

STEPHEN D. SCHNETTLER, PLLC

Certified Public Accountant

300 W. Maxwell Street

Lexington, Kentucky 40508

Telephone: (859) 389-7022

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

I have compiled the accompanying statement of financial position of the National Association of Agricultural Educators, Inc. as of October 31, 2010, the related statement of activities for the four months then ended, and the accompanying supplementary information contained in the Schedule of Actual vs. Budgeted Amounts, Convention Revenue and Expenses and Case Program 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

November 17, 2010

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Financial Position

October 31, 2010

ASSETS

Cash on deposit	\$ 38,668
Cash on deposit - CASE Program	90,350
Investments - operating fund	383,975
Investments - life membership fund	121,871
Investments - legislative fund	369
Investments - reserve fund	104,018
Accounts receivable	178,722
Prepaid expenses	7,596
Property and equipment	<u>13,393</u>

TOTAL ASSETS \$ 938,962

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$ 23,753
Accrued leave payable	21,314
Other current liabilities	<u>6,379</u>

TOTAL LIABILITIES 51,446

NET ASSETS

Unrestricted net assets:	
Current operation	505,794
Board designated for special purposes	121,688
Temporarily restricted net assets	1,909
CASE Project	<u>258,125</u>

TOTAL NET ASSETS 887,516

TOTAL LIABILITIES AND NET ASSETS \$ 938,962

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Activities

For the Four Months Ended October 31, 2010

	<u>Unrestricted</u>				
	<u>Current</u>	<u>Board</u>	<u>Temporarily</u>	<u>CASE</u>	<u>Total</u>
	<u>Operations</u>	<u>Designated</u>	<u>Restricted</u>	<u>Project</u>	
Revenue, Gains and Losses					
Membership dues	\$ 167,010	\$ 2,880	\$ -	\$ -	\$ 169,890
Convention registration	685	-	-	-	685
Sponsorship and awards	15,000	-	-	-	15,000
Merchandise sales	3,203	-	-	-	3,203
Contributions	-	-	49	-	49
Management fees	-	-	-	-	-
Net realized and unrealized					
gains (losses) on securities	62,304	-	-	-	62,304
Interest and dividends	1,116	-	-	-	1,116
FFA Foundation projects	34,887	-	-	-	34,887
CASE Program income	-	-	-	207,505	207,505
Other income	24,923	-	-	-	24,923
	<u>309,128</u>	<u>2,880</u>	<u>49</u>	<u>207,505</u>	<u>519,562</u>
Total Revenue, Gains and Losses	309,128	2,880	49	207,505	519,562
Net Assets Released from Restrictions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenue, Gains and Losses and Reclassifications	<u>309,128</u>	<u>2,880</u>	<u>49</u>	<u>207,505</u>	<u>519,562</u>
Expenses					
General expenses	244,719	-	-	-	244,719
FFA Foundation projects	22,282	-	-	-	22,282
CASE Program expenses	-	-	-	260,585	-
Convention expenses	7,399	-	-	-	7,399
	<u>274,400</u>	<u>-</u>	<u>-</u>	<u>260,585</u>	<u>274,400</u>
Total expenses	274,400	-	-	260,585	274,400
INCREASE (DECREASE) IN NET ASSETS	34,728	2,880	49	(53,080)	(15,423)
NET ASSETS AT BEGINNING OF PERIOD	<u>471,066</u>	<u>118,808</u>	<u>1,860</u>	<u>311,205</u>	<u>902,939</u>
NET ASSETS AT END OF PERIOD	<u>\$ 505,794</u>	<u>\$ 121,688</u>	<u>\$ 1,909</u>	<u>\$ 258,125</u>	<u>\$ 887,516</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of Actual vs. Budget

For the One and Four Months Ended October 31, 2010

	MONTH ACTUAL	MONTH BUDGET	MONTH \$VARIANCE	YEAR TO DATE ACTUAL	YEAR BUDGET	YEAR \$VARIANCE
REVENUE						
Member dues	\$ 56,295	\$ 32,438	\$ 23,857	\$ 165,890	\$ 389,250	\$ (223,360)
Corporate membership dues	-	2,375	-	4,000	28,500	(24,500)
NSTA Dues	192	-	(2,375)	448	-	448
Delmar scholarships	-	625	(625)	-	7,500	(7,500)
Foundation management fees	-	2,417	(2,417)	-	29,000	(29,000)
MBNA affinity credit card program	-	-	-	-	-	-
Toyota vehicle lease management fee	-	-	-	-	-	-
Interest and dividends	3	500	(497)	775	6,000	(5,225)
Net realized and unrealized gains (losses) on securities	15,393	1,250	14,143	62,304	15,000	47,304
Merchandise sales	-	708	(708)	3,203	8,500	(5,297)
Investment income, Life Fund	58	125	(67)	341	1,500	(1,159)
Contributions, Legislative Fund	-	-	-	49	-	49
Miscellaneous income	-	250	(250)	-	3,000	(3,000)
National Teach Ag Campaign	4,496	-	4,496	4,496	-	4,496
Teacher crisis fund	-	-	-	1,000	-	1,000
Risk management education	-	-	-	-	-	-
AEM business manager stipend	-	333	(333)	-	4,000	(4,000)
Lifetime achievement awards	-	279	(279)	-	3,350	(3,350)
GMAC SmartEdge program	-	3,417	(3,417)	-	41,000	(41,000)
Webinar revenue	-	1,367	(1,367)	-	16,400	(16,400)
DuPont Agriscience	7,094	-	7,094	13,079	-	13,079
FFA Foundation project - TTTK	12,087	4,025	8,062	21,492	48,300	(26,808)
FFA Foundation project - OPAP	1,247	997	250	2,102	11,965	(9,863)
FFA Foundation project - OMSP	2,213	946	1,267	3,698	11,350	(7,652)
FFA Foundation project - OT	2,036	997	1,039	3,609	11,965	(8,356)
FFA Foundation project - OYM	2,106	946	1,160	3,876	11,350	(7,474)
FFA Foundation project - Greenhouse	-	-	-	-	-	-
FFA Foundation teacher workshop	110	-	110	110	-	110
CASE program net income	(11,981)	-	(11,981)	(53,080)	-	(53,080)
Convention net income	11,185	4,767	6,418	14,186	50,209	(36,023)
TOTAL REVENUE	102,534	58,762	43,580	251,578	698,139	(446,561)
EXPENSES						
Salaries	21,066	21,666	(600)	88,692	259,994	(171,302)
Taxes and benefits	4,218	5,546	(1,328)	21,489	66,551	(45,062)
Computer service	-	83	(83)	150	1,000	(850)
Telephone	344	333	11	1,559	4,000	(2,441)
Accounting	475	1,033	(558)	1,900	12,400	(10,500)
Depreciation	374	583	(209)	1,497	7,000	(5,503)
Rent	-	625	(625)	7,500	7,500	-
Insurance	352	500	(148)	1,068	6,000	(4,932)
Legal	-	83	(83)	-	1,000	(1,000)
Office Supplies	4	417	(413)	911	5,000	(4,089)
Bank charges and investment fees	-	8	(8)	-	100	(100)
Printing, general	550	417	133	2,023	5,000	(2,977)
Staff training	-	83	(83)	24	1,000	(976)
Taxes and licenses	-	5	(5)	27	60	(33)
Membership and contributions	-	1,250	(1,250)	8,790	15,000	(6,210)
Travel, staff	(261)	1,856	(2,117)	3,716	22,275	(18,559)
Promotion and marketing	500	2,083	(1,583)	6,749	25,000	(18,251)
Merchandise and diaries	-	833	(833)	878	10,000	(9,122)
Photocopying	-	8	(8)	210	100	110
Postage, general	142	333	(191)	1,420	4,000	(2,580)
Professional liability insurance	-	3,093	(3,093)	37,415	37,110	305
Public relations	-	42	(42)	-	500	(500)
Scholarships	-	938	(938)	12,000	11,250	750
Travel, regional secretaries	-	833	(833)	2,480	10,000	(7,520)
Travel, board of directors	-	2,917	(2,917)	11,539	35,000	(23,461)
Nat'l Teach Ag Campaign	12,165	-	12,165	12,988	-	12,988
FFA Foundation project - TTTK	690	4,025	(3,335)	13,307	48,300	(34,993)
FFA Foundation project - OPAP	285	997	(712)	1,714	11,965	(10,251)
FFA Foundation project - OMSP	345	946	(601)	2,225	11,350	(9,125)
FFA Foundation project - OT	-	997	(997)	2,757	11,965	(9,208)
FFA Foundation project - OYM	345	946	(601)	2,279	11,350	(9,071)
FFA Foundation project - Greenhouse	-	-	-	-	-	-
FFA Foundation project - LAA	-	-	-	155	-	155
FFA Foundation project - Smart Edge	-	-	-	400	-	400
FFA Foundation teacher workshop	216	-	216	216	-	216
Lifetime achievement	-	279	(279)	-	3,350	(3,350)
DuPont Agriscience	345	-	345	9,202	-	9,202
GMAC SmartEdge program	-	833	(833)	-	10,000	(10,000)
NPS expense	-	667	(667)	-	8,000	(8,000)
Webinar expense	-	292	(292)	297	3,500	(3,203)
Teacher crisis fund	-	-	-	-	8,000	(8,000)
Communities of practice expense	-	-	-	9,239	-	9,239
Substitute teacher hire behinds	-	333	(333)	-	4,000	(4,000)
Miscellaneous	-	-	-	185	-	185
TOTAL EXPENSES	42,155	55,883	(13,728)	267,001	678,620	(411,619)
NET INCOME (LOSS)	\$ 60,379	\$ 2,879	\$ 57,308	\$ (15,423)	\$ 19,519	\$ (34,942)

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.
Schedule of Convention Revenue and Expenses
For the One and Four Months Ended October 31, 2010

	<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	\$ 885	\$ 6,975	\$ (6,090)	\$ 685	\$ 83,699	\$ (83,014)
Convention, tickets/workshops		-	-	-		-
Convention, trade show	300	-	300	900		900
Convention - Ideas Unlimited		-	-	-		-
Convention - Teacher Mentor	5,000	-	5,000	5,000		5,000
Convention scholarship fund		-	-	-	2,000	(2,000)
Convention, sponsorships - FFA Foundation		2,083	(2,083)	-	25,000	(25,000)
Convention, host state social		-	-	-		-
Convention, sponsorships	5,000	2,079	2,921	15,000	24,950	(9,950)
TOTAL REVENUE	<u>11,185</u>	<u>11,137</u>	<u>48</u>	<u>21,585</u>	<u>135,649</u>	<u>(114,064)</u>
EXPENSES						
Convention, plaques and trophies	-	125	(125)	-	1,500	(1,500)
Convention, printing	-	167	(167)	-	2,000	(2,000)
Convention, miscellaneous	-	83	(83)	-	1,000	(1,000)
Convention, awards	-	-	-	2,910	9,000	(6,090)
Convention, photography	-	-	-	-	-	-
Conventions, meal functions	-	1,000	(1,000)	-	12,000	(12,000)
Convention, promotion and marketing	-	83	(83)	-	1,000	(1,000)
Convention, postage and shipping	-	167	(167)	-	2,000	(2,000)
Convention, equipment rental	-	667	(667)	-	8,000	(8,000)
Convention, workshops	-	-	-	-	-	-
Convention, host state social	-	-	-	-	-	-
Convention, speakers	-	-	-	-	-	-
Convention, trade show expense	-	-	-	-	-	-
Convention, tour expenses	-	-	-	-	-	-
Convention, committee expense	-	245	(245)	-	2,940	(2,940)
Convention, sponsorships - FFA Foundation	-	2,083	(2,083)	-	25,000	(25,000)
Convention, travel/board of directors	-	1,000	(1,000)	3,064	12,000	(8,936)
Convention, staff travel	-	750	(750)	1,425	9,000	(7,575)
Convention, other travel	-	-	-	-	-	-
TOTAL EXPENSES	<u>-</u>	<u>6,370</u>	<u>(6,370)</u>	<u>7,399</u>	<u>85,440</u>	<u>(78,041)</u>
NET INCOME (LOSS)	<u>\$ 11,185</u>	<u>\$ 4,767</u>	<u>\$ 6,418</u>	<u>\$ 14,186</u>	<u>\$ 50,209</u>	<u>\$ (36,023)</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of CASE Program Revenue and Expenses

For the One and Four Months Ended October 31, 2010

	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 fees	\$ 43,626	\$ -	\$ 43,626	\$ 50,426	\$ -	\$ 50,426
Vendor - Vernier	18,439	-	18,439	119,799	-	119,799
Vendor - NewByte	-	-	-	2,058	-	2,058
Field test fees	-	-	-	2,600	-	2,600
New Jersey	-	-	-	31,822	-	31,822
Interest	63	-	63	350	-	350
FFA Foundation	-	-	-	450	-	450
TOTAL REVENUE	<u>62,128</u>	<u>-</u>	<u>62,128</u>	<u>207,505</u>	<u>-</u>	<u>207,505</u>
EXPENSES						
Legal and professional	100	-	100	3,404	-	3,404
Travel	-	-	-	18,309	-	18,309
Travel - staff	485	-	485	7,235	-	7,235
Contract labor	15,833	-	15,833	47,500	-	47,500
Supplies	-	-	-	1,139	-	1,139
Promotion	-	-	-	-	-	-
Printing	-	-	-	-	-	-
Postage	27	-	27	762	-	762
Telecommunications	-	-	-	10	-	10
Vernier	56,705	-	56,705	118,299	-	118,299
NewByte	709	-	709	744	-	744
Carthage	250	-	250	37,130	-	37,130
Field test	-	-	-	25,754	-	25,754
Equipment	-	-	-	299	-	299
TOTAL EXPENSES	<u>74,109</u>	<u>-</u>	<u>74,109</u>	<u>260,585</u>	<u>-</u>	<u>260,585</u>
NET INCOME (LOSS)	<u>\$ (11,981)</u>	<u>\$ -</u>	<u>\$ (11,981)</u>	<u>\$ (53,080)</u>	<u>\$ -</u>	<u>\$ (53,080)</u>

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