

**OSTEOGENESIS IMPERFECTA FOUNDATION
(a nonprofit organization)**

FINANCIAL STATEMENTS

**Year Ended June 30, 2022
with Summarized Comparative Information
for the year ended June 30, 2021**

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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, 2022, 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, 2022, 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.

Emphasis of Matter - Contingencies

As discussed 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 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 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 17, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021, 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
November 30, 2022

OSTEOGENESIS IMPERFECTA FOUNDATION**STATEMENT OF FINANCIAL POSITION****June 30, 2022 (with Summarized Comparative Information as of June 30, 2021)**

	<u>2022</u>	<u>2021</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 529,727	\$ 299,576
Accounts receivable	5,122	42,500
Pledges receivable	105,440	221,357
Investments	1,292,495	1,480,760
Inventory	7,795	8,050
Prepaid expenses	33,360	76,785
TOTAL CURRENT ASSETS	<u>1,973,939</u>	<u>2,129,028</u>
PROPERTY AND EQUIPMENT, at cost, net of accumulated depreciation	<u>7,360</u>	<u>7,004</u>
OTHER ASSETS		
Intangible assets - website development	15,886	22,590
Beneficial interest in assets held in perpetual trust	15,500	15,500
Long-term contributions receivable	30,000	45,000
Deposits	11,405	11,405
TOTAL OTHER ASSETS	<u>72,791</u>	<u>94,495</u>
TOTAL ASSETS	<u><u>\$ 2,054,090</u></u>	<u><u>\$ 2,230,527</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 39,701	\$ 16,682
Accrued expenses	46,131	27,732
Deferred rent	13,893	14,290
Deferred revenue	96,491	18,560
Promise to give	321,445	-
Note payable	25,000	25,000
TOTAL CURRENT LIABILITIES	<u>542,661</u>	<u>102,264</u>
LONG TERM LIABILITIES		
Long-term promises to give, net of current	<u>32,120</u>	<u>90,165</u>
TOTAL LIABILITIES	<u>574,781</u>	<u>192,429</u>
NET ASSETS		
Without donor restrictions	491,742	683,479
With donor restrictions	<u>987,567</u>	<u>1,354,619</u>
TOTAL NET ASSETS	<u>1,479,309</u>	<u>2,038,098</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 2,054,090</u></u>	<u><u>\$ 2,230,527</u></u>

See Notes to Financial Statements.

OSTEOGENESIS IMPERFECTA FOUNDATION

STATEMENT OF ACTIVITIES

Year Ended June 30, 2022 (with Summarized Comparative Information for the year ended June 30, 2021)

	2022			2021
	Without Donor Restrictions	With Donor Restrictions	Total	Total
SUPPORT AND REVENUE				
Contributions and grants	\$ 381,928	\$ 654,449	\$ 1,036,377	\$ 937,652
Event revenue	383,834	72,100	455,934	380,285
Direct mailing revenue	283,218	-	283,218	252,168
Contract revenue	174,318	-	174,318	193,367
Other income	35,371	-	35,371	99,000
In-kind contributions	29,511	-	29,511	80,097
Product sales, net of cost of goods sold	672	-	672	970
Conference revenue	(390)	-	(390)	55,467
Investment (loss) income	(160,885)	-	(160,885)	355,716
Net assets released from restrictions	1,093,601	(1,093,601)	-	-
TOTAL SUPPORT AND REVENUE	2,221,178	(367,052)	1,854,126	2,354,722
EXPENSES				
Program	1,905,880	-	1,905,880	1,190,934
Management and general	262,270	-	262,270	351,281
Fundraising	244,765	-	244,765	215,538
TOTAL EXPENSES	2,412,915	-	2,412,915	1,757,753
CHANGE IN NET ASSETS	(191,737)	(367,052)	(558,789)	596,969
NET ASSETS, beginning of year	683,479	1,354,619	2,038,098	1,441,129
NET ASSETS, end of year	\$ 491,742	\$ 987,567	\$ 1,479,309	\$ 2,038,098

See Notes to Financial Statements.

OSTEOGENESIS IMPERFECTA FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2022 (with Summarized Comparative Information for the year ended June 30, 2021)

	2022					2021			
	Program Services				Total	Support Services		Total	
	Conferences	Education and Support	Research	Public Awareness		Management and General	Fundraising		Total
Salaries and Fringe Benefits	\$ 112,664	\$ 407,329	\$ 219,953	\$ 84,217	\$ 824,163	\$ 160,879	\$ 98,761	\$ 1,083,803	\$ 953,617
Grants and fellowship	-	160,792	534,971	-	695,763	-	-	695,763	365,982
Meetings and conferences	95,476	6,771	97,732	-	199,979	-	167	200,146	2,808
Event expense	-	-	-	-	-	-	119,543	119,543	64,232
Occupancy	5,780	21,134	11,321	3,960	42,195	9,843	4,746	56,784	80,908
In-kind expense	3,005	10,983	5,884	2,058	21,930	5,116	2,465	29,511	80,098
Professional fees	681	2,491	1,826	467	5,465	22,610	559	28,634	23,488
Information technology and web support	854	3,121	1,672	585	6,232	22,477	701	29,410	39,870
Bank fees	-	-	-	-	-	18,635	3,633	22,268	20,672
Licenses and permits	2,143	7,835	4,197	1,468	15,643	3,649	1,759	21,051	9,590
Consulting fees	7,500	-	10,550	-	18,050	-	-	18,050	31,444
Printing and duplicating	1,780	6,510	3,487	1,220	12,997	3,158	1,462	17,617	11,882
Office supplies	1,754	6,411	3,434	1,201	12,800	2,982	1,440	17,222	16,513
Postage and delivery	1,543	5,643	3,023	1,057	11,266	2,628	1,267	15,161	12,065
Travel	1,149	4,200	2,250	787	8,386	1,957	943	11,286	1,866
Depreciation and amortization	1,120	4,095	2,193	768	8,176	1,907	919	11,002	10,480
Insurance	468	2,743	917	321	4,449	798	4,332	9,579	11,238
Telephone	920	3,363	1,801	630	6,714	1,566	755	9,035	10,248
Dues and subscriptions	855	3,126	1,674	586	6,241	2,076	702	9,019	7,220
Equipment rental and maintenance	744	2,720	1,457	510	5,431	1,267	611	7,309	-
Interest expense	-	-	-	-	-	722	-	722	3,532
TOTAL EXPENSES	\$ 238,436	\$ 659,267	\$ 908,342	\$ 99,835	\$ 1,905,880	\$ 262,270	\$ 244,765	\$ 2,412,915	\$ 1,757,753

See Notes to Financial Statements.

OSTEOGENESIS IMPERFECTA FOUNDATION**STATEMENT OF CASH FLOWS****Year Ended June 30, 2022 (with Comparative Information for the year ended June 30, 2021)**

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from operations		
Support and revenue	\$ 2,232,636	\$ 1,695,077
Investment income	21,601	21,601
	<u>2,254,237</u>	<u>1,716,678</u>
Cash used in operations		
Payment to suppliers and employees	2,023,579	1,681,174
Interest paid	722	3,532
	<u>2,024,301</u>	<u>1,684,706</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>229,936</u>	<u>31,972</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment and property	(3,654)	(3,140)
Purchase of intangible assets - website development	(1,000)	-
Sale of investments	389,712	208,372
Purchase of investments	(384,843)	(197,069)
	<u>215</u>	<u>8,163</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>215</u>	<u>8,163</u>
NET INCREASE IN CASH	230,151	40,135
CASH AND RESTRICTED CASH, beginning of year	<u>299,576</u>	<u>259,441</u>
CASH AND RESTRICTED CASH, end of year	<u>\$ 529,727</u>	<u>\$ 299,576</u>
NON-CASH INVESTING AND FINANCING ACTIVITIES		
Unrealized loss (gain) in market value of investments	\$ 382,902	\$ (323,646)
(Decrease) increase in investment value	(382,902)	323,646
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, 2022 (with Comparative Information for the year ended June 30, 2021)**

	<u>2022</u>	<u>2021</u>
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
CHANGE IN NET ASSETS	<u>\$ (558,789)</u>	<u>\$ 596,969</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 losses (gains) on investments	183,396	(334,115)
Depreciation and amortization expense	11,002	10,480
Non-cash occupancy costs	<u>(397)</u>	<u>14,290</u>
NET ADJUSTMENTS	<u>194,001</u>	<u>(408,345)</u>
CHANGES IN ASSETS AND LIABILITIES AFFECTING OPERATIONS USED (PROVIDING) CASH ASSETS		
Accounts and pledges receivable	168,295	(124,831)
Inventory	255	(149)
Prepaid expenses	<u>43,425</u>	<u>(4,356)</u>
	<u>211,975</u>	<u>(129,336)</u>
LIABILITIES		
Accounts payable	(67,146)	(39,053)
Promises to give	353,565	44,649
Accrued expenses	<u>18,399</u>	<u>(32,912)</u>
	<u>382,749</u>	<u>(27,316)</u>
NET CHANGES IN ASSETS AND LIABILITIES	<u>594,724</u>	<u>(156,652)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>\$ 229,936</u></u>	<u><u>\$ 31,972</u></u>

See Notes to Financial Statements.

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2022 (with Summarized Comparative Information as of and for the year ended June 30, 2021)

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. Francesca Tonelli.

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 summer and fall of 2021, 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, 2022 (with Summarized Comparative Information as of and for the year ended June 30, 2021)

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 for parents, adults, and medical professionals. The OIF Information Center also features 130+ videos created for OI community members and medical professionals including podcast episodes, Virtual Conference Sessions, research updates, stories from OI community members, and more! OIF video resources have received more than 60,000 views on YouTube."

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2022 (with Summarized Comparative Information as of and for the year ended June 30, 2021)

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.

New in 2020, the OIF has successfully hosted biannual virtual and in-person OI Clinic and Bone Health Town Hall Meetings. The meetings gather more between 100-200 attendees and provide an opportunity for medical professionals who are treating patients with OI, and those who are interested in bone health, to come together to learn about OIF resources and connect and collaborate with each other. In February 2022, the OIF successfully co-sponsored a virtual Rare Bone Disease Alliance Scientific Symposium exploring Hypophosphatasia (HPP) and Generalized Arterial Calcification of Infancy (GACI). The meeting gathered more than 200 attendees and focused on the different states of treatment innovation and understanding the natural history of the two disorders.

OIF continued to fund the cardiopulmonary grant through fiscal year 2022. 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 continues 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 project will undergo a thorough review of accomplishments in fiscal year 2023.

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.

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2022 (with Summarized Comparative Information as of and for the year ended June 30, 2021)

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

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 38 states.

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 17 applicants for funding for a total of \$86,509. 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 again virtually in July 2022.

For Regional Conference Attendees, we've had approximately 1200 total attendees. In 2022, we held 1 regional Conference on July 30 with 96 registered attendees. OIF plans to hold at least 2 Regional Conferences in 2023. The first will be in Washington, DC on Saturday, June 10, and the second will be in Phoenix, Arizona, on Saturday, September 16.

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2022 (with Summarized Comparative Information as of and for the year ended June 30, 2021)

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

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.

National Osteogenesis Imperfecta Awareness Week 2022 took place from April 30-May 7, 2022. Volunteers contacted government officials to proclaim OI Awareness Week in 22 cities and states, raised more than \$3,000 through Facebook fundraisers, and reached more than 100,000 people on social media. The OIF celebrated Wishbone Day, the international OI Awareness Day, by sharing facts and information about OI 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 14,000 Facebook users; the OI Foundation Twitter page (@OIFoundation) - followed by 2,783 Twitter users; and the OIF Instagram page (@oifoundation) - followed by 1,783 Instagram users. The OI Forum page, a Facebook group with 11,935 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.

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2022 (with Summarized Comparative Information as of and for the year ended June 30, 2021)

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

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, 2021, from which the summarized information was derived.

Cash and Cash Equivalents

Cash consists of noninterest-bearing checking accounts and a money market 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, 2022 (with Summarized Comparative Information as of and for the year ended June 30, 2021)

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, 2022 (with Summarized Comparative Information as of and for the year ended June 30, 2021)

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, 2022 and 2021.

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, 2022 (with Summarized Comparative Information as of and for the year ended June 30, 2021)

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, 2022 and 2021 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 year ended June 30, 2021 was \$100. Refunds are provided on demand.

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2022 (with Summarized Comparative Information as of and for the year ended June 30, 2021)

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 \$500 to \$5,000 for the years ended June 30, 2022 and 2021.

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, professional fees, information technology and web support, bank fees, licenses and permits, printing and duplicating, office supplies, postage and delivery, travel, depreciation and amortization, insurance, telephone, dues and subscriptions, and equipment rental and maintenance have been allocated among the program and supporting services based on level of effort.

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2022 (with Summarized Comparative Information as of and for the year ended June 30, 2021)

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

Significant Accounting Policies (Continued)

Gifts-in-kind

Donated goods and services are recorded at their estimated fair value on the date of receipt. Donated services are recognized in the financial statements at their fair value if the services require specialized skills and the services would typically need to be purchased if not donated. In-kind contributions are reported in the statement of activities as both revenue and expense.

Adoption of a New Accounting Standard

OIF has adopted the financial statement presentation and disclosure standards contained in the Financial Accounting Standards Board Accounting Standards Update 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets* modifying ASC section 958. The change has been applied as of June 30, 2022, with no effect on beginning net asset balances.

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, 2022 and 2021.

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, 2022 (with Summarized Comparative Information as of and for the year ended June 30, 2021)

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

Significant Accounting Policies (Continued)

Liquidity and Availability of Assets

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, 2023 are as follows:

Financial Assets		
Cash and cash equivalents	\$	529,727
Accounts receivable		5,122
Pledges receivable		105,440
Investments		<u>1,292,495</u>
Total Financial assets		1,932,784
Less amounts not available within one year		
Purpose restricted net assets		<u>(987,567)</u>
Financial assets available within one year to meet cash needs for general expenditures within one year	\$	<u><u>945,217</u></u>

2. CASH AND RESTRICTED CASH

Cash and cash equivalents as of June 30, 2022 and 2021 consisted of the following:

	2022	2021
Checking	\$ <u>483,025</u>	\$ <u>249,020</u>
Money market fund in brokered investment account	46,283	50,337
Petty cash	<u>419</u>	<u>219</u>
	<u>\$ 529,727</u>	<u>\$ 299,576</u>

The amounts in excess of deposit insurance limits were \$242,629 and \$4,032 as of June 30, 2022 and 2021, respectively.

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2022 (with Summarized Comparative Information as of and for the year ended June 30, 2021)

3. PLEDGES RECEIVABLE

Pledges receivable at June 30, 2022 and 2021 consisted of unconditional pledges and were due as follows:

	2022		
	Receivable in		
	Less than one year	One to five years	Total
Pledges receivable	<u>\$ 105,440</u>	<u>\$ 30,000</u>	<u>\$ 135,440</u>
	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>

No allowance for uncollectible pledges or discount were recorded at June 30, 2022 and 2021.

4. INVESTMENTS

Investments are recorded at fair value and consist of the following as of June 30, 2022 and 2021:

	2022		
	Cost	Fair Value	Unrealized Appreciation (Depreciation)
Common stock			
Communication Services	\$ 52,702	\$ 82,357	\$ 29,655
Consumer Cyclical	109,125	135,990	26,865
Consumer Defensive	61,742	100,880	39,138
Financial	88,988	112,764	23,776
Healthcare	104,872	208,502	103,630
Industrials	66,097	104,099	38,002
Technology	41,081	114,055	72,974
Corporate bonds	50,333	47,301	(3,032)
Municipal bonds	423,570	386,547	(37,023)
	<u>\$ 998,510</u>	<u>\$ 1,292,495</u>	<u>\$ 293,985</u>

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2022 (with Summarized Comparative Information as of and for the year ended June 30, 2021)

4. INVESTMENTS (CONTINUED)

	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
	\$ 876,569	\$ 1,480,760	\$ 604,191

For the years ended June 30, 2022 and 2021, investments were allocated to the following classes of net assets:

	2022	2021
Net assets without donor restrictions	\$ 304,928	\$ 126,141
Net assets with donor restrictions	987,567	1,354,619
	\$ 1,292,495	\$ 1,480,760

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2022 (with Summarized Comparative Information as of and for the year ended June 30, 2021)

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, 2022 (with Summarized Comparative Information as of and for the year ended June 30, 2021)

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:

	2022		
	Fair Value	Level 1	Level 2
Common stock	\$ 858,647	\$ 858,647	\$ -
Corporate bonds	47,301	-	47,301
Municipal bonds	386,547	-	386,547
	<u>\$ 1,292,495</u>	<u>\$ 858,647</u>	<u>\$ 433,848</u>
	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>

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2022 (with Summarized Comparative Information as of and for the year ended June 30, 2021)

6. PROPERTY AND EQUIPMENT

A summary of information related to property and depreciation for the years ended June 30, 2022 and 2021 is as follows:

	2022			
	Cost	Depreciation expense	Accumulated depreciation	Useful life (years)
Office equipment	\$ 3,856	\$ -	\$ 3,856	5-7
Telephone system	7,992	-	7,992	5
Computers	35,599	3,298	28,239	5
Software	4,966	-	4,966	5
	<u>\$ 52,413</u>	<u>\$ 3,298</u>	<u>\$ 45,053</u>	
	2021			
	Cost	Depreciation expense	Accumulated depreciation	Useful life (years)
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>	

7. INTANGIBLE ASSET - WEBSITE DEVELOPMENT

A summary of information related to intangible assets and accumulated amortization for the years ended June 30, 2022 and 2021 is as follows:

	2022		
	Cost	Amortization expense	Accumulated amortization
Website development	<u>\$ 39,400</u>	<u>\$ 7,704</u>	<u>\$ 23,514</u>
	2021		
	Cost	Amortization expense	Accumulated amortization
Website development	<u>\$ 38,400</u>	<u>\$ 7,704</u>	<u>\$ 15,810</u>

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2022 (with Summarized Comparative Information as of and for the year ended June 30, 2021)

8. DEFERRED REVENUE

The balance of deferred revenue as of June 30, 2022 and 2021 consisted of the following:

	2022	2021
National Conference sponsorships	\$ 18,560	\$ 18,560
Clinical research	77,931	-
	<u>\$ 96,491</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, 2022 and 2021 is as follows:

	2022	2021
Children's Research Institute	\$ 63,400	\$ -
Dr. Busschers Fellowship	50,000	-
Dr. Zieba Fellowship	50,000	-
Hospital of Special Surgery	45,000	-
University of South Florida	44,940	-
Duke University School of Medicine	26,893	-
Children's National Health System	25,000	13,832
Shriners Hospitals for Children	22,500	50,000
Dr. Tonelli Fellowship	20,832	16,666
Sharon Trahan	5,000	-
Medicine Services	-	9,667
	<u>\$ 353,565</u>	<u>\$ 90,165</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, 2022 and 2021, 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 was renewed subsequently to the year end through July 2023. 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, 2022 (with Summarized Comparative Information as of and for the year ended June 30, 2021)

12. NET ASSETS WITH DONOR RESTRICTIONS

A summary of net assets with donor restriction for the years ended June 30, 2022 and 2021 is as follows:

	2022			
	Balance at June 30, 2021	Revenue and Support	Released	Balance at June 30, 2022
Adult Health	\$ 3,625	\$ -	\$ (3,625)	\$ -
Biennial Conference	178,299	-	(77,283)	101,016
Admin	9,800	-	-	9,800
Education	124,352	180,318	(194,119)	110,551
Regional Meeting	-	12,500	-	12,500
OI Research	335,853	206,935	(360,185)	182,603
Operations/time	15,500	-	-	15,500
OI Resource Center	5,000	-	-	5,000
Jamie Kendall Fund	373,727	72,100	(210,225)	235,602
Impact Grants	186,399	129,696	(93,838)	222,257
Research	22,480	-	-	22,480
Emergency Medicine	4,895	-	-	4,895
BBDC	57,500	125,000	(156,125)	26,375
Perpetual	38,988	-	-	38,988
Hearing	(1,799)	-	1,799	-
	<u>\$ 1,354,619</u>	<u>\$ 726,549</u>	<u>\$ (1,093,601)</u>	<u>\$ 987,567</u>
Total	<u>\$ 1,354,619</u>	<u>\$ 726,549</u>	<u>\$ (1,093,601)</u>	<u>\$ 987,567</u>

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2022 (with Summarized Comparative Information as of and for the year ended June 30, 2021)

12. NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

	2021			Balance at June 30, 2021
	Balance at June 30, 2020	Revenue and Support	Released	
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)
	<u>\$ 1,055,103</u>	<u>\$ 623,072</u>	<u>\$ (323,556)</u>	<u>\$ 1,354,619</u>
Total				

13. DONATED GOODS AND SERVICES

OIF receives donated professional for legal and web development services. These donated professional fees have been recorded in the financial statements at their estimated fair value under the statement of activities. Due to the nature of these nonfinancial assets, the services were utilized in the period they were received and there were no donor restrictions imposed on them. Inputs used to measure the initial recognition of donated services consist of current market rates for services received.

In addition, OIF also received donated goods in support of their Fine Wines event. OIF estimated the fair value on the basis of estimates of wholesale values that would be received for selling similar products in the United States. These goods were all utilized in the period they were received and there were no donor restrictions imposed on them. The following table outlines the activity for the years ended June 30, 2022 and 2021, respectively:

	2022	2021
Donated legal fees	\$ 17,720	\$ 25,000
Donated wines	10,464	-
Donated gifts	1,327	2,200
Donated web development fees	-	24,995
	<u>\$ 29,511</u>	<u>\$ 52,195</u>

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2022 (with Summarized Comparative Information as of and for the year ended June 30, 2021)

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, 2022 and 2021, The Foundation contributed \$28,156 and \$25,871, respectively.

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, 2022 and 2021 was \$56,784 and \$80,908, respectively.

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

2023	\$	57,592
2024		59,027
2025		60,504
2026		56,762
		<hr/>
	\$	<u>233,885</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, 2022 and 2021.

Employment Commitment

The Foundation has an agreement for employment for the Chief Executive Officer in which it could be required to pay severance of \$103,000 in the event the agreement is terminated for any reason other than "for cause."

OSTEOGENESIS IMPERFECTA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2022 (with Summarized Comparative Information as of and for the year ended June 30, 2021)

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, we expect 2023 financial results 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 November 30, 2022, the date the financial statements were available to be issued.