The Dietrich W. Botstiber Foundation

Financial Statements

Years Ended August 31, 2024 and 2023

WIPFLI

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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, 2024 and 2023, 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, 2024 and 2023, 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.

Wipfli LLP

Wipfli LLP

Radnor, Pennsylvania
April 29, 2025

The Dietrich W. Botstiber Foundation

Statements of Financial Position

As of August 31,	2024	2023
ASSETS		
Cash and cash equivalents	$ 1,269,995	$ 730,018
Investments	42,942,367	37,777,109
Prepaid expenses	10,727	5,452
Prepaid foreign tax	-	280
Furniture and equipment, net	14,448	21,179
Beneficial interest in charitable remainder annuity trust	2,846,083	2,381,956
Right of use asset, net	57,165	123,771
Total Assets	$ 47,140,785	$ 41,039,765
LIABILITIES		
Accounts payable and accrued payroll	$ 28,352	$ 21,611
Federal excise tax payable	6,640	1,987
Grants payable, net	261,720	90,238
Deferred federal excise tax	239,129	155,373
Operating lease liability	52,012	111,178
Total Liabilities	587,853	380,387
NET ASSETS		
Without donor restrictions	43,706,849	38,277,422
With donor restrictions	2,846,083	2,381,956
Total Net Assets	46,552,932	40,659,378
Total Liabilities and Net Assets	$ 47,140,785	$ 41,039,765

See accompanying notes to financial statements.

The Dietrich W. Botstiber Foundation

Statement of Activities

Year Ended August 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND GAINS			
Dividend and interest income	$ 986,159	$ -	$ 986,159
Net realized and unrealized gain on investments	6,499,429	-	6,499,429
Other income	11,193	-	11,193
Change in value of charitable remainder annuity trust	-	464,127	464,127
Total Revenues and Gains	7,496,781	464,127	7,960,908
EXPENSES			
Program Services			
Wildlife Fertility Control	590,115	-	590,115
Austrian-American studies	487,572	-	487,572
Other strategic grants	652,984	-	652,984
Total Program Services	1,730,671	-	1,730,671
General and administrative	336,683	-	336,683
Total Expenses	2,067,354	-	2,067,354
CHANGE IN NET ASSETS	5,429,427	464,127	5,893,554
NET ASSETS - BEGINNING OF THE YEAR	38,277,422	2,381,956	40,659,378
NET ASSETS - END OF THE YEAR	$ 43,706,849	$ 2,846,083	$ 46,552,932

See accompanying notes to financial statements.

The Dietrich W. Botstiber Foundation

Statement of Activities

Year Ended August 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND LOSSES			
Dividends and interest	$ 846,936	$ -	$ 846,936
Net realized and unrealized gain on investments	2,959,711	-	2,959,711
Other income	66	-	66
Change in value of charitable remainder annuity trust	-	144,804	144,804
Total Revenues and Losses	3,806,713	144,804	3,951,517
EXPENSES			
Program Services			
Wildlife Fertility Control	359,409	-	359,409
Austrian-American studies	529,043	-	529,043
Other strategic grants	1,036,516	-	1,036,516
Total Program Services	1,924,968	-	1,924,968
General and administrative	258,322	-	258,322
Total Expenses	2,183,290	-	2,183,290
CHANGE IN NET ASSETS	1,623,423	144,804	1,768,227
NET ASSETS - BEGINNING OF THE YEAR	36,653,999	2,237,152	38,891,151
NET ASSETS - END OF THE YEAR	$ 38,277,422	$ 2,381,956	$ 40,659,378

See accompanying notes to financial statements.

The Dietrich W. Botstiber Foundation

Statements of Cash Flows

Years Ended August 31,	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 5,893,554	$ 1,768,227
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	8,821	11,508
Realized and unrealized gain on investments	(6,657,039)	(3,105,296)
Change in value of interest in charitable remainder annuity trust	(464,127)	(144,804)
Noncash lease expense	66,606	64,542
Change in certain operating assets and liabilities:		
Prepaid expenses	(5,275)	23,052
Prepaid federal excise tax	-	15,761
Prepaid foreign tax	280	2,834
Accounts payable and accrued payroll	6,741	(1,007)
Federal excise tax payable	4,653	1,987
Grants payable, net	171,482	(33,747)
Deferred federal excise tax	83,756	26,153
Operating lease liability	(59,166)	(56,732)
Net Cash From Operating Activities	(949,714)	(1,427,522)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(3,243,293)	(11,520,313)
Sales of investments	4,735,074	13,252,268
Purchase of furniture and equipment	(2,090)	(4,664)
Net Cash From Investing Activities	1,489,691	1,727,291
CHANGE IN CASH AND CASH EQUIVALENTS	539,977	299,769
CASH AND CASH EQUIVALENTS - BEGINNING OF THE YEAR	730,018	430,249
CASH AND CASH EQUIVALENTS - END OF THE YEAR	$ 1,269,995	$ 730,018

See accompanying notes to financial statements.

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.

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, 2024, by approximately $671,000.

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 approximately $158,000 during fiscal year 2024 and $146,000 during fiscal year 2023.

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.

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 7. 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.

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, 2024 and 2023 resulted in a deferred tax provision of approximately $84,000 and $26,000 for the years ended August 31, 2024 and 2023 respectively. The current provision for excise tax expense was approximately $32,000 and $27,000 for the years ended August 31, 2024 and 2023, respectively.

ASC 842 Lease Accounting

The Foundation is a lessee in a noncancellable operating lease. If the contract provides the Foundation the right to substantially all the economic benefits and the right to direct the use of the identified asset, it is considered to be or contain a lease. Right-of-use (ROU) assets and lease liabilities are recognized at the lease commencement date based on the present value of the future lease payments over the expected lease term. The ROU asset is also adjusted for any lease prepayments made, lease incentives received, and initial direct costs incurred. Total accumulated amortization on the right of use assets at August 31, 2024 and 2023 is $131,148 and $64,542, respectively.

The lease liability is initially and subsequently recognized based on the present value of its future lease payments. Variable payments are included in the future lease payments when those variable payments depend on an index or a rate. Increases (decreases) to variable lease payments due to subsequent changes in an index or rate are recorded as variable lease expense (income) in the future period in which they are incurred.

The Foundation has elected to use a risk-free rate for a term similar to the underlying lease as the discount rate if the implicit rate in the lease contract is not readily determinable.

The ROU asset for operating leases is subsequently measured throughout the lease term at the amount of the remeasured lease liability (i.e., present value of the remaining lease payments), plus unamortized initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received, and any impairment recognized. For operating leases with lease payments that fluctuate over the lease term, the total lease costs are recognized on a straight-line basis over the lease term.

For all underlying classes of assets, the Foundation has elected to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement and do not include an option to purchase the underlying asset that the Foundation is reasonably certain to exercise. Leases containing termination clauses in which either party may terminate the lease without cause and the notice period is less than 12 months are deemed short-term leases with lease costs included in short-term lease expense. The Foundation recognizes short-term lease cost on a straight-line basis over the lease term.

The Foundation made an accounting policy election to not separate the lease components of a contract and its associated non-lease components.

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:

	2024	2023
Cash and cash equivalents	$ 1,269,995	$ 730,018
Investments	42,942,367	37,777,109
Financial assets available within one year	$ 44,212,362	$ 38,507,127

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.

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.

Note 3: Fair Value Measurements (Continued)

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 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, 2024:

As of August 31, 2024	Total Assets at Fair Value	(Level 1)	(Level 2)	(Level 3)
Mutual and exchange-traded funds				
Equity	$ 18,047,384	$ 18,047,384	$ -	$ -
International equity	6,568,807	6,568,807	-	-
Fixed income	6,663,603	6,663,603	-	-
Bonds				
Corporate	826,902	-	826,902	-
Government	531,146	-	531,146	-
Municipal	60,019	-	60,019	-
Common stock				
Consumer goods and services	1,580,209	1,580,209	-	-
Energy	238,705	238,705	-	-
Information technology and telecommunication companies	5,227,304	5,227,304	-	-
Real estate	113,707	113,707	-	-
Healthcare	1,050,968	1,050,968	-	-
Financial services	1,145,187	1,145,187	-	-
Industrials	721,038	721,038	-	-
Other	167,388	167,388	-	-
Total	$ 42,942,367	$ 41,524,300	$ 1,418,067	$ -

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, 2023:

As of August 31, 2023	Total Assets at Fair Value	(Level 1)	(Level 2)	(Level 3)
Mutual and exchange-traded funds				
Equity	$ 16,310,996	$ 16,310,996	$ -	$ -
International equity	6,628,421	6,628,421	-	-
Fixed income	5,726,602	5,726,602	-	-
Bonds				
Corporate	492,561	-	492,561	-
Government	804,193	-	804,193	-
Municipal	74,996	-	74,996	-
Common stock				
Consumer goods and services	1,861,824	1,861,824	-	-
Energy	276,835	276,835	-	-
Information technology and telecommunication companies	2,000,869	2,000,869	-	-
Real estate	80,730	80,730	-	-
Healthcare	844,709	844,709	-	-
Financial services	1,973,045	1,973,045	-	-
Industrials	379,594	379,594	-	-
Other	321,734	321,734	-	-
Total	$ 37,777,109	$ 36,405,359	$ 1,371,750	$ -

Note 4: Furniture and Equipment, Net

A summary of furniture and equipment is as follows as of August 31, 2024 and 2023:

As of August 31,	2024	2023
Furniture, fixtures, and equipment	$ 99,095	$ 97,005
Less: accumulated depreciation	(84,647)	(75,826)
Furniture and equipment, net	$ 14,448	$ 21,179

Depreciation expense was $8,821 and $11,508 for the years ended August 31, 2024 and 2023, respectively.

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 was the remainder beneficiary of another trust established by Mr. Botstiber, however, the beneficial interest had not been recorded as the trustees had discretionary power to spend all assets of the trust. During fiscal year 2023, the assets of this trust were used in their entirety.

Note 6: Grants Payable, Net

Grants payable, net consisted of the following:

As of August 31,	2024	2023
Payable in less than one year	$ 145,223	$ 49,000
Payable in one to five years	118,751	42,000
	263,974	91,000
Less: discount on long-term grants payable	(2,254)	(762)
Total	$ 261,720	$ 90,238

Grants payable as of August 31, 2024 and 2023 were discounted using the rate of 0.92%.

Note 7: 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.

	Programs					
For the year ended August 31, 2024	Wildlife Fertility Control	Austrian-American studies	Other strategic grants	Total Programs	General and administrative	Total
Grant distributions	$ 261,120	$ 188,982	$ 580,000	$ 1,030,102	$ -	$ 1,030,102
Salaries	233,198	187,359	38,041	458,598	78,921	537,519
Professional fees	-	6,430	10,069	16,499	94,964	111,463
Conferences, travel and meetings	67,225	74,573	9,345	151,143	1,099	152,242
Rent	19,703	21,110	15,481	56,294	14,074	70,368
Office and other	1,004	321	-	1,325	9,680	11,005
Technology	3,974	6,656	48	10,678	1,459	12,137
Depreciation	-	-	-	-	8,821	8,821
Dues and subscription	3,844	2,141	-	5,985	2,979	8,964
Insurance	47	-	-	47	7,887	7,934
Federal excise tax provision	-	-	-	-	116,799	116,799
Total expenses	$ 590,115	$ 487,572	$ 652,984	$ 1,730,671	$ 336,683	$ 2,067,354

	Programs					
For the year ended August 31, 2023	Wildlife Fertility Control	Austrian-American studies	Other strategic grants	Total Programs	General and administrative	Total
Grant distributions	$ 53,523	$ 200,109	$ 881,141	$ 1,134,773	$ -	$ 1,134,773
Salaries	211,153	177,128	25,872	414,153	83,386	497,539
Professional fees	3,866	11,643	70,383	85,892	79,608	165,500
Conferences, travel and meetings	60,413	113,407	40,417	214,237	958	215,195
Rent	19,494	20,887	15,318	55,699	13,925	69,624
Office and other	2,120	294	316	2,730	13,756	16,486
Technology	2,099	1,024	28	3,151	815	3,966
Depreciation	2,877	2,877	2,877	8,631	2,877	11,508
Dues and subscription	3,815	1,674	-	5,489	5,058	10,547
Insurance	49	-	164	213	5,311	5,524
Federal excise tax provision	-	-	-	-	52,628	52,628
Total expenses	$ 359,409	$ 529,043	$ 1,036,516	$ 1,924,968	$ 258,322	$ 2,183,290

Note 8: Retirement Plan

During the year ended August 31, 2023, the Foundation established a tax deferred retirement plan under Section 401(k) of the Internal Revenue Code for its employees. All employees are eligible for participation in the plan after 90 days of employment. The Foundation will contribute 5% of employee earnings after 90 days of service. For the year ended August 31, 2024 and 2023, retirement plan expense was $22,515 and $11,663, respectively.

Note 9: Leases

The Foundation leases office space under a noncancelable operating lease expiring in June 2025. The lease offers a five-year renewal option. The exercise of lease renewal options is at the Foundation's sole discretion. Renewal option periods are included in the measurement of the ROU asset and lease liability when the exercise is reasonably certain to occur. The Foundation has determined that the renewal option is not reasonably certain to occur and therefore the extended period has not been recognized in its right of use asset and lease liability.

The depreciable life of assets and leasehold improvements are limited by the expected lease term, unless there is a transfer of title or purchase option reasonably certain of exercise.

The Foundation's lease agreement does not contain any material residual value guarantees or material restrictive covenants. Payments due under the lease contracts include fixed payments plus variable payments. The Foundation’s office space lease requires it to make variable payments for the Foundation’s proportionate share of snow removal costs. These variable lease payments are not included in lease payments used to determine the lease liability and are recognized as variable costs when incurred.

Lease expense for the operating lease was $69,624 for both of the years ended August 31, 2024 and 2023. There were no other lease components to lease expenses such as short-term or variable lease payments during both the years ended August 31, 2024 and 2023, respectively.

Other information related to leases is as follows for the years ended August 31,:

	2024	2023
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$ 62,587	$ 61,411
Weighted-average remaining lease term - Operating lease	.83 years	1.83 years
Weighted-average discount rate - Operating lease	3.57 %	3.57 %

Note 9: Leases (Continued)

Maturities of lease liabilities are as follows as of August 31, 2024:

Year Ending August 31,		
2025	$	52,867
Total lease payments		52,867
Less: imputed interest		(855)
Total	$	52,012

Note 10: Subsequent Events

In preparing these financial statements, management of the Foundation has evaluated events and transactions for potential recognition or disclosure through April 29, 2025, the date the financial statements were available to be issued.