

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

Financial Statements

December 31, 2020 and 2019

## Independent Auditors' Report

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

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, 2020 and 2019, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

***Management's Responsibility for the Financial Statements***

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

***Auditors' Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

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, 2020 and 2019, 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.

*PKF O'Connor Davies, LLP*

April 26, 2021

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

Statements of Financial Position

	December 31	
	2020	2019
<b>ASSETS</b>		
Cash and cash equivalents	\$ 441,393	\$ 433,517
Accrued investment income receivable	2,352	9,484
Due from broker and other receivables	1,226,850	3,071,950
Prepaid expense and deposits	188,850	235,890
Investments	199,824,851	180,508,109
Furniture, equipment and leasehold improvements, net	315,080	399,453
	\$ 201,999,376	\$ 184,658,403
 <b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Grants payable	\$ 1,665,458	\$ 1,660,539
Accounts payable and accrued expenses	332,550	245,994
Post-retirement medical benefits obligation	1,158,305	874,764
Total Liabilities	3,156,313	2,781,297
 Net assets without donor restrictions	198,843,063	181,877,106
	\$ 201,999,376	\$ 184,658,403

See notes to financial statements

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

Statements of Activities

	Year Ended	
	December 31	
	2020	2019
<b>INVESTMENT RETURN AND OTHER INCOME</b>		
Interest and dividends	\$ 401,493	\$ 719,568
Realized and unrealized gain on investments	24,503,816	23,863,570
	24,905,309	24,583,138
Investment expenses	393,703	423,125
Investment Return	24,511,606	24,160,013
Other	33,562	23,037
Total Investment Return and Other Income	24,545,168	24,183,050
<b>EXPENSES</b>		
Program Expenses		
Individual research grants	1,381,093	2,828,700
Capacity building and outreach	2,329,440	2,253,708
Program support, planning and development	2,655,643	2,386,890
Total Program Expenses	6,366,176	7,469,298
Operations and governance	1,213,035	1,174,211
Total Expenses	7,579,211	8,643,509
Change in Net Assets	16,965,957	15,539,541
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b>		
Beginning of year	181,877,106	166,337,565
End of year	\$ 198,843,063	\$ 181,877,106

See notes to financial statements

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

Statement of Functional Expenses  
Year Ended December 31, 2020

	Program Expenses				Operations and Governance	Total
	Individual Research Grants	Capacity Building and Outreach	Program Support, Planning and Development	Total Program Expenses		
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	\$ 1,381,093	\$ 2,329,440	\$ 2,655,643	\$ 6,366,176	\$ 1,213,035	\$ 7,579,211

See notes to financial statements

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

Statement of Functional Expenses  
Year Ended December 31, 2019

	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	\$ 2,750,687	\$ -	\$ -	\$ 2,750,687	\$ -	\$ 2,750,687
Engaged anthropology grant	78,013	-	-	78,013	-	78,013
Fellowships						
Hunt postdoctoral fellowships	-	342,772	-	342,772	-	342,772
Fejos postdoctoral fellowships in ethnographic film	-	156,667	-	156,667	-	156,667
Wadsworth fellowships	-	304,782	-	304,782	-	304,782
Conferences						
Symposia	-	228,210	-	228,210	-	228,210
Conference and workshop grants	-	556,564	-	556,564	-	556,564
Publications						
SAPIENS	-	503,435	-	503,435	-	503,435
Current Anthropology/WG symposia supplements	-	45,206	-	45,206	-	45,206
Other programs	-	116,072	-	116,072	-	116,072
Salaries	-	-	1,117,726	1,117,726	540,621	1,658,347
Payroll taxes	-	-	71,708	71,708	34,683	106,391
Employee benefits	-	-	501,230	501,230	242,434	743,664
General office	-	-	214,228	214,228	138,315	352,543
Board of trustees and advisory council	-	-	39,394	39,394	13,892	53,286
Program consultants	-	-	156,550	156,550	-	156,550
Travel and meetings	-	-	29,980	29,980	14,501	44,481
Rent and occupancy	-	-	174,950	174,950	84,620	259,570
Depreciation and amortization	-	-	59,917	59,917	28,980	88,897
Insurance	-	-	21,207	21,207	10,257	31,464
Legal and accounting	-	-	-	-	65,908	65,908
Total	<u>\$ 2,828,700</u>	<u>\$ 2,253,708</u>	<u>\$ 2,386,890</u>	<u>\$ 7,469,298</u>	<u>\$ 1,174,211</u>	<u>\$ 8,643,509</u>

See notes to financial statements

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

Statements of Cash Flows

	Year Ended	
	December 31	
	<u>2020</u>	<u>2019</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 16,965,957	\$ 15,539,541
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation and amortization	84,373	88,897
Realized and unrealized gain on investments	(24,503,816)	(23,863,570)
Loss on disposal of furniture, equipment and leasehold improvements	-	5,181
Post-retirement medical benefits obligation	283,541	222,138
Changes in operating assets and liabilities		
Accrued investment income receivable	7,132	(186)
Due from broker and other receivables	1,845,100	(1,977,961)
Prepaid expenses and deposits	47,040	264,792
Grants payable	4,919	3,960
Accounts payable and accrued expenses	86,556	36,521
Net Cash from Operating Activities	<u>(5,179,198)</u>	<u>(9,680,687)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of furniture, equipment and leasehold improvements	-	(483,824)
Purchase of investments	(33,311,840)	(10,932,962)
Proceeds from sales of investments and return of capital distributions	43,909,465	18,210,166
Change in short term investments	<u>(5,410,551)</u>	<u>2,883,303</u>
Net Cash from Investing Activities	<u>5,187,074</u>	<u>9,676,683</u>
Net Change in Cash and Cash Equivalents	7,876	(4,004)
<b>CASH AND CASH EQUIVALENTS</b>		
Beginning of year	<u>433,517</u>	<u>437,521</u>
End of year	<u>\$ 441,393</u>	<u>\$ 433,517</u>
<b>SUPPLEMENTAL CASH FLOW INFORMATION</b>		
Unrelated business income taxes paid	<u>\$ 4,913</u>	<u>\$ 34,981</u>

See notes to financial statements



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

Notes to Financial Statements  
December 31, 2020 and 2019

### 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, 2020 and 2019

### 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, 2020 and 2019

### 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, 2020 and 2019 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, 2017.

#### ***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 April 26, 2021.

### 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 \$196,709 in 2020 and \$172,879 in 2019.

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

Notes to Financial Statements  
December 31, 2020 and 2019

### 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:

	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	\$ 19,525,310	\$ 162,666,660	182,191,970
Short-term cash investments, at cost			17,632,881
Total Investments			\$ 199,824,851

(\*) 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, 2020 and 2019

**4. Fair Value Measurements (continued)**

	2019		
	Level 1	Investments Values Using NAV (*)	Total
Marketable Equities			
Consumer	\$ 1,868,846	\$ -	\$ 1,868,846
Healthcare	2,175,985	-	2,175,985
Information technology	5,556,477	-	5,556,477
Communication	1,990,133	-	1,990,133
International	1,676,195	-	1,676,195
Mutual Funds			
Emerging markets	13,340,358	-	13,340,358
Hedge funds	-	75,990,894	75,990,894
Commingled funds	-	18,408,620	18,408,620
Venture capital/fund of funds	-	21,232,647	21,232,647
Private equities	-	11,810,741	11,810,741
Distressed securities funds	-	2,380,459	2,380,459
Natural resources funds	-	9,920,980	9,920,980
Real estate funds	-	1,933,444	1,933,444
Total Investments at Fair Value	<u>\$ 26,607,994</u>	<u>\$ 141,677,785</u>	168,285,779
Short-term cash investments, at cost			<u>12,222,330</u>
Total Investments			<u>\$ 180,508,109</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, 2020 is as follows:

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Hedge funds see "a" below	\$ 78,176,329	\$ -	Quarterly - Annually	20 - 90 days
Commingled funds see "b" below	11,323,110	-	Weekly - Monthly	3-30 days
Venture capital/fund of funds see "c" below	30,794,658	19,431,447	N/A *	N/A *
Private equities see "d" below	24,832,066	8,919,020	N/A *	N/A *
Distressed securities funds see "e" below	1,858,223	64,936	N/A *	N/A *
Natural resources funds see "f" below	13,830,853	430,676	N/A *	N/A *
Real estate funds see "g" below	1,851,421	3,065,908	N/A *	N/A *
Total	<u>\$ 162,666,660</u>	<u>\$ 31,911,987</u>		

\* These investments are illiquid investments.

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

Notes to Financial Statements  
December 31, 2020 and 2019

### 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 15% 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, 2020 and 2019

**5. Liquidity and Availability of Financial Assets**

The following reflect the Foundation's financial assets available as of December 31, 2020 and 2019, to meet cash needs for expenditures within one year of the date of the statements of financial position:

	<u>2020</u>	<u>2019</u>
Financial Assets:		
Cash and cash equivalents	\$ 441,393	\$ 433,517
Accrued investment income receivable	2,352	9,484
Other receivables	1,226,850	3,071,950
Investments	<u>199,824,851</u>	<u>180,508,109</u>
Total financial assets	201,495,446	184,023,060
Less: Contractual restrictions		
Letter of credit - money market account	100,010	100,074
Illiquid investments	<u>73,167,221</u>	<u>47,278,271</u>
	<u>73,267,231</u>	<u>47,378,345</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 128,228,215</u>	<u>\$ 136,644,715</u>

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, 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:

	<u>2020</u>	<u>2019</u>
Furniture and office equipment	\$ 344,475	\$ 344,475
Leasehold improvements	139,350	139,350
Website development costs	<u>188,595</u>	<u>188,595</u>
	672,420	672,420
Less: accumulated depreciation and amortization	<u>357,340</u>	<u>272,967</u>
	<u>\$ 315,080</u>	<u>\$ 399,453</u>

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

Notes to Financial Statements  
December 31, 2020 and 2019

### 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>2020</u>	<u>2019</u>
Retirees	\$ 122,304	\$ 102,877
Active employees	<u>1,036,001</u>	<u>771,887</u>
	<u>\$ 1,158,305</u>	<u>\$ 874,764</u>

A 2.41% and 3.23% discount rate was used to determine benefit obligations at December 31, 2020 and 2019.

During 2020 and 2019, the Foundation paid \$8,155 and \$9,037 for post-retirement medical benefits. The expected payments to be made over the next ten years are as follows:

2021	\$ 11,236
2022	11,943
2023	11,500
2024	10,977
2025	33,550
2026 to 2030	<u>291,849</u>
	<u>\$ 371,055</u>



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

Notes to Financial Statements  
December 31, 2020 and 2019

### 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:

2021	\$ 366,016
2022	366,016
2023	366,016
2024	394,611
2025	394,611
2026 and thereafter	<u>1,381,139</u>
	<u>\$3,268,409</u>

The Foundation incurred rent expense of \$366,016 in 2020 and \$259,570 in 2019.

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 amount is collateralized by a money market account included in investments.

### 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.

### 10. COVID-19

The COVID-19 pandemic has resulted in substantial volatility in the global financial markets. As a result, the Foundation's investments have incurred fluctuation in their value during the year ended December 31, 2020. Because the value of the Foundation's investments has and will fluctuate in response to changing market conditions, the amount of losses, if any, that will be recognized in subsequent periods, cannot be determined. Therefore, the full extent of any adverse impact on the results of operations, assets and cash flows in 2021 and beyond cannot be reasonably estimated at this time.

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