

# The Dietrich W. Botstiber Foundation

Financial Statements

Years Ended August 31, 2022 and 2021



**WIPFLI**

## **Independent Auditor's Report**

To the Trustees of  
The Dietrich W. Botstiber Foundation  
Media, Pennsylvania

### ***Opinion***

We have audited the accompanying financial statements of The Dietrich W. Botstiber Foundation, a nonprofit organization, which comprise the statements of financial position as of August 31, 2022 and 2021, and the related statements of activities, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of The Dietrich W. Botstiber Foundation as of August 31, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America ("GAAP").

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

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Dietrich W. Botstiber Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

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

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

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

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

In performing an audit in accordance with GAAS, we:

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

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

A handwritten signature in black ink that reads "Wipfli LLP". The signature is written in a cursive, flowing style.

Wipfli LLP

Philadelphia, Pennsylvania  
June 19, 2023

# The Dietrich W. Botstiber Foundation

## Statements of Financial Position

<i>As of August 31,</i>	2022	2021
<b>ASSETS</b>		
Cash and cash equivalents	\$ 430,249	\$ 621,568
Investments	36,403,768	44,759,405
Prepaid rent and expenses	48,907	56,818
Prepaid federal excise tax	15,761	-
Prepaid foreign tax	3,114	3,591
Furniture and equipment, net	28,023	40,559
Beneficial interest in charitable remainder annuity trust	2,237,152	2,757,762
<b>Total Assets</b>		
	<b>\$ 39,166,974</b>	<b>\$ 48,239,703</b>
<b>LIABILITIES</b>		
Accounts payable and accrued payroll	\$ 22,618	\$ 21,805
Federal excise tax payable	-	6,961
Grants payable, net	123,985	271,763
Deferred federal excise tax	129,220	239,129
<b>Total Liabilities</b>		
	<b>275,823</b>	<b>539,658</b>
<b>NET ASSETS</b>		
Without donor restrictions	36,653,999	44,942,283
With donor restrictions	2,237,152	2,757,762
<b>Total Net Assets</b>		
	<b>38,891,151</b>	<b>47,700,045</b>
<b>Total Liabilities and Net Assets</b>		
	<b>\$ 39,166,974</b>	<b>\$ 48,239,703</b>

See Accompanying Notes to Financial Statements

# The Dietrich W. Botstiber Foundation

## Statement of Activities

*Year Ended August 31, 2022*

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES AND LOSSES</b>			
Dividend and interest income	\$ 805,413	\$ -	\$ 805,413
Net realized and unrealized loss on investments	(7,315,739)	-	(7,315,739)
Other income	53,374	-	53,374
Loss on disposal of furniture	(461)	-	(461)
Change in value of charitable remainder annuity trust	-	(520,610)	(520,610)
<b>Total Revenues and Losses</b>	<b>(6,457,413)</b>	<b>(520,610)</b>	<b>(6,978,023)</b>
<b>EXPENSES</b>			
Program Services			
Scholarships	117,284	-	117,284
Austrian-American studies	392,860	-	392,860
Animal protection and other	1,233,801	-	1,233,801
<b>Total Program Services</b>	<b>1,743,945</b>	<b>-</b>	<b>1,743,945</b>
General and administrative	86,926	-	86,926
<b>Total Expenses</b>	<b>1,830,871</b>	<b>-</b>	<b>1,830,871</b>
<b>CHANGE IN NET ASSETS</b>	<b>(8,288,284)</b>	<b>(520,610)</b>	<b>(8,808,894)</b>
<b>NET ASSETS - BEGINNING OF THE YEAR</b>	<b>44,942,283</b>	<b>2,757,762</b>	<b>47,700,045</b>
<b>NET ASSETS - END OF THE YEAR</b>	<b>\$ 36,653,999</b>	<b>\$ 2,237,152</b>	<b>\$ 38,891,151</b>

See Accompanying Notes to Financial Statements

# The Dietrich W. Botstiber Foundation

## Statement of Activities

*Year Ended August 31, 2021*

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES AND GAINS</b>			
Dividends and interest	\$ 694,304	\$ -	\$ 694,304
Net realized and unrealized gain on investments	8,161,165	-	8,161,165
PPP grant	73,000	-	73,000
Change in value of charitable remainder annuity trust	-	614,594	614,594
<b>Total Revenues and Gains</b>	<b>8,928,469</b>	<b>614,594</b>	<b>9,543,063</b>
<b>EXPENSES</b>			
Program Services			
Scholarships	100,243	-	100,243
Austrian-American studies	479,769	-	479,769
Animal protection and other	654,493	-	654,493
<b>Total Program Services</b>	<b>1,234,505</b>	<b>-</b>	<b>1,234,505</b>
General and administrative	277,120	-	277,120
<b>Total Expenses</b>	<b>1,511,625</b>	<b>-</b>	<b>1,511,625</b>
<b>CHANGE IN NET ASSETS</b>	<b>7,416,844</b>	<b>614,594</b>	<b>8,031,438</b>
<b>NET ASSETS - BEGINNING OF THE YEAR</b>	<b>37,525,439</b>	<b>2,143,168</b>	<b>39,668,607</b>
<b>NET ASSETS - END OF THE YEAR</b>	<b>\$ 44,942,283</b>	<b>\$ 2,757,762</b>	<b>\$ 47,700,045</b>

See Accompanying Notes to Financial Statements

# The Dietrich W. Botstiber Foundation

## Statements of Cash Flows

<i>Years Ended August 31,</i>	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (8,808,894)	\$ 8,031,438
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	12,465	12,559
Realized and unrealized loss (gain) on investments	7,150,845	(8,325,164)
Loss on disposal of furniture	461	-
Change in value of interest in charitable remainder annuity trust	520,610	(614,594)
Change in certain operating assets and liabilities:		
Prepaid rent and expenses	7,911	(11,659)
Prepaid federal excise tax	(15,761)	-
Prepaid foreign tax	477	(3,591)
Accounts payable and accrued payroll	813	(527)
Federal excise tax payable	(6,961)	(7,501)
Grants payable, net	(147,778)	(294,598)
Refundable advance	-	(73,000)
Deferred federal excise tax	(109,909)	88,211
<b>Net Cash Used in Operating Activities</b>	<b>(1,395,721)</b>	<b>(1,198,426)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of investments	(9,437,268)	(9,454,271)
Sales of investments	10,642,060	10,378,961
Purchase of furniture and equipment	(390)	(4,871)
<b>Net Cash Provided by Investing Activities</b>	<b>1,204,402</b>	<b>919,819</b>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(191,319)</b>	<b>(278,607)</b>
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF THE YEAR</b>	<b>621,568</b>	<b>900,175</b>
<b>CASH AND CASH EQUIVALENTS - END OF THE YEAR</b>	<b>\$ 430,249</b>	<b>\$ 621,568</b>

See Accompanying Notes to Financial Statements

# The Dietrich W. Botstiber Foundation

## Notes to Financial Statements

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### **Note 1: Summary of Significant Accounting Policies**

This summary of significant accounting policies of The Dietrich W. Botstiber Foundation (the "Foundation") is presented to assist in understanding the financial statements. These accounting policies conform to accounting principles generally accepted in the United States. The financial statements and notes are representations of the Foundation's management, which is responsible for their integrity and objectivity.

#### **Organization and Activities**

The Foundation is a Pennsylvania Trust founded in September 1995 by Dietrich W. Botstiber to provide scholarships to talented students of good moral character in the fields of science, technology and commerce; to promote an understanding of the historic relationship between the United States and Austria; to support programs that prevent cruelty to animals and human beings; and to reform education systems in the fields of science, technology and commerce.

Mr. Botstiber, who died on December 21, 2002, was the sole contributor to the Foundation. Investment earnings are used to support the Foundation's programs which include the Botstiber Scholars Program, the Botstiber Institute for Austrian-American Studies, and animal preservation.

#### **Basis of Accounting**

The accompanying financial statements are presented on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States.

#### **Basis of Presentation**

The Foundation reports information regarding its financial position and activities based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets that are not subject to donor-imposed restrictions.

Net Assets With Donor Restrictions - Net assets subject to donor-imposed restrictions that expire either by the passage of time or can be fulfilled or otherwise removed by actions of the Foundation; and other net assets subject to donor-imposed restrictions that are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

#### **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.



# The Dietrich W. Botstiber Foundation

## Notes to Financial Statements

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### **Note 1: Summary of Significant Accounting Policies (Continued)**

#### **Risks and Uncertainties**

##### Concentration of Credit Risk

The Foundation's principal financial instruments subject to credit risk are its cash, cash equivalents and investments. The Foundation maintains cash and cash equivalents at financial institutions located in the Philadelphia, Pennsylvania area. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation ("FDIC") or by the Securities Investor Protection Corporation ("SIPC"). At certain times during the year, cash balances may be in excess of FDIC or SIPC coverage when the Foundation is anticipating to make distributions to grantees. The Foundation holds cash and cash equivalents, which exceeded insured limits as of August 31, 2022, by approximately \$49,000.

Investment securities are exposed to various risks, such as interest rate, market and credit. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investments in the near term would materially affect the amounts reported in the statement of financial position and the statement of activities.

Historically, the Foundation has not incurred any significant credit-related losses and believes it is not exposed to any significant risk on its concentrations.

#### **Cash and Cash Equivalents**

The Foundation considers all short-term debt securities with an original maturity of three months or less to be cash equivalents.

#### **Investment Valuation and Income Recognition**

Investments in equity securities with readily determinable fair values and all debt securities are reported at fair value based on quoted market prices. Dividends are recorded on the ex-dividend date. Unrealized gains and losses on investments resulting from market fluctuations are reported in the statement of activities in the period that such fluctuations occur. The Foundation uses the specific identification method in determining realized gains or losses reported on the statement of activities. Net realized and unrealized gains (losses) on investments is reported in the statement of activities and consists of realized and unrealized gains and losses, less investment expenses of \$164,894 during fiscal year 2022 and \$163,099 during fiscal year 2021.

#### **Fair Value Measurements**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability, otherwise known as the "exit price", in an orderly transaction between market participants at the measurement date. See Note 3 for a discussion of fair value measurement.

# The Dietrich W. Botstiber Foundation

## Notes to Financial Statements

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### **Note 1: Summary of Significant Accounting Policies** (Continued)

#### **Furniture and Equipment**

Furniture and equipment are stated at cost and are depreciated using the straight-line method of depreciation over the estimated useful lives of 3 to 7 years.

#### **Contributions**

Contributions and grants, including unconditional promises to give, are recognized as support in the period the gifts or promises to give are received and as assets, decrease in liabilities or expenses depending on the form of the benefits received. Conditional contributions and grants, that is, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met. Any funding received prior to overcoming the barrier is recorded as a refundable advance on the statement of financial position.

Contributions received are reported as contribution revenue with donor restrictions if the gifts are received with donor stipulations that limit the use of the donated assets. Contribution revenue, including related investment income, that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the same reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

#### **Grants**

Grants are recognized when they are approved by the Board of Trustees for payment, provided the grant is not subject to future contingencies. Grants payable represents all unconditional grants that have been authorized prior to year end, but remain unpaid as of the statement of financial position date. Grants payable that are expected to be paid in future years are recorded at the present value of expected future payments.

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

The costs of providing the Foundation's programs and activities have been summarized by natural classification and by function in Note 8. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include rent and depreciation, which are allocated on a square footage basis, and certain salaries which are allocated on the basis of estimates of time and effort.

# The Dietrich W. Botstiber Foundation

## Notes to Financial Statements

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### Note 1: Summary of Significant Accounting Policies (Continued)

#### Income Taxes

The Foundation is exempt from federal income taxes and is classified as a private foundation under Section 501(c)(3) of the Internal Revenue Code. It is subject to a 1.39% federal excise tax on net investment income, including net realized gains, as defined by the IRS. The deferred provision for federal excise tax represents the projected future tax liability on the temporary difference caused by the unrealized appreciation (depreciation) on investments. Deferred excise taxes as of August 31, 2022 and 2021 resulted in a deferred tax provision of approximately \$(110,000) and \$88,200 for the years ended August 31, 2022 and 2021 respectively. The current provision for excise tax expense was approximately \$19,000 and \$33,000 for the years ended August 31, 2022 and 2021, respectively.

#### New Accounting Pronouncement

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)*. This ASU modifies lease accounting to increase transparency and comparability by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing information. The most significant change for lessees will be the recognition of both a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term for those leases classified as operating leases under current accounting guidance. Certain accounting policy elections are permitted for leases with terms of 12 months or less. FASB Accounting Standards Codification (ASC) Topic 842, *Leases ("ASC 842")*, supersedes current lease requirements in FASB ASC Topic 840, *Leases*. The new standard, which was deferred one year as a result of ASU 2020-05, is effective for nonpublic companies for annual periods beginning after December 15, 2021 (effective for the Foundation's year ending August 31, 2023). The Foundation has not yet evaluated the impact of the adoption of this ASU on the financial statements.

### Note 2: Liquidity and Availability of Financial Resources

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following as of August 31:

	2022	2021
Cash and cash equivalents	\$ 430,249	\$ 621,568
Investments	36,403,768	44,759,405
Financial assets available within one year	\$ 36,834,017	\$ 45,380,973

The Foundation maintains financial assets in liquid form such as cash and cash equivalents for approximately three months of operating expenses and grant commitments. The Foundation regularly monitors its liquidity so that it is able to meet its operating needs and other commitments while maximizing the investment return of its assets.

# The Dietrich W. Botstiber Foundation

## Notes to Financial Statements

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### Note 3: Fair Value Measurements

The Foundation uses the three tier fair value hierarchy as a basis for its assumptions. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 – Inputs are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2 – Inputs to the valuation methodology include:

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

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Following is a description of the valuation methodologies used for assets measured at fair value:

*Mutual and exchange-traded funds:* Valued at the net asset value listed in the active markets on which the funds are traded. These funds held by the Foundation are deemed to be actively traded.

*Common stock:* Shares in companies traded on national securities exchanges are valued at the closing price reported in the active market in which the individual securities are traded.

*Bonds:* For which quoted market prices are not available, are valued based on the yields currently available on comparable securities of issuers with similar credit ratings, generally categorized in Level 2 of the fair value hierarchy.

*Certificates of deposit -* Fair value of fixed-maturity certificates of deposit are estimated using rates currently offered for deposits of similar remaining maturities.

# The Dietrich W. Botstiber Foundation

## Notes to Financial Statements

### Note 3: Fair Value Measurements (Continued)

The following table sets forth by level, within the fair value hierarchy, the Foundation's financial assets measured at fair value on a recurring basis as of August 31, 2022:

As of August 31, 2022	Total Assets at Fair Value	(Level 1)	(Level 2)	(Level 3)
Mutual and exchange-traded funds				
Equity	\$ 15,543,051	\$ 15,543,051	\$ -	-
International equity	6,134,436	6,134,436	-	-
Fixed income	5,777,724	5,777,724	-	-
Bonds				
Corporate	399,423	-	399,423	-
Government	103,363	-	103,363	-
Municipal	85,062	-	85,062	-
Common stock				
Consumer goods and services	1,866,784	1,866,784	-	-
Energy	459,820	459,820	-	-
Information technology and telecommunication companies	2,143,826	2,143,826	-	-
Real estate	-	-	-	-
Healthcare	1,503,603	1,503,603	-	-
Financial services	1,516,946	1,516,946	-	-
Industrials	344,065	344,065	-	-
Other	425,501	425,501	-	-
Certificates of deposit	100,164	-	100,164	-
<b>Total</b>	<b>\$ 36,403,768</b>	<b>\$ 35,715,756</b>	<b>\$ 688,012</b>	<b>\$ -</b>

# The Dietrich W. Botstiber Foundation

## Notes to Financial Statements

### Note 3: Fair Value Measurements (Continued)

The following table sets forth by level, within the fair value hierarchy, the Foundation's financial assets measured at fair value on a recurring basis as of August 31, 2021:

As of August 31, 2021	Total Assets at Fair Value	(Level 1)	(Level 2)	(Level 3)
Mutual and exchange-traded funds				
Equity	\$ 18,469,491	\$ 18,469,491	\$ -	\$ -
International equity	8,366,796	8,366,796	-	-
Fixed income	7,172,455	7,172,455	-	-
Bonds				
Corporate	533,291	-	533,291	-
Municipal	97,393	-	97,393	-
Common stock				
Consumer goods and services	2,218,878	2,218,878	-	-
Energy	59,100	59,100	-	-
Information technology and telecommunication companies	3,174,198	3,174,198	-	-
Real estate	243,430	243,430	-	-
Healthcare	1,383,611	1,383,611	-	-
Financial services	1,665,687	1,665,687	-	-
Industrials	656,434	656,434	-	-
Other	718,641	718,641	-	-
<b>Total</b>	<b>\$ 44,759,405</b>	<b>\$ 44,128,721</b>	<b>\$ 630,684</b>	<b>\$ -</b>

### Note 4: Furniture and Equipment, Net

A summary of furniture and equipment is as follows as of August 31, 2022 and 2021:

<i>As of August 31,</i>	2022	2021
Furniture, fixtures, and equipment	\$ 93,688	\$ 94,526
Less: accumulated depreciation	(65,665)	(53,967)
<b>Furniture and equipment, net</b>	<b>\$ 28,023</b>	<b>\$ 40,559</b>

Depreciation expense was \$12,465 and \$12,559 for the years ended August 31, 2022 and 2021, respectively.

# The Dietrich W. Botstiber Foundation

## Notes to Financial Statements

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### Note 5: Beneficial Interest in Charitable Remainder Trust

The Foundation is the remainder beneficiary of a charitable remainder annuity trust established by Mr. Botstiber in September 1995 and funded upon his death in December 2002 with assets of \$2,667,000. The Trust provides the lifetime beneficiary with an annual annuity of \$133,350, 5% of the assets placed in trust.

The Foundation values its beneficial interest at the net present value of its expected future benefit based upon the actuarially determined life expectancy of the income beneficiary and a discount rate of 2.2%.

The beneficial interest is included in net assets with donor restrictions due to the time restriction associated with a future benefit.

Additionally, the Foundation is the remainder beneficiary of another trust established by Mr. Botstiber. However, the beneficial interest has not been recorded as the trustees have discretionary power to spend all assets of the trust. The estimated value of the trust was approximately \$36,000 and \$52,000 at August 31, 2022 and 2021, respectively.

### Note 6: Grants Payable, Net

Grants payable, net consisted of the following:

<i>As of August 31,</i>	2022	2021
Payable in less than one year	\$ 76,062	\$ 209,259
Payable in one to five years	49,000	64,414
	125,062	273,673
Less discount on long-term grants payable	(1,077)	(1,910)
<b>Total</b>	<b>\$ 123,985</b>	<b>\$ 271,763</b>

Grants payable as of August 31, 2022 and 2021 were discounted using the rate of 0.92%.

### Note 7: Operating Leases

The Foundation leases its office space, located in Media, Pennsylvania, under a noncancelable operating lease expiring June 30, 2025. Rent paid for the years ended August 31, 2022 and 2021 was \$60,647 and \$60,846, respectively.

As of August 31, 2022, required payments for the remaining three years based on the existing terms of the lease are as follows:

2023	\$ 61,411
2024	62,587
2025	52,867
<b>Total lease payments</b>	<b>\$ 176,865</b>

# The Dietrich W. Botstiber Foundation

## Notes to Financial Statements

### Note 8: Analysis of Expenses by Nature and Function

The costs of providing the Foundation's programs and activities have been summarized on a functional basis below.

<i>For the year ended August 31, 2022</i>	Programs			Total Programs	General and administrative	Total
	Scholarships	Austrian- American studies	Animal protection and other			
Grant distributions	\$ 66,537	\$ 114,158	\$ 803,570	\$ 984,265	\$ -	\$ 984,265
Salaries	30,132	159,437	198,719	388,288	69,254	457,542
Professional fees	4,829	16,636	24,449	45,914	70,408	116,322
Conferences, travel and meetings	-	76,230	174,003	250,233	184	250,417
Rent	12,129	18,194	18,195	48,518	12,129	60,647
Office and other	156	1,660	1,105	2,921	11,381	14,302
Technology	21	1,713	7,834	9,568	1,251	10,819
Depreciation	3,117	3,116	3,116	9,349	3,116	12,465
Dues and subscription	363	1,716	2,756	4,835	4,565	9,400
Insurance	-	-	54	54	5,253	5,307
Federal excise tax provision (benefit)	-	-	-	-	(90,615)	(90,615)
<b>Total expenses</b>	<b>\$ 117,284</b>	<b>\$ 392,860</b>	<b>\$ 1,233,801</b>	<b>\$ 1,743,945</b>	<b>\$ 86,926</b>	<b>\$ 1,830,871</b>

<i>For the year ended August 31, 2021</i>	Programs			Total Programs	General and administrative	Total
	Scholarships	Austrian- American studies	Animal protection and other			
Grant distributions	\$ 63,059	\$ 273,251	\$ 437,546	\$ 773,856	\$ -	\$ 773,856
Salaries	18,700	152,445	169,746	340,891	67,405	408,296
Professional fees	2,822	20,389	6,333	29,544	56,306	85,850
Conferences, travel and meetings	-	1,827	4,981	6,808	714	7,522
Rent	12,169	18,254	18,254	48,677	12,169	60,846
Office and other	156	900	409	1,465	6,176	7,641
Technology	21	3,784	11,277	15,082	704	15,786
Depreciation	3,140	3,140	3,140	9,420	3,139	12,559
Dues and subscription	-	5,779	2,807	8,586	3,302	11,888
Insurance	176	-	-	176	6,450	6,626
Federal excise tax provision	-	-	-	-	120,755	120,755
<b>Total expenses</b>	<b>\$ 100,243</b>	<b>\$ 479,769</b>	<b>\$ 654,493</b>	<b>\$ 1,234,505</b>	<b>\$ 277,120</b>	<b>\$ 1,511,625</b>



# The Dietrich W. Botstiber Foundation

## Notes to Financial Statements

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### **Note 9: Refundable Advance**

Prior to August 31, 2021, the Foundation had a refundable advance liability of \$73,000 due to the issuance of an award from the Small Business Administration's (SBA) Paycheck Protection Program (PPP) during 2020 as a result of legislation passed to assist businesses in navigating the Coronavirus pandemic. The Foundation determined the award was a conditional grant and was reported as a refundable advance liability until the conditions were substantially met or explicitly waived. On March 15, 2021, the Foundation was notified by the SBA that its application for forgiveness had been approved and the full amount of the award was recognized as PPP grant revenue for the year ended August 31, 2021.

### **Note 10: Subsequent Events**

In preparing these financial statements, management of the Foundation has evaluated events and transactions for potential recognition or disclosure through June 19, 2023, the date the financial statements were available to be issued.