

STEPHEN D. SCHNETTLER, PLLC

Certified Public Accountants

300 W. Maxwell Street

Lexington, Kentucky 40508

Telephone: (859) 254-8558

Fax: (859) 252-1545

Member
American Institute of
Certified Public Accountants

Member
Kentucky Society of
Certified Public Accountants

To the Board of Directors
National Association of
Agricultural Educators, Inc.
Lexington, Kentucky 40546

Management is responsible for the accompanying financial statements of National Association of Agricultural Educators, Inc. (a nonprofit organization), which comprise the statement of financial position as of July 31, 2017 and the related statement of activities for the month then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The supplementary information contained in the Schedule of Actual vs. Budget, Convention Revenue and Expenses, and Case Program Revenue and Expenses is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to our compilation engagement, however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Organization's financial position, changes in net assets, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Stephen D. Schnettler, PLLC

December 21, 2017

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Financial Position

July 31, 2017

ASSETS

Cash on deposit
Investments - operating fund
Investments - life membership fund
Accounts receivable
Inventory
Prepaid expenses
Property and equipment - CASE
Property and equipment

TOTAL ASSETS

\$ -

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable
Accrued leave payable
Other current liabilities

TOTAL LIABILITIES

-

NET ASSETS

Unrestricted net assets:

Current operation	1,041,439
Board designated for special purposes	213,515
Temporarily restricted net assets	970
CASE Project	<u>501,795</u>

TOTAL NET ASSETS

1,757,719

TOTAL LIABILITIES AND NET ASSETS

\$ 1,757,719

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Activities

For the Year ended June 30, 2017

	<u>Unrestricted</u>		Temporarily <u>Restricted</u>	CASE <u>Project</u>	<u>Total</u>
	<u>Current Operations</u>	<u>Board Designated</u>			
Revenue, Gains and Losses					
Membership dues	\$ (5,100)	\$ 5,100	\$ -	\$ -	\$ -
Convention registration	-	-	-	-	-
Sponsorship and awards	-	-	-	-	-
Merchandise sales	-	-	-	-	-
Contributions	-	-	-	-	-
Management fees	-	-	-	-	-
Net realized and unrealized gains (losses) on securities	-	-	-	-	-
Interest and dividends	-	-	-	-	-
FFA Foundation projects	-	-	-	-	-
CASE Program income	-	-	-	-	-
Other income	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenue, Gains and Losses	(5,100)	5,100	-	-	-
Net Assets Released from Restrictions	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenue, Gains and Losses and Reclassifications	(5,100)	5,100	-	-	-
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Expenses					
General expenses	-	-	-	-	-
FFA Foundation projects	-	-	-	-	-
CASE Program expenses	-	-	-	-	-
Convention expenses	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total expenses	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
INCREASE (DECREASE) IN NET ASSETS	(5,100)	5,100	-	-	-
NET ASSETS AT BEGINNING OF PERIOD	1,046,539	208,415	970	501,795	1,757,719
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
NET ASSETS AT END OF PERIOD	\$ 1,041,439	\$ 213,515	\$ 970	\$ 501,795	\$ 1,757,719
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SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of Actual vs. Budget

For the One and Twelve Months Ended June 30, 2017

	<u>MONTH</u>	<u>MONTH</u>	<u>MONTH</u>	<u>YEAR TO DATE</u>	<u>YEAR</u>	<u>YEAR</u>
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>\$VARIANCE</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>\$VARIANCE</u>
REVENUE						
Member dues		\$ 33,704	\$ (33,704)		\$ 404,445	\$ (404,445)
Corporate membership dues		2,625	(2,625)		31,500	(31,500)
Upper division scholarships		1,833	(1,833)		22,000	(22,000)
Delmar scholarships		625	(625)		7,500	(7,500)
Foundation management fees		8,333	(8,333)		100,000	(100,000)
Interest and dividends		2,917	(2,917)		35,000	(35,000)
Net realized and unrealized gains (losses) on securities		-	-		-	-
Merchandise sales		500	(500)		6,000	(6,000)
Investment income, Life Fund		1,000	(1,000)		12,000	(12,000)
Contributions, Legislative Fund		-	-		-	-
Miscellaneous income		750	(750)		9,000	(9,000)
Scholarship raffle proceeds		-	-		-	-
National Teach Ag Campaign		37,500	(37,500)		450,000	(450,000)
Teacher crisis fund		-	-		-	-
BFRDP Grant		-	-		-	-
AEM business manager stipend		333	(333)		4,000	(4,000)
DuPont agriscience revenue		-	-		-	-
DuPont - non foundation		-	-		-	-
NPS National Ag Ed leadership dinner		352	(352)		4,225	(4,225)
CASE management fee		2,000	(2,000)		24,000	(24,000)
Council MMM management fee		417	(417)		5,000	(5,000)
Teach AG non-foundation revenue		-	-		-	-
FFA Foundation project - TTTK		4,375	(4,375)		52,500	(52,500)
FFA Foundation project - OPAP		917	(917)		11,000	(11,000)
FFA Foundation project - OMSP		917	(917)		11,000	(11,000)
FFA Foundation project - OT		917	(917)		11,000	(11,000)
FFA Foundation project - OYM		917	(917)		11,000	(11,000)
FFA Foundation project - Lifetime Achievement		208	(208)		2,500	(2,500)
FFA Foundation project - Outstanding Service Citation		-	-		-	-
FFA Foundation teacher workshop		1,667	(1,667)		20,000	(20,000)
FFA Foundation upper division scholarships		-	-		-	-
FFA Foundation Agriscience Teacher		2,050	(2,050)		24,600	(24,600)
FFA Foundation NATAA/NAII		10,000	(10,000)		120,000	(120,000)
FFA Foundation project - XLR8		2,000	(2,000)		24,000	(24,000)
FFA Foundation communities of practice		4,783	(4,783)		57,400	(57,400)
FFA Foundation convention internet lounge		-	-		-	-
CASE program net income	-	-	-	-	-	-
Convention net income	-	5,703	(5,703)	-	58,450	(58,450)
TOTAL REVENUE	-	127,343	(127,343)	-	1,518,120	(1,518,120)
EXPENSES						
Salaries		31,166	(31,166)		373,987	(373,987)
Taxes and benefits		8,568	(8,568)		102,817	(102,817)
Computer service		667	(667)		8,000	(8,000)
Telephone		500	(500)		6,000	(6,000)
Accounting		1,367	(1,367)		16,400	(16,400)
Depreciation		333	(333)		4,000	(4,000)
Rent		833	(833)		10,000	(10,000)
Insurance		833	(833)		10,000	(10,000)
Legal		83	(83)		1,000	(1,000)
Office Supplies		1,083	(1,083)		13,000	(13,000)
Bank charges and investment fees		8	(8)		100	(100)
Printing, general		250	(250)		3,000	(3,000)
Staff training		42	(42)		500	(500)
Taxes and licenses		4	(4)		50	(50)
Membership and contributions		1,667	(1,667)		20,000	(20,000)
Travel, staff		2,917	(2,917)		35,000	(35,000)

(Continued)

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of Actual vs. Budget

For the One and Twelve Months Ended June 30, 2017

	<u>MONTH</u> <u>ACTUAL</u>	<u>MONTH</u> <u>BUDGET</u>	<u>MONTH</u> <u>\$VARIANCE</u>	<u>YEAR TO DATE</u> <u>ACTUAL</u>	<u>YEAR</u> <u>BUDGET</u>	<u>YEAR</u> <u>\$VARIANCE</u>
Promotion and marketing		2,083	(2,083)		25,000	(25,000)
Merchandise and diaries		208	(208)		2,500	(2,500)
Photocopying		8	(8)		100	(100)
Postage, general		667	(667)		8,000	(8,000)
Professional liability insurance		3,233	(3,233)		38,790	(38,790)
Public relations		83	(83)		1,000	(1,000)
Delmar scholarships		625	(625)		7,500	(7,500)
Travel, regional secretaries		1,500	(1,500)		18,000	(18,000)
Travel, board of directors		3,333	(3,333)		40,000	(40,000)
Nat'l Teach Ag Campaign		34,167	(34,167)		410,000	(410,000)
FFA Foundation project - TTTK		3,875	(3,875)		46,500	(46,500)
FFA Foundation project - OPAP		917	(917)		11,000	(11,000)
FFA Foundation project - OMSP		917	(917)		11,000	(11,000)
FFA Foundation project - OT		917	(917)		11,000	(11,000)
FFA Foundation project - OYM		917	(917)		11,000	(11,000)
FFA Foundation project - Lifetime achievement		208	(208)		2,500	(2,500)
FFA Foundation project - Outstanding service citation		-	-		-	-
FFA Foundation teacher workshop		-	-		-	-
FFA Foundation Regional Grants		-	-		-	-
FFA Foundation Agriscience Teachers		833	(833)		10,000	(10,000)
FFA Foundation XLR8		2,000	(2,000)		24,000	(24,000)
FFA Foundation convention internet lounge		-	-		-	-
NPS Ag Ed Leadership dinner		352	(352)		4,225	(4,225)
Upper division scholarships		1,833	(1,833)		22,000	(22,000)
TTTK		-	-		-	-
DuPont Agriscience		-	-		-	-
Regional grants		-	-		-	-
NPS expense		417	(417)		5,000	(5,000)
Webinar expense		42	(42)		500	(500)
Teacher crisis fund		-	-		-	-
Communities of practice expense		3,167	(3,167)		38,000	(38,000)
Substitute teacher hire behinds		42	(42)		500	(500)
Website		1,500	(1,500)		18,000	(18,000)
NATAA		10,000	(10,000)		120,000	(120,000)
BFRDP expense		-	-		-	-
BFPD contract labor		-	-		-	-
Credit card expense		333	(333)		4,000	(4,000)
Storage		-	-		-	-
Professional development		-	-		-	-
Miscellaneous		-	-		-	-
TOTAL EXPENSES	-	<u>124,498</u>	<u>(124,498)</u>	-	<u>1,493,969</u>	<u>(1,493,969)</u>
NET INCOME (LOSS)	<u>\$ -</u>	<u>\$ 2,845</u>	<u>\$ (2,845)</u>	<u>\$ -</u>	<u>\$ 24,151</u>	<u>\$ (24,151)</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.
Schedule of Convention Revenue and Expenses
For the One and Twelve Months Ended June 30, 2017

	<u>MONTH</u> <u>ACTUAL</u>	<u>MONTH</u> <u>BUDGET</u>	<u>MONTH</u> <u>\$VARIANCE</u>	<u>YEAR TO DATE</u> <u>ACTUAL</u>	<u>YEAR</u> <u>BUDGET</u>	<u>YEAR</u> <u>\$VARIANCE</u>
REVENUE						
Convention, registration	\$ -	\$ 9,583	\$ (9,583)		\$ 115,000	\$ (115,000)
Convention, trade show	-	-	-		-	-
Convention, sponsorships - FFA Foundation	-	5,000	(5,000)		60,000	(60,000)
Convention, host state social	-	-	-		-	-
Convention, sponsorships	-	2,000	(2,000)		24,000	(24,000)
TOTAL REVENUE	<u>-</u>	<u>16,583</u>	<u>(16,583)</u>	<u>-</u>	<u>199,000</u>	<u>(199,000)</u>
EXPENSES						
Convention, plaques and trophies	-	167	(167)		2,000	(2,000)
Convention, printing	-	-	-		-	-
Convention, awards	-	-	-		10,000	(10,000)
Convention, miscellaneous	-	-	-		-	-
Convention, meal functions	-	833	(833)		10,000	(10,000)
Convention, promotion and marketing	-	167	(167)		2,000	(2,000)
Convention, postage and shipping	-	167	(167)		2,000	(2,000)
Convention, equipment rental	-	1,667	(1,667)		20,000	(20,000)
Convention, host state social	-	-	-		-	-
Convention, committee expense	-	379	(379)		4,550	(4,550)
Convention, sponsorships - FFA Foundation	-	4,583	(4,583)		55,000	(55,000)
Convention, travel/board of directors	-	1,917	(1,917)		23,000	(23,000)
Convention, staff travel	-	1,000	(1,000)		12,000	(12,000)
TOTAL EXPENSES	<u>-</u>	<u>10,880</u>	<u>(10,880)</u>	<u>-</u>	<u>140,550</u>	<u>(140,550)</u>
NET INCOME (LOSS)	<u>\$ -</u>	<u>\$ 5,703</u>	<u>\$ (5,703)</u>	<u>\$ -</u>	<u>\$ 58,450</u>	<u>\$ (58,450)</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of CASE Program Revenue and Expenses

For the One and Twelve Months Ended June 30, 2017

	<u>MONTH</u>	<u>MONTH</u>	<u>MONTH</u>	<u>YEAR TO DATE</u>	<u>YEAR</u>	<u>YEAR</u>
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>\$VARIANCE</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>\$VARIANCE</u>
REVENUE						
CI fees		\$ -	\$ -		\$ -	\$ -
Vendor - Vernier		-	-		-	-
Vendor - NewByte		-	-		-	-
Vendor - Bio-Rad		-	-		-	-
Field test fees		-	-		-	-
NRES		-	-		-	-
APT		-	-		-	-
ASP		-	-		-	-
ESI		-	-		-	-
MSA		-	-		-	-
Capstone Revenue		-	-		-	-
Royalty - Cengage		-	-		-	-
Royalty - Ward's		-	-		-	-
FSS revenue		-	-		-	-
G.W. Publications		-	-		-	-
Online		-	-		-	-
Merchandise		-	-		-	-
Replacement CD		-	-		-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENSES						
Council assessment	-	-	-	-	-	-
Travel	-	-	-	-	-	-
Travel - staff	-	-	-	-	-	-
Salary	-	-	-	-	-	-
Taxes and benefits	-	-	-	-	-	-
Contract labor	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Merchandise	-	-	-	-	-	-
Promotion	-	-	-	-	-	-
Printing	-	-	-	-	-	-
Postage	-	-	-	-	-	-
Telecommunications	-	-	-	-	-	-
Management fee	-	-	-	-	-	-
Vernier	-	-	-	-	-	-
NewByte	-	-	-	-	-	-
Bio-Rad	-	-	-	-	-	-
Carthage	-	-	-	-	-	-
Carthage contract labor	-	-	-	-	-	-
Field test	-	-	-	-	-	-
CI scholarships	-	-	-	-	-	-
NRES	-	-	-	-	-	-
FSS	-	-	-	-	-	-
APT	-	-	-	-	-	-
ARD	-	-	-	-	-	-
ESI	-	-	-	-	-	-
MSA	-	-	-	-	-	-
G.W. Publications	-	-	-	-	-	-
Online expense	-	-	-	-	-	-
Royalty expense - Cengage	-	-	-	-	-	-
CI Mentor contract labor	-	-	-	-	-	-
CI mentor	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-
TOTAL EXPENSES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET INCOME (LOSS)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT