

**Albert B. Sabin Vaccine Institute, Inc.**

Financial Statements  
and Independent Auditors' Report

December 31, 2014 and 2013

**Albert B. Sabin Vaccine Institute, Inc.**

Financial Statements  
December 31, 2014 and 2013

**Contents**

Independent Auditors' Report.....	1-2
<i>Financial Statements</i>	
Statements of Financial Position.....	3
Statements of Activities .....	4-5
Statements of Cash Flows.....	6
Notes to Financial Statements.....	7-16
<i>Supplementary Information</i>	
Schedules of Functional Expenses.....	17

## **INDEPENDENT AUDITORS' REPORT**

To the Board of Trustees  
Albert B. Sabin Vaccine Institute, Inc.

We have audited the accompanying financial statements of the Albert B. Sabin Vaccine Institute, Inc. ("the Institute"), which comprise the statements of financial position as of December 31, 2014 and 2013, the related statements of activities 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 of 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 Institute as of December 31, 2014 and 2013, 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.

***Other Matter***

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information included on page 17 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in black ink that reads "Rogers + Company PLLC". The "R" is large and stylized, and the rest of the text is written in a cursive, handwritten style.

Vienna, Virginia  
May 27, 2015

**Albert B. Sabin Vaccine Institute, Inc.**

Statements of Financial Position  
December 31, 2014 and 2013

	2014	2013
<b>Assets</b>		
Cash and cash equivalents	\$ 8,570,591	\$ 10,724,785
Investments	12,035,543	9,419,239
Grants receivable, net	2,901,182	3,948,788
Other receivables	39,158	70,546
Prepaid expenses and deposits	333,003	198,852
Property and equipment, net	48,056	68,059
Total assets	<u>\$ 23,927,533</u>	<u>\$ 24,430,269</u>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 2,129,111	\$ 2,191,587
Deferred grant revenue	185,303	204,589
Deferred rent	139,947	178,246
Obligation under capital lease	-	3,391
Total liabilities	<u>2,454,361</u>	<u>2,577,813</u>
<b>Net Assets</b>		
Unrestricted	2,290,427	2,303,747
Temporarily restricted	19,182,745	19,548,709
Total net assets	<u>21,473,172</u>	<u>21,852,456</u>
Total liabilities and net assets	<u>\$ 23,927,533</u>	<u>\$ 24,430,269</u>

**Albert B. Sabin Vaccine Institute, Inc.**

Statement of Activities  
For the Year Ended December 31, 2014

	Unrestricted	Temporarily Restricted	Total
<b>Revenue and Support</b>			
Grants	\$ -	\$ 15,462,386	\$ 15,462,386
Contributions	490,752	3,115,968	3,606,720
Investment income	18,174	10,352	28,526
Membership dues	-	16,450	16,450
Released from restrictions	18,971,120	(18,971,120)	-
Total revenue and support	<u>19,480,046</u>	<u>(365,964)</u>	<u>19,114,082</u>
<b>Expenses</b>			
Program services	<u>17,430,180</u>	<u>-</u>	<u>17,430,180</u>
Supporting services:			
General and administrative	1,805,393	-	1,805,393
Fundraising	<u>257,793</u>	<u>-</u>	<u>257,793</u>
Total supporting services	<u>2,063,186</u>	<u>-</u>	<u>2,063,186</u>
Total expenses	<u>19,493,366</u>	<u>-</u>	<u>19,493,366</u>
<b>Change in Net Assets</b>	(13,320)	(365,964)	(379,284)
<b>Net Assets, beginning of year</b>	<u>2,303,747</u>	<u>19,548,709</u>	<u>21,852,456</u>
<b>Net Assets, end of year</b>	<u><u>\$ 2,290,427</u></u>	<u><u>\$ 19,182,745</u></u>	<u><u>\$ 21,473,172</u></u>

See accompanying notes.

**Albert B. Sabin Vaccine Institute, Inc.**

Statement of Activities  
For the Year Ended December 31, 2013

	Unrestricted	Temporarily Restricted	Total
<b>Revenue and Support</b>			
Grants	\$ -	\$ 13,305,048	\$ 13,305,048
Contributions	240,380	6,525,281	6,765,661
Investment income	6,288	30,846	37,134
Membership dues	-	2,700	2,700
Released from restrictions	22,506,858	(22,506,858)	-
Total revenue and support	<u>22,753,526</u>	<u>(2,642,983)</u>	<u>20,110,543</u>
<b>Expenses</b>			
Program services	<u>20,425,905</u>	<u>-</u>	<u>20,425,905</u>
Supporting services:			
General and administrative	1,878,492	-	1,878,492
Fundraising	<u>284,067</u>	<u>-</u>	<u>284,067</u>
Total supporting services	<u>2,162,559</u>	<u>-</u>	<u>2,162,559</u>
Total expenses	<u>22,588,464</u>	<u>-</u>	<u>22,588,464</u>
<b>Change in Net Assets</b>	165,062	(2,642,983)	(2,477,921)
<b>Net Assets, beginning of year</b>	<u>2,138,685</u>	<u>22,191,692</u>	<u>24,330,377</u>
<b>Net Assets, end of year</b>	<u>\$ 2,303,747</u>	<u>\$ 19,548,709</u>	<u>\$ 21,852,456</u>

**Albert B. Sabin Vaccine Institute, Inc.**

Statements of Cash Flows  
For the Years Ended December 31, 2014 and 2013

	2014	2013
<b>Cash Flows from Operating Activities</b>		
Change in net assets	\$ (379,284)	\$ (2,477,921)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	20,003	17,760
Net (decrease) increase in discount on grants receivable	(29,699)	62,465
Foreign exchange rate loss	-	987
Donated securities	(4,855)	(4,829)
Change in operating assets and liabilities:		
Decrease (increase) in grants receivable	1,077,305	(1,597,766)
Decrease (increase) in other receivables	31,388	(35,640)
(Increase) decrease in prepaid expenses and deposits	(134,151)	14,132
Decrease in accounts payable and accrued expenses	(62,476)	(311,906)
Decrease in deferred grant revenue	(19,286)	(56,375)
Decrease in deferred rent	(38,299)	(22,019)
	460,646	(4,411,112)
Net cash provided by (used in) operating activities		
<b>Cash Flows from Investing Activities</b>		
Purchase of fixed assets	-	(13,495)
Purchases of investments	(7,115,392)	(2,443,074)
Proceeds from sale of investments	4,503,943	7,522,305
	(2,611,449)	5,065,736
Net cash (used in) provided by investing activities		
<b>Cash Flows from Financing Activity</b>		
Principal payments on capital lease obligation	(3,391)	(3,445)
	(3,391)	(3,445)
Net cash used in financing activity		
<b>Net (Decrease) Increase in Cash and Cash Equivalents</b>	(2,154,194)	651,179
<b>Cash and Cash Equivalents, beginning of year</b>	10,724,785	10,073,606
<b>Cash and Cash Equivalents, end of year</b>	\$ 8,570,591	\$ 10,724,785

See accompanying notes.

## Albert B. Sabin Vaccine Institute, Inc.

Notes to Financial Statements  
December 31, 2014 and 2013

### 1. Nature of Operations

The Albert B. Sabin Vaccine Institute, Inc. (“the Institute”) is a not-for-profit organization that was incorporated in January 1994 under the laws of the state of Maryland to operate for charitable, educational, and scientific purposes under Section 501(c)(3) of the Internal Revenue Code (IRC). It is dedicated to continuing the work and achieving the vision of Dr. Albert Sabin to reduce needless human suffering from vaccine-preventable and neglected tropical diseases through innovative vaccine research and development; and to advocate for improved access to vaccines and essential medicines for citizens around the globe.

The Institute receives support in the form of contributions, sponsorships, and grants. Through various program activities, the Institute has been at the forefront of efforts to control, treat, and eliminate vaccine-preventable and neglected tropical diseases by developing low-cost and safe vaccines, advocating use of existing vaccines, promoting increased access to affordable medical treatments, and convening thought leaders and policy makers and facilitating linkages between like-minded organizations.

### 2. Summary of Significant Accounting Policies

#### Basis of Accounting and Presentation

The financial statements are prepared on the accrual basis of accounting. Revenue is recognized when earned and expenses are recorded when incurred. Net assets are classified as follows:

- *Unrestricted net assets* represent funds that are not subject to donor-imposed stipulations and are available for support of the Institute’s operations. Unrestricted net assets were \$2,290,427 and \$2,303,747 at December 31, 2014 and 2013, respectively.
- *Temporarily restricted net assets* represent funds subject to donor-imposed restrictions that are met either by actions of the Institute or the passage of time. There were \$19,182,745 and \$19,548,709 in temporarily restricted net assets at December 31, 2014 and 2013, respectively.

#### Cash Equivalents

For the purpose of the statements of cash flows, the Institute considers as cash equivalents all highly liquid investments, which can be converted into known amounts of cash and have a maturity period of ninety days or less at the time of purchase. Excluded from this definition are amounts intended for use as investment reserves.

## **Albert B. Sabin Vaccine Institute, Inc.**

Notes to Financial Statements  
December 31, 2014 and 2013

### **2. Summary of Significant Accounting Policies (continued)**

#### Investments

Investments are stated at fair value, are based on quoted market prices, and consist primarily of money market funds held for investment. Realized and unrealized gains and losses, when recognized, are reported as a component of investment income in the accompanying statements of activities.

Donated marketable securities are recorded at fair value at the time of receipt. The Institute's general policy is to liquidate these investments shortly after receipt.

#### Grants Receivable

Grants receivable represents amounts that have been promised but not yet received. Grants receivable beyond one year have been discounted to reflect the present value. No allowance for doubtful accounts has been recorded as management believes that all receivables are fully collectible.

#### Property and Equipment

Property and equipment with a cost greater than \$5,000 and a projected useful life exceeding one year are capitalized and recorded at cost. Property and equipment are stated at cost less accumulated depreciation and amortization, which is computed using the straight-line method over the assets' estimated useful lives, which range from 5 to 7 years. Upon the retirement or disposal of assets, the cost and accumulated depreciation and amortization are eliminated from the respective accounts and the resulting gain or loss is included in revenue or expenses. Expenditures for maintenance and repairs are charged to expenses as incurred.

#### Revenue Recognition

All grants and contributions are considered to be available for unrestricted use unless specifically restricted by the donors. The Institute reports grants and contributions as temporarily restricted support if they are received with donor or grantor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

All other revenue is recognized when earned.

## **Albert B. Sabin Vaccine Institute, Inc.**

Notes to Financial Statements  
December 31, 2014 and 2013

### **2. Summary of Significant Accounting Policies (continued)**

#### Foreign Currency Transactions

The Institute has certain contracts that call for the use of transactions denominated in foreign currencies. The foreign currency transaction gains (losses) resulting from exchange rate fluctuations on transactions denominated in a currency other than the U.S. dollar are included net in program expenses on the statements of activities, as they related to programmatic revenue. The Institute experienced a net foreign currency transaction loss of \$0 and \$987 during the years ended December 31, 2014 and 2013, respectively.

#### Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

#### 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### Subsequent Events

In preparing these financial statements, the Institute has evaluated events and transactions for potential recognition or disclosure through May 27, 2015, the date the financial statements were available to be issued.

### **3. Concentrations of Risk**

#### Credit

Financial instruments that potentially subject the Institute to significant concentrations of credit risk consist of cash and cash equivalents, and investments. The Institute maintains interest-bearing cash deposits and investments with a financial institution that exceed insurable limits under the Federal Depository Insurance Corporation (FDIC) and Securities Investor Protection Corporation (SIPC). The Institute has not experienced any credit losses on its cash and cash equivalents, and investments to date as it relates to FDIC and SIPC insurance limits. Management periodically assesses the financial condition of these financial institutions and believes that the risk of any credit loss is minimal.

## Albert B. Sabin Vaccine Institute, Inc.

Notes to Financial Statements  
December 31, 2014 and 2013

### 3. Concentrations of Risk (continued)

#### Revenue

The Institute derives its revenue and other support primarily from grants and contributions from private foundations and corporations in the pharmaceutical industry. Any material change in the level of support from these organizations could affect the Institute's program activities.

### 4. Investments and Fair Value Measurements

The Institute follows Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, for its financial assets. This standard establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Fair value measurement standards require an entity to maximize the use of observable inputs (such as quoted prices in active markets) and minimize the use of unobservable inputs (such as appraisals or other valuation techniques) to determine fair value. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the entity's perceived risk of that instrument.

The inputs used in measuring fair value are categorized into three levels. Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and liabilities and have the highest priority. Level 2 is based upon observable inputs other than quoted market prices, and Level 3 is based on unobservable inputs. The Institute recognizes transfers between levels in the fair value hierarchy at the end of the reporting period.

In general, and where applicable, the Institute uses quoted prices in active markets for identical assets to determine fair value. This pricing methodology applies to Level 1 investments.

The following table presents the Institute's fair value hierarchy for those investments measured on a recurring basis as of December 31, 2014:

	Total fair value	Level 1	Level 2	Level 3
Money market funds, held for investment	\$ 12,035,543	\$ 12,035,543	\$ -	\$ -

**Albert B. Sabin Vaccine Institute, Inc.**

Notes to Financial Statements  
December 31, 2014 and 2013

**4. Investments and Fair Value Measurements (continued)**

The following table presents the Institute's fair value hierarchy for those investments measured on a recurring basis as of December 31, 2013:

	Total fair value	Level 1	Level 2	Level 3
Money market funds, held for investment	\$ 9,419,239	\$ 9,419,239	\$ -	\$ -

Investment income consists of the following for the years ended December 31:

	2014	2013
Interest and dividends	\$ 28,526	\$ 24,246
Realized gain	-	12,888
Total investment income	\$ 28,526	\$ 37,134

**5. Grants Receivable**

Grants receivable include unconditional promises to give and are receivable as follows at December 31:

	2014	2013
Receivable in less than one year	\$ 1,898,111	\$ 2,211,253
Receivable in one to five years	1,035,837	1,800,000
Less: discount to present value	(32,766)	(62,465)
Grants receivable, net	\$ 2,901,182	\$ 3,948,788

The Institute has not recorded an allowance for uncollectible amounts, as management believes all grant amounts are fully collectible. The discount on grants receivable was calculated using risk-free rates ranging from 2% to 3%.

## Albert B. Sabin Vaccine Institute, Inc.

Notes to Financial Statements  
December 31, 2014 and 2013

### 6. Property and Equipment

The Institute held the following property and equipment at December 31:

	<u>2014</u>	<u>2013</u>
Computer equipment and software	\$ 157,725	\$ 157,725
Furniture and equipment	<u>152,006</u>	<u>152,006</u>
Total property and equipment	309,731	309,731
Less: accumulated depreciation and amortization	<u>(261,675)</u>	<u>(241,672)</u>
Property and equipment, net	<u><u>\$ 48,056</u></u>	<u><u>\$ 68,059</u></u>

### 7. Commitments and Contingencies

#### Operating Lease

During 2009, the Institute signed a sublease for new office space on Pennsylvania Avenue in Washington, D.C., commencing in March 2009 and continuing for an eight-year term. The sublease calls for monthly payments of \$40,377, with fixed annual increases. Under accounting principles generally accepted in the United States of America, all fixed rent increases and lease incentives are recognized on a straight-line basis ratably over the term of the sublease. The difference between this expense and the required lease payments is reflected as deferred rent in the accompanying statements of financial position.

Rent expense for the years ended December 31, 2014 and 2013 under all leases amounted to approximately \$537,695 and \$539,933, respectively. Minimum future payments under all leases are as follows for the years ending December 31:

2015	\$ 575,737
2016	593,009
2017	<u>99,317</u>
Total future minimum payments	<u><u>\$ 1,268,063</u></u>

**Albert B. Sabin Vaccine Institute, Inc.**

Notes to Financial Statements  
December 31, 2014 and 2013

**7. Commitments and Contingencies (continued)**

Capital Lease

The Institute leases certain office equipment under capitalized lease arrangements. Capitalized assets of \$15,970 have been included in property and equipment as of December 31, 2014 and 2013. Interest expense related to the leases for the years ended December 31, 2014 and 2013 amounted to \$129 and \$396, respectively. During the year ended December 31, 2014, the lease ended and the office equipment became the property of the Institute.

**8. Temporarily Restricted Net Assets**

Temporarily restricted net assets consist of the following at December 31:

	2014	2013
Typhoid initiatives	\$ 4,469,949	\$ 1,348,345
Hookworm vaccine R&D initiatives	4,360,302	6,505,310
Global Network for Neglected Tropical Diseases	2,715,636	3,595,265
Multivalent anthelmintic vaccine R&D initiatives	1,445,048	1,775,887
International Association of Immunization Managers	1,189,323	923,846
Rubella initiatives	1,042,495	1,091,378
Meningococcal initiatives	895,101	886,918
Sustainable immunization financing	825,448	1,253,421
Chagas adjuvant development	577,973	-
Schistosomiasis vaccine R&D initiatives	507,342	627,089
Pneumococcal initiatives	419,548	156,069
Rotavirus initiatives and conferences	289,823	581,671
EPI manager ACIP training, vaccine awareness, journalist training, and vaccinology course	173,043	215,285
Dengue initiatives	156,580	258,326
Flu vaccine initiatives	93,391	646
ProVac initiatives	21,743	-
Pertussis initiatives	-	329,253
	\$ 19,182,745	\$ 19,548,709

## **Albert B. Sabin Vaccine Institute, Inc.**

Notes to Financial Statements  
December 31, 2014 and 2013

### **9. Employee Benefits**

The Institute offers a 401(k) plan to full-time employees who are 21 years of age and have completed three consecutive months of employment. Employees may participate by deferring compensation up to the IRS limit, which was \$17,500 in 2014 and \$17,500 in 2013, into the plan each year on a voluntary basis. Additionally, the Institute may elect to match a portion of the employee's contribution on an annual basis. During the years ended December 31, 2014 and 2013, the Institute's match amounted to \$110,552 and \$119,753, respectively.

### **10. In-Kind Donations**

From time to time, the Institute receives donated goods or other intangible items. When significant, such amounts are recognized at fair value at the time of receipt. During the years ended December 31, 2014 and 2013, the Institute received donated securities in the amount of \$4,855 and \$4,829, respectively.

Services have been provided by various organizations and volunteers who have contributed their time to the Institute. However, the contributions are only recognized if the goods or services create or enhance nonfinancial assets or require specialized skills provided by individuals possessing those skills and would typically need to be purchased if not provided by the donations. The Institute has included \$85,368 and \$91,016 as donated legal services in the accompanying statements of activities for the years ended December 31, 2014 and 2013, respectively.

### **11. Related Parties**

#### Vaccine Development Program

During 2011, the Institute entered into an affiliation with Baylor College of Medicine (BCM) and Texas Children's Hospital (TCH) to jointly enhance and support efforts for vaccine development, treatment, prevention, and advocacy pertaining to neglected and other tropical diseases. In conjunction with this, the Institute relocated its Vaccine Development Program (VDP) and agreed to operate the VDP pursuant to a Memorandum of Understanding (MOU) between all parties. While the Institute's President also serves in various capacities with BCM and TCH, and there is nominal governance overlap, there is no controlling financial interest between the parties, all of whom are independent organizations.

## **Albert B. Sabin Vaccine Institute, Inc.**

Notes to Financial Statements  
December 31, 2014 and 2013

### **11. Related Parties (continued)**

#### Vaccine Development Program (continued)

Pursuant to the MOU, the Institute received a multiyear commitment of \$20,000,000 over a ten year period commencing in 2011, to be used to fund initiatives of the VDP under the control of the Institute (\$2 million maximum per year plus prior year used amounts). As the funding is over a period of years, revenue is recognized by the Institute as expenditures are incurred and funds are drawn down. During the years ended December 31, 2014 and 2013, the Institute recognized both revenue and programmatic expenditures of \$1,135,356 and \$1,006,997, respectively, related to the VDP under the terms of the MOU.

In relation to the MOU, BCM received direct funding for the benefit of the VDP under control of the Institute's President. During the years ended December 31, 2014 and 2013, the Institute recognized both revenue and programmatic expenditures of \$1,894,370 and \$1,116,124, respectively, for the development of new vaccines.

#### Sabin Foundation Europe

During 2011, Sabin Foundation Europe ("the Foundation") was formed as a private company limited by guarantee under the laws of the United Kingdom, and further recognized by the Charities Commission. The Foundation's purpose is the advancement of health through vaccine research, development, and advocacy to prevent infectious and neglected tropical diseases. While the organizations share a common mission and have some Board overlap, there is no controlling financial interest between the two, and the Foundation's operations are not included in the accompanying financial statements. The Institute anticipates working with the Foundation prospectively through grant-making and other possible joint activities.

### **12. Income Taxes**

Under IRC Section 501(c)(3), the Institute is exempt from the payment of taxes on income other than net unrelated business income. No provision for income tax is required for the years ended December 31, 2014 and 2013 as there was no net unrelated business income. Contributions to the Institute are deductible as provided in IRC Section 170(b)(1)(A)(vi).

Management evaluated the Institute's tax positions and concluded that the Institute's financial statements do not include any uncertain tax positions. The Institute files forms 990 in the U.S. federal jurisdiction, and is generally no longer subject to examination by the Internal Revenue Service for years before 2011.

**Albert B. Sabin Vaccine Institute, Inc.**

Notes to Financial Statements  
December 31, 2014 and 2013

**13. Supplementary Disclosures of Cash Flow Information**

	<u>2014</u>	<u>2013</u>
Cash paid during the year for interest	<u>\$ 2,068</u>	<u>\$ 1,871</u>

**SUPPLEMENTARY INFORMATION**

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**Albert B. Sabin Vaccine Institute, Inc.**

Schedules of Functional Expenses  
For the Years Ended December 31, 2014 and 2013

	2014				2013			
	Program	General and Administrative	Fundraising	Total	Program	General and Administrative	Fundraising	Total
Salaries	\$ 3,162,071	\$ 721,581	\$ 161,790	\$ 4,045,442	\$ 3,581,847	\$ 773,050	\$ 166,588	\$ 4,521,485
Employee benefits	374,880	72,319	17,309	464,508	379,841	73,738	16,436	470,015
Payroll taxes	221,357	47,613	12,037	281,007	237,905	47,632	11,421	296,958
Professional fees	1,214,569	143,964	(757)	1,357,776	1,601,387	162,905	47,823	1,812,115
Advertising and promotions	459,789	51,391	79	511,259	404,196	27,716	1,182	433,094
Office supplies	79,183	16,284	190	95,657	26,307	15,627	25	41,959
Telephone	43,196	19,524	1,587	64,307	49,843	16,161	1,623	67,627
Postage and printing	56,958	8,716	422	66,096	127,380	13,736	1,425	142,541
Computer and copier	20,881	4,095	2,147	27,123	14,598	3,450	17	18,065
Rent	17,026	520,669	-	537,695	35,924	504,009	-	539,933
Insurance	45,838	77,094	-	122,932	42,770	74,934	-	117,704
Information technology	5,346	8,904	-	14,250	3,956	7,916	-	11,872
Seminar and training	9,525	2,197	188	11,910	21,804	1,673	107	23,584
Books and publications	-	185	1,515	1,700	3,554	1,000	1,645	6,199
Dues and subscriptions	28,889	9,840	6,271	45,000	25,644	8,707	5,473	39,824
Conferences and meetings	1,800,629	29,072	603	1,830,304	2,081,106	34,846	-	2,115,952
Sub-recipient grants	6,063,888	-	35,793	6,099,681	8,814,749	-	16,727	8,831,476
VDP contract expenses	3,029,726	-	-	3,029,726	2,123,122	-	-	2,123,122
Travel	772,685	12,339	16,908	801,932	809,155	5,256	11,332	825,743
Interest	1,696	372	-	2,068	1,430	441	-	1,871
Bank charges	540	20,990	-	21,530	765	3,228	-	3,993
Depreciation and amortization	-	20,003	-	20,003	-	17,760	-	17,760
Recruiting	12,790	7,241	1,681	21,712	22,898	3,612	2,001	28,511
Foreign exchange loss	-	-	-	-	987	-	-	987
Write-off	-	-	-	-	-	71,058	-	71,058
Miscellaneous	8,718	11,000	30	19,748	14,737	10,037	242	25,016
<b>Total Expenses</b>	<b>\$ 17,430,180</b>	<b>\$ 1,805,393</b>	<b>\$ 257,793</b>	<b>\$ 19,493,366</b>	<b>\$ 20,425,905</b>	<b>\$ 1,878,492</b>	<b>\$ 284,067</b>	<b>\$ 22,588,464</b>