

NATIONAL VACCINE INFORMATION CENTER
STERLING, VIRGINIA

COMPARATIVE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT

FOR THE YEARS ENDED AUGUST 31, 2021 AND 2020

KENDALL, PREBOLA AND JONES

Certified Public Accountants

PO BOX 259

BEDFORD, PENNSYLVANIA 15522-0259

(814) 623-1880

FAX (814) 623-7548

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Kendall, Prebola and Jones, LLC
Certified Public Accountants

Board of Directors
National Vaccine Information Center
21525 Ridgetop Circle, Suite 100
Sterling, Virginia 20166

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of the National Vaccine Information Center (a nonprofit organization) which comprise the statements of financial position as of August 31, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the National Vaccine Information Center as of August 31, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Kendall, Prebola and Jones

Kendall, Prebola and Jones
Certified Public Accountants

Bedford, Pennsylvania
January 5, 2022

NATIONAL VACCINE INFORMATION CENTER
COMPARATIVE STATEMENTS OF FINANCIAL POSITION
AUGUST 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>		
<u>Current Assets:</u>		
Cash and Cash Equivalents	\$ 724,894	\$ 379,552
Investments	823,035	318,928
Certificates of Deposit	1,482,911	1,177,452
Accounts Receivable	628	89,145
Promises Receivable	24,119	34,372
Prepaid Expenses	<u>44,748</u>	<u>16,176</u>
Total Current Assets	<u>\$ 3,100,335</u>	<u>\$ 2,015,625</u>
<u>Fixed Assets: At Cost</u>		
Furniture and Equipment	\$ 78,756	\$ 70,542
Leasehold Improvements	3,885	3,885
Less: Accumulated Depreciation and Amortization	<u>(44,173)</u>	<u>(32,980)</u>
Total Fixed Assets	<u>\$ 38,468</u>	<u>\$ 41,447</u>
<u>Other Assets:</u>		
Security Deposits	<u>\$ 2,291</u>	<u>\$ 2,291</u>
Total Other Assets	<u>\$ 2,291</u>	<u>\$ 2,291</u>
TOTAL ASSETS	<u>\$ 3,141,094</u>	<u>\$ 2,059,363</u>
<u>LIABILITIES AND NET ASSETS</u>		
<u>Current Liabilities:</u>		
Accounts Payable	\$ 6,510	\$ 4,168
Accrued Wages and Taxes	5,953	7,444
Deferred Conference Registration Fees	-	64,220
Refundable Advance	-	34,921
Deferred Rent Abatement - Current Portion	<u>924</u>	<u>27</u>
Total Current Liabilities	<u>\$ 13,387</u>	<u>\$ 110,780</u>
<u>Long-Term Liabilities:</u>		
Deferred Rent Abatement - Net of Current Portion	<u>\$ 1,905</u>	<u>\$ 2,775</u>
Total Long-Term Liabilities	<u>\$ 1,905</u>	<u>\$ 2,775</u>
Total Liabilities	<u>\$ 15,292</u>	<u>\$ 113,555</u>
<u>Net Assets:</u>		
Without Donor Restrictions	\$ 3,125,802	\$ 1,923,308
With Donor Restrictions	<u>-</u>	<u>22,500</u>
Total Net Assets	<u>\$ 3,125,802</u>	<u>\$ 1,945,808</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 3,141,094</u>	<u>\$ 2,059,363</u>

(See Accompanying Notes and Auditor's Report)

NATIONAL VACCINE INFORMATION CENTER
COMPARATIVE STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED AUGUST 31, 2021 AND 2020

	<u>August 31, 2021</u>			<u>August 31, 2020</u>		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<u>Revenues, Gains and Other Support:</u>						
Contributions and Grants - Foundations	\$ 1,320,900	\$ -	\$ 1,320,900	\$ 528,514	\$ 500	\$ 529,014
Contributions and Grants - Other	722,564	40,500	763,064	562,323	22,500	584,823
Contributions - Federal COVID Subsidy	34,921	-	34,921	101,149	-	101,149
Registration Fees	210,045	-	210,045	-	-	-
Donated Assets and Services	182,718	-	182,718	95,628	-	95,628
Interest Income	18,572	-	18,572	22,882	-	22,882
Gain/(Loss) on Disposal of Fixed Assets	-	-	-	(762)	-	(762)
Net Assets Released from Restrictions						
Satisfaction of Program Restrictions	<u>63,000</u>	<u>(63,000)</u>	<u>-</u>	<u>500</u>	<u>(500)</u>	<u>-</u>
Total Revenues, Gains and Other Support	<u>\$ 2,552,720</u>	<u>\$ (22,500)</u>	<u>\$ 2,530,220</u>	<u>\$ 1,310,234</u>	<u>\$ 22,500</u>	<u>\$ 1,332,734</u>
<u>Expenses:</u>						
Educational	\$ 941,403	\$ -	\$ 941,403	\$ 916,103	\$ -	\$ 916,103
Advocacy	137,122	-	137,122	153,763	-	153,763
Lobbying	24,757	-	24,757	23,585	-	23,585
Support	129,078	-	129,078	129,283	-	129,283
Research	-	-	-	59,000	-	59,000
Fundraising	50,250	-	50,250	30,847	-	30,847
General and Administrative	<u>67,616</u>	<u>-</u>	<u>67,616</u>	<u>67,317</u>	<u>-</u>	<u>67,317</u>
Total Expenses	<u>\$ 1,350,226</u>	<u>\$ -</u>	<u>\$ 1,350,226</u>	<u>\$ 1,379,898</u>	<u>\$ -</u>	<u>\$ 1,379,898</u>
Changes in Net Assets	\$ 1,202,494	\$ (22,500)	\$ 1,179,994	\$ (69,664)	\$ 22,500	\$ (47,164)
Net Assets, Beginning of Period	<u>1,923,308</u>	<u>22,500</u>	<u>1,945,808</u>	<u>1,992,972</u>	<u>-</u>	<u>1,992,972</u>
Net Assets, End of Period	<u>\$ 3,125,802</u>	<u>\$ -</u>	<u>\$ 3,125,802</u>	<u>\$ 1,923,308</u>	<u>\$ 22,500</u>	<u>\$ 1,945,808</u>

(See Accompanying Notes and Auditor's Report)

NATIONAL VACCINE INFORMATION CENTER
COMPARATIVE STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED AUGUST 31, 2021 AND 2020

August 31, 2021

	<u>Supporting Services</u>			<u>Program Services</u>				
	<u>Total</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Educational</u>	<u>Advocacy</u>	<u>Lobbying</u>	<u>Support</u>	<u>Research</u>
<u>Expenses:</u>								
Salaries and Wages	\$ 684,378	\$ 48,196	\$ 4,633	\$ 415,981	\$ 90,601	\$ 21,182	\$ 103,785	\$ -
Fringe Benefits	55,134	4,196	371	33,307	7,254	1,696	8,310	-
Investigative Research	101,700	-	-	81,360	20,340	-	-	-
Information Technology and Web Hosting	104,788	-	-	104,788	-	-	-	-
Consultants	18,850	-	-	18,850	-	-	-	-
Payroll Service Fees	6,418	452	43	3,901	850	199	973	-
Accounting	15,949	1,276	-	13,876	478	-	319	-
Legal Fees	2,700	-	2,700	-	-	-	-	-
Telephone	17,111	636	-	10,260	953	-	5,262	-
Internet	27,567	757	1,088	22,082	2,360	-	1,280	-
Postage and Shipping	23,420	3,041	1,746	16,070	596	-	1,967	-
Printing and Reproduction	31,842	383	2,396	28,922	141	-	-	-
Marketing and Public Relations	41,464	-	-	41,464	-	-	-	-
Press Releases	774	-	-	774	-	-	-	-
Occupancy	34,002	2,395	230	20,668	4,501	1,052	5,156	-
Storage	3,969	-	-	3,969	-	-	-	-
Travel	6,888	-	-	6,465	423	-	-	-
Meetings and Conferences	98,345	11	-	98,334	-	-	-	-
Training and Seminars	93	-	-	93	-	-	-	-
Office Supplies and Expense	6,971	567	133	5,784	221	133	133	-
Equipment Rental and Maintenance	-	-	-	-	-	-	-	-
Dues, Subscriptions and Taxes	10,511	3,845	-	-	6,666	-	-	-
State Registration	3,986	-	3,986	-	-	-	-	-
Licenses and Permits	1,474	-	1,474	-	-	-	-	-
Corporate Insurance	6,796	272	136	5,912	204	136	136	-
Contributions	1,500	-	-	1,500	-	-	-	-
Bank and Service Charges	32,008	772	31,236	-	-	-	-	-
Depreciation Expense	11,588	817	78	7,043	1,534	359	1,757	-
Total Expenses	<u>\$ 1,350,226</u>	<u>\$ 67,616</u>	<u>\$ 50,250</u>	<u>\$ 941,403</u>	<u>\$ 137,122</u>	<u>\$ 24,757</u>	<u>\$ 129,078</u>	<u>\$ -</u>

(See Accompanying Notes and Auditor's Report)

NATIONAL VACCINE INFORMATION CENTER
COMPARATIVE STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED AUGUST 31, 2021 AND 2020

	August 31, 2020							
	<u>Total</u>	<u>Supporting Services</u>		<u>Program Services</u>				
		<u>General and Administrative</u>	<u>Fundraising</u>	<u>Educational</u>	<u>Advocacy</u>	<u>Lobbying</u>	<u>Support</u>	<u>Research</u>
<u>Expenses:</u>								
Salaries and Wages	\$ 679,058	\$ 46,117	\$ 4,323	\$ 415,195	\$ 89,904	\$ 19,947	\$ 103,572	\$ -
Fringe Benefits	56,336	5,235	349	33,521	7,259	1,610	8,362	-
Graphic Design and Artwork	-	-	-	-	-	-	-	-
Investigative Research	60,750	-	-	30,375	30,375	-	-	-
Information Technology and Web Hosting	80,928	-	-	80,928	-	-	-	-
Consultants	83,825	-	-	24,825	-	-	-	59,000
Payroll Service Fees	6,393	434	41	3,909	846	188	975	-
Accounting	14,464	1,157	-	12,584	434	-	289	-
Legal Fees	3,600	-	3,600	-	-	-	-	-
Telephone	19,741	639	-	12,303	1,499	-	5,300	-
Internet	17,448	762	1,062	12,238	1,964	-	1,422	-
Postage and Shipping	17,403	2,366	1,222	11,549	619	-	1,647	-
Printing and Reproduction	23,778	261	1,824	21,454	239	-	-	-
Marketing and Public Relations	51,614	-	-	51,130	484	-	-	-
Press Releases	-	-	-	-	-	-	-	-
Occupancy	35,757	2,428	228	21,863	4,734	1,050	5,454	-
Storage	3,672	-	-	3,672	-	-	-	-
Travel	13,590	-	-	10,646	2,944	-	-	-
Meetings and Conferences	124,022	254	-	123,768	-	-	-	-
Training and Seminars	-	-	-	-	-	-	-	-
Office Supplies and Expense	18,367	867	284	12,340	4,308	284	284	-
Equipment Rental and Maintenance	1,565	1,565	-	-	-	-	-	-
Dues, Subscriptions and Taxes	10,345	3,341	-	665	6,339	-	-	-
State Registration	4,018	-	4,018	-	-	-	-	-
Licenses and Permits	1,434	-	1,434	-	-	-	-	-
Corporate Insurance	7,757	310	155	6,749	233	155	155	-
Contributions	19,081	-	-	19,081	-	-	-	-
Bank and Service Charges	12,999	768	12,231	-	-	-	-	-
Depreciation Expense	11,953	813	76	7,308	1,582	351	1,823	-
Total Expenses	<u>\$ 1,379,898</u>	<u>\$ 67,317</u>	<u>\$ 30,847</u>	<u>\$ 916,103</u>	<u>\$ 153,763</u>	<u>\$ 23,585</u>	<u>\$ 129,283</u>	<u>\$ 59,000</u>

(See Accompanying Notes and Auditor's Report)

NATIONAL VACCINE INFORMATION CENTER
COMPARATIVE STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED AUGUST 31, 2020 AND 2019

	<u>2021</u>	<u>2020</u>
<u>Cash Flows from Operating Activities:</u>		
Changes in Net Assets	\$ 1,179,994	\$ (47,164)
Adjustments to Reconcile Changes in Net Assets to Net Cash Flows from Operating Activities:		
Depreciation and Amortization Expense	11,588	11,953
(Gain)/Loss on Disposal of Fixed Assets	-	762
Accounts Receivable - (Increase)/Decrease	88,517	(85,382)
Promises Receivable - (Increase)/Decrease	10,253	(2,415)
Prepaid Expenses - (Increase)/Decrease	(28,572)	(6,619)
Accounts Payable - Increase /(Decrease)	2,342	(13,431)
Accrued Wages and Taxes - Increase /(Decrease)	(1,491)	2,159
Deferred Conference Registration Fees - Increase/(Decrease)	(64,220)	64,220
Refundable Advance - Increase /(Decrease)	(34,921)	953
Deferred Rent Abatement - Increase /(Decrease)	<u>27</u>	<u>34,921</u>
Net Cash Flows from Operating Activities	<u>\$ 1,163,517</u>	<u>\$ (40,043)</u>
<u>Cash Flows from Investing Activities:</u>		
Acquisition of Fixed Assets	\$ (8,609)	\$ (27,904)
Purchase of Certificates of Deposit	(805,459)	(805,370)
Proceeds on Sale of Certificates of Deposit	500,000	550,000
Purchase of Investments	<u>(504,107)</u>	<u>(3,149)</u>
Net Cash Flows from Investing Activities	<u>\$ (818,175)</u>	<u>\$ (286,423)</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	\$ 345,342	\$ (326,466)
Cash and Cash Equivalents, Beginning of Period	<u>379,552</u>	<u>706,018</u>
Cash and Cash Equivalents, End of Period	<u>\$ 724,894</u>	<u>\$ 379,552</u>

Supplemental Disclosures:

There was no cash paid for interest or income taxes during the years ended August 31, 2021 and 2020.

(See Accompanying Notes and Auditor's Report)

NATIONAL VACCINE INFORMATION CENTER
NOTES TO FINANCIAL STATEMENTS

1. ORGANIZATION:

The National Vaccine Information Center (NVIC) was originally incorporated as Dissatisfied Parents Together (DPT) in Washington, DC, on June 11, 1982, and was recognized as a 501(c)(3) exempt organization on August 14, 1982. The organization was reincorporated in the Commonwealth of Virginia as the National Vaccine Information Center on January 6, 1995, and was again recognized as a 501(c)(3) exempt organization on that date and headquartered in the Commonwealth of Virginia.

The purpose of NVIC is to promote and protect the health and welfare of children and adults by preventing vaccine injuries and deaths through public education and to assist individuals who have been injured by vaccination and their families. NVIC does not make vaccine use recommendations. NVIC defends the ethical principle of informed consent to medical risk taking and civil liberties that protect freedom of thought, speech and conscience to support educated, voluntary healthcare decision making.

NVIC is the oldest and largest consumer health organization in America providing information about vaccination, diseases and preventing vaccine injuries and deaths to the general public. NVIC supports independent scientific research into vaccine-associated deaths, injuries and chronic illness.

NVIC's public education program is multi-faceted and includes the operation of three websites (nvic.org, nvicadvocacy.org and thevaccinereaction.org) that provide the public with well referenced information on vaccine history, science, policy, law and ethics. Other educational program efforts are accomplished through publications and program that include a digital newsletter and digital weekly journal newspaper, as well as the creation of guides, brochures, posters, in-depth special reports, and other print publications; production of videos for posting on NVIC websites and social media platforms; and online and print vaccine education advertising campaigns. NVIC also provides timely information to the public with press releases and participation in media reports about vaccine topics; and the sponsoring of and participation in workshops and conferences on vaccination. Additional NVIC programs include a vaccine reaction counseling service providing one-on-one support for those reporting vaccine injuries and deaths; and the operation of a free online grassroots advocacy communications network to educate and empower citizens in every state to secure and defend informed consent protections in U.S. public health policies and laws.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The significant accounting policies of the National Vaccine Information Center are summarized below:

(a) Basis of Accounting and Presentation:

The accompanying financial statements have been prepared on the accrual basis of accounting, which presents financial position, activities, functional expenses, and cash flows in accordance with accounting principles generally accepted in the United States of America.

NATIONAL VACCINE INFORMATION CENTER
NOTES TO FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

(b) Revenue Recognition:

Contributions

The National Vaccine Information Center has implemented the accounting and reporting standards surrounding contributions. These standards affect financial statement reporting and disclosures included within the body of the financial statements. The standards promulgate clarity for distinguishing between exchange transactions and those of a non-reciprocal arrangement leading to a contribution, while providing rules and guidance on what constitutes an underlying condition that may be associated with a contribution.

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Conditional contributions are determined on the basis of whether or not an underlying agreement includes both a barrier that must be overcome and either a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets. If both exist, then the contribution is conditional. Barriers include and are not limited to:

- Measurable performance-related barrier(s) (e.g., specified level of service, specific output, or outcome, matching requirement);
- Extent to which a stipulation limits discretion on conduct of activity (e.g., qualifying expenses, specific protocols); and
- Extent to which a stipulation is related to the purpose of the agreement (excludes administrative or trivial).

Conditional contributions are not recognized as revenue until they become unconditional, that is, until all conditions on which they depend are substantially met. Therefore, any respective advance payments received are recorded as a refundable advance and subsequently recognized as contribution revenue when the underlying conditions are fulfilled.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received.

NATIONAL VACCINE INFORMATION CENTER
NOTES TO FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

(b) Revenue Recognition: (Continued)

Contributions (Continued)

Amortization of the discount is recorded as additional contribution revenue in accordance with donor-imposed restriction, if any, on the contribution. An allowance for uncollectible contributions receivable is provided based upon management's judgement, including such factors as prior collection history and type of contribution.

Fees for Service

Fees for service consist of exchange transactions such as conference registration fees and admissions to events hosted by the Organization. Consistent with the implementation of ASC 606, such fees are recognized at the time the services are provided or the event is held by the Organization. Payment for such services received in advance is recognized as a deferred revenue until such time as the revenue is earned.

(c) Corporate Taxes:

Income Taxes

The National Vaccine Information Center is exempt from federal and state income taxes (other than on unrelated business income) under the provisions of Section 501(c)(3) of the Internal Revenue Code and similar state income tax laws. Accordingly, no provisions for income taxes have been provided for in the accompanying financial statements. The Organization has been classified as other than a private foundation under Section 509(a)(1) of the Internal Revenue Code and accordingly contributions qualify as a charitable tax deduction by the contributor under Section 170(b)(1)(A)(vi). The Organization did not have any net unrelated business income for the year ended August 31, 2021.

Lobbying

The National Vaccine Information Center has also elected, under Section 501(h) of the Internal Revenue Code, to be recognized as an organization eligible to make expenditures to influence legislation.

(d) Net Assets:

The Organization reports information regarding its financial position and activities according to two classes of net assets. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of restrictions on use that are placed by the donor. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

NATIONAL VACCINE INFORMATION CENTER
NOTES TO FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

(d) Net Assets: (Continued)

Net Assets without Donor Restrictions

Net assets without donor restrictions are resources available to support operations and over which the Board of Directors has discretionary control. The only limits on the use of these net assets are the broad limits resulting from the Organization's purpose, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements that are entered into in the course of its operations.

Net Assets with Donor Restrictions

Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose or in a particular future period. Some donor-imposed restrictions are temporary in nature, and the restriction will expire when the resources are used in accordance with the donor's instructions or when the stipulated time has passed. Other donor-imposed restrictions are perpetual in nature whereby the Organization must continue to use the resources in accordance with the donor's instructions.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions. Net assets restricted for acquisition of buildings or equipment (or the contribution of those assets directly) are reported as net assets with donor restrictions until the specified asset is placed in service, unless the donor provides more specific directions about the period of its use.

Net assets with donor restrictions were available at year end for the following programs:

	<u>2021</u>	<u>2020</u>
Sponsors - Public Conference on Vaccination	\$ -	\$ 22,500
Total Net Assets with Donor Restrictions	<u>\$ -</u>	<u>\$ 22,500</u>

NATIONAL VACCINE INFORMATION CENTER
NOTES TO FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

(d) Net Assets: (Continued)

Net Assets with Donor Restrictions (Continued)

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes, the passage of time, or by the occurrence of other events specified by donors for the following purposes:

	<u>2021</u>	<u>2020</u>
COVID Support - Purpose Restricted	\$ -	\$ 500
Sponsors - Public Conference on Vaccination	<u>63,000</u>	<u>-</u>
Total Net Assets Released from Restrictions	<u>\$ 63,000</u>	<u>\$ 500</u>

(e) Donated Services and Materials:

Donated services and materials are recognized as contributions in accordance with FASB ASC 958, *Accounting for Contributions Received and Contributions Made*, if the services received create or enhance nonfinancial assets or require specialized skills, and are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributed services and promises to give services that do not meet the above criteria are not recognized. In addition, a substantial number of volunteers donated significant amounts of their time in the National Vaccine Information Center's supporting services for which no value has been assigned. The time contributed by the Organization's Board of Directors is uncompensated and is not reflected as donated services. In-kind contributions are recorded in the statement of activities at estimated fair value and recognized as revenue and expense (or an asset) in the period they are received.

The estimated value of donated services and materials has been recorded in the financial statements as follows:

	<u>2021</u>	<u>2020</u>
Investigative Research	\$ 101,700	\$ 60,750
Information Technology and Web Hosting	80,868	31,894
Booth Rental	-	2,834
Bookkeeping Services	<u>150</u>	<u>150</u>
Total Donated Services and Materials	<u>\$ 182,718</u>	<u>\$ 95,628</u>

NATIONAL VACCINE INFORMATION CENTER
NOTES TO FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

(f) Basic Programs:

I. PUBLIC EDUCATION PROGRAMS

Co-founders of the National Vaccine Information Center (NVIC) launched the vaccine safety and informed consent movement in the U.S. in 1982. Since then, NVIC's mission has been to prevent vaccine injuries and deaths through public education and to protect the ethical principle of informed consent to medical risk taking. NVIC advocates for safety and informed consent protections and the inclusion of flexible medical, conscientious and religious belief vaccine exemptions in U.S. public health policies and laws.

Websites

- NVIC.org - The vaccine information that NVIC staff researches, analyzes and publishes is accessible via online searches for vaccine topics posted on NVIC's flagship website, NVIC.org. The website was created in 1995 and is the oldest and largest consumer-operated website on the Internet disseminating information about vaccination and infectious diseases with a focus on preventing vaccine injuries and deaths. This extensive library of well researched and referenced information on vaccine history, science, policy, law and ethics is a unique public information resource and was expanded with educational information on SARS-CoV-2 and COVID-19, employee vaccine exemption rights, and approximately 100 existing webpages updated during this reporting period. Five referenced and researched video commentaries and articles and a video brief were also added to NVIC.org compendium of educational information available to the public.

During FYE 2021, visitors to NVIC.org increased by about 15 percent for this reporting period. In addition, MedAlerts, a web-based program sponsored by NVIC which provides the public with the ability to search the federal Vaccine Adverse Events Reporting System database for vaccine reaction reports, realized a 1600% increase in visitors over last reporting period.

- NVICAdvocacy.org - The web-based NVIC Advocacy Portal and website was created in 2010 and provides the public with information and analysis on vaccine-related legislation introduced at a state level in the U.S. During FYE 2021, visitors to the website increased by about 29 percent.
- TheVaccineReaction.org - This website is a journal newspaper established in 2015 and promotes "*an enlightened conversation about vaccination, health and autonomy*" and focuses on topics related to vaccination, health, ethics, medicine, law, media, and business and maintains a publicly searchable article archive. During FYE 2021 over 200 referenced articles were published and the website realized a 54 percent increase in visitors.

NATIONAL VACCINE INFORMATION CENTER
NOTES TO FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

(f) Basic Programs: (Continued)

I. PUBLIC EDUCATION PROGRAMS (Continued)

Events

During the Eleventh Annual Vaccine Awareness Week (VAW) co-sponsored with Mercola.com and held Sept. 20-26, 2021, NVIC published a referenced video commentary *Vaccination: What's Trust Got to Do With It?* and the *2020 Annual Report on U.S. State Legislation - U.S. Vaccine Legislation & Vaccine Freedom of Choice Advocacy* by NVIC's Advocacy Portal staff. The 2020 annual report was accompanied by a video conversation featuring providing an overview of vaccine related legislative activity for the 2020 legislative session.

NVIC's Fifth International Public Conference on Vaccination: *Protecting Health and Autonomy in the 21st Century* was a virtual pay-per-view conference held Oct.15-18, 2020. The conference presentations were made by over 50 speakers and attendees participated globally from over 30 countries. In January of 2021, all conference presentations were made available to the public free of charge.

Digital and Print Media

Vaccine information brochures were revised by staff, as needed, and posted for downloading from NVIC.org, as well as published in print form for mailing and distribution at conferences and special events.

NVIC Newsletter and The Vaccine Reaction Journal Newspaper

The digital *NVIC Newsletter* and *The Vaccine Reaction* journal newspaper, issued 60 editions containing links to over 200 referenced articles and commentaries published on NVIC.org and TheVaccineReaction.org during FYE 2021.

Social Media

During FYE 2021 censorship by mainstream social media platforms Facebook, YouTube, Instagram and Twitter culminated in the abrupt deletion of NVIC accounts. As a result, NVIC continues to share on social media platforms that uphold the Constitutional values of freedom of speech, thought and beliefs. New accounts were opened in FYE 2021 with Minds, Gab and Parler and are growing in followers.

- **Rumble** - In the latter portion of FYE 2021, NVIC's educational video library of over 300 videos began migration to the Rumble video platform. Videos transferred to NVIC's new Rumble channel appear to enjoy higher viewership than its previous platform. The migration of videos will be completed in FYE 2022.
- **MeWe** - Established in 2019 as an alternative to Facebook, NVIC's MeWe account increased followers over 300% from FYE 2020.

NATIONAL VACCINE INFORMATION CENTER
NOTES TO FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

(f) Basic Programs: (Continued)

I. PUBLIC EDUCATION PROGRAMS (Continued)

Social Media (Continued)

- **Podcasts** - NVIC's podcasts are hosted on Sound Cloud and distributed on mainstream podcast platforms, and over stations. Five commentaries were added to the podcast library. During FYE 2021 the playing of NVIC podcasts increased by 29 percent, with podcast downloads increasing by almost 200% from FYE 2020.

Print and Broadcast Media

The President/CEO is on-call to respond to media inquiries and either does the interview or makes referrals to executive staff members for response. NVIC is an information resource for journalists seeking an informed consumer perspective on vaccine history, science, policy, law, and ethics. During FYE 2021, NVIC provided over 20 interviews and comments to the media that are publicly available on NVIC.org.

Public Speeches and Workshops

NVIC's staff gave over 20 speeches and public presentations during this reporting period in a variety of venues such as conferences, panel discussions, workshops and webinars that provided attendees with information on vaccine safety, injury and informed consent topics.

II. VACCINE CHOICE ADVOCACY PROGRAM

State Activities

The web-based NVIC Advocacy Portal and website was created in 2010 and is a free online communications network. It maintains current information on proposed state and federal vaccine legislation, provides analysis, talking points and recommendations, and connects registered users electronically with their own legislators to empower informed consent advocacy. Additionally, proposed vaccine-related state and federal bills are designated as "Bills to Watch" if they directly support or pose a threat to NVIC's mission. Real time monitoring of proposed vaccine-related bills ensures the publishing of accurate bill information and action alerts.

For this reporting period, NVIC worked with 45 different state based groups around the country, providing information and support to protect and expand informed consent protections in state laws and policies across the U.S. New registrants to the Portal increased by seven percent over last reporting period.

During FYE 2021, NVIC tracked, analyzed, and issued positions on 473 vaccine related bills across 49 states. Out of 130 bills that NVIC opposed, only 14 bills passed. Bills introduced by legislators in multiple states that aligned with NVIC's mission more than doubled from the last reporting period to a record 278.

NATIONAL VACCINE INFORMATION CENTER
NOTES TO FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

(f) Basic Programs: (Continued)

III. CONSUMER ADVOCACY AND REPRESENTATION

Federal Vaccine Advisory Committees

Since 1988, NVIC has provided consumer representatives to serve on federal vaccine advisory committees and federal and state public engagement projects. NVIC staff monitors and provides public comment and reports on vaccine development, regulation, policymaking and promotion activities of the Department of Health and Human Services, including the FDA Vaccines & Related Biological Products Advisory Committee (VRBPAC); CDC Advisory Committee on Immunization Practices (ACIP); National Vaccine Advisory Committee (NVAC); and Advisory Commission on Childhood Vaccines (ACCV).

- **Advisory Commission on Childhood Vaccines (ACCV)** - This federal advisory committee was created by Congress in the National Childhood Vaccine Injury Act of 1986 to provide oversight on the operation of the federal vaccine injury compensation program (VICP). During FYE 2021 NVIC monitored and reported on the meetings of the ACCV. Additionally, at the invitation of the ACCV, NVIC gave a presentation on the need to retain certain vaccine injuries on the federal Vaccine Injury Table. Public comments made by NVIC are available on NVIC.org.
- **Centers for Disease Control Advisory Committee on Immunization Practices (ACIP)** - This federal vaccine advisory committee makes universal use vaccine recommendations for children and adults in the U.S. During FYE 2021, NVIC monitored and reported on 15 ACIP meetings, most of which were emergency meetings held in relation to COVID-19 vaccines and the evaluation of their use in various U.S. populations.
- **National Vaccine Advisory Committee (NVAC)** - This committee was created by Congress in the National Childhood Vaccine Injury Act of 1986 and is under the administration of the Office of the Assistant Secretary of Health, Department of Health and Human Services. During FYE 2021, NVIC monitored and reported on NVAC activities and gave public comments that are available at NVIC.org.
- **Vaccines & Related Biological Products Advisory Committee (VRBPAC)** - The VRBPAC is a federal advisory committee that makes recommendations to the Food and Drug Administration on the licensure of vaccines based on their review and evaluation of vaccine safety data. During FYE 2021, NVIC monitored the seven meetings of this committee and made reports to the public on NVIC websites.

NVIC also issued a letter to the FDA requesting the public release of safety data associated with the Pfizer Comirnaty COVID-19 vaccine, and clarifications on the interchangeability and legal distinctions between the experimental and licensed Pfizer COVID-19 vaccines.

NATIONAL VACCINE INFORMATION CENTER
NOTES TO FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

(f) Basic Programs: (Continued)

III. CONSUMER ADVOCACY AND REPRESENTATION (Continued)

Other Federal Activities

- As an organization of standing, NVIC participated in the CDC's Vaccine Information Statement (VIS) revisions consultation. During FYE 2021, NVIC provided revision recommendations to the CDC on 18 VIS' and was successful in obtaining linkage to vaccine manufacturer product inserts within all VIS' for consumer resource purposes.
- During FYE 2021 NVIC submitted three comments on a proposed rule change to remove SIRVA and syncope from the federal vaccine injury table.

IV. COUNSELING AND COMMUNITY SUPPORT SERVICE

Since 1982, staff has provided information about vaccination and infectious diseases to members of the public contacting NVIC, as well as operated a Vaccine Reaction Registry and provided free one-on-one counseling and informational support for those reporting vaccine reactions, injuries and deaths. This year, many of the inquiries to NVIC were made by phone, email or letter and were asking for information about how to:

- identify a vaccine reaction;
- report a vaccine reaction to the federal government;
- file for federal vaccine injury compensation;
- find information about state vaccine laws; and
- ask doctors questions when making a vaccine decision.

During FYE 2021, NVIC's Counseling Program responded to thousands of consumers seeking information on vaccines and diseases, reporting reactions or seeking benefit risk information and provided one-on-one support, leading to an increase of 19 percent for information and resource referrals over the last reporting period.

(g) Functional Expense Allocation Policies and Procedures:

The statement of functional expenses presents an allocation of each expense category between program services, general and administrative, and fundraising activities. Program service costs pertain to promoting and encouraging the health and welfare of American children and adults. General and administrative costs pertain to supporting activities. Fundraising costs relate to fundraising activities such as the soliciting of contributions.

Management has established functional expense allocation policies and procedures based on a reasonable analysis of cost drivers and reasonable allocation estimates based on financial results and industry standards.

NATIONAL VACCINE INFORMATION CENTER
NOTES TO FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

(g) Functional Expense Allocation Policies and Procedures: (Continued)

Personnel expenses for salaries, payroll taxes and benefits are allocated based on job descriptions and management estimates of time spent on particular activities.

Direct costs, where identifiable, are allocated in whole to the appropriate functional category. For other expenses where it would not be appropriate to designate 100 percent as a program service cost, general and administrative cost, or fundraising cost are allocated based on management estimates of use of resources.

(h) Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of support and revenues and expenses during the reporting period. Actual results could differ from those estimates.

(i) Fair Value of Certain Financial Instruments:

Some of the Organization's financial instruments are not measured at fair value on a recurring basis but nevertheless are recorded at amounts that approximate fair value due to their liquid or short-term nature. Such assets include cash and cash equivalents, certificates of deposit, accounts and promises receivable, prepaid expenses, accounts payable, and accrued expenses.

(j) Certificates of Deposit:

Certificates of deposit are other investments with original maturities greater than three months and are carried at original cost plus reinvested interest. The certificates of deposit do not qualify as securities as defined in Financial Accounting Standard Board ("FASB") Accounting Standards Codification ("ASC") 320, *Investments - Debt and Equity Securities*, thus the fair value disclosures required by ASC 820, *Fair Value Measurements and Disclosures*, are not provided.

(k) Reclassifications:

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements. These reclassifications had no effect on the change in the net assets or to total net assets from the prior year.

NATIONAL VACCINE INFORMATION CENTER
NOTES TO FINANCIAL STATEMENTS

3. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS:

The following reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date.

	<u>2021</u>	<u>2020</u>
Financial Assets at Year End:		
Cash and Cash Equivalents	\$ 724,894	\$ 379,552
Investments	823,035	318,928
Certificates of Deposit	1,482,911	1,177,452
Accounts Receivable	628	89,145
Promises Receivable	<u>24,119</u>	<u>34,372</u>
Total Financial Assets	<u>\$ 3,055,587</u>	<u>\$ 1,999,449</u>
Less Amounts Not Available for General		
Expenditure Within One Year:	<u>\$ -</u>	<u>\$ -</u>
Financial Assets Available to Meet General		
Expenditures Over the Next Twelve Months	<u>\$ 3,055,587</u>	<u>\$ 1,999,449</u>

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as general expenditures, liabilities and other obligations come due.

4. ACCOUNTING FOR UNCERTAIN TAX POSITIONS:

Accounting principles generally accepted in the United States of America provide consistent guidance for the accounting for uncertainty in income taxes recognized in the Organization's financial statements and prescribe a threshold of "more likely than not" for recognition of tax positions taken or expected to be taken in a tax return. The National Vaccine Information Center performed an evaluation of uncertain tax positions for the year ended August 31, 2021, and determined that there were no matters that would require recognition in the financial statements or that may have any effect on its tax-exempt status. As of August 31, 2021, the statute of limitations for tax years 2017 through 2019 remains open with the U.S. federal jurisdiction or the various states and local jurisdictions in which the Organization files tax returns. It is the Organization's policy to recognize interest and/or penalties related to uncertain tax positions, if any, in income tax expense. As of August 31, 2021, the Organization had no accruals for interest and/or penalties.

NATIONAL VACCINE INFORMATION CENTER
NOTES TO FINANCIAL STATEMENTS

5. CASH, CASH EQUIVALENTS AND CERTIFICATES OF DEPOSIT:

Cash and Cash Equivalents

The carrying amount of cash and cash equivalents at year end consisted of the following:

	<u>2021</u>	<u>2020</u>
Non-Interest Bearing Checking Account	\$ 182,189	\$ 197,666
Savings Account	12	31
Interest Bearing Deposit Account	250,000	181,855
Interest Bearing Sweep Deposit Account (AG)	<u>292,693</u>	<u>-</u>
Total	<u>\$ 724,894</u>	<u>\$ 379,552</u>

Certificates of Deposit

Certificates of deposit are valued at original cost plus reinvested interest. Balances at year end consisted of the following:

	<u>2021</u>	<u>2020</u>
Certificates of Deposit	<u>\$ 1,482,911</u>	<u>\$ 1,177,452</u>

For purposes of the cash flow statement and financial statement presentation, cash and cash equivalents are short term, highly liquid investments with maturities of three months or less.

The National Vaccine Information Center maintains its deposits in three financial institutions in the form of business checking accounts, a savings account and certificates of deposit. The checking accounts and the interest bearing deposit account are covered under the Federal Deposit Insurance Corporation (FDIC) program. Deposits held in non-interest bearing transaction accounts are aggregated with any interest bearing deposits and the combined total insured up to \$250,000.

Deposits held in non-interest-bearing transaction accounts are aggregated with any interest-bearing deposits and the combined total insured up to \$250,000. The savings account and a portion of the certificates of deposit are covered under the National Credit Union Administration (NCUA) program. General National Credit Union Administration (NCUA) Insurance coverage is \$250,000.

As of August 31, 2021 and 2020, \$32,922 and \$27,483, respectively, of the bank balance was deposited in excess of both the Federal Deposit Insurance Corporation and the National Credit Union Administration insurance limits. Due to increased cash flows at certain times during the year, the amount of funds at risk may have been greater than at year end. The National Vaccine Information Center was at risk for the funds held in excess of the insured amounts. The National Vaccine Information Center has not experienced any losses related to these accounts and does not believe it is exposed to any significant credit risk on cash and cash equivalents.

NATIONAL VACCINE INFORMATION CENTER
NOTES TO FINANCIAL STATEMENTS

5. CASH, CASH EQUIVALENTS AND CERTIFICATES OF DEPOSIT: (Continued)

Deposit Sweep Agreement

In order to minimize credit risk on deposits, the National Vaccine Information Center entered into a deposit sweep agreement with UBS Financial Services. Through this agreement, cash funds deposited with UBS up to an amount of \$250,000, are transferred to UBS Bank USA, a depository institution that is insured by the Federal Deposit Insurance Corporation (FDIC). Cash funds deposited in excess of \$250,000 are placed, without limit, into a sweep deposit account at the UBS AG Branch. Deposits at the AG Branch are not eligible for insurance by the FDIC, SIPC or any governmental agency of the United States, Switzerland, or any other jurisdiction. In the event of failure, the National Vaccine Information Center would be considered a general unsecured creditor of UBS AG. The balance held in the sweep deposit account at August 31, 2021, was \$292,693.

6. INVESTMENTS:

The National Vaccine Information Center invested in a fixed income annuity during the year ended August 31, 2016. A fixed income annuity is a contract in which you are guaranteed periodic payments beginning either immediately or at some future date while offering a guaranteed minimum interest rate on your purchase payment for a certain period of time. This annuity is guaranteed a fixed 3% rate for a period of three years. The Organization can redeem up to ten percent (10%) of the annuity balance without penalty. A comparison of the carrying value of this investment at year end was as follows:

August 31, 2021

	<u>Cost</u>	<u>Gross Unrealized Gains</u>	<u>Gross Unrealized Losses</u>	<u>Fair Value</u>
Fixed Income Annuities	\$ 823,035	\$ -	\$ -	\$ 823,035
Totals	<u>\$ 823,035</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 823,035</u>

August 31, 2020

	<u>Cost</u>	<u>Gross Unrealized Gains</u>	<u>Gross Unrealized Losses</u>	<u>Fair Value</u>
Fixed Income Annuities	\$ 318,928	\$ -	\$ -	\$ 318,928
Totals	<u>\$ 318,928</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 318,928</u>

NATIONAL VACCINE INFORMATION CENTER
NOTES TO FINANCIAL STATEMENTS

6. INVESTMENTS: (Continued)

The composition of investment return during the years ended August 31, 2021 and 2020 consisted of the following:

	2021	2020
Interest and Dividends - Annuities	\$ 4,107	\$ 3,149
Interest and Dividends - Other	14,465	19,733
Totals	\$ 18,572	\$ 22,882

7. FAIR VALUE MEASUREMENTS:

Financial Accounting Standards Board ASC No. 820-10, *Fair Value Measurements*, establishes a framework for measuring fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC No. 820-10 are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability (such as interest rate and yield curves);
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable (supported by little or no market activity) and not corroborated by market data. Unobservable inputs reflect the Organization's estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

NATIONAL VACCINE INFORMATION CENTER
NOTES TO FINANCIAL STATEMENTS

7. FAIR VALUE MEASUREMENTS: (Continued)

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at August 31, 2021.

Fixed Income Annuities: Value determined on daily basis and represents principal balance and daily interest earnings.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of August 31, 2021.

<u>August 31, 2021</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Fixed Income Annuities	\$ 823,035	\$ -	\$ -	\$ 823,035
Total Investments	<u>\$ 825,035</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 825,035</u>

<u>August 31, 2020</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Fixed Income Annuities	\$ 318,928	\$ -	\$ -	\$ 318,928
Total Investments	<u>\$ 318,928</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 318,928</u>

8. ACCOUNTS AND PROMISES RECEIVABLE:

Accounts Receivable

Accounts receivable as presented are current and considered to be fully collectible by management. Balances at year end consisted of the following:

	<u>2021</u>	<u>2020</u>
Funds Held at Third Party for Conference	\$ -	\$ 86,740
PayPal	231	-
Interest	<u>397</u>	<u>2,405</u>
Total Accounts Receivable	<u>\$ 628</u>	<u>\$ 89,145</u>

NATIONAL VACCINE INFORMATION CENTER
NOTES TO FINANCIAL STATEMENTS

8. ACCOUNTS AND PROMISES RECEIVABLE: (Continued)

Accounts Receivable (Continued)

The National Vaccine Information Center's accounts receivable consists of unsecured amounts due from program participants and funding sources whose ability to pay is subject to changes in general economic conditions. Because the Organization does not require collateral, it is at credit risk for the balance of the accounts receivable as of August 31, 2021 and 2020

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. Management believes that an allowance was not required based on its evaluation of collectability of receivables for the years ended August 31, 2021 and 2020.

Trade receivables related to program service fees are recognized as revenue on the accrual basis of accounting at the time the program activity has occurred. Credit is extended for a period of 60 days with no interest accrual at which time payment is considered delinquent. Trade receivables are written off as uncollectable once management determines that available collection efforts are exhausted.

Promises Receivable

Contributions are recognized when the donor makes a promise to give that is, in substance, unconditional. Conditional promises to give are not recognized in the financial statements until the conditions are substantially met or explicitly waived by the donor. Promises to give represent amounts committed by donors that have not been received by the Organization. The Organization uses the allowance method to determine uncollectible promises to give. Promises receivable at year end consisted of the following:

	<u>2021</u>	<u>2020</u>
Unrestricted General Support	\$ <u>24,119</u>	\$ <u>34,372</u>
Total Promises Receivable	\$ <u>24,119</u>	\$ <u>34,372</u>

The above unconditional promises are due to be received within the next year.

NATIONAL VACCINE INFORMATION CENTER
NOTES TO FINANCIAL STATEMENTS

9. FIXED ASSETS:

Furniture and equipment are recorded at cost or, in the case of contributed property, at the fair market value at the date of contribution. If an expenditure in excess of \$500 results in an asset having an estimated useful life, which extends substantially beyond the year of acquisition, the expenditure is capitalized at cost and depreciated over the estimated useful life of the asset. Maintenance and repairs are charged to expenses as incurred. When assets are retired, or otherwise disposed of, the cost and related accumulated depreciation is removed from the accounts and any resulting gain or loss is reflected in income for the period. Depreciation has been provided on the straight-line method over the estimated useful lives of the assets. Depreciation and amortization expense for the years ended August 31, 2021 and 2020 was \$11,588 and \$11,953, respectively. Major classifications of fixed assets and their estimated useful lives are as summarized below:

August 31, 2021

	<u>Depreciable Life</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Computer Equipment	3 Years	\$ 53,236	\$ 19,460	\$ 33,776
Office Furniture	3-5 Years	25,520	20,828	4,692
Leasehold Improvements	Life of Lease	<u>3,885</u>	<u>3,885</u>	<u>-</u>
Totals		<u>\$ 82,641</u>	<u>\$ 44,173</u>	<u>\$ 38,468</u>

August 31, 2020

	<u>Depreciable Life</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Computer Equipment	3 Years	\$ 28,447	\$ 10,016	\$ 18,431
Website in Progress	N/A	17,300	-	17,300
Office Furniture	3-5 Years	24,795	19,079	5,716
Leasehold Improvements	Life of Lease	<u>3,885</u>	<u>3,885</u>	<u>-</u>
Totals		<u>\$ 74,427</u>	<u>\$ 32,980</u>	<u>\$ 41,447</u>

10. DEFERRED RENT ABATEMENT:

Accounting principles generally accepted in the United States of America require that rent expense, pursuant to a non-cancelable lease that includes a rent abatement period and/or fixed scheduled rent increases, be recorded on a straight-line basis over the term of the lease. The difference between this expense and the required lease payments is reflected as deferred rent abatement in the accompanying statements of financial position. The National Vaccine Information Center entered into a lease agreement for the rental of office space located in Sterling, Virginia, for sixty-two (62) months, commencing on June 10, 2013, and expired on August 9, 2018. This lease was amended extending the lease for another five years to end on August 31, 2023. As a condition of the lease terms, the first two months of rent have been abated. The balance of the unamortized deferred rent abatement at August 31, 2021 and 2020 was \$2,829 and \$2,802, respectively.

NATIONAL VACCINE INFORMATION CENTER
NOTES TO FINANCIAL STATEMENTS

11. PAYCHECK PROTECTION PROGRAM:

The Paycheck Protection Program was established under the CARES Act on March 27, 2020, and was designed to provide cash-flow assistance to small businesses including certain not-for-profit organizations. This program provides relief as a result of the Coronavirus pandemic with loan funds to pay up to 24 weeks of payroll costs including fringe benefits, rent and utilities commencing on the date of loan origination. The Paycheck Protection Program is a loan program that is guaranteed in its entirety through the Small Business Administration and offers a maturity of two years and an interest rate of one percent (1%). The principal amount of the loan may be partially or fully forgiven if the loan funds are utilized in manner consistent with the allowable use of loan proceeds.

Paycheck Protection Program funds are being reported in accordance with FASB ASC 958-605. Due to the forgiveness being conditional on incurring the qualified expenses, the funds were accounted for as a refundable advance and were recognized as contribution revenue as the qualified expenses were incurred. The Organization applied for and received a total amount of loan proceeds in the amount of \$136,070 on April 30, 2020. As of August 31, 2020, \$101,149 has been recognized as contribution income since the conditions upon which the loan proceeds were provided has been substantially met. The remaining \$34,921 has been recognized as contribution income as of August 31, 2021. This loan was forgiven by Northwest Credit Union on June 21, 2021.

12. COMMITMENTS:

Office Lease - Sterling

The National Vaccine Information Center entered into a lease agreement on April 29, 2013, for the rental of office space located at 21525 Ridgetop Circle, Sterling, Virginia. The lease term commenced on June 10, 2013, and expired on August 9, 2018. Monthly rental payments of \$2,291 began on September 1, 2013, after a two-month abatement period. An amendment to the lease was entered into, extending the lease for an additional five years ending August 31, 2023. The monthly rental payments are \$2,291 for the first year with increases annually each year thereafter of three percent (3%). Monthly rental payments as of August 31, 2021, were \$2,645. As a requirement of this lease, a security deposit in the amount of \$2,291 was required to be made. The Organization is obligated to pay a proportion of the annual increase in operating cost of the leased property. An estimate of the annual increase in operating cost has not been provided for in the following. Rental expense related to this lease for the years ended August 31, 2021 and 2020 was as follows.

	2021	2020
Rent - Base	\$ 31,764	\$ 31,764
Operating Expenses	2,239	3,993
Total Rent Expense	\$ 34,003	\$ 35,757

NATIONAL VACCINE INFORMATION CENTER
NOTES TO FINANCIAL STATEMENTS

12. COMMITMENTS: (Continued)

As of August 31, 2021, future minimum rental obligations required under this lease, net of rent abatement, are as follows:

<u>Year Ending August 31,</u>	<u>Rent Obligation</u>	<u>Deferred Rent</u>	<u>Rent Payment</u>
2022	\$ 31,764	\$ (924)	\$ 32,688
2023	<u>31,764</u>	<u>(1,905)</u>	<u>33,669</u>
Totals	<u>\$ 63,528</u>	<u>\$ (2,829)</u>	<u>\$ 66,357</u>

13. CONCENTRATIONS:

Based on the nature and purpose of the National Vaccine Information Center, significant revenues are received through parties interested in promoting the health and welfare of the public, its research and education programs. During the year ended August 31, 2021, an amount of \$1,000,016, which represents forty percent (40%) of total financial support, was received in the form of contributions from two separate donors. During the year ended August 31, 2020, an amount of \$300,000, which represents twenty-three percent (23%) of total financial support, was received in the form of contributions from a single foundation.

14. CONTINGENCIES:

Program Support

Based on the nature and purpose of the National Vaccine Information Center, the Organization depends on contributions and grants for a significant portion of its revenue. The ability of the Organization's contributors and grantors to continue giving amounts comparable with prior years may be dependent upon future economic conditions and continued deductibility for income tax purposes of contributions and grants to the Organization. While the Organization's Board of Directors and management believes the Organization has the resources to continue its programs, its ability to do so and the extent to which it continues may be dependent on the above factors.

Pandemic

The Organization has been negatively impacted by the effects of the worldwide coronavirus pandemic. The Organization is closely monitoring its operations and is actively working to minimize the current and future impact of this unprecedented situation. As of the date of issuance of these financial statements, the full impact to the Organization's financial position is not known.

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15. RELATED PARTY TRANSACTIONS:

Contributions Made

Various board members and employees of the National Vaccine Information Center gave contributions during the years ended August 31, 2021 and 2020 to the Organization in the amount of \$2,620 and \$10,700, respectively.

Other

Two members of the Board of Directors are also paid employees of the National Vaccine Information Center. Compensation is for the purpose of performing services related to the mission of the Organization.

16. SUBSEQUENT EVENTS:

In preparing these financial statements, management has evaluated events and transactions for potential recognition or disclosure through January 5, 2022, the date the financial statements were available to be issued, and has determined that no adjustments are necessary to the amounts reported in the accompanying financial statements.

17. JOINT COST ACTIVITIES:

The National Vaccine Information Center achieves some of its programmatic and management and general goals through direct mail campaigns that include requests for contributions. The costs of conducting those campaigns during the years ended August 31, 2021 and 2020 included a total of \$18,464 and \$14,692, respectively, of joint costs that are not directly attributable to either program or fundraising components of the activities. Those joint costs were allocated as follows:

	<u>2021</u>	<u>2020</u>
Educational	\$ 14,732	\$ 11,689
Fundraising	<u>3,732</u>	<u>3,003</u>
Total Joint Costs	<u>\$ 18,464</u>	<u>\$ 14,692</u>

18. FUNDRAISING:

During the years ended August 31, 2021 and 2020, expenses in the amount of \$50,250 and \$30,847, respectively, were incurred for the purposes of fundraising.

19. ADVERTISING COSTS:

Advertising and marketing costs are expensed when incurred. Marketing activities were conducted for the purpose of promoting the Organization's mission. Marketing expenses in the amount of \$41,464 and \$51,614 were incurred during the years ended August 31, 2021 and 2020, respectively.

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20. EMPLOYEE BENEFITS:

The cost of fringe benefits incurred consisted of the following:

	<u>2021</u>	<u>2020</u>
Social Security/Medicare	\$ 51,855	\$ 52,076
State Unemployment Tax	1,004	817
Worker's Compensation	1,938	1,932
DeMinimus and Wellness	<u>337</u>	<u>1,511</u>
Total Fringe Benefits	<u>\$ 55,134</u>	<u>\$ 56,336</u>