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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 National Association of Agricultural Educators, Inc. (a nonprofit organization) as of February 28, 2011 and the related statements of activities for the eight months then ended, and the accompanying supplementary information contained in the Schedule of Actual vs. Budget, Convention Revenue and Expenses, and Case Program Revenue and Expenses, which is presented only for supplementary purposes. I have not audited or reviewed the accompanying financial statements and supplementary schedules and, accordingly, do not express an opinion or provide any assurance about whether the financial statements and supplementary schedules are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

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

March 18, 2011

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Financial Position

February 28, 2011

ASSETS

Cash on deposit	\$ 155,428
Cash on deposit - CASE Program	50,479
Investments - operating fund	422,743
Investments - life membership fund	158,415
Investments - reserve fund	105,782
Accounts receivable	56,257
Prepaid expenses	31,042
Property and equipment	<u>13,195</u>

TOTAL ASSETS \$ 993,341

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$ 11,995
Accrued leave payable	21,314
Other current liabilities	<u>2,466</u>

TOTAL LIABILITIES 35,775

NET ASSETS

Unrestricted net assets:	
Current operation	662,059
Board designated for special purposes	122,408
Temporarily restricted net assets	1,909
CASE Project	<u>171,190</u>

TOTAL NET ASSETS 957,566

TOTAL LIABILITIES AND NET ASSETS \$ 993,341

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Activities

For the Eight Months Ended February 28, 2011

	Unrestricted				
	Current Operations	Board Designated	Temporarily Restricted	CASE Project	Total
Revenue, Gains and Losses					
Membership dues	\$ 326,070	\$ 3,600	\$ -	\$ -	\$ 329,670
Convention registration	99,693	-	-	-	99,693
Sponsorship and awards	54,214	-	-	-	54,214
Merchandise sales	4,152	-	-	-	4,152
Contributions	-	-	49	-	49
Management fees	57,657	-	-	-	57,657
Net realized and unrealized gains (losses) on securities	106,284	-	-	-	106,284
Interest and dividends	7,541	-	-	-	7,541
FFA Foundation projects	67,115	-	-	-	67,115
CASE Program income	-	-	-	283,845	283,845
Other income	83,897	-	-	-	83,897
	806,623	3,600	49	283,845	1,094,117
Total Revenue, Gains and Losses					
Net Assets Released from Restrictions	-	-	-	-	-
Total Revenue, Gains and Losses and Reclassifications	806,623	3,600	49	283,845	1,094,117
Expenses					
General expenses	431,636	-	-	-	431,636
FFA Foundation projects	64,264	-	-	-	64,264
Case Program expenses	-	-	-	423,860	-
Convention expenses	119,730	-	-	-	119,730
	615,630	-	-	423,860	615,630
Total expenses					
INCREASE (DECREASE) IN NET ASSETS	190,993	3,600	49	(140,015)	54,627
NET ASSETS AT BEGINNING OF PERIOD	471,066	118,808	1,860	311,205	902,939
NET ASSETS AT END OF PERIOD	\$ 662,059	\$ 122,408	\$ 1,909	\$ 171,190	\$ 957,566

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of Actual vs. Budget

For the One and Eight Months Ended February 28, 2011

	MONTH	MONTH	MONTH	YEAR TO DATE	YEAR	YEAR
	ACTUAL	BUDGET	SVARIANCE	ACTUAL	BUDGET	SVARIANCE
REVENUE						
Member dues	\$ 23,900	\$ 32,438	\$ (8,538)	\$ 309,920	\$ 389,250	\$ (79,330)
Corporate membership dues	1,500	2,375	-	19,750	28,500	(8,750)
NSTA Dues	-	-	(875)	832	-	832
Delmar scholarships	-	625	(625)	-	7,500	(7,500)
Foundation management fees	(310)	2,417	(2,727)	57,657	29,000	28,657
MBNA affinity credit card program	-	-	-	-	-	-
Toyota vehicle lease management fee	-	-	-	-	-	-
Interest and dividends	10	500	(490)	4,801	6,000	(1,199)
Net realized and unrealized gains (losses) on securities	18,403	1,250	17,153	106,284	15,000	91,284
Merchandise sales	98	708	(610)	4,152	8,500	(4,348)
Investment income, Life Fund	70	125	(55)	2,740	1,500	1,240
Contributions, Legislative Fund	-	-	-	49	-	49
Miscellaneous income	3,000	-	3,000	6,000	-	6,000
National Teach Ag Campaign	702	-	702	23,754	-	23,754
Teacher crisis fund	-	-	-	1,732	-	1,732
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	1,057	-	1,057	15,856	-	15,856
FFA Foundation project - TTTK	-	4,025	(4,025)	39,157	48,300	(9,143)
FFA Foundation project - OPAP	-	997	(997)	4,305	11,965	(7,660)
FFA Foundation project - OMSP	-	946	(946)	7,009	11,350	(4,341)
FFA Foundation project - OT	-	997	(997)	5,898	11,965	(6,067)
FFA Foundation project - OYM	-	946	(946)	5,952	11,350	(5,398)
FFA Foundation project - Greenhouse	-	-	-	-	-	-
FFA Foundation teacher workshop	-	-	-	1,098	-	1,098
FFA Foundation internet café	-	-	-	2,484	-	2,484
FFA Foundation Pfizer classroom	-	-	-	1,212	-	1,212
CASE program net income	(17,405)	-	(17,405)	(140,015)	-	(140,015)
Convention net income	(4,002)	4,767	(8,769)	69,900	50,209	19,691
TOTAL REVENUE	27,023	58,512	(31,489)	550,527	695,139	(144,612)
EXPENSES						
Salaries	16,152	21,666	(5,514)	176,215	259,994	(83,779)
Taxes and benefits	4,137	5,546	(1,409)	42,185	66,551	(24,366)
Computer service	635	83	552	2,509	1,000	1,509
Telephone	458	333	125	3,065	4,000	(935)
Accounting	475	1,033	(558)	3,800	12,400	(8,600)
Depreciation	386	583	(197)	3,087	7,000	(3,913)
Rent	-	625	(625)	7,500	7,500	-
Insurance	382	500	(118)	4,569	6,000	(1,431)
Legal	-	83	(83)	1,744	1,000	744
Office Supplies	58	417	(359)	4,082	5,000	(918)
Bank charges and investment fees	-	8	(8)	-	100	(100)
Printing, general	27	417	(390)	2,747	5,000	(2,253)
Staff training	-	83	(83)	24	1,000	(976)
Taxes and licenses	25	5	20	52	60	(8)
Membership and contributions	1,840	1,250	590	19,157	15,000	4,157
Travel, staff	1,595	1,856	(261)	10,500	22,275	(11,775)
Promotion and marketing	-	2,083	(2,083)	7,707	25,000	(17,293)
Merchandise and diaries	535	833	(298)	2,545	10,000	(7,455)
Photocopying	-	8	(8)	210	100	110
Postage, general	183	333	(150)	4,378	4,000	378
Professional liability insurance	-	3,093	(3,093)	37,415	37,110	305
Public relations	-	42	(42)	50	500	(450)
Scholarships	-	938	(938)	12,000	11,250	750
Travel, regional secretaries	238	833	(595)	5,638	10,000	(4,362)
Travel, board of directors	2,378	2,917	(539)	15,050	35,000	(19,950)
Nat'l Teach Ag Campaign	1,231	-	1,231	28,891	-	28,891
FFA Foundation project - TTTK	7,137	4,025	3,112	36,846	48,300	(11,454)
FFA Foundation project - OPAP	-	997	(997)	4,305	11,965	(7,660)
FFA Foundation project - OMSP	-	946	(946)	7,009	11,350	(4,341)
FFA Foundation project - OT	-	997	(997)	5,750	11,965	(6,215)
FFA Foundation project - OYM	1,577	946	631	5,552	11,350	(5,798)
FFA Foundation project - Greenhouse	-	-	-	-	-	-
FFA Foundation project - LAA	-	-	-	155	-	155
FFA Foundation project - Smart Edge	-	-	-	400	-	400
FFA Foundation teacher workshop	-	-	-	216	-	216
FFA Foundation internet café	-	-	-	2,484	-	2,484
FFA Teachers world	-	-	-	1,547	-	1,547

(Continued)

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of Actual vs. Budget

For the One and Eight Months Ended February 28, 2011

	<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>
Lifetime achievement	-	279	(279)	-	3,350	(3,350)
DuPont Agriscience	2,777	-	2,777	15,854	-	15,854
GMAC SmartEdge program	-	833	(833)	-	10,000	(10,000)
NPS expense	7,040	667	6,373	7,040	8,000	(960)
Webinar expense	99	292	(193)	792	3,500	(2,708)
Teacher crisis fund	1,000	-	1,000	2,500	8,000	(5,500)
Communities of practice expense	-	-	-	9,239	-	9,239
Substitute teacher hire behinds	-	333	(333)	-	4,000	(4,000)
NSTA dues	-	-	-	896	-	896
Miscellaneous	-	-	-	195	-	195
TOTAL EXPENSES	<u>50,365</u>	<u>55,883</u>	<u>(5,518)</u>	<u>495,900</u>	<u>678,620</u>	<u>(184,267)</u>
NET INCOME (LOSS)	<u>\$ (23,342)</u>	<u>\$ 2,629</u>	<u>\$ (25,971)</u>	<u>\$ 54,627</u>	<u>\$ 16,519</u>	<u>\$ 39,655</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.
Schedule of Convention Revenue and Expenses
For the One and Eight Months Ended February 28, 2011

	<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	\$ 4,234	\$ 6,975	\$ (2,741)	\$ 99,693	\$ 83,699	\$ 15,994
Convention, tickets/workshops	-	-	-	-	-	-
Convention, trade show	-	-	-	1,500	-	1,500
Convention - Ideas Unlimited	-	-	-	-	-	-
Convention - Teacher Mentor	-	-	-	5,000	-	5,000
Convention scholarship fund	-	-	-	1,813	2,000	(187)
Convention, sponsorships - FFA Foundation	-	2,083	(2,083)	27,410	25,000	2,410
Convention, host state social	-	-	-	-	-	-
Convention, sponsorships	-	2,079	(2,079)	54,214	24,950	29,264
TOTAL REVENUE	<u>4,234</u>	<u>11,137</u>	<u>(6,903)</u>	<u>189,630</u>	<u>135,649</u>	<u>53,981</u>
EXPENSES						
Convention, plaques and trophies	-	125	(125)	2,077	1,500	577
Convention, printing	-	167	(167)	394	2,000	(1,606)
Convention, miscellaneous	-	83	(83)	(75)	1,000	(1,075)
Convention, awards	-	-	-	8,340	9,000	(660)
Convention, photography	-	-	-	72	-	72
Conventions, meal functions	-	1,000	(1,000)	45,878	12,000	33,878
Convention, promotion and marketing	-	83	(83)	-	1,000	(1,000)
Convention, postage and shipping	471	167	304	5,183	2,000	3,183
Convention, equipment rental	-	667	(667)	20,139	8,000	12,139
Convention, workshops	-	-	-	-	-	-
Convention, host state social	-	-	-	-	-	-
Convention, speakers	-	-	-	-	-	-
Convention, trade show expense	-	-	-	-	-	-
Convention, tour expenses	-	-	-	-	-	-
Convention, committee expense	-	245	(245)	1,681	2,940	(1,259)
Convention, sponsorships - FFA Foundation	7,765	2,083	5,682	7,765	25,000	(17,235)
Convention, travel/board of directors	-	1,000	(1,000)	11,586	12,000	(414)
Convention, staff travel	-	750	(750)	16,690	9,000	7,690
Convention, other travel	-	-	-	-	-	-
TOTAL EXPENSES	<u>8,236</u>	<u>6,370</u>	<u>1,866</u>	<u>119,730</u>	<u>85,440</u>	<u>34,290</u>
NET INCOME (LOSS)	<u>\$ (4,002)</u>	<u>\$ 4,767</u>	<u>\$ (8,769)</u>	<u>\$ 69,900</u>	<u>\$ 50,209</u>	<u>\$ 19,691</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of CASE Program Revenue and Expenses

For the One and Eight Months Ended February 28, 2011

	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	\$ 2,250	\$ -	\$ 2,250	\$ 73,973	\$ -	\$ 73,973
Vendor - Vernier	8,888	-	8,888	172,193	-	172,193
Vendor - NewByte	-	-	-	2,328	-	2,328
Field test fees	-	-	-	2,600	-	2,600
New Jersey	-	-	-	31,822	-	31,822
Interest	19	-	19	479	-	479
FFA Foundation	-	-	-	450	-	450
TOTAL REVENUE	<u>11,157</u>	<u>-</u>	<u>11,157</u>	<u>283,845</u>	<u>-</u>	<u>283,845</u>
EXPENSES						
Legal and professional	-	-	-	3,404	-	3,404
Travel	932	-	932	25,519	-	25,519
Travel - staff	953	-	953	16,922	-	16,922
Contract labor	15,833	-	15,833	110,833	-	110,833
Supplies	-	-	-	1,160	-	1,160
Promotion	-	-	-	3,197	-	3,197
Printing	-	-	-	-	-	-
Postage	-	-	-	949	-	949
Telecommunications	-	-	-	67	-	67
Vernier	10,844	-	10,844	158,714	-	158,714
NewByte	-	-	-	818	-	818
Carthage	-	-	-	1,362	-	1,362
Carthage contract labor	-	-	-	39,862	-	39,862
Field test	-	-	-	18,754	-	18,754
Field test contract labor	-	-	-	7,000	-	7,000
Assesmnets	-	-	-	35,000	-	35,000
Equipment	-	-	-	299	-	299
TOTAL EXPENSES	<u>28,562</u>	<u>-</u>	<u>28,562</u>	<u>423,860</u>	<u>-</u>	<u>423,860</u>
NET INCOME (LOSS)	<u>\$ (17,405)</u>	<u>\$ -</u>	<u>\$ (17,405)</u>	<u>\$ (140,015)</u>	<u>\$ -</u>	<u>\$ (140,015)</u>

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