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

I have compiled the accompanying statement of financial position of the National Association of Agricultural Educators, Inc. as of July 31, 2008, the related statement of activities for the one month then ended, and the accompanying supplementary information contained in the Schedule of Actual vs. Budgeted Amounts and Convention Revenue and Expenses, which is presented only for supplementary analysis purposes, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements and supplementary schedules information that is the representation of management. I have not audited or reviewed the accompanying financial statements and supplementary schedules and accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures and the statement of functional expenses and cash flows required by generally accepted accounting principles. If the omitted disclosures and statements of functional expenses and 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

August 19, 2008

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Financial Position

July 31, 2008

ASSETS	
Cash on deposit	\$ 16,410
Investments - operating fund	464,275
Investments - life membership fund	91,875
Investments - legislative fund	364
Accounts receivable	24,043
Prepaid expenses	12,553
Property and equipment	<u>14,674</u>
 TOTAL ASSETS	 \$ <u>624,194</u>
 LIABILITIES AND NET ASSETS	
LIABILITIES	
Accounts payable	\$ 2,611
Accrued leave payable	18,351
Other current liabilities	<u>5,422</u>
 TOTAL LIABILITIES	 <u>26,384</u>
 NET ASSETS	
Unrestricted net assets:	
Current operation	468,009
Board designated for special purposes	126,088
Temporarily restricted net assets	<u>3,713</u>
 TOTAL NET ASSETS	 <u>597,810</u>
 TOTAL LIABILITIES AND NET ASSETS	 \$ <u>624,194</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Activities

For the One Month Ended July 31, 2008

	<u>Unrestricted</u>			
	<u>Current</u>	<u>Board</u>	<u>Temporarily</u>	<u>Total</u>
	<u>Operations</u>	<u>Designated</u>	<u>Restricted</u>	
Revenue, Gains and Losses				
Membership dues	\$ 10,300	\$ 1,860	\$ -	\$ 12,160
Convention registration	-	-	-	-
Sponsorship and awards	-	-	-	-
Merchandise sales	2,854	-	-	2,854
Contributions	-	-	-	-
Management fees	-	-	-	-
Net realized and unrealized				
gains (losses) on securities	(13,161)	-	-	(13,161)
Interest and dividends	259	-	-	259
FFA Foundation projects	-	-	-	-
Other income	302	-	-	302
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Total Revenue, Gains and Losses	554	1,860	-	2,414
Net Assets Released from Restrictions	-	-	-	-
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Total Revenue, Gains and Losses and Reclassifications	554	1,860	-	2,414
Expenses				
General expenses	80,083	-	-	80,083
FFA Foundation projects	-	-	-	-
Convention expenses	107	-	-	107
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenses	80,190	-	-	80,190
INCREASE (DECREASE) IN NET ASSETS	(79,636)	1,860	-	(77,776)
NET ASSETS AT BEGINNING OF PERIOD	547,645	124,228	3,713	675,586
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NET ASSETS AT END OF PERIOD	\$ 468,009	\$ 126,088	\$ 3,713	\$ 597,810

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of Actual vs. Budget

For the One Month Ended July 31, 2008

	MONTH			YEAR TO DATE		
	MONTH ACTUAL	MONTH BUDGET	MONTH \$VARIANCE	ONE MONTH ACTUAL	YEAR BUDGET	YEAR \$VARIANCE
REVENUE						
Member dues	\$ 12,160	\$ 31,524	\$ (19,364)	\$ 12,160	\$ 378,290	\$ (366,130)
Corporate membership dues	-	2,375	(2,375)	-	28,500	(28,500)
FL Dept. of Citrus, freshman scholars	-	-	-	-	-	-
Delmar scholarships	-	625	(625)	-	7,500	(7,500)
Foundation management fees	-	-	-	-	-	-
MBNA affinity credit card program	-	58	(58)	-	700	(700)
Toyota vehicle lease management fee	-	466	(466)	-	5,590	(5,590)
Interest and dividends	213	1,667	(1,454)	213	20,000	(19,787)
Net realized and unrealized gains (losses) on securities	(13,161)	-	(13,161)	(13,161)	-	(13,161)
Merchandise sales	2,854	500	2,354	2,854	6,000	(3,146)
Investment income, Life Fund	46	208	(162)	46	2,500	(2,454)
Contributions, Legislative Fund	-	-	-	-	-	-
Miscellaneous income	-	167	(167)	-	2,000	(2,000)
Pioneer Leadership Academy	-	-	-	-	-	-
Teacher crisis fund	287	-	287	287	-	287
Webinar revenue	-	833	(833)	-	10,000	(10,000)
FFA Foundation project - TTTK	-	4,658	(4,658)	-	55,900	(55,900)
FFA Foundation project - OPAP	-	1,075	(1,075)	-	12,900	(12,900)
FFA Foundation project - OMSP	-	1,250	(1,250)	-	15,000	(15,000)
FFA Foundation project - OT	-	1,075	(1,075)	-	12,900	(12,900)
FFA Foundation project - OYM	-	1,075	(1,075)	-	12,900	(12,900)
FFA Foundation project - nursery/landscape	-	342	(342)	-	4,100	(4,100)
Convention net income	(92)	6,049	(6,141)	(92)	62,587	(62,679)
TOTAL REVENUE	2,307	53,947	(51,640)	2,307	637,367	(635,060)
EXPENSES						
Salaries	18,257	18,631	(374)	18,257	223,568	(205,311)
Taxes and benefits	3,817	4,522	(705)	3,817	54,267	(50,450)
Computer service	-	125	(125)	-	1,500	(1,500)
Telephone	299	333	(34)	299	4,000	(3,701)
Accounting	450	1,000	(550)	450	12,000	(11,550)
Depreciation	518	458	60	518	5,500	(4,982)
Rent	-	625	(625)	-	7,500	(7,500)
Insurance	316	500	(184)	316	6,000	(5,684)
Legal	-	167	(167)	-	2,000	(2,000)
Office Supplies	356	417	(61)	356	5,000	(4,644)
Bank charges and investment fees	-	8	(8)	-	100	(100)
Printing, general	-	500	(500)	-	6,000	(6,000)
Staff training	-	83	(83)	-	1,000	(1,000)
Taxes and licenses	-	13	(13)	-	150	(150)
Membership and contributions	232	1,250	(1,018)	232	15,000	(14,768)
Travel, staff	4,561	1,856	2,705	4,561	22,275	(17,714)
Promotion and marketing	1,933	1,500	433	1,933	18,000	(16,067)
Merchandise and diaries	5,196	500	4,696	5,196	6,000	(804)
Photocopying	63	21	42	63	250	(187)
Postage, News & Views Mailings	-	-	-	-	-	-
Postage, general	772	333	439	772	4,000	(3,228)
Professional liability insurance	36,895	3,079	33,816	36,895	36,945	(50)
Public relations	98	83	15	98	1,000	(902)
Scholarships	-	625	(625)	-	7,500	(7,500)
Travel, special project	-	83	(83)	-	1,000	(1,000)
Travel, regional secretaries	-	713	(713)	-	8,550	(8,550)
Travel, board of directors	5,470	3,083	2,387	5,470	37,000	(31,530)
Board operations	-	-	-	-	-	-
Pioneer Leadership Academy	-	-	-	-	-	-
FFA Foundation project - TTTK	-	4,658	(4,658)	-	55,900	(55,900)
FFA Foundation project - OPAP	-	1,075	(1,075)	-	12,900	(12,900)
FFA Foundation project - OMSP	-	1,250	(1,250)	-	15,000	(15,000)
FFA Foundation project - OT	-	1,075	(1,075)	-	12,900	(12,900)
FFA Foundation project - OYM	-	1,075	(1,075)	-	12,900	(12,900)
FFA Foundation project - nursery/landscape	-	342	(342)	-	4,100	(4,100)
NPS expense	-	667	(667)	-	8,000	(8,000)
Webinar expense	350	833	(483)	350	10,000	(9,650)
Communities of practice expense	-	167	(167)	-	2,000	(2,000)
Teacher crisis fund	500	-	500	500	-	500
Miscellaneous	-	-	-	-	-	-
TOTAL EXPENSES	80,083	51,650	28,433	80,083	619,805	(539,722)
NET INCOME (LOSS)	\$ (77,776)	\$ 2,297	\$ (80,073)	\$ (77,776)	\$ 17,562	\$ (95,338)

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.
Schedule of Convention Revenue and Expenses
For the One Month Ended July 31, 2008

	MONTH	MONTH	MONTH	YEAR TO DATE	YEAR	YEAR
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>\$VARIANCE</u>	<u>ONE MONTH</u>	<u>BUDGET</u>	<u>\$VARIANCE</u>
REVENUE						
Convention, registration		\$ 8,693	\$ (8,693)	\$ -	\$ 104,315	\$ (104,315)
Convention, tickets/workshops	-	-	-	-	-	-
Convention, trade show	-	-	-	-	-	-
Convention - Ideas Unlimited	-	-	-	-	-	-
Convention - Teacher Mentor	-	-	-	-	-	-
Convention scholarship fund	-	-	-	-	-	-
Convention, sponsorships - FFA Foundation	15	2,083	(2,068)	15	25,000	(24,985)
Convention, host state social	-	-	-	-	-	-
Convention, sponsorships		<u>1,667</u>	<u>(1,667)</u>		<u>20,000</u>	<u>(20,000)</u>
TOTAL REVENUE	<u>15</u>	<u>12,443</u>	<u>(12,428)</u>	<u>15</u>	<u>149,315</u>	<u>(149,300)</u>
EXPENSES						
Convention, plaques and trophies	-	208	(208)	-	2,500	(2,500)
Convention, printing	-	117	(117)	-	1,400	(1,400)
Conventions, miscellaneous	-	23	(23)	-	278	(278)
Convention, awards	-	-	-	-	10,000	(10,000)
Convention, photography	-	-	-	-	-	-
Conventions, meal functions	-	1,000	(1,000)	-	12,000	(12,000)
Convention, promotion and marketing	-	125	(125)	-	1,500	(1,500)
Convention, postage and shipping	-	250	(250)	-	3,000	(3,000)
Convention, equipment rental	-	417	(417)	-	5,000	(5,000)
Convention, workshops	-	-	-	-	-	-
Convention, host state social	-	-	-	-	-	-
Convention, speakers	-	-	-	-	-	-
Convention, trade show expense	-	-	-	-	-	-
Convention, tour expenses	-	-	-	-	-	-
Convention, committee expense	-	88	(88)	-	1,050	(1,050)
Convention, sponsorships - FFA Foundation	-	2,083	(2,083)	-	25,000	(25,000)
Convention, travel/board of directors	-	1,167	(1,167)	-	14,000	(14,000)
Convention, staff travel	107	833	(726)	107	10,000	(9,893)
Convention, other travel	-	83	(83)	-	1,000	(1,000)
TOTAL EXPENSES	<u>107</u>	<u>6,394</u>	<u>(6,287)</u>	<u>107</u>	<u>86,728</u>	<u>(86,621)</u>
NET INCOME (LOSS)	<u>\$ (92)</u>	<u>\$ 6,049</u>	<u>\$ (6,141)</u>	<u>\$ (92)</u>	<u>\$ 62,587</u>	<u>\$ (62,679)</u>

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