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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 November 30, 2008, the related statement of activities for the one and five months 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. Schmettler, PLLC

December 17, 2008

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.
Statement of Financial Position
November 30, 2008

ASSETS	
Cash on deposit	\$ 68,856
Investments - operating fund	342,872
Investments - life membership fund	70,062
Investments - legislative fund	367
Accounts receivable	50,934
Prepaid expenses	5,637
Property and equipment	<u>12,604</u>
 TOTAL ASSETS	 <u>\$ 551,332</u>
 LIABILITIES AND NET ASSETS	
LIABILITIES	
Accounts payable	\$ 7,873
Accrued leave payable	18,351
Other current liabilities	<u>5,599</u>
 TOTAL LIABILITIES	 <u>31,823</u>
 NET ASSETS	
Unrestricted net assets:	
Current operation	401,501
Board designated for special purposes	117,068
Temporarily restricted net assets	<u>940</u>
 TOTAL NET ASSETS	 <u>519,509</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 551,332</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Activities

For the Five Months Ended November 30, 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	\$ 280,790	\$ 1,860	\$ -	\$ 282,650
Convention registration	1,535	-	-	1,535
Sponsorship and awards	23,950	-	-	23,950
Merchandise sales	4,353	-	-	4,353
Contributions	-	-	940	940
Management fees	-	-	-	-
Net realized and unrealized				
gains (losses) on securities	(157,964)	-	-	(157,964)
Interest and dividends	1,909	-	-	1,909
FFA Foundation projects	47,097	-	-	47,097
Other income	17,519	-	-	17,519
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenue, Gains and Losses	219,189	1,860	940	221,989
Net Assets Released from Restrictions	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenue, Gains and Losses and Reclassifications	<hr/>	<hr/>	<hr/>	<hr/>
Expenses				
General expenses	259,885	-	-	259,885
FFA Foundation projects	70,959	-	-	70,959
Convention expenses	52,222	-	-	52,222
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenses	383,066	-	-	383,066
INCREASE (DECREASE) IN NET ASSETS	(163,877)	1,860	940	(161,077)
NET ASSETS AT BEGINNING OF PERIOD	<hr/>	<hr/>	<hr/>	<hr/>
NET ASSETS AT END OF PERIOD	<hr/>	<hr/>	<hr/>	<hr/>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of Actual vs. Budget

For the One and Five Months Ended November 30, 2008

	MONTH			YEAR TO DATE		
	ACTUAL	BUDGET	\$VARIANCE	FIVE MONTHS ACTUAL	YEAR BUDGET	YEAR \$VARIANCE
REVENUE						
Member dues	\$ 43,230	\$ 31,524	\$ 11,706	\$ 274,400	\$ 378,290	\$ (103,890)
Corporate membership dues	1,500	2,375	(875)	8,250	28,500	(20,250)
FL Dept. of Citrus, freshman scholars	-	-	-	-	-	-
Delmar scholarships	-	625	(625)	-	7,500	(7,500)
Foundation management fees	-	-	-	-	-	-
MBNA affinity credit card program	174	58	116	337	700	(363)
Toyota vehicle lease management fee	-	466	(466)	-	5,590	(5,590)
Interest and dividends	74	1,667	(1,593)	1,541	20,000	(18,459)
Net realized and unrealized gains (losses) on securities	(23,780)	-	(23,780)	(157,964)	-	(157,964)
Merchandise sales	189	500	(311)	4,353	6,000	(1,647)
Investment income, Life Fund	58	208	(150)	368	2,500	(2,132)
Contributions, Legislative Fund	30	-	30	940	-	940
Miscellaneous income	-	167	(167)	1,200	2,000	(800)
Pioneer Leadership Academy	-	-	-	-	-	-
Teacher crisis fund	-	-	-	337	-	337
Webinar revenue	-	833	(833)	4,100	10,000	(5,900)
Hurricane relief	-	-	-	330	-	330
FFA Foundation project - TTTK	2,842	4,658	(1,816)	19,230	55,900	(36,670)
FFA Foundation project - OPAP	900	1,075	(175)	5,340	12,900	(7,560)
FFA Foundation project - OMSP	900	1,250	(350)	4,984	15,000	(10,016)
FFA Foundation project - OT	900	1,075	(175)	6,718	12,900	(6,182)
FFA Foundation project - OYM	1,805	1,075	730	6,784	12,900	(6,116)
FFA Foundation project - nursery/landscape	-	342	(342)	4,041	4,100	(59)
Convention net income	(35,738)	6,049	(41,787)	(15,522)	62,587	(78,109)
TOTAL REVENUE	(6,916)	53,947	(60,863)	169,767	637,367	(467,600)
EXPENSES						
Salaries	18,547	18,631	(84)	92,045	223,568	(131,523)
Taxes and benefits	3,858	4,522	(664)	17,778	54,267	(36,489)
Computer service	732	125	607	732	1,500	(768)
Telephone	304	333	(29)	1,529	4,000	(2,471)
Accounting	450	1,000	(550)	2,250	12,000	(9,750)
Depreciation	518	458	60	2,588	5,500	(2,912)
Rent	-	625	(625)	7,500	7,500	-
Insurance	147	500	(353)	1,411	6,000	(4,589)
Legal	-	167	(167)	-	2,000	(2,000)
Office Supplies	1,983	417	1,566	2,556	5,000	(2,444)
Bank charges and investment fees	232	8	224	254	100	154
Printing, general	1,278	500	778	1,698	6,000	(4,302)
Staff training	-	83	(83)	75	1,000	(925)
Taxes and licenses	-	13	(13)	-	150	(150)
Membership and contributions	117	1,250	(1,133)	9,148	15,000	(5,852)
Travel, staff	6,528	1,856	4,672	14,985	22,275	(7,290)
Promotion and marketing	11,436	1,500	9,936	20,576	18,000	2,576
Merchandise and diaries	752	500	252	8,830	6,000	2,830
Photocopying	-	21	(21)	63	250	(187)
Postage, News & Views Mailings	-	-	-	-	-	-
Postage, general	(50)	333	(383)	1,665	4,000	(2,335)
Professional liability insurance	-	3,079	(3,079)	36,895	36,945	(50)
Public relations	-	83	(83)	98	1,000	(902)
Scholarships	-	625	(625)	11,250	7,500	3,750
Travel, special project	-	83	(83)	-	1,000	(1,000)
Travel, regional secretaries	-	713	(713)	2,168	8,550	(6,382)
Travel, board of directors	-	3,083	(3,083)	16,271	37,000	(20,729)
Board operations	-	-	-	-	-	-
Pioneer Leadership Academy	-	-	-	-	-	-
FFA Foundation project - TTTK	5,133	4,658	475	34,316	55,900	(21,584)
FFA Foundation project - OPAP	900	1,075	(175)	7,735	12,900	(5,165)
FFA Foundation project - OMSP	900	1,250	(350)	7,464	15,000	(7,536)
FFA Foundation project - OT	1,792	1,075	717	9,920	12,900	(2,980)
FFA Foundation project - OYM	1,640	1,075	565	8,274	12,900	(4,626)
FFA Foundation project - nursery/landscape	-	342	(342)	3,250	4,100	(850)
NPS expense	-	667	(667)	-	8,000	(8,000)
Webinar expense	1,141	833	308	2,310	10,000	(7,690)
Communities of practice expense	-	167	(167)	3,960	2,000	1,960
Toyota lease management expense	-	-	-	250	-	250
Teacher crisis fund	-	-	-	1,000	-	1,000
Miscellaneous	-	-	-	-	-	-
TOTAL EXPENSES	58,338	51,650	6,688	330,844	619,805	(288,961)
NET INCOME (LOSS)	\$ (65,254)	\$ 2,297	\$ (67,551)	\$ (161,077)	\$ 17,562	\$ (178,639)

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.
Schedule of Convention Revenue and Expenses
For the One and Five Months Ended November 30, 2008

	MONTH			YEAR TO DATE		
	ACTUAL	BUDGET	\$VARIANCE	FIVE MONTHS ACTUAL	YEAR BUDGET	YEAR \$VARIANCE
REVENUE						
Convention, registration	\$ 1,400	\$ 8,693	\$ (7,293)	\$ 1,535	\$ 104,315	\$ (102,780)
Convention, tickets/workshops	125	-	125	125		125
Convention, trade show		-	-	-		-
Convention - Ideas Unlimited		-	-	5,000		5,000
Convention - Teacher Mentor		-	-	5,000		5,000
Convention scholarship fund		-	-	15		15
Convention, sponsorships - FFA Foundation		2,083	(2,083)	-	25,000	(25,000)
Convention, host state social	1,075	-	1,075	1,075		1,075
Convention, sponsorships	5,000	1,667	3,333	23,950	20,000	3,950
TOTAL REVENUE	7,600	12,443	(4,843)	36,700	149,315	(112,615)
EXPENSES						
Convention, plaques and trophies	3,763	208	3,555	3,763	2,500	1,263
Convention, printing	2,941	117	2,824	2,941	1,400	1,541
Conventions, miscellaneous	-	23	(23)	-	278	(278)
Convention, awards	4,800	-	4,800	10,370	10,000	370
Convention - Ideas Unlimited		-	-	-	-	-
Convention, photography		-	-	-	-	-
Conventions, meal functions	30,000	1,000	29,000	30,000	12,000	18,000
Convention, promotion and marketing	1,000	125	875	1,000	1,500	(500)
Convention, postage and shipping	279	250	29	279	3,000	(2,721)
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)	2,637	14,000	(11,363)
Convention, staff travel	555	833	(278)	1,232	10,000	(8,768)
Convention, other travel	-	83	(83)	-	1,000	(1,000)
TOTAL EXPENSES	43,338	6,394	36,944	52,222	86,728	(34,506)
NET INCOME (LOSS)	\$ (35,738)	\$ 6,049	\$ (41,787)	\$ (15,522)	\$ 62,587	\$ (78,109)

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