

**The Wenner-Gren Foundation for
Anthropological Research, Inc.**

Financial Statements

December 31, 2021 and 2020

Independent Auditors' Report

Board of Trustees
The Wenner-Gren Foundation for
Anthropological Research, Inc.

Opinion

We have audited the accompanying financial statements of The Wenner-Gren Foundation for Anthropological Research, Inc., which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Wenner-Gren Foundation for Anthropological Research, Inc. as of December 31, 2021 and 2020, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Wenner-Gren Foundation for Anthropological Research, Inc. 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 Wenner-Gren Foundation for Anthropological Research, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

**Board of Trustees
The Wenner-Gren Foundation for
Anthropological Research, Inc.**

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Auditors' Responsibilities for the Audit of the Financial Statements (continued)

In performing an audit in accordance with generally accepted auditing standards, 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 Wenner-Gren Foundation for Anthropological Research, Inc.'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 Wenner-Gren Foundation for Anthropological Research, Inc.'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.

PKF O'Connor Davies, LLP

May 13, 2022

The Wenner-Gren Foundation for Anthropological Research, Inc.

Statements of Financial Position

	December 31	
	2021	2020
ASSETS		
Cash and cash equivalents	\$ 404,629	\$ 441,393
Accrued investment income receivable	1,806	2,352
Due from broker and other receivables	4,216,279	1,226,850
Prepaid expense and deposits	385,924	188,850
Investments	223,027,948	199,824,851
Furniture, equipment and leasehold improvements, net	378,679	315,080
	\$ 228,415,265	\$ 201,999,376
LIABILITIES AND NET ASSETS		
Liabilities		
Grants payable	\$ 2,751,621	\$ 1,665,458
Accounts payable and accrued expenses	324,658	332,550
Post-retirement medical benefits obligation	1,134,739	1,158,305
Total Liabilities	4,211,018	3,156,313
Net assets without donor restrictions	224,204,247	198,843,063
	\$ 228,415,265	\$ 201,999,376

See notes to financial statements

The Wenner-Gren Foundation for Anthropological Research, Inc.

Statements of Activities

	Year Ended	
	December 31	
	2021	2020
INVESTMENT RETURN AND OTHER INCOME		
Interest and dividends	\$ 435,045	\$ 401,493
Realized and unrealized gain on investments	34,810,104	24,503,816
	35,245,149	24,905,309
Investment expenses	413,928	393,703
Investment Return	34,831,221	24,511,606
Other	31,872	33,562
Total Investment Return and Other Income	34,863,093	24,545,168
 EXPENSES		
Program Expenses		
Individual research grants	2,796,769	1,381,093
Capacity building and outreach	2,987,297	2,329,440
Program support, planning and development	2,524,771	2,655,643
Total Program Expenses	8,308,837	6,366,176
Operations and governance	1,193,072	1,213,035
Total Expenses	9,501,909	7,579,211
Change in Net Assets	25,361,184	16,965,957
 NET ASSETS WITHOUT DONOR RESTRICTIONS		
Beginning of year	198,843,063	181,877,106
End of year	\$ 224,204,247	\$ 198,843,063

See notes to financial statements

The Wenner-Gren Foundation for Anthropological Research, Inc.

Statement of Functional Expenses
Year Ended December 31, 2021

	Program Expenses			Total Program Expenses	Operations and Governance	Total
	Individual Research Grants	Capacity Building and Outreach	Program Support, Planning and Development			
Research						
Dissertation fieldwork and PhD research grants	\$ 2,801,769	\$ -	\$ -	\$ 2,801,769	\$ -	\$ 2,801,769
Engaged anthropology grant returned	(5,000)	-	-	(5,000)	-	(5,000)
Fellowships						
Hunt postdoctoral fellowships	-	792,223	-	792,223	-	792,223
Fejos postdoctoral fellowships in ethnographic film	-	200,000	-	200,000	-	200,000
Wadsworth fellowships	-	447,991	-	447,991	-	447,991
SAPIENS public fellowships	-	62,250	-	62,250	-	62,250
Fellowship in anthropology and black experiences	-	213,000	-	213,000	-	213,000
Conferences						
Symposia	-	22,079	-	22,079	-	22,079
Conference and workshop grants	-	520,083	-	520,083	-	520,083
Publications						
SAPIENS	-	394,700	-	394,700	-	394,700
Current Anthropology/WG symposia supplements	-	49,341	-	49,341	-	49,341
Other programs	-	285,630	-	285,630	-	285,630
Salaries	-	-	1,293,418	1,293,418	608,668	1,902,086
Payroll taxes	-	-	84,039	84,039	39,548	123,587
Employee benefits	-	-	430,984	430,984	202,816	633,800
General office	-	-	199,422	199,422	93,846	293,268
Program consultants	-	-	174,695	174,695	-	174,695
Travel and meetings	-	-	8,947	8,947	4,210	13,157
Rent and occupancy	-	-	258,350	258,350	121,576	379,926
Depreciation and amortization	-	-	57,373	57,373	26,999	84,372
Insurance	-	-	17,543	17,543	8,255	25,798
Legal and accounting	-	-	-	-	87,154	87,154
Total	<u>\$ 2,796,769</u>	<u>\$ 2,987,297</u>	<u>\$ 2,524,771</u>	<u>\$ 8,308,837</u>	<u>\$ 1,193,072</u>	<u>\$ 9,501,909</u>

See notes to financial statements

The Wenner-Gren Foundation for Anthropological Research, Inc.

Statement of Functional Expenses
Year Ended December 31, 2020

	Program Expenses			Total Program Expenses	Operations and Governance	Total
	Individual Research Grants	Capacity Building and Outreach	Program Support, Planning and Development			
Research						
Dissertation fieldwork and PhD research grants	\$ 1,367,394	\$ -	\$ -	\$ 1,367,394	\$ -	\$ 1,367,394
Engaged anthropology grant	13,699	-	-	13,699	-	13,699
Fellowships						
Hunt postdoctoral fellowships	-	850,000	-	850,000	-	850,000
Fejos postdoctoral fellowships in ethnographic film	-	120,000	-	120,000	-	120,000
Wadsworth fellowships	-	422,769	-	422,769	-	422,769
SAPIENS public fellowships	-	58,167	-	58,167	-	58,167
Conferences						
Symposia	-	2,623	-	2,623	-	2,623
Conference and workshop grants	-	285,953	-	285,953	-	285,953
Publications						
SAPIENS	-	375,883	-	375,883	-	375,883
Current Anthropology/WG symposia supplements	-	46,716	-	46,716	-	46,716
Other programs	-	167,329	-	167,329	-	167,329
Salaries	-	-	1,287,102	1,287,102	578,264	1,865,366
Payroll taxes	-	-	83,503	83,503	37,516	121,019
Employee benefits	-	-	631,972	631,972	283,930	915,902
General office	-	-	186,749	186,749	83,902	270,651
Board of trustees and advisory council	-	-	371	371	98	469
Program consultants	-	-	119,495	119,495	-	119,495
Travel and meetings	-	-	5,851	5,851	2,628	8,479
Rent and occupancy	-	-	262,855	262,855	118,095	380,950
Depreciation and amortization	-	-	58,217	58,217	26,156	84,373
Insurance	-	-	19,528	19,528	8,774	28,302
Legal and accounting	-	-	-	-	73,672	73,672
Total	<u>\$ 1,381,093</u>	<u>\$ 2,329,440</u>	<u>\$ 2,655,643</u>	<u>\$ 6,366,176</u>	<u>\$ 1,213,035</u>	<u>\$ 7,579,211</u>

See notes to financial statements

The Wenner-Gren Foundation for Anthropological Research, Inc.

Statements of Cash Flows

	Year Ended December 31	
	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 25,361,184	\$ 16,965,957
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation and amortization	84,372	84,373
Realized and unrealized gain on investments	(34,810,104)	(24,503,816)
Post-retirement medical benefits obligation	(23,566)	283,541
Changes in operating assets and liabilities		
Accrued investment income receivable	546	7,132
Due from broker and other receivables	(2,989,429)	1,845,100
Prepaid expenses and deposits	(197,074)	47,040
Grants payable	1,086,163	4,919
Accounts payable and accrued expenses	(7,892)	86,556
Net Cash from Operating Activities	(11,495,800)	(5,179,198)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of furniture, equipment and leasehold improvements	(147,971)	-
Purchase of investments	(19,997,021)	(33,311,840)
Proceeds from sales of investments and return of capital distributions	28,712,106	43,909,465
Change in short term investments	2,891,922	(5,410,551)
Net Cash from Investing Activities	11,459,036	5,187,074
Net Change in Cash and Cash Equivalents	(36,764)	7,876
CASH AND CASH EQUIVALENTS		
Beginning of year	441,393	433,517
End of year	\$ 404,629	\$ 441,393
SUPPLEMENTAL CASH FLOW INFORMATION		
Unrelated business income taxes paid	\$ 11,054	\$ 4,913

See notes to financial statements

The Wenner-Gren Foundation for Anthropological Research, Inc.

Notes to Financial Statements
December 31, 2021 and 2020

1. Organization

The Wenner-Gren Foundation for Anthropological Research, Inc. (the "Foundation") supports research in all branches of anthropology throughout the world.

The Foundation has qualified as a charitable organization which is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code of 1986 as amended; however, it pays unrelated business income tax on the income from certain limited partnerships. It is an exempt operating foundation as defined in Sections 509(a) and 4940(d)(2) of the Code. Its primary source of revenue is income from its investments.

2. Summary of Significant Accounting Policies

Basis of Presentation and Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States ("US GAAP") requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents includes cash balances held in bank accounts and short-term investments with maturities of three months or less at the time of purchase, except for the short-term investments held by the Foundation as part of its long-term investment strategy.

Fair Value Measurements

The Foundation follows US GAAP guidance on Fair Value Measurements which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

Pursuant to US GAAP guidance, alternative investments where fair value is measured using the Net Asset Value ("NAV") per share as a practical expedient are not categorized within the fair value hierarchy.

Investments Valuation

Investments are carried at fair value. The fair value of alternative investments has been estimated using NAV as reported by the management of the respective alternative investment. US GAAP provides for the use of NAV as a "Practical Expedient" for estimating fair value of alternative investments. NAV reported by each alternative investment fund is used as a practical expedient to estimate the fair value of the Foundation's interest therein.

The Wenner-Gren Foundation for Anthropological Research, Inc.

Notes to Financial Statements
December 31, 2021 and 2020

2. Summary of Significant Accounting Policies *(continued)*

Investment Income Recognition

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Realized and unrealized gains and losses are included in the determination of the change in net assets.

Investment Expenses

Investment expenses on the statements of activities include those fees paid directly to the Foundation's investment managers and custodians as well as consulting fees, taxes and legal fees associated with investments.

Investment Risks and Uncertainties

Alternative investments consist of non-traditional, not readily marketable investments, some of which may be structured as offshore limited partnerships, venture capital funds, hedge funds, private equity funds and common trust funds. The underlying investments of such funds, whether invested in stock or other securities, are generally not currently traded in a public market and typically are subject to restrictions on resale. Values determined by investment managers and general partners of underlying securities that are thinly traded or not traded in an active market may be based on historical cost, appraisals, a review of the investees' financial results, financial condition and prospects, together with comparisons to similar companies for which quoted market prices are available or other estimates that require varying degrees of judgment.

Because of the inherent uncertainty of valuations, the estimated fair values may differ significantly from the values that would have been used had a ready market for such investments existed or had such investments been liquidated, and those differences could be material.

Furniture, Equipment, and Leasehold Improvements

The Foundation follows the practice of capitalizing all expenditures for furniture, equipment, and leasehold improvements with a cost in excess of \$5,000. Furniture, equipment, and leasehold improvements are stated at cost. Furniture, equipment and website development costs are depreciated on the straight-line method over their estimated useful lives of 3 to 10 years and leasehold improvements are amortized over the life of the lease or asset, whichever is shorter.

Grants

Grants are recorded as an expense when approved by the President of the Foundation and the recipient is notified.

The Wenner-Gren Foundation for Anthropological Research, Inc.

Notes to Financial Statements
December 31, 2021 and 2020

2. Summary of Significant Accounting Policies *(continued)*

Net Asset Presentation

Net assets without donor restrictions include funds having no restriction as to use or purpose imposed by donors. Net assets with donor restrictions are those whose use is limited by donors to a specific time period or purpose or are limited by donors for investments perpetual in nature. As of December 31, 2021 and 2020 all net assets were without donor restrictions.

Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to more than one programmatic activity or operations and governance of the Foundation. These expenses include depreciation, occupancy, communications, information technology and other miscellaneous expenses and are allocated based on the assessment of where a Foundation's employee's time and effort are spent.

Accounting for Uncertainty in Income Taxes

The Foundation recognizes the effect of income tax positions only if those positions are more likely than not to be sustained. Management has determined that the Foundation had no uncertain tax positions that would require financial recognition or disclosure. The Foundation is no longer subject to examinations by the applicable taxing jurisdictions for periods prior to December 31, 2018.

Subsequent Events

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is May 13, 2022.

3. Pension Plan

The Foundation has a defined contribution 401(k) retirement plan covering all full-time employees. Contributions are 10% of each participant's salary within the social security earnings base and 15.7% for salaries above the base subject to ceilings. Pension expense was \$200,972 and \$196,709 in 2021 and 2020.

The Wenner-Gren Foundation for Anthropological Research, Inc.

Notes to Financial Statements
December 31, 2021 and 2020

4. Fair Value Measurements

The following are the classes and major categories of investments grouped by the fair value hierarchy for those investments measured at fair value on a recurring basis at December 31:

	2021		
	Level 1	Investments Values Using NAV (*)	Total
Marketable Equities			
Consumer	\$ 1,575,974	\$ -	\$ 1,575,974
Healthcare	1,017,335	-	1,017,335
Information technology	5,591,267	-	5,591,267
Financials	1,014,223	-	1,014,223
Communication	2,910,735	-	2,910,735
Materials	294,466	-	294,466
Industrials	263,639	-	263,639
Mutual Funds			
Emerging markets	9,157,281	-	9,157,281
Hedge funds	-	81,102,105	81,102,105
Commingled funds	-	13,336,078	13,336,078
Venture capital/fund of funds	-	43,648,660	43,648,660
Private equities	-	30,863,968	30,863,968
Distressed securities funds	-	1,532,501	1,532,501
Natural resources funds	-	14,067,347	14,067,347
Real estate funds	-	1,911,410	1,911,410
Total Investments at Fair Value	<u>\$ 21,824,920</u>	<u>\$ 186,462,069</u>	208,286,989
Short-term cash investments, at cost			14,740,959
Total Investments			<u>\$ 223,027,948</u>

(*) As discussed in Note 2, investments that are measured using the practical expedient are not classified within the fair value hierarchy.

The Wenner-Gren Foundation for Anthropological Research, Inc.

Notes to Financial Statements
December 31, 2021 and 2020

4. Fair Value Measurements (continued)

	2020		
	Level 1	Investments Values Using NAV (*)	Total
Marketable Equities			
Consumer	\$ 1,240,015	\$ -	\$ 1,240,015
Healthcare	753,538	-	753,538
Information technology	4,885,783	-	4,885,783
Financials	216,552	-	216,552
Communication	1,996,206	-	1,996,206
International	1,453,267	-	1,453,267
Mutual Funds			
Emerging markets	8,979,949	-	8,979,949
Hedge funds	-	78,176,329	78,176,329
Commingled funds	-	11,323,110	11,323,110
Venture capital/fund of funds	-	30,794,658	30,794,658
Private equities	-	24,832,066	24,832,066
Distressed securities funds	-	1,858,223	1,858,223
Natural resources funds	-	13,830,853	13,830,853
Real estate funds	-	1,851,421	1,851,421
Total Investments at Fair Value	<u>\$ 19,525,310</u>	<u>\$ 162,666,660</u>	182,191,970
Short-term cash investments, at cost			17,632,881
Total Investments			<u>\$ 199,824,851</u>

(*) As discussed in Note 2, investments that are measured using the practical expedient are not classified within the fair value hierarchy.

Information regarding investments valued at NAV using the practical expedient at December 31, 2021 is as follows:

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Hedge funds see "a" below	\$ 81,102,105	\$ -	Quarterly - Annually	20 - 90 days
Commingled funds see "b" below	13,336,078	-	Weekly - Monthly	3-30 days
Venture capital/fund of funds see "c" below	43,648,660	16,577,280	N/A *	N/A *
Private equities see "d" below	30,863,968	4,886,147	N/A *	N/A *
Distressed securities funds see "e" below	1,532,501	66,169	N/A *	N/A *
Natural resources funds see "f" below	14,067,347	399,067	N/A *	N/A *
Real estate funds see "g" below	1,911,410	2,404,619	N/A *	N/A *
Total	<u>\$ 186,462,069</u>	<u>\$ 24,333,282</u>		

* These investments are illiquid investments.

The Wenner-Gren Foundation for Anthropological Research, Inc.

Notes to Financial Statements
December 31, 2021 and 2020

4. Fair Value Measurements *(continued)*

- a. This category includes hedge fund investments in long/short strategies in a variety of areas such as US and global equities, event-driven situations and distressed securities. Most investments in this category can be redeemed on a quarterly basis. Investments representing approximately 9% of this category provide liquidity on an annual basis or are subject to acquisition lock-ups in excess of 12-months.
- b. This category includes long-only investments in commingled funds with an investment strategy in global equity funds. Investments in this category can be redeemed on a weekly to monthly basis.
- c. This category includes venture capital/fund of funds investments primarily in early stage growth startup companies. These are long-term investments that cannot be redeemed at the discretion of the Foundation. Instead, distributions are received through the liquidation of the underlying assets of the funds. Management has estimated that the underlying assets of the funds will be liquidated over 5 to 10 years.
- d. This category includes private equity investments in domestic and international equity securities, leveraged buy-outs and growth capital situations. These are long-term investments that cannot be redeemed at the discretion of the Foundation. Instead, distributions are received through the liquidation of the underlying assets of the funds. Management has estimated that the underlying assets of the funds will be liquidated over 5 to 10 years.
- e. This category includes private investments in credit and distressed securities and other special situations. These are long-term investments that cannot be redeemed at the discretion of the Foundation. Instead, distributions are received through the liquidation of the underlying assets of the funds. Management has estimated that the underlying assets of the funds will be liquidated over 5 to 10 years.
- f. This category includes private investments in the energy and natural resources sector. These are long-term investments that cannot be redeemed at the discretion of the Foundation. Instead, distributions are received through the liquidation of the underlying assets of the funds. Management has estimated that the underlying assets of the funds will be liquidated over 5 to 10 years.
- g. This category includes private real estate investments in land and commercial real estate properties throughout the United States. These are long-term investments that cannot be redeemed at the discretion of the Foundation. Instead, distributions are received through the liquidation of the underlying assets of the funds. Management has estimated that the underlying assets of the funds will be liquidated over 5 to 15 years.

The Wenner-Gren Foundation for Anthropological Research, Inc.

Notes to Financial Statements
December 31, 2021 and 2020

5. Liquidity and Availability of Financial Assets

The following reflect the Foundation's financial assets available as of December 31, to meet cash needs for expenditures within one year of the date of the statements of financial position:

	2021	2020
Financial Assets:		
Cash and cash equivalents	\$ 404,629	\$ 441,393
Accrued investment income receivable	1,806	2,352
Other receivables	4,216,279	1,226,850
Investments	223,027,948	199,824,851
Total financial assets	227,650,662	201,495,446
Less: Contractual restrictions		
Letter of credit	91,504	91,504
Illiquid investments	92,023,886	73,167,221
	92,115,390	73,258,725
Financial assets available to meet general expenditures over the next twelve months	\$ 135,535,272	\$ 128,236,721

The Foundation's working capital and cash flows are driven by its investment portfolio and investment return. As part of the Foundation's liquidity management strategy, the Foundation seeks to maintain adequate liquidity to meet its obligations, including its operating budget and capital calls relating to the Foundation's private investment portfolio. The Foundation structures its financial assets to maintain an approximate cash balance equivalent to twelve months operating and investment cash flow needs. The Foundation's Investment and Budget Committee oversees the cash management of the Foundation. Other than the illiquid investments and the letter of credit, all of the Foundation's other financial assets are available for general expenditure within one year of the date of the statement of financial position.

6. Furniture, Equipment and Leasehold Improvements

Furniture, equipment and leasehold improvements of the Foundation were as follows at December 31:

	2021	2020
Furniture and office equipment	\$ 344,475	\$ 344,475
Leasehold improvements	139,350	139,350
Website development costs	336,566	188,595
	820,391	672,420
Less: accumulated depreciation and amortization	441,712	357,340
	\$ 378,679	\$ 315,080

The Wenner-Gren Foundation for Anthropological Research, Inc.

Notes to Financial Statements
December 31, 2021 and 2020

7. Post-Retirement Medical Benefits Obligation

The Foundation provides non-contributory post-retirement medical benefits to senior management and long-serving staff. To qualify for post-retirement medical benefits, employees must be eligible for Medicare and meet years of service requirements. The Foundation will pay an annual maximum of \$1,100 towards either the cost of Medicare B coverage or supplemental Medicare coverage. The annual dollar maximum is waived for persons who served as senior management. The Foundation funds its postretirement benefits costs on a pay as you go basis.

The accumulated post-retirement medical benefit obligation at December 31 is as follows:

	<u>2021</u>	<u>2020</u>
Retirees	\$ 113,142	\$ 122,304
Active employees	<u>1,021,597</u>	<u>1,036,001</u>
	<u>\$ 1,134,739</u>	<u>\$ 1,158,305</u>

A 2.75% and 2.41% discount rate was used to determine benefit obligations at December 31, 2021 and 2020.

During 2021 and 2020, the Foundation paid \$8,607 and \$8,155 for post-retirement medical benefits. The expected payments to be made over the next ten years are as follows:

2022	\$ 11,624
2023	11,199
2024	10,727
2025	32,054
2026	54,101
2027 to 2031	<u>271,890</u>
	<u>\$ 391,595</u>

The Wenner-Gren Foundation for Anthropological Research, Inc.

Notes to Financial Statements
December 31, 2021 and 2020

8. Lease Commitment

The Foundation entered into a 10 year lease located at 655 Third Avenue, New York City on July 19, 2018 with a term of January 23, 2019 through July 23, 2029.

Future minimum lease payments are as follows:

2022	\$ 366,016
2023	366,016
2024	394,611
2025	394,611
2026	394,611
2027 and thereafter	<u>986,528</u>
	<u>\$ 2,902,393</u>

The Foundation incurred rent expense of \$366,016 in both 2021 and 2020.

The Foundation has an outstanding irrevocable standby letter of credit in the amount of \$91,504. The letter of credit earns a .05% interest rate. The letter of credit is used to provide a security deposit for the lease of the Foundation's premises at 655 Third Avenue, New York City. The letter of credit is collateralized by a money market account included in investments and amounted to \$100,022 and \$100,010 at December 31, 2021 and 2020.

9. Concentration of Credit Risk

Financial instruments that potentially subject the Foundation to significant concentrations of credit risk consist principally of cash and cash equivalents and investments. At times cash balances held at financial institutions may be in excess of federally insured limits. The Foundation has not experienced any losses on its cash deposits. Investments are managed by professional investment management firms and are monitored by the Investment and Budget Committee and an investment consultant engaged by the Foundation.

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