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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 November 30, 2019 and the related statement of activities for the five months 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, CASE Initiative Revenue and Expenses, and National Teach Ag Campaign 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 and 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 13, 2019

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Financial Position

November 30, 2019

ASSETS

Cash on deposit	\$ 1,234,900
Investments - operating fund	817,446
Investments - life membership fund	325,532
Accounts receivable	318,503
Inventory	5,000
Prepaid expenses	521
Property and equipment - CASE Initiative	162
Property and equipment	<u>7,040</u>

TOTAL ASSETS \$ 2,709,104

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$ 8,450
Accrued leave payable	40,004
Other current liabilities	<u>8,675</u>

TOTAL LIABILITIES 57,129

NET ASSETS

Unrestricted net assets:	
Current operation	1,437,335
Board designated for special purposes	220,715
Temporarily restricted net assets	(267,821)
CASE Initiative	<u>1,261,746</u>

TOTAL NET ASSETS 2,651,975

TOTAL LIABILITIES AND NET ASSETS \$ 2,709,104

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Activities

For the Five Months Ended November 30, 2019

	Unrestricted		NTAC <u>Initiative</u>	CASE <u>Initiative</u>	<u>Total</u>
	<u>Current Operations</u>	<u>Board Designated</u>			
Revenue, Gains and Losses					
Membership dues	\$ 335,980	\$ 1,440	\$ -	\$ -	\$ 337,420
Convention registration	138,142	-	-	-	138,142
Sponsorship and awards	18,143	-	-	-	18,143
Merchandise sales	3,709	-	-	-	3,709
Contributions	-	-	-	-	-
Net realized and unrealized gains (losses) on securities	43,412	-	-	-	43,412
Interest and dividends	5,149	-	-	-	5,149
FFA Foundation projects	181,404	-	-	-	181,404
CASE Initiative income	-	-	-	1,150,507	1,150,507
National Teach Ag Campaign Income	-	-	50,488	-	50,488
Other income	252,382	-	-	-	252,382
	978,321	1,440	50,488	1,150,507	2,180,756
Total Revenue, Gains and Losses					
Net Assets Released from Restrictions	-	-	-	-	-
	978,321	1,440	50,488	1,150,507	2,180,756
Total Revenue, Gains and Losses and Reclassifications					
Expenses					
General expenses	382,605	-	-	-	382,605
FFA Foundation projects	137,684	-	-	-	137,684
CASE Initiative expenses	-	-	-	975,870	975,870
National Teach Ag Campaign expenses	-	-	240,124	-	-
Convention expenses	23,424	-	-	-	23,424
	543,713	-	240,124	975,870	1,519,583
Total expenses					
INCREASE (DECREASE) IN NET ASSETS	434,608	1,440	(189,636)	174,637	421,049
NET ASSETS AT BEGINNING OF PERIOD	1,002,727	219,275	(78,185)	1,087,109	2,230,926
NET ASSETS AT END OF PERIOD	\$ 1,437,335	\$ 220,715	\$ (267,821)	\$ 1,261,746	\$ 2,651,975

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of Actual vs. Budget

For the One and Five Months Month Ended November 30, 2019

	MONTH	MONTH	MONTH	YEAR TO DATE	YEAR	YEAR
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>\$VARIANCE</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>\$VARIANCE</u>
REVENUE						
Member dues	\$ 30,050	\$ 35,008	\$ (4,958)	\$ 329,440	\$ 420,090	\$ (90,650)
Corporate membership dues	2,250	1,250	1,000	7,980	15,000	(7,020)
Scholarships upper division	-	625	(625)	-	7,500	(7,500)
National Geographic Cengage scholarships	-	-	-	-	-	-
Foundation management fees	-	-	-	-	-	-
Interest and dividends	471	2,917	(2,446)	3,678	35,000	(31,322)
Net realized and unrealized gains (losses) on securities	33,613	-	33,613	43,412	-	43,412
Merchandise sales	-	500	(500)	3,709	6,000	(2,291)
Investment income, Life Fund	201	1,000	(799)	1,471	12,000	(10,529)
Contributions, Legislative Fund	-	-	-	-	-	-
Miscellaneous income	-	750	(750)	-	9,000	(9,000)
Scholarship raffle proceeds	-	-	-	-	-	-
Student teacher scholarship revenue	-	-	-	-	-	-
Teacher crisis fund	1,940	-	1,940	7,796	-	7,796
BFRDP Grant	-	-	-	-	-	-
AEM business manager stipend	-	333	(333)	-	4,000	(4,000)
Agriculture Teacher Resource Guide	-	-	-	24,446	-	24,446
National Ag Ed Summit Revenue	-	-	-	-	-	-
National Teach Ag Campaign management fee	-	-	-	-	46,000	(46,000)
Nat'l Agriscience Teacher Ambassadors	-	13,667	(13,667)	164,000	164,000	-
NPS National Ag Ed leadership dinner	-	352	(352)	-	4,225	(4,225)
CASE Initiative management fee	-	2,000	(2,000)	-	24,000	(24,000)
Council MMM management fee	-	417	(417)	-	5,000	(5,000)
FFA Foundation project - TTTK	65,600	5,467	60,133	65,600	65,600	-
FFA Foundation project - OPAP	-	1,367	(1,367)	15,026	16,400	(1,374)
FFA Foundation project - OMSP	-	1,367	(1,367)	8,200	16,400	(8,200)
FFA Foundation project - OT	-	1,367	(1,367)	8,200	16,400	(8,200)
FFA Foundation project - OECT	-	1,367	(1,367)	16,400	16,400	-
FFA Foundation project - Lifetime Achievement	-	410	(410)	13,120	4,920	8,200
FFA Foundation project - Outstanding Service Citation	-	-	-	-	-	-
FFA Foundation teacher workshop	-	-	-	-	-	-
FFA Foundation upper division scholarships	-	1,667	(1,667)	-	20,000	(20,000)
FFA Foundation Agriscience Initiative	-	-	-	-	-	-
FFA Foundation NATAA/NAII	-	-	-	-	-	-
FFA Foundation project - XLR8	52,398	8,333	44,065	52,398	100,000	(47,602)
FFA Foundation communities of practice	-	5,600	(5,600)	2,460	67,200	(64,740)
FFA Foundation convention internet lounge	-	-	-	-	-	-
CASE Initiative net income	(34,269)	(2)	(34,267)	174,637	-	174,637
Convention net income	135,052	8,161	126,891	189,001	97,950	91,051
National Teach Ag Campaign net income	(43,588)	556	(44,144)	(189,636)	6,685	(196,321)
TOTAL REVENUE	243,718	94,479	149,239	941,338	1,179,770	(238,432)
EXPENSES						
Salaries	38,388	33,524	4,864	181,292	402,290	(220,998)
Taxes and benefits	7,824	9,470	(1,646)	35,319	113,645	(78,326)
Computer service	900	1,667	(767)	6,417	20,000	(13,583)
Telephone	113	500	(387)	1,655	6,000	(4,345)
Accounting	700	1,429	(729)	3,500	17,150	(13,650)
Depreciation	341	333	8	1,705	4,000	(2,295)
Rent	-	838	(838)	5,025	10,050	(5,025)
Insurance	104	1,000	(896)	5,433	12,000	(6,567)
Legal	1,563	83	1,480	1,563	1,000	563
Office Supplies	17	1,083	(1,066)	3,032	13,000	(9,968)
Bank charges and investment fees	-	8	(8)	2,629	100	2,529
Printing, general	-	250	(250)	996	3,000	(2,004)
Staff training	-	83	(83)	-	1,000	(1,000)
Taxes and licenses	-	4	(4)	-	50	(50)

(Continued)

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.
Schedule of Actual vs. Budget
For the One and Five Months Month Ended November 30, 2019

	MONTH ACTUAL	MONTH BUDGET	MONTH \$VARIANCE	YEAR TO DATE ACTUAL	YEAR BUDGET	YEAR \$VARIANCE
Membership and contributions	806	1,667	(861)	4,393	20,000	(15,607)
Travel, staff	77	2,833	(2,756)	7,918	34,000	(26,082)
Promotion and marketing	-	1,250	(1,250)	627	15,000	(14,373)
Merchandise and diaries	-	417	(417)	4,864	5,000	(136)
Photocopying	-	8	(8)	-	100	(100)
Postage, general	595	667	(72)	4,905	8,000	(3,095)
Professional liability insurance	-	3,397	(3,397)	42,330	40,760	1,570
Public relations	-	83	(83)	-	1,000	(1,000)
Delmar scholarships	-	625	(625)	3,000	7,500	(4,500)
Scholarships upper division	-	-	-	1,496	20,000	(18,504)
National Geographic Cengage scholarships	-	-	-	-	-	-
Travel, regional secretaries	2,010	1,500	510	5,597	18,000	(12,403)
Travel, board of directors	-	3,250	(3,250)	18,774	39,000	(20,226)
FFA Foundation project - TTTK	11,055	3,333	7,722	22,128	40,000	(17,872)
FFA Foundation project - OPAP	1,340	750	590	3,484	9,000	(5,516)
FFA Foundation project - OMSP	2,010	750	1,260	8,443	9,000	(557)
FFA Foundation project - OT	1,005	750	255	1,831	9,000	(7,169)
FFA Foundation project - OECT	2,010	750	1,260	8,508	9,000	(492)
FFA Foundation project - Lifetime achievement	3,015	208	2,807	3,015	2,500	515
FFA Foundation project - Outstanding service citation	1,340	-	1,340	1,340	-	1,340
FFA Foundation teacher workshop	-	-	-	-	-	-
FFA Foundation Regional Grants	-	-	-	-	-	-
FFA Foundation Agriscience Initiative	-	-	-	-	-	-
FFA Foundation XLR8	7,062	5,000	2,062	11,044	60,000	(48,956)
FFA Foundation convention internet lounge	-	-	-	-	-	-
NPS Ag Ed Leadership dinner	-	352	(352)	-	4,225	(4,225)
TTTK	-	-	-	-	-	-
NATAA	11,789	10,833	956	64,941	130,000	(65,059)
Regional grants	-	-	-	-	-	-
NPS expense	-	417	(417)	-	5,000	(5,000)
Webinar expense	-	42	(42)	389	500	(111)
Teacher crisis fund	-	-	-	3,500	-	3,500
Communities of practice expense	-	3,409	(3,409)	-	40,910	(40,910)
Substitute teacher hire behinds	-	42	(42)	-	500	(500)
Website	10,000	1,500	8,500	10,348	18,000	(7,652)
NATAA stipends	-	-	-	12,950	-	12,950
TTTK stipends	-	-	-	-	-	-
XLR8 stipends	-	-	-	1,125	-	1,125
BFRDP expense	-	-	-	-	-	-
BFPD contract labor	-	-	-	-	-	-
Contract labor	-	-	-	1,367	-	1,367
Credit card expense	2,088	333	1,755	4,754	4,000	754
Storage	-	-	-	-	-	-
Professional development	-	-	-	-	-	-
National Ag Ed Summit Expense	-	-	-	-	-	-
Ag ed oppourtuinty fund	-	-	-	-	-	-
Ag ed resource guide expense	-	-	-	18,652	-	18,652
Miscellaneous	-	-	-	-	-	-
TOTAL EXPENSES	106,152	94,438	11,714	520,289	1,153,280	(632,991)
NET INCOME (LOSS)	\$ 137,566	\$ 41	\$ 137,525	\$ 421,049	\$ 26,490	\$ 394,559

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.
Schedule of Convention Revenue and Expenses
For the One and Five Months Month Ended November 30, 2019

	MONTH <u>ACTUAL</u>	MONTH <u>BUDGET</u>	MONTH <u>\$VARIANCE</u>	YEAR TO DATE <u>ACTUAL</u>	YEAR <u>BUDGET</u>	YEAR <u>\$VARIANCE</u>
REVENUE						
Convention, registration	\$ 137,807	\$ 12,083	\$ 125,724	\$ 138,142	\$ 145,000	\$ (6,858)
Convention, trade show	900	-	900	1,200	-	1,200
Convention, sponsorships - FFA Foundation	12,300	5,833	6,467	54,940	70,000	(15,060)
Convention, partners reception	-	250	-	-	3,000	-
Convention, host state social	-	-	-	-	-	-
Convention, sponsorships	-	2,083	(2,083)	18,143	25,000	(6,857)
TOTAL REVENUE	<u>151,007</u>	<u>20,249</u>	<u>131,008</u>	<u>212,425</u>	<u>243,000</u>	<u>(27,575)</u>
EXPENSES						
Convention, plaques and trophies	1,005	167	838	1,120	2,000	(880)
Convention, printing	500	-	500	500	-	500
Convention, awards	6,075	750	5,325	6,075	9,000	(2,925)
Convention, miscellaneous	-	-	-	-	-	-
Convention, meal functions	-	125	(125)	-	1,500	(1,500)
Convention, promotion and marketing	-	417	(417)	-	5,000	(5,000)
Convention, postage and shipping	-	333	(333)	-	4,000	(4,000)
Convention, equipment rental	-	2,000	(2,000)	-	24,000	(24,000)
Convention, host state social	-	-	-	-	-	-
Convention, committee expense	1,675	379	1,296	1,675	4,550	(2,875)
Convention, sponsorships - FFA Foundation	-	5,000	(5,000)	-	60,000	(60,000)
Convention, travel/board of directors	2,345	1,917	428	7,325	23,000	(15,675)
Convention, staff travel	4,355	1,000	3,355	6,729	12,000	(5,271)
TOTAL EXPENSES	<u>15,955</u>	<u>12,088</u>	<u>3,867</u>	<u>23,424</u>	<u>145,050</u>	<u>(121,626)</u>
NET INCOME (LOSS)	<u>\$ 135,052</u>	<u>\$ 8,161</u>	<u>\$ 127,141</u>	<u>\$ 189,001</u>	<u>\$ 97,950</u>	<u>\$ 94,051</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of CASE Initiative Revenue and Expenses

For the One and Five Months Month Ended November 30, 2019

	MONTH <u>ACTUAL</u>	MONTH <u>BUDGET</u>	MONTH <u>\$VARIANCE</u>	YEAR TO DATE <u>ACTUAL</u>	YEAR <u>BUDGET</u>	YEAR <u>\$VARIANCE</u>
REVENUE						
CI fee revenue	\$ -	30,000	\$ (30,000)	\$ 240,610	\$ 360,000	\$ (119,390)
Brief CASE CI fee revenue	5,191	833	4,358	20,048	10,000	10,048
Brief CASE service fee	1,500	625	875	9,000	7,500	1,500
LT service fee	-	21,000	(21,000)	105,000	252,000	(147,000)
USDA NIFA PD-STEP 18	-	5,167	(5,167)	-	62,000	(62,000)
Vernier revenue	52,537	53,333	(796)	508,678	640,000	(131,322)
NewByte revenue	638	375	263	2,151	4,500	(2,349)
Vendor - Bio-Rad	-	417	(417)	3,872	5,000	(1,128)
APT revenue	314	-	314	3,696	-	3,696
MSA Revenue	-	-	-	2,500	-	2,500
ABF	-	-	-	-	-	-
ARD CI Revenue	-	-	-	500	-	500
Capstone Revenue	-	-	-	-	-	-
Cengage revenue	2,488	2,083	405	49,294	25,000	24,294
Ward's kits	-	-	-	3,769	-	3,769
Ward's revenue	-	1,167	(1,167)	-	14,000	(14,000)
FSS revenue	-	-	-	-	-	-
New projects	-	8,590	(8,590)	-	103,082	(103,082)
CI scholarships/grants	-	37,875	(37,875)	190,000	454,500	(264,500)
MidSch	-	-	-	-	-	-
Sustain revenue	-	-	-	-	-	-
G.W. Pubs revenue	-	-	-	-	-	-
Online	-	-	-	10,661	-	10,661
Merchandise	-	3,000	(3,000)	153	36,000	(35,847)
Course downloads	-	-	-	575	-	575
TOTAL REVENUE	62,668	164,465	(101,797)	1,150,507	1,973,582	(823,075)
EXPENSES						
Travel	350	3,875	(3,525)	12,582	46,500	(33,918)
Travel - staff	8,915	2,542	6,373	58,286	30,500	27,786
Salary	6,164	7,077	(913)	30,818	84,922	(54,104)
Taxes and benefits	306	2,025	(1,719)	1,612	24,295	(22,683)
Contract labor	20,937	28,021	(7,084)	104,687	336,250	(231,563)
Supplies	-	479	(479)	92	5,750	(5,658)
Promotion	1,000	808	192	2,261	9,700	(7,439)
Printing	-	458	(458)	175	5,500	(5,325)
Postage	-	121	(121)	97	1,450	(1,353)
Technology	10,000	458	9,542	12,151	5,500	6,651
Management fee	-	2,000	(2,000)	-	24,000	(24,000)
Vernier	46,365	46,400	(35)	435,659	556,800	(121,141)
NewByte	123	214	(91)	1,272	2,565	(1,293)
Bio-Rad	-	-	-	-	-	-
Legal and profesional	-	183	(183)	-	2,200	(2,200)
Lead teacher orientation	-	5,513	(5,513)	3,850	66,150	(62,300)
Lead teacher stipends	-	17,500	(17,500)	89,775	210,000	(120,225)
Field test	-	-	-	-	-	-
Institute expense	-	-	-	800	-	800
USDA NIFA PD-STEP 18	-	5,167	(5,167)	-	62,000	(62,000)
NRES	-	-	-	-	-	-
FSS	-	-	-	-	-	-
APT	287	-	287	3,208	-	3,208
ARD	-	-	-	-	-	-
ESI	-	-	-	-	-	-
MSA	-	-	-	2,427	-	2,427
ABF	-	-	-	-	-	-
ARDCI	-	-	-	110	-	110
G.W. Publisher	-	-	-	-	-	-
Sustain expense	-	-	-	-	-	-
Online expense	-	1,667	(1,667)	-	20,000	(20,000)
Cengage	2,131	1,792	339	44,811	21,500	23,311
BriefCASE LT stipends	350	292	58	3,150	3,500	(350)
CI scholarship	-	37,875	(37,875)	168,000	454,500	(286,500)
CI Mentor contract labor	-	-	-	-	-	-
CI mentor	-	-	-	-	-	-
Depreciation	9	-	9	47	-	47
TOTAL EXPENSES	96,937	164,467	(67,530)	975,870	1,973,582	(997,712)
NET INCOME (LOSS)	\$ (34,269)	\$ (2)	\$ (34,267)	\$ 174,637	\$ -	\$ 174,637

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.
Schedule of National Teach Ag Campaign Revenue and Expenses
For the One and Five Months Month Ended November 30, 2019

	MONTH <u>ACTUAL</u>	MONTH <u>BUDGET</u>	MONTH <u>SVARIANCE</u>	YEAR TO DATE <u>ACTUAL</u>	YEAR <u>BUDGET</u>	YEAR <u>SVARIANCE</u>
REVENUE						
National Teach Ag Campaign	\$ 7,893	\$ 69,833	\$ (61,940)	\$ 50,488	\$ 838,000	\$ (787,512)
EXPENSES						
Contractor stipends	-	11,754	(11,754)	20,770	141,050	(120,280)
Staff salaries	2,494	4,718	(2,224)	12,470	56,610	(44,140)
Staff fringes	-	1,658	(1,658)	-	19,890	(19,890)
Travel	39,206	13,999	25,207	101,789	167,990	(66,201)
Supplies	461	1,313	(852)	9,046	15,750	(6,704)
Promotion	1,778	2,738	(960)	37,109	32,850	4,259
Presenter stipends	-	1,008	(1,008)	-	12,100	(12,100)
IT services	-	583	(583)	48	7,000	(6,952)
Printing	25	360	(335)	9,377	4,325	5,052
Postage/shipping	-	313	(313)	163	3,750	(3,587)
Professional dev	-	417	(417)	-	5,000	(5,000)
State grants	-	24,833	(24,833)	-	298,000	(298,000)
NAAE management fee	-	3,833	(3,833)	-	46,000	(46,000)
Grants	-	1,250	(1,250)	8,000	15,000	(7,000)
National Tech Ag Campaign expense	7,517	-	7,517	38,771	-	38,771
Miscellaneous	-	500	(500)	2,581	6,000	(3,419)
TOTAL EXPENSES	<u>51,481</u>	<u>69,277</u>	<u>(17,796)</u>	<u>240,124</u>	<u>831,315</u>	<u>(591,191)</u>
NET INCOME (LOSS)	<u>\$ (43,588)</u>	<u>\$ 556</u>	<u>\$ (44,144)</u>	<u>\$ (189,636)</u>	<u>\$ 6,685</u>	<u>\$ (196,321)</u>

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