in <b>Part VI</b> how the organization maintained a close and continuous working relationship with the supported organization(s)		
2		
3 By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? If "Yes," describe in <b>Part VI</b> the role the organization's supported organizations played in this regard		
3		

**Section E. Type III Functionally-Integrated Supporting Organizations**

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions)

- The organization satisfied the Activities Test. Complete **line 2** below
- The organization is the parent of each of its supported organizations. Complete **line 3** below
- The organization supported a governmental entity. Describe in **Part VI** how you supported a government entity (see instructions)

**2 Activities Test Answer (a) and (b) below.**

- Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in **Part VI** identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities

- Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in **Part VI** the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement

**3 Parent of Supported Organizations Answer (a) and (b) below.**

- Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Provide details in **Part VI**.

- Did the organization exercise a substantial degree of direction over the policies, programs and activities of each of its supported organizations? If "Yes," describe in **Part VI** the role played by the organization in this regard

	Yes	No
2a		
2b		
3a		
3b		

**Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations**

**1**  Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov 20, 1970 **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E

<b>Section A - Adjusted Net Income</b>		(A) Prior Year	(B) Current Year (optional)
<b>1</b>	Net short-term capital gain	<b>1</b>	
<b>2</b>	Recoveries of prior-year distributions	<b>2</b>	
<b>3</b>	Other gross income (see instructions)	<b>3</b>	
<b>4</b>	Add lines 1 through 3	<b>4</b>	
<b>5</b>	Depreciation and depletion	<b>5</b>	
<b>6</b>	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	<b>6</b>	
<b>7</b>	Other expenses (see instructions)	<b>7</b>	
<b>8</b>	<b>Adjusted Net Income</b> (subtract lines 5, 6 and 7 from line 4)	<b>8</b>	

<b>Section B - Minimum Asset Amount</b>		(A) Prior Year	(B) Current Year (optional)
<b>1</b>	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year)	<b>1</b>	
<b>a</b>	Average monthly value of securities	<b>1a</b>	
<b>b</b>	Average monthly cash balances	<b>1b</b>	
<b>c</b>	Fair market value of other non-exempt-use assets	<b>1c</b>	
<b>d</b>	<b>Total</b> (add lines 1a, 1b, and 1c)	<b>1d</b>	
<b>e</b>	<b>Discount</b> claimed for blockage or other factors (explain in detail in Part VI)		
<b>2</b>	Acquisition indebtedness applicable to non-exempt use assets	<b>2</b>	
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	
<b>4</b>	Cash deemed held for exempt use Enter 1-1/2% of line 3 (for greater amount, see instructions)	<b>4</b>	
<b>5</b>	Net value of non-exempt-use assets (subtract line 4 from line 3)	<b>5</b>	
<b>6</b>	Multiply line 5 by 035	<b>6</b>	
<b>7</b>	Recoveries of prior-year distributions	<b>7</b>	
<b>8</b>	<b>Minimum Asset Amount</b> (add line 7 to line 6)	<b>8</b>	

<b>Section C - Distributable Amount</b>			Current Year
<b>1</b>	Adjusted net income for prior year (from Section A, line 8, Column A)	<b>1</b>	
<b>2</b>	Enter 85% of line 1	<b>2</b>	
<b>3</b>	Minimum asset amount for prior year (from Section B, line 8, Column A)	<b>3</b>	
<b>4</b>	Enter greater of line 2 or line 3	<b>4</b>	
<b>5</b>	Income tax imposed in prior year	<b>5</b>	
<b>6</b>	<b>Distributable Amount.</b> Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	<b>6</b>	
<b>7</b>	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions)		

**Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)**

<b>Section D - Distributions</b>		<b>Current Year</b>
<b>1</b>	Amounts paid to supported organizations to accomplish exempt purposes	
<b>2</b>	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
<b>3</b>	Administrative expenses paid to accomplish exempt purposes of supported organizations	
<b>4</b>	Amounts paid to acquire exempt-use assets	
<b>5</b>	Qualified set-aside amounts (prior IRS approval required)	
<b>6</b>	Other distributions (describe in Part VI) See instructions	
<b>7</b>	<b>Total annual distributions.</b> Add lines 1 through 6	
<b>8</b>	Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI) See instructions	
<b>9</b>	Distributable amount for 2016 from Section C, line 6	
<b>10</b>	Line 8 amount divided by Line 9 amount	
<b>Section E - Distribution Allocations (see instructions)</b>		
		<b>(i) Excess Distributions</b>
		<b>(ii) Underdistributions Pre-2016</b>
		<b>(iii) Distributable Amount for 2016</b>
<b>1</b>	Distributable amount for 2016 from Section C, line 6	
<b>2</b>	Underdistributions, if any, for years prior to 2016 (reasonable cause required--see instructions)	
<b>3</b>	Excess distributions carryover, if any, to 2016	
<b>a</b>		
<b>b</b>		
<b>c</b> From 2013. . . . .		
<b>d</b> From 2014. . . . .		
<b>e</b> From 2015. . . . .		
<b>f Total</b> of lines 3a through e		
<b>g</b> Applied to underdistributions of prior years		
<b>h</b> Applied to 2016 distributable amount		
<b>i</b> Carryover from 2011 not applied (see instructions)		
<b>j</b> Remainder Subtract lines 3g, 3h, and 3i from 3f		
<b>4</b> Distributions for 2016 from Section D, line 7		
\$		
<b>a</b> Applied to underdistributions of prior years		
<b>b</b> Applied to 2016 distributable amount		
<b>c</b> Remainder Subtract lines 4a and 4b from 4		
<b>5</b> Remaining underdistributions for years prior to 2016, if any Subtract lines 3g and 4a from line 2 (if amount greater than zero, see instructions)		
<b>6</b> Remaining underdistributions for 2016 Subtract lines 3h and 4b from line 1 (if amount greater than zero, see instructions)		
<b>7</b> <b>Excess distributions carryover to 2017.</b> Add lines 3j and 4c		
<b>8</b> Breakdown of line 7		
<b>a</b>		
<b>b</b> Excess from 2013. . . . .		
<b>c</b> Excess from 2014. . . . .		
<b>d</b> Excess from 2015. . . . .		
<b>e</b> Excess from 2016. . . . .		

**Part VI****Supplemental Information.**

Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a and 3b; Part V, line 1; Part V, Section B, line 1e; Part V Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions).

**Facts And Circumstances Test**

**SCHEDULE C**  
(Form 990 or 990-EZ)**Political Campaign and Lobbying Activities****2016****Open to Public  
Inspection**Department of the Treasury  
Internal Revenue Service

For Organizations Exempt From Income Tax Under section 501(c) and section 527  
 ►Complete if the organization is described below. ►Attach to Form 990 or Form 990-EZ.  
 ►Information about Schedule C (Form 990 or 990-EZ) and its instructions is at  
[www.irs.gov/form990](http://www.irs.gov/form990).

If the organization answered "Yes" on Form 990, Part IV, Line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations Complete Parts I-A and B Do not complete Part I-C
- Section 501(c) (other than section 501(c)(3)) organizations Complete Parts I-A and C below Do not complete Part I-B
- Section 527 organizations Complete Part I-A only

If the organization answered "Yes" on Form 990, Part IV, Line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)) Complete Part II-A Do not complete Part II-B
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)) Complete Part II-B Do not complete Part II-A

If the organization answered "Yes" on Form 990, Part IV, Line 5 (Proxy Tax) (see separate instructions) or Form 990-EZ, Part V, line 35c (Proxy Tax) (see separate instructions), then

- Section 501(c)(4), (5), or (6) organizations Complete Part III

Name of the organization THE RAND CORPORATION	Employer identification number 95-1958142
--	--

**Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.**

- 1 Provide a description of the organization's direct and indirect political campaign activities in Part IV
- 2 Political expenditures
- 3 Volunteer hours

► \$ \_\_\_\_\_

**Part I-B Complete if the organization is exempt under section 501(c)(3).**

- 1 Enter the amount of any excise tax incurred by the organization under section 4955
- 2 Enter the amount of any excise tax incurred by organization managers under section 4955
- 3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year?

► \$ \_\_\_\_\_

 Yes  No

- 4a Was a correction made?

 Yes  No

- b If "Yes," describe in Part IV

**Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).**

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities
- 3 Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b
- 4 Did the filing organization file **Form 1120-POL** for this year?

► \$ \_\_\_\_\_

 Yes  No

- 5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments For each organization listed, enter the amount paid from the filing organization's funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds If none, enter -0-	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization If none, enter -0-
2				
3				
4				
5				
6				

**Part II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).**

A Check ►  if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)

B Check ►  if the filing organization checked box A and "limited control" provisions apply

**Limits on Lobbying Expenditures**  
(The term "expenditures" means amounts paid or incurred.)

**1a** Total lobbying expenditures to influence public opinion (grass roots lobbying)

0 0

**b** Total lobbying expenditures to influence a legislative body (direct lobbying)

33 0

**c** Total lobbying expenditures (add lines 1a and 1b)

33 0

**d** Other exempt purpose expenditures

339,414,484 0

**e** Total exempt purpose expenditures (add lines 1c and 1d)

339,414,517 0

**f** Lobbying nontaxable amount Enter the amount from the following table in both columns

If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:
Not over \$500,000	20% of the amount on line 1e
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000
Over \$17,000,000	\$1,000,000

**g** Grassroots nontaxable amount (enter 25% of line 1f)

250,000 0

**h** Subtract line 1g from line 1a If zero or less, enter -0-

0 0

**i** Subtract line 1f from line 1c If zero or less, enter -0-

0 0

**j** If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?

Yes  No

**4-Year Averaging Period Under section 501(h)**

**(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the separate instructions for lines 2a through 2f.)**

**Lobbying Expenditures During 4-Year Averaging Period**

Calendar year (or fiscal year beginning in)	(a) 2013	(b) 2014	(c) 2015	(d) 2016	(e) Total
<b>2a</b> Lobbying nontaxable amount	1,000,000	1,000,000	1,000,000	1,000,000	4,000,000
<b>b</b> Lobbying ceiling amount (150% of line 2a, column(e))					6,000,000
<b>c</b> Total lobbying expenditures	16,265	12,883	4,759	33	33,940
<b>d</b> Grassroots nontaxable amount	250,000	250,000	250,000	250,000	1,000,000
<b>e</b> Grassroots ceiling amount (150% of line 2d, column (e))					1,500,000
<b>f</b> Grassroots lobbying expenditures	0	0	0	0	0

**Part II-B Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).**

For each "Yes" response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity

1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of

a Volunteers?

b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?

c Media advertisements?

d Mailings to members, legislators, or the public?

e Publications, or published or broadcast statements?

f Grants to other organizations for lobbying purposes?

g Direct contact with legislators, their staffs, government officials, or a legislative body?

h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?

i Other activities?

j Total Add lines 1c through 1i

2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?

b If "Yes," enter the amount of any tax incurred under section 4912

c If "Yes," enter the amount of any tax incurred by organization managers under section 4912

d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?

	(a)		(b)
	Yes	No	Amount
1			
a			
b			
c			
d			
e			
f			
g			
h			
i			
j			
2a			
b			
c			
d			

**Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).**

1 Were substantially all (90% or more) dues received nondeductible by members?

2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?

3 Did the organization agree to carry over lobbying and political expenditures from the prior year?

Yes	No
1	
2	
3	

**Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No" OR (b) Part III-A, line 3, is answered "Yes."**

1 Dues, assessments and similar amounts from members

2 Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).

a Current year

b Carryover from last year

c Total

3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues

4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?

5 Taxable amount of lobbying and political expenditures (see instructions)

1	
2a	
2b	
2c	
3	
4	
5	

**Part IV Supplemental Information**

Provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5, Part II-A (affiliated group list), Part II-A, lines 1 and 2 (see instructions), and Part II-B, line 1. Also, complete this part for any additional information

Return Reference	Explanation
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**SCHEDULE D**  
(Form 990)**Supplemental Financial Statements**

OMB No 1545-0047

**2016****Open to Public  
Inspection**Department of the Treasury  
Internal Revenue Service► Complete if the organization answered "Yes," on Form 990,  
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.  
► Attach to Form 990.Information about Schedule D (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).**Name of the organization**  
THE RAND CORPORATION**Employer identification number**  
95-1958142**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

**Part II Conservation Easements.** Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)	<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education) <input type="checkbox"/> Preservation of an historically important land area
	<input type="checkbox"/> Protection of natural habitat <input type="checkbox"/> Preservation of a certified historic structure
	<input type="checkbox"/> Preservation of open space
2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year	<b>Held at the End of the Year</b>
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d
3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ►	
4 Number of states where property subject to conservation easement is located ►	
5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?	<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ►	
7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ► \$	
8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements	

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.**  
Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items	
b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items	
(i) Revenue included on Form 990, Part VIII, line 1	► \$
(ii) Assets included in Form 990, Part X	► \$ 221,825
2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items	
a Revenue included on Form 990, Part VIII, line 1	► \$
b Assets included in Form 990, Part X	► \$

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)**

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

<b>a</b> <input checked="" type="checkbox"/> Public exhibition	<b>d</b> <input type="checkbox"/> Loan or exchange programs
<b>b</b> <input type="checkbox"/> Scholarly research	<b>e</b> <input type="checkbox"/> Other
<b>c</b> <input type="checkbox"/> Preservation for future generations	

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII

5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

Yes  No

**Part IV Escrow and Custodial Arrangements.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

Yes  No

b If "Yes," explain the arrangement in Part XIII and complete the following table

c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

	Amount
<b>1c</b>	18,722,771
<b>1d</b>	4,082,601
<b>1e</b>	776,036
<b>1f</b>	22,029,336

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?

Yes  No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII . . . . .

**Part V Endowment Funds.** Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
<b>1a</b> Beginning of year balance . . . . .	236,334,152	221,677,738	230,685,584	217,023,154	196,443,612
<b>b</b> Contributions . . . . .	1,913,341	3,239,621	2,541,227	5,507,592	3,008,095
<b>c</b> Net investment earnings, gains, and losses	37,150,933	22,926,164	-8,293,105	18,019,165	26,824,470
<b>d</b> Grants or scholarships . . . . .					
<b>e</b> Other expenditures for facilities and programs . . . . .	11,366,011	11,509,371	3,255,968	9,864,327	9,253,023
<b>f</b> Administrative expenses . . . . .					
<b>g</b> End of year balance . . . . .	264,032,415	236,334,152	221,677,738	230,685,584	217,023,154

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

a Board designated or quasi-endowment ► 65 820 %

b Permanent endowment ► 23 010 %

c Temporarily restricted endowment ► 11 170 %

The percentages on lines 2a, 2b, and 2c should equal 100%

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

(i) unrelated organizations . . . . .

	Yes	No
<b>3a(i)</b>		No
<b>3a(ii)</b>		No
<b>3b</b>		

(ii) related organizations . . . . .

b If "Yes" on 3a(ii), are the related organizations listed as required on Schedule R? . . . . .

4 Describe in Part XIII the intended uses of the organization's endowment funds

**Part VI Land, Buildings, and Equipment.**

Complete if the organization answered 'Yes' on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
<b>1a</b> Land . . . . .		1,334,060		1,334,060
<b>b</b> Buildings		115,717,275	37,307,871	78,409,404
<b>c</b> Leasehold improvements		16,078,805	13,403,068	2,675,737
<b>d</b> Equipment . . . . .		92,459,882	70,776,869	21,683,013
<b>e</b> Other . . . . .		6,152,066		6,152,066

**Total.** Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c) ) . . . ► 110,254,280

**Part VII Investments—Other Securities.** Complete if the organization answered 'Yes' on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) ALTERNATIVE INVESTMENTS	111,246,431	F
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
<b>Total.</b> (Column (b) must equal Form 990, Part X, col (B) line 12)	111,246,431	

**Part VIII Investments—Program Related.** Complete if the organization answered 'Yes' on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
<b>Total.</b> (Column (b) must equal Form 990, Part X, col (B) line 13)		

**Part IX Other Assets.** Complete if the organization answered 'Yes' on Form 990, Part IV, line 11d. See Form 990, Part X, line 15

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col (B) line 15)	

**Part X Other Liabilities.** Complete if the organization answered 'Yes' on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

(a) Description of liability	(b) Book value	
(1) Federal income taxes		0
ACCRUED POST RETIREMENT BENEFIT	9,126,442	
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
<b>Total.</b> (Column (b) must equal Form 990, Part X, col (B) line 25)		9,126,442

**2. Liability for uncertain tax positions** In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII.

**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return**

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements . . . . .	1	382,747,245
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains (losses) on investments . . . . .	2a	24,511,046
b	Donated services and use of facilities . . . . .	2b	15,186
c	Recoveries of prior year grants . . . . .	2c	
d	Other (Describe in Part XIII ) . . . . .	2d	14,607,657
e	Add lines 2a through 2d . . . . .	2e	39,133,889
3	Subtract line 2e from line 1 . . . . .	3	343,613,356
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	4a	528,180
b	Other (Describe in Part XIII ) . . . . .	4b	120,490
c	Add lines 4a and 4b . . . . .	4c	648,670
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12 ) . . . . .	5	344,262,026

**Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.**

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements . . . . .	1	354,649,152
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities . . . . .	2a	15,186
b	Prior year adjustments . . . . .	2b	
c	Other losses . . . . .	2c	
d	Other (Describe in Part XIII ) . . . . .	2d	15,868,119
e	Add lines 2a through 2d . . . . .	2e	15,883,305
3	Subtract line 2e from line 1 . . . . .	3	338,765,847
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	4a	528,180
b	Other (Describe in Part XIII ) . . . . .	4b	120,490
c	Add lines 4a and 4b . . . . .	4c	648,670
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18 ) . . . . .	5	339,414,517

**Part XIII Supplemental Information**

Provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b. Also complete this part to provide any additional information

Return Reference	Explanation
See Additional Data Table	

## **Part XIII      Supplemental Information (continued)**

Return Reference	Explanation

## Additional Data

**Software ID:**  
**Software Version:**  
**EIN:** 95-1958142  
**Name:** THE RAND CORPORATION

## Supplemental Information

Return Reference	Explanation
SCHEDULE D, PART III, LINE 4	COLLECTIONS AND HOW THEY FURTHER THE ORGANIZATION'S EXEMPT PURPOSE THE DONATED ARTWORK ASS ISTS RAND IN ITS MISSION AS IT ALLOWS RAND TO OFFER COLLECTION TOURS AS PART OF DONOR CULTIVATION AND CONTINUES TO BE A FEATURED PART OF RAND'S ART AND ARCHITECTURE TOURS FOR THE COMMUNITY SCHEDULE D, PART IV, LINE 1B TRUST ESCROW AND CUSTODIAL ARRANGEMENTS RAND CONTRIBUTES TO, AND IS THE SOLE TRUSTEE OF, A VOLUNTARY EMPLOYEE BENEFIT ASSOCIATION IRREVOCABLE TRUST THAT IS USED TO PARTIALLY FUND HEALTH CARE BENEFITS FOR RETIREES AND THEIR ELIGIBLE DEPENDENTS BENEFICIARIES SHARE SUBSTANTIALLY IN THE COST OF COVERAGE

## Supplemental Information

Return Reference	Explanation
SCHEDULE D, PART V, LINE 4	USES OF ENDOWMENT FUNDS RAND'S ENDOWMENT CONSISTS OF APPROXIMATELY 36 INDIVIDUAL INVESTMENT FUNDS ESTABLISHED FOR A VARIETY OF PURPOSES. IT HAS BOTH DONOR-RESTRICTED ENDOWMENT FUNDS AND FUNDS DESIGNATED BY THE BOARD OF TRUSTEES TO FUNCTION AS ENDOWMENT FUNDS. RAND HAS ADOPTED INVESTMENT AND SPENDING POLICIES FOR ITS ENDOWMENT THAT ATTEMPT TO PROVIDE A PREDICTABLE STREAM OF FUNDING TO THE PROGRAMS SUPPORTED BY THE ENDOWMENT WHILE SEEKING TO MAINTAIN THE PURCHASING POWER OF THE ENDOWMENT ASSETS.

## Supplemental Information

Return Reference	Explanation
SCHEDULE D, PART XI, LINE 2D	RAND EUROPE REVENUE \$ 9,959,629 RAND AUSTRALIA REVENUE \$ 4,648,028 ----- TOTAL \$14,607,657

## Supplemental Information

Return Reference	Explanation
SCHEDULE D, PART XI, LINE 4B	INTEREST INCOME GROSS UP \$118,440 RAND STORE REVENUE \$ 2,050 ----- TOTAL \$120,490

## Supplemental Information

Return Reference	Explanation
SCHEDULE D, PART XII, LINE 2D	RAND EUROPE EXPENSES \$10,327,196 RAND AUSTRALIA EXPENSES \$ 5,540,923 ----- TOTAL \$15,868,119

## Supplemental Information

Return Reference	Explanation
SCHEDULE D, PART XII, LINE 4B	INTEREST INCOME GROSS UP \$118,440 RAND STORE REVENUE \$ 2,050 ----- TOTAL \$120,490

SCHEDULE F  
(Form 990)

## Statement of Activities Outside the United States

OMB No 1545-0047

2016

Open to Public  
InspectionDepartment of the Treasury  
Internal Revenue Service► Complete if the organization answered "Yes" to Form 990,  
Part IV, line 14b, 15, or 16.

► Attach to Form 990. ► See separate instructions.

► Information about Schedule F (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).Name of the organization  
THE RAND CORPORATION

Employer identification number

95-1958142

**Part I General Information on Activities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

**1 For grantmakers.** Does the organization maintain records to substantiate the amount of its grants and other assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?  Yes  No

**2 For grantmakers.** Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States

**3 Activities per Region** (The following Part I, line 3 table can be duplicated if additional space is needed )

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e.g., fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
See Add'l Data					
<b>3a Sub-total</b>					13,477,419
<b>b Total from continuation sheets to Part I</b>					
<b>c Totals</b> (add lines 3a and 3b)					13,477,419

**Part II Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Part II can be duplicated if additional space is needed.

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter . . . . . ►

3 Enter total number of other organizations or entities

**Part III Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 16.

Part III can be duplicated if additional space is needed.

**Part IV Foreign Forms**

1 Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U S Transferor of Property to a Foreign Corporation (see Instructions for Form 926)*  Yes  No

2 Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to separately file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U S Owner (see Instructions for Forms 3520 and 3520-A)*  Yes  No

3 Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U S Persons with Respect to Certain Foreign Corporations (see Instructions for Form 5471)*  Yes  No

4 Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund (see Instructions for Form 8621)*  Yes  No

5 Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U S Persons with Respect to Certain Foreign Partnerships (see Instructions for Form 8865)*  Yes  No

6 Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to separately file Form 5713, International Boycott Report (see Instructions for Form 5713)*  Yes  No

**Part V****Supplemental Information**

Provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs. expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

Return Reference	Explanation
SCHEDULE F, PART I, LINE 3 COLUMN F	ACCOUNTING METHOD CONSISTENT WITH OTHER EXPENDITURES DISCLOSED IN THIS 990 FORM, THE PROGRAM SERVICE EXPENDITURES LISTED IN SCHEDULE F, PART I ARE SHOWN USING AN ACCRUAL BASIS OF ACCOUNTING

## Additional Data

**Software ID:**

**Software Version:**

**EIN:** 95-1958142

**Name:** THE RAND CORPORATION

### Form 990 Schedule F Part I - Activities Outside The United States

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i.e., fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region
Russia and the Newly Independent States			Program Services	Public Policy Research	48,949
Central America and the Caribbean			Investments		13,428,470

**Schedule I  
(Form 990)**Department of the  
Treasury  
Internal Revenue ServiceName of the organization  
THE RAND CORPORATION**Grants and Other Assistance to Organizations,  
Governments and Individuals in the United States**

Complete if the organization answered "Yes," on Form 990, Part IV, line 21 or 22.

► Attach to Form 990.

► Information about Schedule I (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).**2016****Open to Public  
Inspection**

Employer identification number

95-1958142

**Part I General Information on Grants and Assistance**

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . .

 Yes  No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

**Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments.** Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . . . ►

3 Enter total number of other organizations listed in the line 1 table . . . . . ►

**Part III Grants and Other Assistance to Domestic Individuals.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22  
Part III can be duplicated if additional space is needed

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
(1) FELLOWSHIP GRANTS	5	290,095			
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					

**Part IV Supplemental Information.** Provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

Return Reference	Explanation
SCHEDULE I, PART I, LINE 2	DESCRIPTION OF ORGANIZATION'S PROCEDURES FOR MONITORING THE USE OF FUNDS TO ENHANCE ITS RESEARCH AGENDA AND PROVIDE VALUABLE TRAINING IN POLICY ANALYSIS, THE RAND CORPORATION PARTICIPATES IN A NUMBER OF PROGRAMS THAT PROVIDE FUNDING FOR FELLOWSHIPS OUTSIDE ORGANIZATIONS, AGENCIES, AND FOUNDATIONS OCCASIONALLY MAKE FELLOWSHIPS AVAILABLE THROUGH GRANTS AWARDED TO RAND. SUCH OPPORTUNITIES ARE GENERALLY WIDELY ADVERTISED AND A COMPETITIVE APPLICATION PROCESS DETERMINES THE FELLOWSHIP RECIPIENT. FELLOWSHIP FUNDS ARE SEGREGATED AND MANAGEMENT ACTIVELY MONITORS SPENDING TO ENSURE ANY AND ALL REQUIREMENTS ARE MET, WHICH INCLUDES SUBMITTING PROGRESS REPORTS ATTESTING TO THE WORK COMPLETED BY THESE FELLOWS

2015

Open to Public  
Inspection**Schedule J**  
(Form 990)Department of the  
Treasury  
Internal Revenue  
Service**Compensation Information**For certain Officers, Directors, Trustees, Key Employees, and Highest  
Compensated Employees

► Complete if the organization answered "Yes" on Form 990, Part IV, line 23.

► Attach to Form 990.

► Information about Schedule J (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).Name of the organization  
THE RAND CORPORATION

Employer identification number

95-1958142

**Part I Questions Regarding Compensation****Yes** **No****1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items

<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use
<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence
<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)

**b** If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain**2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?**1b** Yes**2** Yes**3** Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III

<input type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract
<input type="checkbox"/> Independent compensation consultant	<input type="checkbox"/> Compensation survey or study
<input type="checkbox"/> Form 990 of other organizations	<input type="checkbox"/> Approval by the board or compensation committee

**4** During the year, did any person listed on Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization**a** Receive a severance payment or change-of-control payment?**4a** No**b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?**4b** Yes**c** Participate in, or receive payment from, an equity-based compensation arrangement?**4c** No

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III

**Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.****5** For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of**5a** No**a** The organization?**5b** No**b** Any related organization?

If "Yes," on line 5a or 5b, describe in Part III

**6** For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of**6a** No**a** The organization?**6b** No**b** Any related organization?

If "Yes," on line 6a or 6b, describe in Part III

**7** For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III**7** Yes**8** Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III**8** No**9** If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?**9**

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

**Note.** The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

<b>(A)</b> Name and Title	<b>(B)</b> Breakdown of W-2 and/or 1099-MISC compensation			<b>(C)</b> Retirement and other deferred benefits	<b>(D)</b> Nontaxable benefits	<b>(E)</b> Total of columns (B)(i)-(D)	<b>(F)</b> Compensation in column (B) reported as deferred on prior Form 990
	<b>(i)</b> Base compensation	<b>(ii)</b> Bonus & incentive compensation	<b>(iii)</b> Other reportable compensation				
See Additional Data Table							

**Part III Supplemental Information**

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information

Return Reference	Explanation
SCHEDULE J, PART I, LINE 1A	SUPPLEMENTAL COMPENSATION INFORMATION RAND PROVIDES ADDITIONAL BENEFITS TO EMPLOYEES IN CONSIDERATION OF CERTAIN INTERNATIONAL ASSIGNMENTS, SUCH AS TAX INDEMNIFICATIONS, HOUSING AND TRANSPORTATION ALLOWANCES. BENEFITS ARE TAXABLE AND THUS REPORTED AS INCOME BY THE INDIVIDUAL. THESE BENEFITS ARE DETAILED IN AN EXPATRIATE AGREEMENT SIGNED BY THE INDIVIDUALS. RANDS TRAVEL POLICY PROHIBITS FIRST CLASS TRAVEL EXCEPT IN LIMITED CIRCUMSTANCES. IN ACCORDANCE WITH THIS POLICY, PART VII LISTED PERSONS WILL OCCASIONALLY TRAVEL FIRST CLASS. TRAVEL IS AUTHORIZED FOR SPOUSES OF TRUSTEES, OFFICERS, AND VICE PRESIDENTS TWICE A YEAR FOR THE BOARD OF TRUSTEE MEETINGS. ALL SUCH TRAVEL EXPENSES ARE INCLUDED IN INCOME.
SCHEDULE J, PART I, LINE 4B	IN CY2016, MICHAEL RICH RECEIVED PAYMENTS RELATED TO A NONQUALIFIED SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN (SERP). THE ORGANIZATION'S SERP PROVIDES A BENEFIT DETERMINED BY A FORMULA DRIVEN BY COMPENSATION, CONTINUOUS SERVICE, AND AGE. THE BENEFIT IS PAID IMMEDIATELY AFTER THE END OF THE CALENDAR YEAR. THE MAXIMUM DEFERRAL AMOUNT UNDER SECTION 457(B), \$18,000 FOR CY2016, IS DEPOSITED INTO A RABBI TRUST HELD BY TIAA-CREF (CUSTODIAN), WHICH ALLOWS THE EXECUTIVE TO DIRECT HOW THE BENEFITS WILL BE INVESTED WITHIN THEIR NONQUALIFIED RETIREMENT ACCOUNTS. THE REMAINDER ACCOUNTS ARE PAID DIRECTLY TO THE PARTICIPANT AND ARE INCLUDED AS PART OF THE W-2 EARNINGS UNDER SECTION 457(F). CY2016 PAYMENTS RELATED TO SECTION 457(F), INCLUDED IN SCHEDULE J, WERE \$58,916 FOR MICHAEL RICH.
SCHEDULE J, PART I, LINE 7	AS NOTED IN SCHEDULE O, PART OF THE BONUS PROVIDED TO PARTICIPANTS OF THE VARIABLE COMPENSATION PROGRAM IS DISCRETIONARY. A PREDETERMINED PERCENTAGE OF THE VARIABLE PAY MAY BE AWARDED AT THE DISCRETION OF THE CEO. THE VARIABLE COMPENSATION PROGRAM IS CONTINGENT ON WHETHER CERTAIN GOALS ARE ACHIEVED, INCLUDING CORPORATE FINANCIAL AND STRATEGIC ACHIEVEMENTS, AS WELL AS INDIVIDUAL GOALS. THE CEO, CFO, UNIT AND DEPARTMENT HEADS, AND OTHERS PARTICIPATE IN THE PROGRAM. AN ANNUAL REVIEW PROCESS, INCLUDING REVIEW BY THE EXECUTIVE COMMITTEE OR COMPENSATION AND LEADERSHIP DEVELOPMENT COMMITTEE, HELPS ENSURE THAT GOAL MEASUREMENT IS VALIDATED AND PAYOUTS ARE IN ACCORDANCE WITH THE PROGRAM.

**Additional Data**

**Software ID:**  
**Software Version:**  
**EIN:** 95-1958142  
**Name:** THE RAND CORPORATION

**Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
	(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 MICHAEL D RICH PRESIDENT & CEO	(i) 548,246	256,696	66,283	49,175	23,923	944,323	0
	(ii) 0	0	0	0	0	0	0
2 RICHARD FALCON SVP AND CFO (PART YEAR)	(i) 340,168	117,083	4,252	31,175	31,574	524,252	0
	(ii) 0	0	0	0	0	0	0
3 ANDREW HOEHN SVP, RESEARCH AND ANALYSIS	(i) 323,240	80,134	2,163	31,175	19,500	456,212	0
	(ii) 0	0	0	0	0	0	0
4 MICHAEL J JANUZIK VP, CHIEF FINANCIAL OFFICER	(i) 271,970	31,175	3,445	31,175	28,019	365,784	0
	(ii) 0	0	0	0	0	0	0
5 SUSAN L MARQUIS DEAN, PRGS & VP, EPRM	(i) 316,733	38,600	2,148	31,175	28,014	416,670	0
	(ii) 0	0	0	0	0	0	0
6 DEBRA L SCHROEDER VP, GENERAL COUNSEL & CORP SEC	(i) 244,347	31,659	31,722	31,175	26,634	365,537	0
	(ii) 0	0	0	0	0	0	0
7 ALLISON E ELDER VP, HUMAN RESOURCES	(i) 214,287	27,605	18,816	28,400	27,076	316,184	0
	(ii) 0	0	0	0	0	0	0
8 TIMOTHY M BONDS VP, DIR, RESEARCH	(i) 280,733	52,790	1,043	31,175	20,229	385,970	0
	(ii) 0	0	0	0	0	0	0
9 JENNIFER DP MORONEY DIR, RAND AUSTRALIA	(i) 0	0	0	0	0	0	0
	(ii) 189,168	35,892	220,986	21,825	27,004	494,875	0
10 K JACK RILEY VP, DIR, RESEARCH	(i) 302,997	41,954	8,783	31,175	19,326	404,235	0
	(ii) 0	0	0	0	0	0	0
11 JAMES P SMITH SENIOR PRINCIPAL RESEARCHER	(i) 354,642	0	5,117	31,175	14,216	405,150	0
	(ii) 0	0	0	0	0	0	0
12 JEFFREY WASSERMAN VP, DIR OF RAND HEALTH	(i) 297,882	36,492	28,493	31,175	30,901	424,943	0
	(ii) 0	0	0	0	0	0	0
13 EDWARD T HARSHBERGER VICE PRESIDENT (FRMR OFFICER)	(i) 267,764	52,862	1,001	31,175	32,489	385,291	0
	(ii) 0	0	0	0	0	0	0
14 DEBRA S KNOPMAN VICE PRESIDENT (FRMR OFFICER)	(i) 246,225	0	2,344	29,232	22,467	300,268	0
	(ii) 0	0	0	0	0	0	0
15 CHARLES P RIES VICE PRESIDENT (FRMR OFFICER)	(i) 214,897	47,802	11,338	31,175	7,968	313,180	0
	(ii) 0	0	0	0	0	0	0
16 MELISSA K ROWE VICE PRESIDENT (FRMR OFFICER)	(i) 241,544	41,610	0	31,175	29,940	344,269	0
	(ii) 0	0	0	0	0	0	0
17 HANS PUNG VICE PRESIDENT (FRMR OFFICER)	(i) 0	0	0	0	0	0	0
	(ii) 193,023	0	0	15,442	693	209,158	0

**Schedule K  
(Form 990)****Supplemental Information on Tax Exempt Bonds**

► Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.  
 ► Attach to Form 990.  
 ► Information about Schedule K (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

**2016****Open to Public  
Inspection**Department of the Treasury  
Internal Revenue ServiceName of the organization  
THE RAND CORPORATIONEmployer identification number  
95-1958142**Part I Bond Issues**

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
							Yes	No	Yes	No	Yes	No
<b>A</b>	CA INFRASTRUCTURE & ECONOMIC DEVELOPMENT PLAN	63-0304653	13033WK51	05-13-2008	34,975,000	SEE PART VI		X		X		X
<b>B</b>	CA INFRASTRUCTURE & ECONOMIC DEVELOPMENT PLAN	63-0304653	13033WK69	06-02-2008	93,565,000	SEE PART VI		X		X		X

**Part II Proceeds**

		A	B	C		D	
				Yes	No	Yes	No
<b>1</b>	Amount of bonds retired . . . . .	0	0				
<b>2</b>	Amount of bonds legally defeased . . . . .	0	0				
<b>3</b>	Total proceeds of issue . . . . .	34,975,000	93,565,000				
<b>4</b>	Gross proceeds in reserve funds . . . . .	0	0				
<b>5</b>	Capitalized interest from proceeds . . . . .	0	0				
<b>6</b>	Proceeds in refunding escrows . . . . .	0	0				
<b>7</b>	Issuance costs from proceeds . . . . .	0	1,035,000				
<b>8</b>	Credit enhancement from proceeds . . . . .	0	0				
<b>9</b>	Working capital expenditures from proceeds . . . . .	0	0				
<b>10</b>	Capital expenditures from proceeds . . . . .	0	0				
<b>11</b>	Other spent proceeds . . . . .	0	0				
<b>12</b>	Other unspent proceeds . . . . .	0	0				
<b>13</b>	Year of substantial completion . . . . .	2004	2004				

		Yes	No	Yes		No	
				Yes	No	Yes	No
<b>14</b>	Were the bonds issued as part of a current refunding issue? . . . . .	X		X			
<b>15</b>	Were the bonds issued as part of an advance refunding issue? . . . . .		X		X		
<b>16</b>	Has the final allocation of proceeds been made? . . . . .	X		X			
<b>17</b>	Does the organization maintain adequate books and records to support the final allocation of proceeds? . . . . .	X		X			

**Part III Private Business Use**

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
<b>1</b>	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds? . . . . .								
<b>2</b>	Are there any lease arrangements that may result in private business use of bond-financed property? . . . . .								

**Part III Private Business Use (Continued)**

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts that may result in private business use of bond-financed property? . . . . .								
b If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property? . . . . .								
c Are there any research agreements that may result in private business use of bond-financed property? . . . . .								
d If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property? . . . . .								
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government . . . . . ►		0 %		0 %				
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government . . . . . ►								
6 Total of lines 4 and 5 . . . . .								
7 Does the bond issue meet the private security or payment test? . . . . .								
8a Has there been a sale or disposition of any of the bond-financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued? . . . . .								
b If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of . . . . .								
c If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1 141-12 and 1 145-2? . . . . .								
9 Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1 141-12 and 1 145-2? . . . . .								

**Part IV Arbitrage**

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate? . . . . .		X		X				
2 If "No" to line 1, did the following apply? . . . . .								
a Rebate not due yet? . . . . .		X		X				
b Exception to rebate? . . . . .		X		X				
c No rebate due? . . . . .	X		X					
If "Yes" to line 2c, provide in Part VI the date the rebate computation was performed . . . . .								
3 Is the bond issue a variable rate issue? . . . . .	X		X					
4a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue? . . . . .	X		X					
b Name of provider . . . . .	DEUTSCHE BANK		BARCLAYS					
c Term of hedge . . . . .	3450 %		3470 %					
d Was the hedge superintegrated? . . . . .		X		X				
e Was the hedge terminated? . . . . .		X		X				

**Part IV Arbitrage (Continued)**

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
<b>5a</b> Were gross proceeds invested in a guaranteed investment contract (GIC)?		X		X				
<b>b</b> Name of provider . . . . .	0		0					
<b>c</b> Term of GIC . . . . .								
<b>d</b> Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied? . . . . .								
<b>6</b> Were any gross proceeds invested beyond an available temporary period?		X		X				
<b>7</b> Has the organization established written procedures to monitor the requirements of section 148? . . .	X		X					

**Part V Procedures To Undertake Corrective Action**

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
Has the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation is not available under applicable regulations?	X		X					

**Part VI Supplemental Information.** Provide additional information for responses to questions on Schedule K (see instructions).

Return Reference	Explanation
SCHEDULE K, PART I, LINE A, COLUMN (F)	PURPOSE OF BOND ISSUE SERIES 2008A BONDS REFUNDED SERIES 2007 BONDS, WHICH THEMSELVES REFUNDED SERIES 2002A BONDS THE SERIES 2008A BONDS WERE ISSUED ON 5/13/2008 THE SERIES 2002A BONDS WERE ISSUED ON 7/2/2002 SCHEDULE K, PART I, LINE B, COLUMN (F) PURPOSE OF BOND ISSUE SERIES 2008B BONDS REFUNDED SERIES 2002B BONDS THE SERIES 2008B BONDS WERE ISSUED ON 6/8/2008 THE 2002B BONDS WERE ISSUED ON 7/2/2002 SCHEDULE K, PART III PER IRS GUIDANCE CONTAINED IN THE FORM 990 SCHEDULE K INSTRUCTIONS, ORGANIZATIONS WHO HAVE OUTSTANDING BONDS (OVER \$100,000) ISSUED AFTER 12/31/2002 MUST FILE A SCHEDULE K AND THEREFORE FILES A SCHEDULE K DUE TO ITS OUTSTANDING 2008A AND 2008B BONDS HOWEVER, ALSO PER IRS GUIDANCE CONTAINED IN THE FORM 990 SCHEDULE K INSTRUCTIONS, ORGANIZATIONS REPORTING ON BONDS ISSUED AFTER 12/31/2002 BUT WHICH REFUNDED BONDS ISSUED PRIOR TO 12/31/2002 (WHETHER DIRECTLY OR THROUGH A SERIES OF REFUNDINGS) DO NOT REPORT INFORMATION IN PART III (PRIVATE BUSINESS USE) OF SCHEDULE K AND THEREFORE DOES NOT REPORT INFORMATION IN PART III OF SCHEDULE K SCHEDULE K, PART IV, LINE 2 THE LAST REBATE COMPUTATIONS WERE PERFORMED ON THESE BONDS AS OF OCTOBER 17, 2017

**SCHEDULE O**  
(Form 990 or 990-EZ)

Department of the Treasury

Internal Revenue Service

Name of the organization  
THE RAND CORPORATION**Supplemental Information to Form 990 or 990-EZ**

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.

► Attach to Form 990 or 990-EZ.

► Information about Schedule O (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

**2016****Open to Public  
Inspection****Employer identification number**

95-1958142

**990 Schedule O, Supplemental Information**

Return Reference	Explanation
FORM 990, PART III, LINE 4A	PROGRAM SERVICE ACCOMPLISHMENTS THE RAND CORPORATION IS A PUBLIC CHARITY AND AS SUCH RECEIVES A SUBSTANTIAL PART OF ITS SUPPORT FROM THE GOVERNMENT AND THE GENERAL PUBLIC (SEE ALSO SCHEDULE A) THIS SUPPORT IS NOT CONSIDERED PROGRAM SERVICE REVENUE AS DEFINED BY THE IRS AND THUS NOT REPORTED ON PART III, LINE 4A. HOWEVER, LIKE ALL PUBLIC CHARITIES, THIS SUPPORT IS USED TO FUND RANDS PROGRAM SERVICES EXPENSES WHICH ARE REPORTED ON PART III, LINE 4A

## 990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11B	ORGANIZATION'S GOVERNING BODY PROCEDURES FOR FORM 990 REVIEW RAND SUMMARIZES THE INFORMATION TO BE INCLUDED ON THE FORM 990 AND PROVIDES THE SUPPORT TO A THIRD-PARTY TAX FIRM SO THAT A DRAFT RETURN CAN BE COMPILED. THIS FIRM PROVIDES TAX GUIDANCE THROUGHOUT THE YEAR IN ADDITION TO PROVIDING GUIDANCE ON RETURN PREPARATION. ONCE THE DRAFT FORM 990 IS COMPILED, IT IS REVIEWED BY VARIOUS LEVELS OF MANAGEMENT WITHIN RAND, INCLUDING THE CFO. THE RAND BOARD OF TRUSTEES HAS DELEGATED TO THE AUDIT COMMITTEE THE RESPONSIBILITY FOR THE OVERSIGHT OF THE FORM 990. THEREFORE, ONCE THE FORM 990 IS FINALIZED, IT IS THOROUGHLY REVIEWED BY THE AUDIT COMMITTEE (ALONG WITH THE CONSOLIDATED AUDITED FINANCIAL STATEMENTS) AND APPROVED FOR RELEASE. THE FORM 990 IS THEN SUBMITTED TO THE IRS.

## 990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 12A	WRITTEN CONFLICT OF INTEREST POLICY ENFORCEMENT NEW STAFF MEMBERS RECEIVE COPIES OF SEVERAL KEY POLICIES, INCLUDING INSTITUTIONAL PRINCIPLES, CONFLICT OF INTEREST, QUALITY ASSURANCE, AND OTHER ESSENTIAL POLICIES. CONFLICT OF INTEREST, CORPORATE INTEGRITY, INSTITUTIONAL PRINCIPLES, AND ETHICS POLICIES ARE POSTED PROMINENTLY ON RAND'S INTRANET. ALL EMPLOYEES ARE REQUIRED TO DISCLOSE OUTSIDE PROFESSIONAL ACTIVITIES, AND ALL OFFICERS, KEY STAFF MEMBERS AND STAFF WHO WORK ON RESEARCH PROJECTS ARE REQUIRED TO DISCLOSE RELATIONSHIPS AND FINANCIAL INTERESTS (I) THAT ARE RELATED TO THEIR RESEARCH RESPONSIBILITIES, OR (II) THAT COULD BRING INTO QUESTION THE OBJECTIVITY OF THE RESEARCH. SUCH DISCLOSURES MUST BE MADE AT LEAST ANNUALLY, AND STAFF ALSO MUST REVIEW AND ACKNOWLEDGE COMPLIANCE WITH THE CONFLICT OF INTEREST POLICY AND COMPLETE RELEVANT TRAINING. PROSPECTIVE TRUSTEES ADVISE KEY MANAGEMENT OF ANY POSSIBLE CONFLICTS OF INTEREST BEFORE JOINING THE BOARD OF TRUSTEES. MOREOVER, ON AN ANNUAL BASIS EACH TRUSTEE IS ASKED BY THE VICE PRESIDENT, GENERAL COUNSEL, AND CORPORATE SECRETARY TO PROVIDE A LIST OF AFFILIATIONS IN WRITING THAT MAY RAISE A CONFLICT OF INTEREST ISSUE AND SIGN THE PRINCIPLES OF CONDUCT STATEMENT WHICH ASSERTS THAT THEY WOULD DISQUALIFY THEMSELVES FROM PARTICIPATING IN ANY RAND MATTERS WHICH THEY BELIEVE MAY GIVE RISE TO A POSSIBLE CONFLICT OF INTEREST. RAND MAINTAINS A FORMAL RECORD OF ALL INSTANCES WHERE TRUSTEES RECUSE THEMSELVES BECAUSE OF A POSSIBLE CONFLICT OF INTEREST. FINALLY, ALL RAND OFFICERS, TRUSTEES AND KEY EMPLOYEES ARE ASKED TO COMPLETE AN ANNUAL RELATED PARTY QUESTIONNAIRE, SENT BY RAND'S CFO, TO SUPPORT RAND'S RESPONSES TO CERTAIN QUESTIONS ON THE FORM 990. THIS QUESTIONNAIRE, WHICH IS REVIEWED BY VARIOUS LEVELS OF MANAGEMENT, SEEKS TO IDENTIFY FAMILY AND BUSINESS RELATIONSHIPS AMONGST THE TRUSTEES AND OFFICERS AND REPRESENTS ANOTHER OPPORTUNITY OTHER THAN THE ABOVE FOR POTENTIAL CONFLICTS TO BE IDENTIFIED. PER THE AUDIT COMMITTEE CHARTER, THE CORPORATE INTEGRITY PROGRAM AND CONFLICT OF INTEREST POLICY ARE REVIEWED BY THE AUDIT COMMITTEE WHEN MANAGEMENT PROPOSES CHANGES. THE POLICY WAS LAST UPDATED AND APPROVED BY THE AUDIT COMMITTEE IN AUGUST 2017.

**990 Schedule O, Supplemental Information**

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 15A	DETERMINATION OF COMPENSATION FOR CEO, EXEC DIRECTOR & TOP MANAGEMENT THE COMPENSATION AND LEADERSHIP DEVELOPMENT COMMITTEE CONDUCTS ANNUAL PERFORMANCE REVIEWS FOR THE PRESIDENT AND CHIEF EXECUTIVE OFFICER AND THE SENIOR VICE PRESIDENT AND CHIEF FINANCIAL OFFICER AS PART OF THE YEARLY EVALUATION, THE COMMITTEE REVIEWS MARKET DATA FROM SEVERAL SALARY SURVEYS AND EMPLOYS AN INDEPENDENT COMPENSATION CONSULTANT TO REVIEW FOR REASONABILITY THE COMMITTEE RECOMMENDS SALARY INCREASES AND DISCRETIONARY AMOUNTS OF THE VARIABLE COMPENSATION PROGRAM FOR THE UPCOMING YEAR TO THE BOARD OF TRUSTEES WHO MAKES THE FINAL DECISION FOR THESE OFFICERS' COMPENSATION THE COMPENSATION AND LEADERSHIP DEVELOPMENT COMMITTEE CONDUCTS THE REVIEW IN THE FALL AND DOCUMENTS THE REVIEW IN COMMITTEE MINUTES WHICH ARE THEN APPROVED AT THE NEXT MEETING RAISES ARE EFFECTIVE IN FEBRUARY

## 990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 15B	DETERMINATION OF COMPENSATION FOR OTHER OFFICERS AND KEY EMPLOYEES THE PRESIDENT AND CHIEF EXECUTIVE OFFICER REVIEWS THE COMPENSATION FOR OFFICERS AND OTHER RESEARCH HEADS, OTHER THAN THOSE MENTIONED IN PART VI-B, #15A HE PUTS FORTH SALARY INCREASE SUGGESTIONS AFTER EXAMINING PERFORMANCE, SALARY SURVEYS, AND BENCHMARK STUDIES THE SALARY INCREASES FOR KEY EMPLOYEES WITHIN THE RESEARCH GROUP ARE SUGGESTED BY THE GLOBAL RESEARCH TALENT VICE PRESIDENT BOTH SETS OF RECOMMENDATIONS ARE GIVEN TO THE COMPENSATION AND LEADERSHIP DEVELOPMENT COMMITTEE, WHICH ULTIMATELY DECIDES ON THE SALARY INCREASES EACH YEAR

## 990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION C, LINE 19	PUBLIC DISCLOSURE OF GOVERNING DOCUMENTS AND POLICIES THE ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS ARE AVAILABLE ON RAND'S EXTERNAL WEBSITE WWW RAND ORG MOREOVER, THIS INFORMATION, AS WELL AS RAND'S GOVERNING DOCUMENTS AND FORM 990, IS AVAILABLE UPON REQUEST AND AT THE SANTA MONICA OFFICE FURTHER, THIS INFORMATION HAS BEEN SUBMITTED TO SEVERAL STATES AND GOVERNMENT AGENCIES AS PART OF VARIOUS REGISTRATION PROCESSES AND IS AVAILABLE ON THOSE ORGANIZATIONS' WEBSITES

# 990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART XI, LINE 9	OTHER CHANGES IN NET ASSETS ADJUSTMENT TO POST RETIREMENT LIABILITY \$ 5,788,192 CHANGE IN FMV OF DERIVATIVES \$ 7,224,108 FOREIGN EXCHANGE LOSS ON REVALUATION \$ 135,317 ----- TOTAL \$13,147,617

**SCHEDULE R  
(Form 990)****Related Organizations and Unrelated Partnerships**

OMB No 1545-0047

**2016****Open to Public  
Inspection**Department of the Treasury  
Internal Revenue ServiceName of the organization  
THE RAND CORPORATION**Employer identification number**

95-1958142

► Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.

► Attach to Form 990. ► Information about Schedule R (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).**Part I Identification of Disregarded Entities** Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) RAND CORPORATION ENDOWMENT TRUST 400 HOWARD STREET SAN FRANCISCO, CA 94105 33-6357131	INVESTMENTS	CA	419,583	70,785,048	RAND CORP

**Part II Identification of Related Tax-Exempt Organizations** Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?
Yes	No					
(1) RAND EUROPE (UK) WESTBROOK CENTRE MILTON ROAD CAMBRIDGE UK	POLICY RSRCH	UK	N/A	N/A	RAND CORP	Yes

**Part III | Identification of Related Organizations Taxable as a Partnership** Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.

**Part IV Identification of Related Organizations Taxable as a Corporation or Trust** Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.

**Part V Transactions With Related Organizations** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

**Note.** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule

**1** During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

- a** Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity . . . . .
- b** Gift, grant, or capital contribution to related organization(s) . . . . .
- c** Gift, grant, or capital contribution from related organization(s) . . . . .
- d** Loans or loan guarantees to or for related organization(s) . . . . .
- e** Loans or loan guarantees by related organization(s) . . . . .
- f** Dividends from related organization(s) . . . . .
- g** Sale of assets to related organization(s) . . . . .
- h** Purchase of assets from related organization(s) . . . . .
- i** Exchange of assets with related organization(s) . . . . .
- j** Lease of facilities, equipment, or other assets to related organization(s) . . . . .
- k** Lease of facilities, equipment, or other assets from related organization(s) . . . . .
- l** Performance of services or membership or fundraising solicitations for related organization(s) . . . . .
- m** Performance of services or membership or fundraising solicitations by related organization(s) . . . . .
- n** Sharing of facilities, equipment, mailing lists, or other assets with related organization(s) . . . . .
- o** Sharing of paid employees with related organization(s) . . . . .
- p** Reimbursement paid to related organization(s) for expenses . . . . .
- q** Reimbursement paid by related organization(s) for expenses . . . . .
- r** Other transfer of cash or property to related organization(s) . . . . .
- s** Other transfer of cash or property from related organization(s) . . . . .

	Yes	No
1a		No
1b		No
1c		No
1d	Yes	
1e		No
1f		No
1g		No
1h		No
1i		No
1j		No
1k		No
1l		No
1m		No
1n		No
1o		No
1p		No
1q		No
1r	Yes	
1s	Yes	

**2** If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) RAND EUROPE COMMUNITY INTEREST COMPANY	d	642,475	ACCRUAL METHOD
(2) THE RAND CORPORATION (AUSTRALIA) PTY LTD	r	368,133	ACCRUAL METHOD
(3) THE RAND CORPORATION (AUSTRALIA) PTY LTD	s	3,226,357	ACCRUAL METHOD

**Part VI** **Unrelated Organizations Taxable as a Partnership** Complete if the organization answered "Yes" on Form 990, Part IV, line 37

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

**Part VII****Supplemental Information**

Provide additional information for responses to questions on Schedule R (see instructions)

<b>Return Reference</b>	<b>Explanation</b>
SCHEDULE R, PART IV, ROWS 1 & 2	END-OF-YEAR ASSETS OF RELATED ORGANIZATIONS THE END-OF-YEAR ASSET BALANCES FOR BOTH ENTITIES ARE EXCLUSIVE OF INTERCOMPANY PAYABLES IF INTERCOMPANY PAYABLES WERE INCLUDED, THE ASSET BALANCES WOULD BE AS FOLLOWS RAND EUROPE COMMUNITY INTEREST COMPANY \$ (1,100,577) THE RAND CORPORATION (AUSTRALIA) PTY LTD \$ (2,528,583)