

OSTEOGENESIS IMPERFECTA FOUNDATION
(a nonprofit organization)

FINANCIAL STATEMENTS

Year Ended June 30, 2021
with Summarized Comparative Information
for the year ended June 30, 2020

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Osteogenesis Imperfecta Foundation
Gaithersburg, MD

Opinion

We have audited the accompanying financial statements of Osteogenesis Imperfecta Foundation (the Foundation), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year 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 Foundation as of June 30, 2021, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

As explained in Note 12 to the financial statements, net assets without donor restrictions as of June 30, 2020 have been restated to account for the proper recognition of accrued expenses. We have not modified our opinion with respect to this matter.

Emphasis of Matter - Contingencies

As noted in Note 16 to the financial statements, economic uncertainties have arisen as a result of the spread of the novel coronavirus which are likely to negatively impact Foundation operations. Our opinion is not modified with respect to this matter and no pandemic implications are accounted for in these financial statements.

Basis for Opinion

We conducted our audit 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 Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 Foundation'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, including omissions, 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 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 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 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.

Report on Summarized Comparative Information

We have previously audited the Foundation's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 29, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Renner and Company, CPA, P.C.

Alexandria, Virginia
December 17, 2021

OSTEOGENESIS IMPERFECTA FOUNDATION

STATEMENT OF FINANCIAL POSITION

June 30, 2021 (with Summarized Comparative Information as of June 30, 2020)

		ASSETS	
		<u>2021</u>	<u>2020</u>
CURRENT ASSETS			
Cash and cash equivalents	\$	299,576	\$ 259,441
Accounts receivable		42,500	22,500
Pledges receivable		221,357	101,526
Investments		1,480,760	1,157,948
Inventory		8,050	7,901
Prepaid expenses		<u>76,785</u>	<u>72,429</u>
TOTAL CURRENT ASSETS		<u>2,129,028</u>	<u>1,621,745</u>
PROPERTY AND EQUIPMENT, at cost, net of accumulated depreciation		<u>7,004</u>	<u>6,640</u>
OTHER ASSETS			
Intangible assets - website development		22,590	30,294
Beneficial interest in assets held in perpetual trust		15,500	15,500
Long-term contributions receivable		45,000	60,000
Deposits		<u>11,405</u>	<u>11,405</u>
TOTAL OTHER ASSETS		<u>94,495</u>	<u>117,199</u>
TOTAL ASSETS		<u>\$ 2,230,527</u>	<u>\$ 1,745,584</u>
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Accounts payable	\$	16,682	\$ 55,735
Accrued expenses		27,732	60,644
Deferred rent		14,290	-
Deferred revenue		<u>18,560</u>	<u>18,560</u>
TOTAL CURRENT LIABILITIES		<u>77,264</u>	<u>134,939</u>
LONG TERM LIABILITIES			
Notes payable		25,000	124,000
Promises to give		<u>90,165</u>	<u>45,516</u>
TOTAL LONG TERM LIABILITIES		<u>115,165</u>	<u>169,516</u>
TOTAL LIABILITIES		<u>192,429</u>	<u>304,455</u>
NET ASSETS			
Without donor restrictions		683,479	386,026
With donor restrictions		<u>1,354,619</u>	<u>1,055,103</u>
TOTAL NET ASSETS		<u>2,038,098</u>	<u>1,441,129</u>
TOTAL LIABILITIES AND NET ASSETS		<u>\$ 2,230,527</u>	<u>\$ 1,745,584</u>

See Notes to Financial Statements.

OSTEOGENESIS IMPERFECTA FOUNDATION

STATEMENT OF ACTIVITIES

Year Ended June 30, 2021 (with Summarized Comparative Information for the year ended June 30, 2020)

	2021			2020
	Without Donor Restrictions	With Donor Restrictions	Total	Total
SUPPORT AND REVENUE				
Contributions and grants	\$ 391,782	\$ 545,870	\$ 937,652	\$ 658,716
Event revenue	337,821	42,464	380,285	504,729
Investment income	355,716	-	355,716	20,086
Direct mailing revenue	252,168	-	252,168	277,258
Contract revenue	193,367	-	193,367	71,988
Other Income	99,000	-	99,000	-
In-kind contributions	80,097	-	80,097	46,719
Conference revenue	20,729	34,738	55,467	115,045
Product sales, net of cost of goods sold	970	-	970	(3,968)
Net assets released from restrictions	323,556	(323,556)	-	-
TOTAL SUPPORT AND REVENUE	2,055,206	299,516	2,354,722	1,690,573
EXPENSES				
Program	1,190,934	-	1,190,934	1,087,746
Management and general	351,281	-	351,281	344,474
Fundraising	215,538	-	215,538	313,927
TOTAL EXPENSES	1,757,753	-	1,757,753	1,746,147
CHANGE IN NET ASSETS	297,453	299,516	596,969	(55,574)
NET ASSETS, beginning of year, restated	386,026	1,055,103	1,441,129	1,496,703
NET ASSETS, end of year	\$ 683,479	\$ 1,354,619	\$ 2,038,098	\$ 1,441,129

See Notes to Financial Statements.

OSTEOGENESIS IMPERFECTA FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2021 (with Summarized Comparative Information for the year ended June 30, 2020)

	2021					2020			
	Program Services				Total	Support Services		Total	
	Conferences	Education and Support	Research	Public Awareness		Management and General	Fundraising		
Salaries and Fringe Benefits	\$ 59,888	\$ 339,980	\$ 131,947	\$ 96,774	\$ 628,589	\$ 206,019	\$ 119,009	\$ 953,617	\$ 1,012,851
Grants and fellowship	-	158,371	207,611	-	365,982	-	-	365,982	112,366
Occupancy	5,139	28,989	10,804	7,478	52,410	19,226	9,272	80,908	80,498
In-kind expense	5,088	28,699	10,696	7,403	51,886	19,033	9,179	80,098	46,719
Event expense	-	-	-	-	-	-	64,232	64,232	143,255
Information technology and web support	398	2,246	837	579	4,060	35,092	718	39,870	40,325
Consulting fees	-	-	24,150	-	24,150	7,294	-	31,444	29,886
Professional fees	384	2,166	807	559	3,916	18,879	693	23,488	45,347
Bank fees	-	-	-	-	-	20,312	360	20,672	21,964
Office supplies	1,001	5,637	2,105	1,457	10,200	4,507	1,806	16,513	20,024
Postage and delivery	766	4,323	1,611	1,115	7,815	2,867	1,383	12,065	19,211
Printing and duplicating	755	4,257	1,587	1,098	7,697	2,823	1,362	11,882	20,518
Insurance	323	4,452	630	492	5,897	2,332	3,009	11,238	15,338
Depreciation and amortization	666	3,755	1,399	969	6,789	2,490	1,201	10,480	13,945
Telephone	651	3,672	1,369	947	6,639	2,435	1,174	10,248	10,222
Licenses and permits	609	3,436	1,281	886	6,212	2,279	1,099	9,590	1,586
Dues and subscriptions	459	2,587	964	667	4,677	1,716	827	7,220	3,633
Interest expense	-	-	-	-	-	3,532	-	3,532	6,942
Meetings and conferences	2,536	161	111	-	2,808	-	-	2,808	73,471
Travel	118	668	249	172	1,207	445	214	1,866	10,479
Survey	-	-	-	-	-	-	-	-	9,860
Equipment rental and maintenance	-	-	-	-	-	-	-	-	5,255
Loss on disposal of assets	-	-	-	-	-	-	-	-	2,000
Bad debt	-	-	-	-	-	-	-	-	452
TOTAL EXPENSES	<u>\$ 78,781</u>	<u>\$ 593,399</u>	<u>\$ 398,158</u>	<u>\$ 120,596</u>	<u>\$ 1,190,934</u>	<u>\$ 351,281</u>	<u>\$ 215,538</u>	<u>\$ 1,757,753</u>	<u>\$ 1,746,147</u>

See Notes to Financial Statements.

OSTEOGENESIS IMPERFECTA FOUNDATION**STATEMENT OF CASH FLOWS****Year Ended June 30, 2021 (with Comparative Information for the year ended June 30, 2020)**

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from operations		
Support and revenue	\$ 1,695,077	\$ 1,608,207
Investment income	21,601	33,050
	<u>1,716,678</u>	<u>1,641,257</u>
Cash used in operations		
Payment to suppliers and employees	1,681,174	1,808,304
Interest paid	3,532	6,942
	<u>1,684,706</u>	<u>1,815,246</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>31,972</u>	<u>(173,989)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment and property	(3,140)	(3,139)
Purchase of intangible assets - website development	-	(12,800)
Sale of investments	208,372	405,961
Purchase of investments	(197,069)	(228,423)
	<u>8,163</u>	<u>161,599</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>8,163</u>	<u>161,599</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from notes payable	-	124,000
	<u>-</u>	<u>124,000</u>
NET INCREASE IN CASH	40,135	111,610
CASH AND CASH EQUIVALENTS, beginning of year	<u>259,441</u>	<u>147,831</u>
CASH AND CASH EQUIVALENTS, end of year	<u><u>\$ 299,576</u></u>	<u><u>\$ 259,441</u></u>
NON-CASH INVESTING AND FINANCING ACTIVITIES		
Unrealized (gain) loss in market value of investments	\$ (323,646)	\$ 33,475
Increase (decrease) in investment value	323,646	(33,475)
Forgiveness of Paycheck Protection Program loan payable	99,000	-
Gain on extinguishment of debt	(99,000)	-
	<u>\$ -</u>	<u>\$ -</u>

See Notes to Financial Statements.

OSTEOGENESIS IMPERFECTA FOUNDATION

STATEMENT OF CASH FLOWS

Year Ended June 30, 2021 (with Comparative Information for the year ended June 30, 2020)

	<u>2021</u>	<u>2020</u>
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
CHANGE IN NET ASSETS	<u>\$ 596,969</u>	<u>\$ (55,574)</u>
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Forgiveness of Paycheck Protection Program Loan	(99,000)	-
Realized and unrealized (gains) losses on investments	(334,115)	12,964
Depreciation and amortization expense	10,480	13,945
Non-cash occupancy costs	14,290	-
Loss on disposal of intangible assets	<u>-</u>	<u>2,000</u>
NET ADJUSTMENTS	<u>(408,345)</u>	<u>28,909</u>
CHANGES IN ASSETS AND LIABILITIES AFFECTING OPERATIONS PROVIDING CASH		
ASSETS		
Accounts and pledges receivable	(124,831)	(19,976)
Inventory	(149)	5,311
Prepaid expenses	(4,356)	(36,915)
Deposits	<u>-</u>	<u>(4,643)</u>
	<u>(129,336)</u>	<u>(56,223)</u>
LIABILITIES		
Accounts payable	(39,053)	(10,623)
Promises to give	44,649	(66,799)
Accrued expenses	(32,912)	(18,094)
Deferred revenue	<u>-</u>	<u>4,415</u>
	<u>(27,316)</u>	<u>(91,101)</u>
NET CHANGES IN ASSETS AND LIABILITIES	<u>(156,652)</u>	<u>(147,324)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u><u>\$ 31,972</u></u>	<u><u>\$ (173,989)</u></u>

See Notes to Financial Statements.

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 (with Summarized Comparative Information as of and for the year ended June 30, 2020)

1. ORGANIZATION AND PURPOSE, SIGNIFICANT ACCOUNTING POLICIES

Organization and Purpose

Osteogenesis Imperfecta Foundation, Inc. (the Foundation or OIF) is a Georgia non-stock corporation incorporated in 1970 with the primary purpose of improving the quality of life for people affected by the bone disorder osteogenesis imperfecta (OI) through research into treatments and a cure, education, awareness, and mutual support. The Foundation's headquarters are located in Gaithersburg, Maryland.

The underlying categories represent the major program areas of the Foundation:

Research

Michael Geisman Fellowship Program - The Foundation funds grants to support research relevant to understanding and treating OI. Through the Michael Geisman Fellowship program, OIF's young investigator grant program named for the son of OIF Founder, Gemma Geisman, fellowships are awarded to post-doctoral trainees working on projects with clear relevance to OI. This past year, OIF awarded second year funding to Dr. Heeseog Kang.

NIH Brittle Bone Disorders Consortium (BBDC) - The BBDC has been funded for an additional five years as part of the National Institutes of Health's Rare Diseases Clinical Research Network. The goal of the initiative is to better understand all genetic forms of OI, expand treatment options and train the next generation of physicians and scientists to study OI. As the lead patient advocacy organization partner, the OIF will expand on the outreach to medical professionals and constituents through the various online learning portals housed on the OIF's website as well as continue to provide opportunities for scientists and OI researchers to connect and collaborate.

Eugene Washington PCORI Engagement Award - In the Spring of 2019, the OIF was approved for a two-year funding award through the Eugene Washington PCORI Engagement Awards program, an initiative of the Patient-Centered Outcomes Research Institute (PCORI). PCORI is an independent, nonprofit organization authorized by Congress in 2010 to fund comparative effectiveness research that will provide patients, their caregivers, and clinicians with the evidence needed to make better-informed health and healthcare decisions. The goal of patient-centered outcomes research (PCOR) for OI is to provide doctors and care providers with information that is relevant to the needs of the OI community. This allows clinicians to provide better care and empowers the OI community to advocate for themselves. Until recently, OI research has been focused on fractures, but the characteristics of OI go beyond bone and includes ear, lungs, eye, and heart problems. PCOR filled this gap in, addressing the needs of the OI community that have previously gone unheard.

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 (with Summarized Comparative Information as of and for the year ended June 30, 2020)

1. ORGANIZATION AND PURPOSE, SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Research (Continued)

Rare Bone Disorder ECHO Clinic - Starting in the summer of 2019, the OIF, in collaboration with the Rare Bone Disease Alliance and OIF Medical Advisory Council member Dr. Laura Tosi of Children's National Hospital, helped launch the inaugural Rare Bone Disorder ECHO Clinic. ECHO (Extension for Community Healthcare Outcomes) is a digital medical education program that increases a physician's access to expert knowledge to help them improve their quality of care.

The Rare Bone ECHO helps to spread knowledge of rare bone conditions like OI to physicians and medical practitioners through monthly video tele-mentoring sessions. By increasing access to expert medical knowledge for physicians in this cutting edge and cost-effective model, the OIF can help increase the standard of care for people with rare bone conditions.

OI Registry - The OIF encourages OI community members (18 and older) and parents of children with OI to join the OI Registry. The OI Registry is a database of individuals with OI who are interested in participating in OI research.

Patient-Centered Outcomes Research - The OI Foundation was approved for a funding award through the Eugene Washington PCORI Engagement Awards (Engagement Awards) program, an initiative of the Patient-Centered Outcomes Research Institute (PCORI). Funding from the Patient-Centered Outcomes Research Institute (PCORI) will be used to enhance and expand the ongoing work of the OI Foundation (OIF).

OIF Information Center - The Foundation provides medically verified information related to OI. Topics range from medical issues such as genetics, diagnosis, and, treatments to daily living strategies such as school and employment. Educational materials are available in print and electronically through the OIF website. This past year, OIF staff responded to more than 11,000 direct inquiries for information.

The OI Foundation's information center, located at www.oif.org/informationcenter, covers information about OI, both issues that affect children and adults, and provides online resources for providers who see few OI patients. The site is also host to OIF podcasts (25 to date) on a variety of topics including; spine issues and basilar invagination in OI; dental; surgical interventions; pregnancy and OI; hearing loss and OI; mental health and the OI patient; treatment options for adults and children and an overview of the diagnosis and treatment of OI. The podcasts have been downloaded more than 5,000 times and are a very popular feature of OIF's medical professional educational outreach.

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 (with Summarized Comparative Information as of and for the year ended June 30, 2020)

1. ORGANIZATION AND PURPOSE, SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Research (Continued)

Scientific Meetings – OIF hosts an annual Scientific Meeting to bring together leaders in clinical and basic research on a single topic related to OI. In addition, the Foundation participates in numerous research meetings sponsored by other organizations, including the National Institute of Health (NIH). Every third year, OIF joins other OI associations at the International Scientific Congress on OI.

The OIF successfully co-sponsored a Rare Bone Disease Working Group meeting at the American Society of Bone and Mineral Research (ASBMR) annual meeting in September 2019. The meeting gathered more than 200 scientists and medical professionals. The meeting was chaired by Dr. Laura Tosi, a member of the OIF's Medical Advisory Council, and included topics such as Management Pearls to Enhance the Care of Patients with Rare Bone Diseases, New Disease Models, and Clinic Trial Updates.

OI Adult Health Initiative – In fiscal year 2018, OIF funded the first year of a new cardiopulmonary grant. This community-directed scientific committee led studies in direct response to the growing concern of pulmonary complications, especially in adults, of those in the OI community. The committee will work to determine the inherent cause of restrictive physiology (cardiopulmonary insufficiency) in people with OI so that treatments can be recommended and appropriate measurements for an accurate assessment of the restrictive physiology in OI patients can be defined by creating a standard normative reference for each OI type.

The OIF continues to take the lead in developing programs that provide opportunities for scientific collaboration, mutual support for persons living with OI, and access to the most up-to-date and medically verified information about OI.

Education and Support

The Foundation offers medically verified information related to OI. Topics include medical issues such as genetics, diagnosis and treatments. Additional topics focus on daily living strategies, school and employment. The Foundation's staff replies to requests for information via phone, internet, social media and mail. Educational materials are available in print and electronically through the OIF website. Print materials include books, brochures, fact sheets and a printed newsletter. Electronic materials include a monthly email newsletter, and via the website, fact sheets, booklets and brochures. Information on OI is written for a variety of audiences including medical professionals, parents and other family members, children, adults who have OI, and school professionals. The OI Foundation responds to more than 11,000 direct inquiries a year. The Foundation sponsors a network of support groups across the United States. Support group activities provide opportunities for mutual support and increased community awareness. Currently, there are 38 active groups in 32 states.

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 (with Summarized Comparative Information as of and for the year ended June 30, 2020)

1. ORGANIZATION AND PURPOSE, SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Education and Support (Continued)

Jeanie Coleman Impact Grant Program – In partnership with Children’s Brittle Bone Foundation (CBBF), this annual competitive grant program was designed and established to provide funding for items that will significantly improve the quality of life for a person who has OI and who has limited financial resources. This past year, the Foundation was able to finance 23 applicants for funding for a total of \$100,000. Items and services funded this year include; hearing aids, wheelchairs, an accessible van, finger splints, and computers.

OIF Conferences

The Foundation’s principal educational event is the Biennial OIF National Conference. The conference brings together adults who have OI, parents, family members and leading medical experts. The conference provides the opportunity for attendees to have face-to-face meetings with experienced physicians, learn about the latest research, and interact with other people who are affected by OI.

In July 2020, the Foundation held its first-ever OIF Virtual Conference. More than 800 OI community members registered for the virtual event and joined OI experts and fellow community members for two days of virtual information and social sessions. The Virtual Conference began with OIF’s first-ever Virtual National Walk-n-Wheel for OI. The next conference will be held in July 2021 in Omaha, Nebraska.

Since its launch in 2015, OIF’s Regional Conference program has reached more than 1,100 members of the OI community, half of whom had never attended an OI event before. These one-day conferences feature educational sessions led by OI experts including OIF Medical Advisory Council members. In fiscal year 2020, the Foundation held three regional conferences in Atlanta, Georgia (August 2019); Sacramento, California (August 2019); and Wilmington, Delaware (October 2019).

Public Awareness

The OIF strives to build public awareness and generate additional support among people with OI, community organizations, government agencies, the public, school personnel and medical professionals. The Foundation has a public service announcement, partners with related organizations such as The U.S. Bone & Joint Decade, the National Organization for Rare Disorders, the National Bone Health Alliance, the Rare Disease Patient Network, the National Health Council, committees/councils of the National Institutes of Health, and the OI Federation of Europe. In addition, OIF participates in Rare Disease Day activities, and sponsors OI Awareness Week each May.

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 (with Summarized Comparative Information as of and for the year ended June 30, 2020)

1. ORGANIZATION AND PURPOSE, SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Public Awareness (Continued)

National Osteogenesis Imperfecta Awareness Week 2020 took place on May 2-9, 2020. Volunteers contacted government officials to proclaim OI Awareness Week in 24 cities and states, raised more than \$19,000 through Facebook fundraisers, and reached more than 200,000 people on social media. The OIF celebrated Wishbone Day, the international OI Awareness Day, by sharing facts and information via social media every hour for a consecutive twelve hours.

The OI Foundation manages three official social networking sites: the OIF Facebook Page – followed by 13,000 Facebook users; the OI Foundation Twitter page (@OIFoundation) - followed by 2,554 Twitter users, and the OIF Instagram page (@oifoundation) - followed by 1,153 Instagram users. The OI Forum page, a Facebook group with 10,800 members, is for OI community members to ask questions, share information and experiences, and connect with other OI community members.

The Foundation is committed to advocating on behalf of people with OI. The OIF has established an advocacy initiative; a grassroots effort focusing on educating legislators and their staff about OI and the priorities of the Foundation.

Significant Accounting Policies

Basis of Accounting

The Foundation prepares its financial statements on the accrual basis of accounting. Revenues are recognized in the period in which they are earned; expenses are recognized in the period in which they are incurred.

Summarized Information

The financial statements include certain summarized comparative information in total, but not by each class of net assets. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended June 30, 2020, from which the summarized information was derived.

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 (with Summarized Comparative Information as of and for the year ended June 30, 2020)

1. ORGANIZATION AND PURPOSE, SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Significant Accounting Policies (Continued)

Adoption of New Accounting Standard

The Foundation has adopted the financial statement presentation and disclosure standards contained in the Financial Accounting Standards Board Accounting Standards Update 2014-09, *Revenue from Contracts with Customers*, modifying ASC section 606. The change has been applied as of June 30, 2021, with no effect on beginning net assets without donor restrictions.

Cash and Cash Equivalents

Cash consists of noninterest-bearing checking accounts, a money market account, and an interest-bearing savings account. The Foundation considers all highly liquid instruments purchased with an original maturity of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable are stated as unpaid balances, less any allowance for doubtful accounts. The Foundation provides for losses on accounts receivable using the allowance method. Accounts receivable are considered past due if payments are not received within 60 days of the invoice date. Management periodically reviews accounts receivable to evaluate collectability. Uncollectible receivables will be written off when management determines the receivable will not be collected.

Pledges Receivable

Unconditional promises to give are recognized as support in the period the promise is made. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. Promises to give are carried at original amount promised less an estimate made for doubtful promises based on a review of all outstanding promises on a monthly basis. Management determines the allowance for doubtful promises by regularly evaluating individual promises to give and considering prior history of donor and proven collectability of past donations. Promises to give are written off when deemed uncollectible. Recoveries of promises to give previously written off are recorded when received.

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 (with Summarized Comparative Information as of and for the year ended June 30, 2020)

1. ORGANIZATION AND PURPOSE, SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Significant Accounting Policies (Continued)

Investments

The Foundation invests in professionally managed portfolios that contain common stock, corporate bonds and municipal bonds. Such investments are exposed to various risks such as market and credit risk. Due to the level of risk associated with such investments and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risks in the near term would materially affect investment balances and the amounts reported in the financial statements.

Investments are recorded at fair value. Unrealized gains and losses are included in investment income in the statement of activities.

Inventory

Product inventory is carried at cost.

Prepaid Expenses

The Foundation records expenses incurred in advance for general operations and the Biennial National Conference as prepaid expenses.

Property and Equipment

Property and equipment are reflected in the financial statements at cost. The Foundation capitalizes all fixed assets with a purchase price of \$1,000 or greater. Depreciation is computed using the straight line method over the estimated useful lives of the assets. Routine repairs and maintenance are expensed as incurred.

Website Development

Website development expenditures are recorded at cost. These costs are being amortized over the estimated useful life of the website using straight-line basis. When the asset is retired or otherwise disposed of, the cost and related accumulated amortization are removed from the accounts, and any resulting gain or loss is recognized.

Deferred Revenue

Revenues billed or collected for which the services or function have not been fulfilled are reflected as deferred revenue.

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 (with Summarized Comparative Information as of and for the year ended June 30, 2020)

1. ORGANIZATION AND PURPOSE, SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Significant Accounting Policies (Continued)

Classes of Assets

To ensure observance of limitations and restrictions placed on the use of resources available to the Foundation, the Foundation classifies resources for accounting purposes into classes established according to their nature and purpose.

In accordance with U.S. GAAP, the Foundation's net assets are classified into two categories as follows:

Net Assets Without Donor Restriction

The Foundation includes operating net assets which are available for the general operations of the Association as net assets without donor restriction, as well as Board-designated net assets set aside for future use. There were no Board-designated net assets as of June 30, 2021 and 2020.

Net Assets With Donor Restriction

The Foundation reports gifts of cash and other restricted support if they are received with donor stipulations that limit the use of donated assets. When a donor restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), net assets with donor restriction are reclassified to net assets without donor restriction and reported in the statement of activities as net assets released from restrictions.

Investment gains and losses earned on with donor restricted funds held by the Foundation are recorded as an increase or decrease in net assets without donor restriction.

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 (with Summarized Comparative Information as of and for the year ended June 30, 2020)

1. ORGANIZATION AND PURPOSE, SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

Membership dues are recognized ratably over the membership period. Memberships received in advance are deferred to the appropriate membership period. Contributions received are recorded as net assets without donor restriction or net assets with donor restriction, depending on the existence and/or nature of any donor restrictions. All donor-restricted support is reported as an increase in net assets with donor restriction, depending on the nature of the restriction. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restriction are reclassified to net assets without donor restriction and reported in the consolidated statement of activities as net assets released from restrictions. Grants received that are considered to be conditional promises to give are recorded as refundable advances until the conditions are substantially met. Conference revenues are recognized at the time of the event. Amounts received in advance are recorded as deferred revenue.

Disaggregation of Revenue

The Foundation disaggregates revenue according to the nature of the services provided. The Foundation also disaggregates revenue from contracts with customers according to the timing of revenue recognition. These categories are used to depict how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors.

Performance Obligations

Membership dues are recognized over the membership period. The contract for membership dues is established once payment is received, for which the Foundation provides membership benefits for one year for Bronze, Silver and Gold membership and two years for the 1970 Society membership. Rates for the years ended June 30, 2021 and 2020 ranged from \$36 for Bronze, \$100 for Silver, \$365 for Gold and \$1,000 for 1970 Society members.

Conference and general registrations are recognized at the time the event is held. The contract for conference and meeting registrations is established once payment is received, for which the Foundation provides access rights to the event either in person or virtually. Rates vary depending on the conference or meeting and day(s) of attendance. The conference rate for the years ended June 30, 2021 and 2020 was \$100. Refunds are provided on demand.

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 (with Summarized Comparative Information as of and for the year ended June 30, 2020)

1. ORGANIZATION AND PURPOSE, SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

Performance Obligations

Sponsorships are recognized at a point in time, when the conference occurs. The contract for sponsorships is established on payment for which the Foundation provides various benefits such as virtual display, virtual distribution of signage in various formats and platforms and sponsor logos featured on t-shirts. In addition, the Foundation provides registrations to sponsor attendees based on sponsorship levels. Sponsorship rates ranged from \$2,500 to \$20,000 for the years ended June 30, 2021 and 2020.

Significant Judgments

The Foundation's Board of Directors determines the price for its membership dues each year. The price for meetings and conferences is determined by management which accounts for all the expenses to be incurred and includes it in the transaction price.

Recognition of Support

Contributions with donor-imposed restrictions are reported as restricted support; however, donor-restricted contributions whose restrictions are met in the same reporting period are reported as support without donor restriction. When the donor restriction expires, that is, when a stipulated time restriction ends or purpose is accomplished, net assets with donor restriction are reclassified to net assets without donor restriction and reported in the statement of activities as net assets released from restrictions.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs, such as salaries and fringe benefits, occupancy, in-kind expense, information technology and web support, consulting fees, professional fees, office supplies, postage and delivery, printing and duplicating, insurance, depreciation and amortization, telephone, licenses and permits, dues and subscriptions, and travel have been allocated among the program and supporting services based on level of effort.

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 (with Summarized Comparative Information as of and for the year ended June 30, 2020)

1. ORGANIZATION AND PURPOSE, SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Significant Accounting Policies (Continued)

Donated Services

Donated materials and services represent the estimated fair value of materials and services provided. The contributions of services are recognized if the services received create non-financial assets or require specialized skills provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

Income Taxes

OIF is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC), and has been classified by the Internal Revenue Service (IRS) as other than a private foundation within the meaning of Section 509(a)(1) of the IRC. The organization is, however, subject to income taxes on net profits generated by activities defined as unrelated business activities under applicable tax law. The Foundation has not engaged in any such activities during the years ended June 30, 2021 and 2020.

In accounting for uncertainty in income taxes, accounting standards require an entity to recognize the financial statement impact of a tax position when it is more-likely-than-not that the position will not be sustained upon examination. Management evaluated the Foundation's tax positions and concluded there are no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance.

Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 (with Summarized Comparative Information as of and for the year ended June 30, 2020)

1. ORGANIZATION AND PURPOSE, SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Significant Accounting Policies (Continued)

Liquidity

The Foundation maintains a liquid cash balance in checking and money market accounts in an amount necessary to meet its anticipated expenditures for the next 30 days. Cash in excess of this amount is invested in short-term investments.

The Foundation reconciles the balance of financial assets subject to donor restrictions monthly, based on restricted amounts used and received. Restricted cash and investments are separately identified and monitored as part of the Foundation's monthly financial reporting process.

The Foundation's financial assets available within one year to meet cash needs for general expenditures through June 30, 2022 are as follows:

Financial Assets		
Cash and cash equivalents	\$	299,576
Accounts receivable		42,500
Pledges receivable		221,357
Investments		1,480,760
Total Financial assets		<u>2,044,193</u>
Less amounts not available within one year		
Purpose restricted net assets		<u>(1,354,619)</u>
Financial assets available within one year to meet cash needs for general expenditures within one year	\$	<u>689,574</u>

2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as of June 30, 2021 and 2020 consisted of the following:

	2021	2020
Checking	\$ 249,020	\$ 156,787
Money market fund in brokered investment account	50,337	102,435
Petty cash	219	219
	<u>\$ 299,576</u>	<u>\$ 259,441</u>

The amounts in excess of deposit insurance limits were \$4,032 and \$0 as of June 30, 2021 and 2020, respectively.

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 (with Summarized Comparative Information as of and for the year ended June 30, 2020)

3. PLEDGES RECEIVABLE

Pledges receivable at June 30, 2021 and 2020 consisted of unconditional pledges and were due as follows:

	2021		
	Receivable in		
	Less than one year	One to five years	Total
Pledges receivable	<u>\$ 221,357</u>	<u>\$ 45,000</u>	<u>\$ 266,357</u>
	2020		
	Receivable in		
	Less than one year	One to five years	Total
Pledges receivable	<u>\$ 101,526</u>	<u>\$ 60,000</u>	<u>\$ 161,526</u>

No allowance for uncollectible pledges or discount were recorded at June 30, 2021 and 2020.

4. INVESTMENTS

Investments are recorded at fair value and consist of the following as of June 30, 2021 and 2020:

	2021		
	Cost	Fair Value	Unrealized Appreciation (Depreciation)
Common stock			
Communication Services	\$ 57,325	\$ 159,704	\$ 102,379
Consumer Cyclical	67,187	145,557	78,370
Consumer Defensive	78,331	125,047	46,716
Financial	74,328	140,457	66,129
Healthcare	124,133	267,887	143,754
Industrials	72,913	143,279	70,366
Technology	32,209	125,731	93,522
Corporate bonds	51,341	53,667	2,326
Municipal bonds	318,802	319,431	629
	<u>\$ 876,569</u>	<u>\$ 1,480,760</u>	<u>\$ 604,191</u>

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 (with Summarized Comparative Information as of and for the year ended June 30, 2020)

4. INVESTMENTS (CONTINUED)

	2020		
	Cost	Fair Value	Unrealized Appreciation (Depreciation)
Common stock			
Communication Services	\$ 57,325	\$ 99,143	\$ 41,818
Consumer Cyclical	52,852	88,148	35,296
Consumer Defensive	78,331	108,170	29,839
Financial	52,299	66,663	14,364
Healthcare	107,060	194,597	87,537
Industrials	72,913	79,665	6,752
Technology	43,958	111,695	67,737
Asset backed securities	15,931	15,862	(69)
Corporate bonds	50,349	50,998	649
Municipal bonds	325,158	317,931	(7,227)
U.S. Treasury Securities	25,121	25,076	(45)
	\$ 881,297	\$ 1,157,948	\$ 276,651

For the years ended June 30, 2021 and 2020, investments were allocated to the following classes of net assets:

	2021	2020
Net assets without donor restrictions	\$ 126,141	\$ 102,845
Net assets with donor restrictions	1,354,619	1,055,103
	\$ 1,480,760	\$ 1,157,948

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 (with Summarized Comparative Information as of and for the year ended June 30, 2020)

5. FAIR VALUE MEASUREMENTS

The Foundation records investments based on fair value on a recurring basis. Financial accounting and reporting standards define fair value as the price that would be received to sell an asset or paid to transfer a liability (i.e., the exit price) in an orderly transaction between market participants at the measurement date. The standards emphasize that fair value is a market-based measurement, not an entity specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability. As a basis for considering market participant assumptions in fair value measurements, the standards established a fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent from the reporting entity (observable inputs that are classified within Levels 1 and 2 of the hierarchy) and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy).

Level 1 inputs utilize unadjusted quoted prices in active markets for identical assets or liabilities that the Foundation has the ability to access at the measurement date.

Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the assets or liabilities, either directly or indirectly. Level 2 inputs may include quoted prices for similar assets or liabilities in active markets, as well as inputs that are observable for the assets or liabilities (other than quoted prices), such as interest rates, foreign exchange rates and yield curves that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs for the assets or liabilities, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

The determination of the fair value level within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety. The Foundation's assessment of the significance of the particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the assets or liabilities.

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 (with Summarized Comparative Information as of and for the year ended June 30, 2020)

5. FAIR VALUE MEASUREMENTS (CONTINUED)

The following summarizes investments, measured at fair value on a recurring basis, aggregated by the level in the fair value hierarchy within which those measurements fall, as of June 30:

	2021		
	Fair Value	Level 1	Level 2
Common stock	\$ 1,107,662	\$ 1,107,662	\$ -
Corporate bonds	53,667	-	53,667
Municipal bonds	319,431	-	319,431
	<u>\$ 1,480,760</u>	<u>\$ 1,107,662</u>	<u>\$ 373,098</u>
	2020		
	Fair Value	Level 1	Level 2
Common stock	\$ 748,081	\$ 748,081	\$ -
Asset backed securities	15,862	-	15,862
Corporate bonds	50,998	-	50,998
Municipal bonds	317,931	-	317,931
U.S. Treasury Securities	25,076	-	25,076
	<u>\$ 1,157,948</u>	<u>\$ 748,081</u>	<u>\$ 409,867</u>

Subsequent to the fiscal year end, unrealized losses on the Foundation's investments were primarily caused by market fluctuations within its portfolio. As of November 30, 2021, the value of the Foundation's investments declined by approximately 4.12%. The Foundation does not consider these investments to be other-than-temporarily impaired.

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 (with Summarized Comparative Information as of and for the year ended June 30, 2020)

6. PROPERTY AND EQUIPMENT

A summary of information related to property and depreciation for the years ended June 30, 2021 and 2020 is as follows:

	2021			Useful life (years)
	Cost	Depreciation expense	Accumulated depreciation	
Office equipment	\$ 3,856	\$ -	\$ 3,856	5-7
Telephone system	7,992	-	7,992	5
Computers	31,945	2,775	24,941	5
Software	4,966	-	4,966	5
	<u>\$ 48,759</u>	<u>\$ 2,775</u>	<u>\$ 41,755</u>	
	2020			Useful life (years)
	Cost	Depreciation expense	Accumulated depreciation	
Office equipment	\$ 3,856	\$ 375	\$ 3,856	5-7
Telephone system	8,020	28	8,020	5
Computers	28,806	4,559	22,166	5
Software	4,966	-	4,966	5
	<u>\$ 45,648</u>	<u>\$ 4,962</u>	<u>\$ 39,008</u>	

7. INTANGIBLE ASSET - WEBSITE DEVELOPMENT

A summary of information related to intangible assets and accumulated amortization for the years ended June 30, 2021 and 2020 is as follows:

	2021		
	Cost	Amortization expense	Accumulated amortization
Website development	<u>\$ 38,400</u>	<u>\$ 7,704</u>	<u>\$ 15,810</u>
	2020		
	Cost	Amortization expense	Accumulated amortization
Website development	<u>\$ 38,400</u>	<u>\$ 8,983</u>	<u>\$ 8,106</u>

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 (with Summarized Comparative Information as of and for the year ended June 30, 2020)

8. DEFERRED REVENUE

The balance of deferred revenue as of June 30, 2021 and 2020 consisted of the following:

	2021	2020
National Conference sponsorships	<u>\$ 18,560</u>	<u>\$ 18,560</u>

9. PROMISES TO GIVE

As part of its stated mission, the Foundation supports projects for the benefit of people with OI. Outstanding promises to give for the years ended June 30, 2021 and 2020 is as follows:

	2021	2020
Shriners Hospitals for Children	\$ 50,000	\$ -
Dr. Tonelli Fellowship	16,666	-
Children's National Health System	13,832	20,516
Medicine Services	9,667	-
Duke University School of Medicine	-	25,000
	<u>\$ 90,165</u>	<u>\$ 45,516</u>

10. NOTES PAYABLE

On June 9, 2020, the Foundation entered into a note payable agreement with the Children's Brittle Bone Foundation in the amount of \$25,000. No interest on the note payable will accrue if the funds are paid by the maturity date of June 1, 2023. As of June 30, 2021 and 2020, total amounts due totaled \$25,000.

11. LINE OF CREDIT

In July 2012, the Foundation entered into a \$100,000 line of credit agreement with a commercial bank. The line is renewed annually each July and was renewed through July 2022. Outstanding borrowings on the line of credit bear interest at the Wall Street Journal Prime rate.

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 (with Summarized Comparative Information as of and for the year ended June 30, 2020)

12. PRIOR PERIOD ADJUSTMENT

Net assets without donor restrictions as of June 30, 2020 have been restated to account for the proper recognition of accrued expenses.

Prior period adjustments as of June 30, 2020 are as follows:

	<u>As Originally Presented</u>	<u>Prior Period Adjustment</u>	<u>As Restated</u>
Accrued expenses June 30, 2020	<u>\$ 138,086</u>	<u>\$ (77,442)</u>	<u>\$ 60,644</u>
Net assets without donor restrictions June 30, 2020	<u>\$ 308,584</u>	<u>\$ 77,442</u>	<u>\$ 386,026</u>

13. NET ASSETS WITH DONOR RESTRICTIONS

A summary of net assets with donor restriction for the years ended June 30, 2021 and 2020 is as follows:

	2021			
	<u>Balance at June 30, 2020</u>	<u>Revenue and Support</u>	<u>Released</u>	<u>Balance at June 30, 2021</u>
Adult Health	\$ 9,943	\$ -	\$ (6,318)	\$ 3,625
Biennial Conference	143,561	34,738	-	178,299
Admin	12,500	-	(2,700)	9,800
Education	-	193,367	(69,015)	124,352
OI Research	168,230	197,503	(29,880)	335,853
Operations/time	15,500	-	-	15,500
OI Resource Center	5,000	-	-	5,000
Jamie Kendall Fund	381,263	42,464	(50,000)	373,727
Impact Grants	160,268	100,000	(73,869)	186,399
Research	22,480	-	-	22,480
Emergency Medicine	4,895	-	-	4,895
BBDC	90,000	55,000	(87,500)	57,500
Perpetual	38,988	-	-	38,988
Hearing	2,475	-	(4,274)	(1,799)
Total	<u>\$ 1,055,103</u>	<u>\$ 623,072</u>	<u>\$ (323,556)</u>	<u>\$ 1,354,619</u>

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 (with Summarized Comparative Information as of and for the year ended June 30, 2020)

13. NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

	2020			Balance at June 30, 2020
	Balance at June 30, 2019	Revenue and Support	Released	
Adult Health	\$ 8,803	\$ 11,000	\$ (9,860)	\$ 9,943
Biennial Conference	15,776	127,785	-	143,561
Admin	-	12,500	-	12,500
Regional Meeting	8,810	-	(8,810)	-
OI Research	114,465	121,257	(67,492)	168,230
Operations/time	15,500	-	-	15,500
OI Resource Center	5,000	-	-	5,000
Jamie Kendall Fund	307,303	78,289	(4,329)	381,263
Impact Grants	122,843	77,442	(40,017)	160,268
Research	22,480	-	-	22,480
Emergency Medicine	4,895	-	-	4,895
BBDC	45,000	95,000	(50,000)	90,000
Perpetual	38,988	-	-	38,988
Hearing	3,945	-	(1,470)	2,475
Total	<u>\$ 713,808</u>	<u>\$ 523,273</u>	<u>\$ (181,978)</u>	<u>\$ 1,055,103</u>

14. RETIREMENT PLAN

The Foundation established a 401(k) retirement plan for all eligible employees. The Foundation matches the first 4 percent of employee contributions. For the years ended June 30, 2021 and 2020, The Foundation contributed \$25,871 and \$25,832, respectively.

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 (with Summarized Comparative Information as of and for the year ended June 30, 2020)

15. COMMITMENTS

Office Lease

In December 2020, the Foundation entered into a new lease for its office space. The lease agreement provides for initial monthly payments of \$4,643 with an annual escalation increase, expiring May 31, 2026. No rent is due on the lease until 90 days after the commencement date, March 1, 2021. Rent expense for the years ended June 30, 2021 and 2020 was \$80,908 and \$80,498, respectively.

The future minimum lease payments required under this lease are as follows:

2022	\$	56,186
2023		57,592
2024		59,027
2025		60,504
2026		<u>56,762</u>
	\$	<u>290,071</u>

Strategic Alliance

The Foundation entered into a strategic alliance with the Canadian Osteogenesis Imperfecta Society (COIS) to provide verified medical information and access to support networks to people living with OI and their families who reside in Canada for a small administrative fee. Donations collected on behalf of the COIS are included in related party payable at year end. There were no COIS donations on hand at June 30, 2021.

Future Meeting Sites

The Foundation has entered into agreements for future meetings sites with various hotels. If the Foundation had decided to cancel these contracts on June 30, 2021 it would have been liable for cancellation fees up to \$199,467. Subsequent to the fiscal year end, the Foundation satisfied the terms of cancellation fees totaling \$148,678.

Employment Commitment

The Foundation has an agreement for employment for the Chief Executive Officer in which it could be required to pay severance of \$100,000 in the event the agreement is terminated for any reason other than "for cause."

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 (with Summarized Comparative Information as of and for the year ended June 30, 2020)

16. CONTINGENCIES - COVID-19 CORONAVIRUS

Citizens and the economies of the United States and other countries have been significantly impacted by the coronavirus (COVID-19) pandemic. While it is premature to accurately predict how the coronavirus will ultimately affect the Foundation operations, because the disease's severity and duration are uncertain, 2022 results of operations may be significantly impacted. No pandemic implications are accounted for in these financial statements.

17. SUBSEQUENT EVENTS

In preparing these financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through December 17, 2021, the date the financial statements were available to be issued.