

NATIONAL VACCINE INFORMATION CENTER  
STERLING, VIRGINIA

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COMPARATIVE FINANCIAL STATEMENTS  
AND INDEPENDENT AUDITOR'S REPORT

FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021

**KENDALL, PREBOLA AND JONES**

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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

**Opinion**

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, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years 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 National Vaccine Information Center as of August 31, 2022 and 2021, 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.

**Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the National Vaccine Information Center and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 National Vaccine Information Center's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

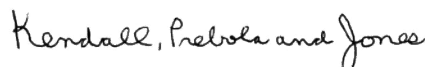
### **Auditor's Responsibilities for the Audit of the Financial Statements**

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 auditor's 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 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 National Vaccine Information Center'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 the National Vaccine Information Center's 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.



Kendall, Prebola and Jones  
Certified Public Accountants

Bedford, Pennsylvania  
January 13, 2023

NATIONAL VACCINE INFORMATION CENTER  
COMPARATIVE STATEMENTS OF FINANCIAL POSITION  
AUGUST 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
<u>ASSETS</u>		
<u>Current Assets:</u>		
Cash and Cash Equivalents	\$ 533,358	\$ 724,894
Investments	831,265	823,035
Certificates of Deposit	2,063,256	1,482,911
Accounts Receivable	3,075	628
Promises Receivable	6,329	24,119
Prepaid Expenses	<u>23,933</u>	<u>44,748</u>
Total Current Assets	<u>\$ 3,461,216</u>	<u>\$ 3,100,335</u>
<u>Fixed Assets: At Cost</u>		
Furniture and Equipment	\$ 207,941	\$ 78,756
Leasehold Improvements	3,885	3,885
Less: Accumulated Depreciation and Amortization	<u>(83,900)</u>	<u>(44,173)</u>
Total Fixed Assets	<u>\$ 127,926</u>	<u>\$ 38,468</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>\$ 3,591,433</u>	<u>\$ 3,141,094</u>
<u>LIABILITIES AND NET ASSETS</u>		
<u>Current Liabilities:</u>		
Accounts Payable	\$ 15,460	\$ 6,510
Accrued Wages and Taxes	9,947	5,953
Deferred Rent Abatement - Current Portion	<u>1,905</u>	<u>924</u>
Total Current Liabilities	<u>\$ 27,312</u>	<u>\$ 13,387</u>
<u>Long-Term Liabilities:</u>		
Deferred Rent Abatement - Net of Current Portion	<u>\$ -</u>	<u>\$ 1,905</u>
Total Long-Term Liabilities	<u>\$ -</u>	<u>\$ 1,905</u>
Total Liabilities	<u>\$ 27,312</u>	<u>\$ 15,292</u>
<u>Net Assets:</u>		
Without Donor Restrictions	\$ 3,564,121	\$ 3,125,802
With Donor Restrictions	<u>-</u>	<u>-</u>
Total Net Assets	<u>\$ 3,564,121</u>	<u>\$ 3,125,802</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 3,591,433</u>	<u>\$ 3,141,094</u>

(See Accompanying Notes and Auditor's Report)

NATIONAL VACCINE INFORMATION CENTER  
COMPARATIVE STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021

	August 31, 2022			August 31, 2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<u>Revenues, Gains and Other Support:</u>						
Contributions and Grants - Foundations	\$ 1,218,606	\$ -	\$ 1,218,606	\$ 1,320,900	\$ -	\$ 1,320,900
Contributions and Grants - Other	801,153	-	801,153	722,564	40,500	763,064
Contributions - Federal COVID Subsidy	-	-	-	34,921	-	34,921
Registration Fees	-	-	-	210,045	-	210,045
Donated Assets and Services	120,509	-	120,509	182,718	-	182,718
Interest Income	19,645	-	19,645	18,572	-	18,572
Gain/(Loss) on Disposal of Fixed Assets	549	-	549	-	-	-
Net Assets Released from Restrictions						
Satisfaction of Program Restrictions	-	-	-	63,000	(63,000)	-
 Total Revenues, Gains and Other Support	 <u>\$ 2,160,462</u>	 <u>\$ -</u>	 <u>\$ 2,160,462</u>	 <u>\$ 2,552,720</u>	 <u>\$ (22,500)</u>	 <u>\$ 2,530,220</u>
<u>Expenses:</u>						
Educational	\$ 1,084,309	\$ -	\$ 1,084,309	\$ 941,403	\$ -	\$ 941,403
Advocacy	213,502	-	213,502	137,122	-	137,122
Lobbying	37,244	-	37,244	24,757	-	24,757
Support	144,696	-	144,696	129,078	-	129,078
Fundraising	49,954	-	49,954	50,250	-	50,250
General and Administrative	192,438	-	192,438	67,616	-	67,616
 Total Expenses	 <u>\$ 1,722,143</u>	 <u>\$ -</u>	 <u>\$ 1,722,143</u>	 <u>\$ 1,350,226</u>	 <u>\$ -</u>	 <u>\$ 1,350,226</u>
 Changes in Net Assets	 \$ 438,319	 \$ -	 \$ 438,319	 \$ 1,202,494	 \$ (22,500)	 \$ 1,179,994
Net Assets, Beginning 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>
Net Assets, End of Period	<u>\$ 3,564,121</u>	<u>\$ -</u>	<u>\$ 3,564,121</u>	<u>\$ 3,125,802</u>	<u>\$ -</u>	<u>\$ 3,125,802</u>

(See Accompanying Notes and Auditor's Report)

NATIONAL VACCINE INFORMATION CENTER  
COMPARATIVE STATEMENTS OF FUNCTIONAL EXPENSES  
FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021

	August 31, 2022						
	<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>Expenses:</u>							
Salaries and Wages	\$ 829,387	\$ 59,292	\$ 5,903	\$ 477,750	\$ 141,750	\$ 31,225	\$ 113,260
Fringe Benefits	67,341	5,735	472	38,235	11,340	2,498	9,061
Graphic Design and Artwork	350	-	-	350	-	-	-
Investigative Research	76,350	-	-	61,080	15,270	-	-
Information Technology and Web Hosting	139,736	-	-	139,736	-	-	-
Consultants	129,369	108,169	-	21,200	-	-	-
Payroll Service Fees	7,502	536	53	4,324	1,282	282	1,025
Accounting	18,158	1,453	-	15,797	545	-	363
Legal Fees	4,200	-	4,200	-	-	-	-
Telephone	15,448	684	-	7,808	789	-	6,167
Internet	31,611	465	473	27,024	2,229	-	1,420
Postage and Shipping	27,722	3,409	1,943	18,562	1,202	-	2,606
Printing and Reproduction	87,364	321	12,370	74,673	-	-	-
Marketing and Public Relations	105,611	-	-	105,611	-	-	-
Press Releases	-	-	-	-	-	-	-
Occupancy	35,827	2,561	255	20,646	6,123	1,349	4,893
Storage	6,443	-	-	6,443	-	-	-
Travel	15,514	-	-	9,708	5,806	-	-
Meetings and Conferences	451	451	-	-	-	-	-
Training and Seminars	-	-	-	-	-	-	-
Office Supplies and Expense	23,724	399	209	9,031	13,669	208	208
Dues, Subscriptions and Taxes	10,756	4,423	-	-	-	-	-
State Registrations	3,837	-	3,837	-	-	-	-
Licenses and Permits	1,520	-	1,520	-	-	-	-
Corporate Insurance	7,763	311	155	6,754	233	155	155
Contributions	16,000	-	-	16,000	-	-	-
Bank and Service Charges	19,605	1,330	18,275	-	-	-	-
Depreciation Expense	40,554	2,899	289	23,370	6,931	1,527	5,538
Total Expenses	<u>\$ 1,722,143</u>	<u>\$ 192,438</u>	<u>\$ 49,957</u>	<u>\$ 1,084,309</u>	<u>\$ 213,502</u>	<u>\$ 37,244</u>	<u>\$ 144,696</u>

(See Accompanying Notes and Auditor's Report)

NATIONAL VACCINE INFORMATION CENTER  
COMPARATIVE STATEMENTS OF FUNCTIONAL EXPENSES  
FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021

	August 31, 2021						
	<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>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
Graphic Design and Artwork	-	-	-	-	-	-	-
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
Dues, Subscriptions and Taxes	10,511	3,845	-	-	6,666	-	-
State Registrations	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
<b>Total Expenses</b>	<b>\$ 1,350,226</b>	<b>\$ 67,616</b>	<b>\$ 50,250</b>	<b>\$ 941,403</b>	<b>\$ 137,122</b>	<b>\$ 24,757</b>	<b>\$ 129,078</b>

(See Accompanying Notes and Auditor's Report)



NATIONAL VACCINE INFORMATION CENTER  
COMPARATIVE STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
<u>Cash Flows from Operating Activities:</u>		
Changes in Net Assets	\$ 438,319	\$ 1,179,994
Adjustments to Reconcile Changes in Net Assets to Net Cash Flows from Operating Activities:		
Depreciation and Amortization Expense	40,554	11,588
Accounts Receivable - (Increase)/Decrease	(2,447)	88,517
Promises Receivable - (Increase)/Decrease	17,790	10,253
Prepaid Expenses - (Increase)/Decrease	20,815	(28,572)
Accounts Payable - Increase /(Decrease)	8,950	2,342
Accrued Wages and Taxes - Increase /(Decrease)	3,994	(1,491)
Deferred Conference Registration Fees - Increase/(Decrease)	-	(64,220)
Refundable Advance - Increase /(Decrease)	-	(34,921)
Deferred Rent Abatement - Increase /(Decrease)	(924)	27
Net Cash Flows from Operating Activities	<u>\$ 527,051</u>	<u>\$ 1,163,517</u>
<u>Cash Flows from Investing Activities:</u>		
Acquisition of Fixed Assets	\$ (130,012)	\$ (8,609)
Purchase of Certificates of Deposit	(1,580,345)	(805,459)
Proceeds on Sale of Certificates of Deposit	1,000,000	500,000
Purchase of Investments	(8,230)	(504,107)
Net Cash Flows from Investing Activities	<u>\$ (718,587)</u>	<u>\$ (818,175)</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	\$ (191,536)	\$ 345,342
Cash and Cash Equivalents, Beginning of Period	<u>724,894</u>	<u>379,552</u>
Cash and Cash Equivalents, End of Period	<u>\$ 533,358</u>	<u>\$ 724,894</u>

Supplemental Disclosures:

There was no cash paid for interest or income taxes during the years ended August 31, 2022 and 2021.

(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 (NVIC) 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 charitable organization was founded by parents of DPT vaccine injured children to prevent 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. NVIC advocates for the legal right for individuals to make educated, voluntary decisions about vaccination and health without being sanctioned for the decision made.

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 sponsorship and operation of four websites (NVIC.org, NVICAdvocacy.org, TheVaccineReaction.org and MedAlerts.org) that provide the public with well referenced information on vaccination and infectious diseases, focusing on vaccine history, science, policy, law and ethics. Educational efforts are accomplished through a publications program that includes a digital weekly journal newspaper and bi-monthly digital newsletter, 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 other online platforms; online and print vaccine education advertising campaigns and distribution of publications and website information at health conferences and to the general public.

NVIC also provides timely information to the public by participating in media reports about vaccine topics and issuing press releases, as well as by sponsoring and participating in educational workshops and conferences discussing vaccination, health and autonomy. Additional NVIC programs include providing one-on-one support for those reporting vaccine injuries and deaths upon request; and the operation of a free online grassroots advocacy communications network to educate lawmakers and empower citizens in every state to secure vaccine informed consent protections in U.S. public health policies and laws.

NATIONAL VACCINE INFORMATION CENTER  
NOTES TO FINANCIAL STATEMENTS

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.

(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.

NATIONAL VACCINE INFORMATION CENTER  
NOTES TO FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

(b) Revenue Recognition: (Continued)

**Contributions** (Continued)

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. 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.

**Exchange Transactions**

The Association has adopted the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, "Revenue for Contracts with Customers," and a series of amendments which together hereinafter are referred to as "ASC Topic 606." This standard outlines a single comprehensive model for entities to use in accounting for revenues arising from contracts with customers (donors).

Central to the revenue recognition framework is a five-step revenue recognition model that requires reporting entities to:

1. Identify the contract;
2. Identify the performance obligations of the contract;
3. Determine the transaction price of the contract;
4. Allocate the transaction price to the performance obligations, and;
5. Recognize revenue.

**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.

NATIONAL VACCINE INFORMATION CENTER  
NOTES TO FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

(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, 2022.

**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:

**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.

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)

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.

There were no net assets with donor restrictions available at year end.

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>2022</u>	<u>2021</u>
Sponsors - Public Conference on Vaccination	\$ -	\$ 63,000
Total Net Assets Released from Restrictions	<u>\$ -</u>	<u>\$ 63,000</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.

NATIONAL VACCINE INFORMATION CENTER  
NOTES TO FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

(e) Donated Services and Materials: (Continued)

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

	2022	2021
Investigative Research	\$ 76,350	\$ 101,700
Information Technology and Web Hosting	40,959	80,868
Booth Rental	2,825	-
Bookkeeping Services	375	150
Total Donated Services and Materials	\$ 120,509	\$ 182,718

(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 works to secure vaccine safety and informed consent protections in US. public health policies and laws, including flexible medical, conscientious and religious belief vaccine exemptions.

**Websites**

- **NVIC.org** - The information that NVIC staff researches, analyzes and publishes is publicly 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 non-governmental, 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 compiled on 1,900 web pages and a video brief were also added to NVIC.org compendium of educational information available to the public.

During FYE 2022, NVIC completed and re-launched an extensively upgraded NVIC.org website with an improved design and content management and security system. The new NVIC.org houses NVIC's 40 years of referenced commentaries, special reports, articles, statements and public comments, podcasts, legislative testimony and videos that were archived on the old website. Web pages were updated and new features added to make content easier to access by 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)

**Websites** (Continued)

• **NVIC.org** (Continued)

A special report on the Coronavirus (COVID-19) Pandemic, which includes contemporary referenced articles and videos produced between 2020 and 2022 that offer original analysis and perspective on the SARS-CoV-2 virus and the COVID vaccines, was expanded. New information on other vaccines and diseases was posted, along with updated information on daycare and school vaccine requirements and exemptions for all states. Referenced video commentaries and articles were also added to the NVIC.org compendium of educational information available to the public. There were over 1.5 million page views on NVIC.org during this reporting period.

- **NVICAdvocacy.org** - The web-based NVIC Advocacy Portal and website was created and launched in 2010 and contains comprehensive information on and analysis of vaccine-related legislation introduced in U.S. state legislatures that is accessible to the public for free and emailed to registered Portal users. A major update/upgrade of the NVIC Advocacy Portal website was completed and launched in January 2022 to improve functionality, security and user experience. During the 2022 legislative session, the NVIC Advocacy staff analyzed, tracked and issued position statements on 875 vaccine related bills in 44 states. There were 198,671 page views of the NVIC Advocacy Portal for this reporting period.

- **TheVaccineReaction.org** - This website is a weekly journal newspaper established in digital form in 2015 to promote “*an enlightened conversation about vaccination, health and autonomy*” and is emailed for free to subscribers. Originally a print publication launched by NVIC in 1995, the digital version of *The Vaccine Reaction* focuses on topics related to vaccination, health, ethics, medicine, law, media and business and maintains a publicly searchable article archive. During FYE 2022, over 200 referenced articles in 52 editions were published and the website hosted 729,429 visitors.

- **MedAlerts.org** - MedAlerts.org is a web-based program established in 2003 that has been sponsored by NVIC since 2006 to provide the public with the ability to search the federal Vaccine Adverse Events Reporting System (VAERS) database for information on vaccine adverse event reports made to the government by doctors, vaccine recipients and parents or guardians of minor children who received vaccines and experienced a deterioration in health. NVIC co-founders were responsible for the inclusion of VAERS in the 1986 National Childhood Vaccine Injury Act, which requires vaccine providers to report hospitalizations, injuries and deaths following vaccination. This fiscal year, the MedAlerts software platform was upgraded and security improved. MedAlerts hosted over 10 million visitors during this reporting period.



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 12<sup>th</sup> Annual Vaccine Awareness Week (VAW) co-sponsored with Mercola.com and held Sept. 26 - Oct. 2, 2021, NVIC published a referenced video commentary *Forced Vaccination Was Always the End Game*, as well as the *2021 Annual Report on U.S. State Legislation* by NVIC's Advocacy Portal staff. The 2021 annual state legislation report was accompanied by a video providing an overview of vaccine related legislative activity for the 2022 legislative session.

**Print and Digital Publications**

Vaccine information brochures were revised and posted for downloading from NVIC.org, as well as published in print form for mailing and distribution at conferences and special events. *The Guide to Reforming Vaccine Policy and Law*, a 60-page color illustrated print publication designed to help educate the public and lawmakers about securing informed consent protections in public health laws that was originally published in 2014 and revised in 2017, was updated during FYE2022 to include COVID-related information. The Guide is anchored with more than 350 references with live links posted on NVIC.org.

**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 2022.

**Social Media**

Censorship of NVIC by the major social media platforms Facebook, YouTube, Instagram and Twitter resulted in the deletion of NVIC accounts between March and September 2021 followed by a sudden, unexplained action taken by PayPal in December 2021 to block donations made to NVIC through Network for Good. NVIC quickly pivoted to a donation platform and alternative social media platforms that value freedom of thought, speech, and conscience and other civil liberties. These new accounts 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 and that migration continued in FYE2022. Videos transferred to NVIC's new Rumble channel appear to be attracting a higher viewership more quickly than NVIC's previous YouTube channel, with lifetime views of NVIC videos on Rumble already totaling over one million views.

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)

- **MeWe, Gab, Telegram, Minds, Parler** - Established in 2019 as an alternative to Facebook, there was a seven percent increase in NVIC's MeWe followers from the previous year, while Gab is the most active platform for NVIC follower engagement. NVIC reaches tens of thousands of people on new social media platforms, but this online reach is far less than what it was before the censorship campaign by major social media platforms began in 2020 to silence discussions about vaccine policy and law that does not conform with narratives approved by the government and World Health Organization and culminated with the elimination of NVIC's Facebook, Instagram, Twitter, and You Tube accounts in 2021.
- **Podcasts** - NVIC's podcasts are hosted on Sound Cloud and iTunes distributed on mainstream podcast platforms, and available on a variety of streaming platforms. Three commentaries were added to NVIC's library of 50 podcasts. During FYE 2022, the playing of NVIC podcasts played by third party apps increased by 11 percent.

**Print and Broadcast Media**

NVIC is an information resource for journalists seeking an informed consumer perspective on vaccine history, science, policy, law & ethics. During FYE 2022, NVIC's President participated in 17 media print or broadcast interviews or provided comments to the media on vaccine-related topics. Links are posted on NVIC.org.

**Public Speeches and Workshops**

NVIC's staff gave speeches and public presentations during this reporting period at conferences, panel discussions, workshops and webinars that provided attendees with information on vaccine safety and informed consent topics.

**II. VACCINE CHOICE ADVOCACY PROGRAM**

**State Activities**

The web-based NVIC Advocacy Portal and website created in 2010 maintains accurate, real time information on proposed state and federal vaccine legislation; provides analysis, talking points and recommendations; and connects registered users electronically with their own legislators to help them actively participate in the law making process, a right guaranteed under the U.S. Constitution. Proposed vaccine-related state and federal bills are designated by NVIC as "Bills to Watch" on the Portal if the bills align with NVIC's mission or of they pose a threat to informed, voluntary vaccine decision making. Active monitoring of proposed vaccine-related bills ensures the publishing of accurate bill information and action alerts.

NATIONAL VACCINE INFORMATION CENTER  
NOTES TO FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

(f) Basic Programs: (Continued)

**II. VACCINE CHOICE ADVOCACY PROGRAM** (Continued)

**State Activities** (Continued)

For this reporting period, NVIC supported 475 vaccine-related bills and opposed 186 bills. 2022 marks the second consecutive year that NVIC supported more vaccine-related bills than were opposed. No state legislature passed bills with COVID-19 mandates or passed bills mandating any other vaccine in FYE2022 or eliminated vaccine exemptions. The majority of COVID-19 related bills that passed in state legislatures protected informed consent rights and vaccine exemptions.

**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 2022, NVIC monitored and reported on the meetings of the ACCV. NVIC staff provided oral public comments at the June and September 2022 ACCV meetings, which are available on NVIC.org. During this reporting period, NVIC's consumer representative nominee ended her four-year term on NVAC.
- **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 2022, NVIC staff and volunteers monitored and reported on 16 ACIP meetings, most of which were meetings held to discuss and vote on recommendations related to use of COVID-19 vaccines.
- **National Vaccine Advisory Committee (NVAC)** - This committee was created by Congress in the National Childhood Vaccine Injury Act of 1986 to provide oversight on the US vaccination program and is under the administration of the Office of the Assistant Secretary of Health, Department of Health and Human Services. During FYE 2022, NVIC staff and volunteers monitored and reported on NVAC activities.

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)

**Federal Vaccine Advisory Committees** (Continued)

- **Vaccines & Related Biological Products Advisory Committee (VRBPAC)** - The VRBPAC is a federal advisory committee that makes recommendations to the U.S. Food and Drug Administration (FDA) on the licensure or emergency use authorization of vaccines based on review and evaluation of vaccine safety and efficacy data by VRBPAC members. During FYE 2022, NVIC staff and volunteers monitored and reported on VRBPAC meetings, which included amending the Emergency Use Authorization (EUA) of mRNA COVID vaccines and adding COVID vaccine to recommended childhood vaccine schedules.

**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 upon request. 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 2022, NVIC's Counseling Program responded to nearly 7,000 email or phone requests for information on vaccines and diseases and from people reporting vaccine reactions or in need of one-on-one support. The majority of vaccine reaction reports were related to COVID-19 vaccines.

(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.

NATIONAL VACCINE INFORMATION CENTER  
NOTES TO FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

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

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.

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.

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>2022</u>	<u>2021</u>
Financial Assets at Year End:		
Cash and Cash Equivalents	\$ 533,358	\$ 724,894
Investments	831,265	823,035
Certificates of Deposit	2,063,256	1,482,911
Accounts Receivable	3,075	628
Promises Receivable	<u>23,933</u>	<u>24,119</u>
Total Financial Assets	<u>\$ 3,454,887</u>	<u>\$ 3,055,587</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>\$ 3,454,887</u>	<u>\$ 3,055,587</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, 2022, 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, 2022, the statute of limitations for tax years 2018 through 2020 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, 2022, 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>2022</u>	<u>2021</u>
Non-Interest Bearing Checking Account	\$ 447,201	\$ 182,189
Interest Bearing Checking Account	86,145	-
Savings Account	12	12
Interest Bearing Deposit Account	-	250,000
Interest Bearing Sweep Deposit Account (AG)	-	<u>292,693</u>
Total	<u>\$ 533,358</u>	<u>\$ 724,894</u>

**Certificates of Deposit**

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

	<u>2022</u>	<u>2021</u>
Certificates of Deposit	<u>\$ 2,063,256</u>	<u>\$ 1,482,911</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, 2022 and 2021, \$288,342 and \$32,922, 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. This account was closed during the year ended August 31, 2022.

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, 2022

	<u>Cost</u>	<u>Gross Unrealized Gains</u>	<u>Gross Unrealized Losses</u>	<u>Fair Value</u>
Fixed Income Annuities	\$ 831,265	\$ -	\$ -	\$ 831,265
Totals	<u>\$ 831,265</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 831,265</u>

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>



NATIONAL VACCINE INFORMATION CENTER  
NOTES TO FINANCIAL STATEMENTS

6. INVESTMENTS: (Continued)

The composition of investment return during the years ended August 31, 2022 and 2021 consisted of the following:

	2022	2021
Interest and Dividends - Annuities	\$ 8,230	\$ 4,107
Interest and Dividends - Other	11,415	14,465
Realized Gain on Sale of Investments	549	-
Totals	\$ 20,194	\$ 18,572

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 note 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 not 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, 2022.

*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, 2022 and 2021.

August 31, 2022

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Fixed Income Annuities	\$ 831,265	\$ -	\$ -	\$ 831,265
Total Investments	<u>\$ 831,265</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 831,265</u>

August 31, 2021

	<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>

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>2022</u>	<u>2021</u>
Interest	\$ 3,075	\$ 397
PayPal	<u>-</u>	<u>231</u>
Total Accounts Receivable	<u>\$ 3,075</u>	<u>\$ 628</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, 2022 and 2021

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, 2022 and 2021.

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>2022</u>	<u>2021</u>
Unrestricted General Support	\$ <u>6,329</u>	\$ <u>24,119</u>
Total Promises Receivable	\$ <u>6,329</u>	\$ <u>24,119</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, 2022 and 2021 was \$40,554 and \$11,588, respectively. Major classifications of fixed assets and their estimated useful lives are as summarized below:

August 31, 2022

	<u>Depreciable Life</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Computer Equipment	3 Years	\$ 182,421	\$ 57,178	\$ 125,243
Office Furniture	3-5 Years	25,520	22,837	2,683
Leasehold Improvements	Life of Lease	<u>3,885</u>	<u>3,885</u>	<u>-</u>
Totals		<u>\$ 211,826</u>	<u>\$ 83,900</u>	<u>\$ 127,926</u>

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>

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, 2022 and 2021 was \$1,905 and \$2,829, respectively.

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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, 2022, were \$2,724. 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, 2022 and 2021 was as follows.

	<u>2022</u>	<u>2021</u>
Rent - Base	\$ 31,764	\$ 31,764
Operating Expenses	<u>4,063</u>	<u>2,239</u>
Total Rent Expense	<u>\$ 35,827</u>	<u>\$ 34,003</u>

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12. COMMITMENTS: (Continued)

As of August 31, 2022, 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>
2023	\$ 31,764	\$ (1,905)	\$ 33,669
Totals	<u>\$ 31,764</u>	<u>\$ (1,905)</u>	<u>\$ 33,669</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, 2022, an amount of \$907,314, which represents forty-two percent (42%) of total financial support, was received in the form of contributions from two separate donors. 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 the same two donors.

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**

On January 20, 2020, the World Health Organization ("WHO") announced a global health emergency because of a strain of coronavirus originating in China (the "COVID -19 outbreak) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Organization's financial condition, liquidity, and future results of operations.

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14. CONTINGENCIES: (Continued)

**Pandemic** (Continued)

Management is actively monitoring the global situation on its operations, suppliers, and workforce. Given the ongoing evolution of the COVID-19 outbreak and the global responses to curb its spread, the Foundation is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity.

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, 2022 and 2021 to the Organization in the amount of \$2,926 and \$2,620, 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 13, 2023, 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, 2022 and 2021 included a total of \$37,761 and \$18,464, 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>2022</u>	<u>2021</u>
Educational	\$ 30,641	\$ 14,732
Fundraising	<u>7,120</u>	<u>3,732</u>
Total Joint Costs	<u>\$ 37,761</u>	<u>\$ 18,464</u>

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18. FUNDRAISING:

During the years ended August 31, 2022 and 2021, expenses in the amount of \$49,954 and \$50,250, 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 \$105,611 and \$41,464 were incurred during the years ended August 31, 2022 and 2021, respectively.

20. EMPLOYEE BENEFITS:

The cost of fringe benefits incurred consisted of the following:

	<u>2022</u>	<u>2021</u>
Social Security/Medicare	\$ 63,373	\$ 51,855
State Unemployment Tax	970	1,004
Worker's Compensation	2,006	1,938
DeMinimus and Wellness	<u>992</u>	<u>337</u>
Total Fringe Benefits	<u>\$ 67,341</u>	<u>\$ 55,134</u>