

# Mid-Year Report on Operating Expenses

## July 2020

Through the first half of 2020, the Foundation's operating expenses are tracking to the low end of the range noted in the [2020 Operations Update](#). The downward trend in operating expenses is driven by a reduction in professional services and travel and meetings costs. The Foundation has postponed planned meetings and events due to the impact of COVID-19. Other trends are unrelated to COVID-19, such as reduced legal fees and recruiting services expenses.

A summary of certain unaudited expenses through May 31, 2020 compared to the full-year 2019 expenses as reported in the [2019 Annual Tax Return, Form 990-PF](#); Return of Private Foundation are as follows:

**Table 1 Summary of selected expenses**

|                                   | Form 990-PF         | Unaudited         |
|-----------------------------------|---------------------|-------------------|
|                                   | 2019                | May 2020 YTD      |
| Legal Fees                        | \$ 2,087,984        | \$ 198,657        |
| Travel, conferences, and meetings | \$ 2,357,191        | \$ 273,768        |
| Recruiting Services               | \$ 852,017          | \$ 51,328         |
| <b>Total</b>                      | <b>\$ 5,297,192</b> | <b>\$ 523,753</b> |

- Legal services in 2019 included services for outside general counsel and corporate secretary, nonprofit and private foundation law, intellectual property, contracts, labor and employment law, and privacy issues. In October 2019, the Foundation hired an in-house General Counsel.
- Travel expenses include airfare, hotel and lodging, meals, auto reimbursement-related costs, conferences, and meetings.
- Recruiting services in 2019 included Board and Executive searches. Note that Recruiting services are reported in 2019 Form 990-PF Attachment 5, which includes General Office Expenses consisting of, among other things, subscriptions, insurance, software license fees, and supplies.