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

We have compiled the accompanying statement of financial position of National Association of Agricultural Educators, Inc. (a nonprofit organization) as of June 30, 2014 and the related statement of activities for the twelve 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. We 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.

Our 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

August 21, 2014

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Financial Position

June 30, 2014

ASSETS

Cash on deposit	\$ 57,138
Investments - operating fund	582,017
Investments - life membership fund	203,155
Investments - reserve fund	52,724
Accounts receivable	553,986
Prepaid expenses	26,663
Property and equipment - CASE	779
Property and equipment	<u>10,701</u>

TOTAL ASSETS \$ 1,487,163

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$ 293,265
Accrued expenses	30,987
Accrued leave payable	33,802
Deferred revenue	24,600
Other current liabilities	<u>5,689</u>

TOTAL LIABILITIES 388,343

NET ASSETS

Unrestricted net assets:	
Current operation	745,536
Board designated for special purposes	161,561
Temporarily restricted net assets	1,997
CASE Project	<u>189,726</u>

TOTAL NET ASSETS 1,098,820

TOTAL LIABILITIES AND NET ASSETS \$ 1,487,163

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Activities

For the Twelve Months ended June 30, 2014

	<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	\$ 413,387	\$ 3,430	\$ -	\$ -	\$ 416,817
Convention registration	122,817	-	-	-	122,817
Sponsorship and awards	15,863	-	-	-	15,863
Merchandise sales	11,359	-	-	-	11,359
Contributions	-	-	550	-	550
Management fees	93,237	-	-	-	93,237
Net realized and unrealized					
gains (losses) on securities	118,091	-	-	-	118,091
Interest and dividends	23,602	-	-	-	23,602
FFA Foundation projects	147,940	-	-	-	147,940
Case Program income	-	-	-	2,110,229	2,110,229
Other income	461,104	-	-	-	461,104
	<u>1,407,400</u>	<u>3,430</u>	<u>550</u>	<u>2,110,229</u>	<u>3,521,609</u>
Total Revenue, Gains and Losses					
Net Assets Released from Restrictions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenue, Gains and Losses and Reclassifications	<u>1,407,400</u>	<u>3,430</u>	<u>550</u>	<u>2,110,229</u>	<u>3,521,609</u>
Expenses					
General expenses	1,013,012	-	-	-	1,013,012
FFA Foundation projects	126,514	-	-	-	126,514
Case Program expenses	-	-	-	1,929,557	1,929,557
Convention expenses	115,914	-	-	-	115,914
	<u>1,255,440</u>	<u>-</u>	<u>-</u>	<u>1,929,557</u>	<u>3,184,997</u>
Total expenses					
INCREASE (DECREASE) IN NET ASSETS	151,960	3,430	550	180,672	336,612
NET ASSETS AT BEGINNING OF PERIOD	<u>593,576</u>	<u>158,131</u>	<u>1,447</u>	<u>9,054</u>	<u>762,208</u>
NET ASSETS AT END OF PERIOD	<u>\$ 745,536</u>	<u>\$ 161,561</u>	<u>\$ 1,997</u>	<u>\$ 189,726</u>	<u>\$ 1,098,820</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of Actual vs. Budget

For the One and Twelve Months Ended June 30, 2014

	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	\$ 5,269	\$ 31,250	\$ (25,981)	\$ 386,067	\$ 375,005	\$ 11,062
Corporate membership dues	3,000	2,563	437	30,750	30,750	-
NSTA Dues	-	-	-	-	-	-
Delmar scholarships	-	-	-	7,500	-	7,500
Freshman scholarships	-	-	-	-	-	-
Foundation management fees	-	7,500	(7,500)	93,237	90,000	3,237
MBNA affinity credit card program	-	-	-	-	-	-
Toyota vehicle lease management fee	-	-	-	-	-	-
Interest and dividends	107	833	(726)	22,799	10,000	12,799
Net realized and unrealized						
gains (losses) on securities	17,593	-	17,593	118,091	-	118,091
Merchandise sales	3,058	708	2,350	11,359	8,500	2,859
Investment income, Life Fund	252	333	(81)	803	4,000	(3,197)
Contributions, Legislative Fund	-	-	-	550	-	550
Miscellaneous income	-	625	(625)	4,386	7,500	(3,114)
Scholarship raffle proceeds	-	113	(113)	-	1,350	(1,350)
National Teach Ag Campaign	37,548	13,833	23,715	168,126	166,000	2,126
Teacher crisis fund	-	-	-	3,378	-	3,378
BFRDP Grant	10,476	2,333	8,143	67,529	28,000	39,529
AEM business manager stipend	-	333	(333)	4,000	4,000	-
Webinar revenue	-	-	-	-	-	-
DuPont Agriscience	36,551	-	36,551	123,663	-	123,663
NPS	-	-	-	-	-	-
State website development	-	-	-	-	-	-
Hurricane relief	-	-	-	-	-	-
Credit card revenue	-	-	-	95	-	95
F2F revenue	-	-	-	15,000	-	15,000
CASE management fee	-	1,667	(1,667)	20,000	20,000	-
Council MMM management fee	-	417	(417)	5,000	5,000	-
C O P	-	-	-	5,460	-	5,460
FFA Foundation project - TTTK	474	3,875	(3,401)	48,891	46,500	2,391
FFA Foundation project - OPAP	895	1,000	(105)	7,496	12,000	(4,504)
FFA Foundation project - OMSP	-	1,000	(1,000)	7,571	12,000	(4,429)
FFA Foundation project - OT	376	917	(541)	6,699	11,000	(4,301)
FFA Foundation project - OYM	-	917	(917)	5,803	11,000	(5,197)
FFA Foundation project - Lifetime Achievement	-	208	(208)	19,300	2,500	16,800
FFA Foundation project - Outstanding Service Citation	-	205	(205)	1,625	2,460	(835)
FFA Foundation teacher workshop	-	-	-	3,346	-	3,346
FFA Foundation internet café	-	500	(500)	8,352	6,000	2,352
FFA Foundation Pfizer classroom	-	833	(833)	-	10,000	(10,000)
FFA Foundation Regional Grants Revenue	-	1,500	(1,500)	-	18,000	(18,000)
FFA Foundation Agriscience Teacher	-	1,562	(1,562)	14,768	18,740	(3,972)
FFA Foundation NATAA/NAII	-	10,000	(10,000)	-	120,000	(120,000)
FFA Foundation project - XLR8	-	-	-	24,089	-	24,089
CASE program net income	61,138	-	61,138	180,672	-	180,672
Convention net income	-	5,112	(5,112)	59,733	52,360	7,373
TOTAL REVENUE	176,737	90,137	86,600	1,476,138	1,072,665	403,473
EXPENSES						
Salaries	27,266	26,411	855	327,465	316,929	10,536
Taxes and benefits	9,448	5,954	3,494	82,087	71,443	10,644
Computer service	1,455	625	830	8,182	7,500	682
Telephone	548	333	215	6,403	4,000	2,403
Accounting	500	1,104	(604)	13,500	13,250	250
Depreciation	525	333	192	3,431	4,000	(569)
Rent	-	625	(625)	2,500	7,500	(5,000)
Insurance	2,282	375	1,907	7,880	4,500	3,380
Legal	-	83	(83)	-	1,000	(1,000)
Office Supplies	1,701	667	1,034	7,709	8,000	(291)
Bank charges and investment fees	-	8	(8)	7,256	100	7,156
Printing, general	173	417	(244)	1,696	5,000	(3,304)
Staff training	44	42	2	336	500	(164)
Taxes and licenses	20	8	12	111	100	11
Membership and contributions	1,665	1,667	(2)	16,383	20,000	(3,617)
Travel, staff	9,176	2,083	7,093	30,441	25,000	5,441
Promotion and marketing	-	1,000	(1,000)	13,222	12,000	1,222
Merchandise and diaries	-	500	(500)	2,423	6,000	(3,577)
Photocopying	-	8	(8)	71	100	(29)
Postage, general	1,820	500	1,320	6,687	6,000	687
Professional liability insurance	-	3,061	(3,061)	36,485	36,735	(250)
Public relations	-	50	(50)	605	600	5

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of Actual vs. Budget

For the One and Twelve Months Ended June 30, 2014

	<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>
	(Continued)					
Scholarships	-	938	(938)	11,250	11,250	-
Travel, regional secretaries	3,041	1,042	1,999	12,736	12,500	236
Travel, board of directors	7,889	2,917	4,972	38,460	35,000	3,460
Nat'l Teach Ag Campaign	5,300	12,000	(6,700)	68,176	144,000	(75,824)
FFA Foundation project - TTTK	474	3,875	(3,401)	50,935	46,500	4,435
FFA Foundation project - OPAP	376	1,000	(624)	6,829	12,000	(5,171)
FFA Foundation project - OMSP	-	1,000	(1,000)	8,221	12,000	(3,779)
FFA Foundation project - OT	376	917	(541)	6,928	11,000	(4,072)
FFA Foundation project - OYM	-	917	(917)	5,156	11,000	(5,844)
FFA Foundation project - Lifetime achievement	-	208	(208)	19,300	2,500	16,800
FFA Foundation project - Outstanding service citation	-	205	(205)	1,300	2,460	(1,160)
FFA Foundation project - Smart Edge	-	-	-	-	-	-
FFA Foundation teacher workshop	-	-	-	3,859	-	3,859
FFA Foundation internet café	-	500	(500)	9,218	6,000	3,218
FFA Foundation Pfizer Classroom	-	833	(833)	-	10,000	(10,000)
FFA Foundation Regional Grants	-	1,500	(1,500)	-	18,000	(18,000)
FFA Foundation Agriscience Teachers	-	1,562	(1,562)	14,768	18,740	(3,972)
FFA Foundation NATAA/NAII	-	10,000	(10,000)	-	120,000	(120,000)
FFA Foundation XLR8	-	-	-	18,479	-	18,479
DuPont Agriscience	39,213	-	39,213	105,883	-	105,883
GMAC SmartEdge program	-	-	-	-	-	-
NPS expense	-	833	(833)	10,542	10,000	542
Webinar expense	99	100	(1)	990	1,200	(210)
Teacher crisis fund	1,500	-	1,500	8,000	-	8,000
Communities of practice expense	-	917	(917)	17,391	11,000	6,391
Substitute teacher hire behinds	-	250	(250)	299	3,000	(2,701)
NSTA dues	-	-	-	-	-	-
Bad debts	-	-	-	-	-	-
Website	1,139	-	1,139	50,166	-	50,166
NATAA stipends	-	-	-	750	-	750
BFRDP expense	1,875	-	1,875	1,875	10,000	(8,125)
BFPD contract labor	-	-	-	22,500	-	22,500
Contract labor	-	-	-	67,160	-	67,160
Storage	-	-	-	1,055	-	1,055
Credit card expense	170	-	170	400	-	400
Miscellaneous	-	-	-	2,027	-	2,027
TOTAL EXPENSES	<u>118,075</u>	<u>87,368</u>	<u>30,707</u>	<u>1,139,526</u>	<u>1,058,407</u>	<u>81,119</u>
NET INCOME (LOSS)	<u>\$ 58,662</u>	<u>\$ 2,769</u>	<u>\$ 55,893</u>	<u>\$ 336,612</u>	<u>\$ 14,258</u>	<u>\$ 322,354</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.
Schedule of Convention Revenue and Expenses
For the One and Twelve Months Ended June 30, 2014.

	<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	\$ -	\$ 7,900	\$ (7,900)	\$ 122,817	\$ 94,800	\$ 28,017
Convention, tickets/workshops	-	958	(958)	-	11,500	(11,500)
Convention, trade show	-	-	-	900	-	900
Convention - Ideas Unlimited	-	-	-	-	-	-
Convention - Teacher Mentor	-	-	-	-	-	-
Convention scholarship fund	-	-	-	1,494	-	1,494
Convention, sponsorships - FFA Foundation	-	4,167	(4,167)	34,573	50,000	(15,427)
Convention, host state social	-	-	-	-	-	-
Convention, sponsorships	-	1,458	(1,458)	15,863	17,500	(1,637)
TOTAL REVENUE	<u>-</u>	<u>14,483</u>	<u>(14,483)</u>	<u>175,647</u>	<u>173,800</u>	<u>1,847</u>
EXPENSES						
Convention, plaques and trophies	-	167	(167)	2,855	2,000	855
Convention, printing	-	-	-	1,627	-	1,627
Convention, miscellaneous	-	-	-	222	-	222
Convention, awards	-	-	-	6,695	9,000	(2,305)
Convention, photography	-	-	-	-	-	-
Convention, meal functions	-	417	(417)	11,422	5,000	6,422
Convention, promotion and marketing	-	208	(208)	5,600	2,500	3,100
Convention, postage and shipping	-	167	(167)	5,758	2,000	3,758
Convention, equipment rental	-	1,250	(1,250)	19,099	15,000	4,099
Convention, workshops	-	958	(958)	-	11,500	(11,500)
Convention, host state social	-	-	-	-	-	-
Convention, speakers	-	-	-	-	-	-
Convention, trade show expense	-	-	-	-	-	-
Convention, tour expenses	-	-	-	-	-	-
Convention, committee expense	-	245	(245)	2,373	2,940	(567)
Convention, sponsorships - FFA Foundation	-	4,167	(4,167)	39,073	50,000	(10,927)
Convention, travel/board of directors	-	1,167	(1,167)	13,361	14,000	(639)
Convention, staff travel	-	625	(625)	7,829	7,500	329
Convention, other travel	-	-	-	-	-	-
TOTAL EXPENSES	<u>-</u>	<u>9,371</u>	<u>(9,371)</u>	<u>115,914</u>	<u>121,440</u>	<u>(5,526)</u>
NET INCOME (LOSS)	<u>\$ -</u>	<u>\$ 5,112</u>	<u>\$ (5,112)</u>	<u>\$ 59,733</u>	<u>\$ 52,360</u>	<u>\$ 7,373</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of Case Program Revenue and Expenses

For the One and Twelve Months Ended June 30, 2014

	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						
CI fees	\$ 217,612	\$ -	\$ 217,612	\$ 871,524	\$ -	\$ 871,524
Vendor - Vernier	105,388	-	105,388	711,748	-	711,748
Vendor - NewByte	6,199	-	6,199	18,550	-	18,550
Vendor - Bio-Rad	-	-	-	58,747	-	58,747
Field test fees	-	-	-	55,800	-	55,800
New Jersey	-	-	-	-	-	-
NRES	2,500	-	2,500	77,710	-	77,710
APB	-	-	-	50,589	-	50,589
APT	39,271	-	39,271	50,754	-	50,754
Royalty - Cengage	4,772	-	4,772	33,794	-	33,794
Royalty - Ward's	-	-	-	5,676	-	5,676
FSS revenue	33,860	-	33,860	174,405	-	174,405
Assesments - ASP	-	-	-	432	-	432
Assesments - ASA	-	-	-	-	-	-
Replacement CD	50	-	50	500	-	500
Interest	-	-	-	-	-	-
FFA Foundation	-	-	-	-	-	-
TOTAL REVENUE	<u>409,652</u>	<u>-</u>	<u>409,652</u>	<u>2,110,229</u>	<u>-</u>	<u>2,110,229</u>
EXPENSES						
Legal and professional	-	-	-	-	-	-
Council assessment	-	-	-	9,675	-	9,675
Travel	48,441	-	48,441	84,658	-	84,658
Travel - staff	11,254	-	11,254	35,179	-	35,179
Salary	4,906	-	4,906	47,862	-	47,862
Taxes and benefits	613	-	613	10,493	-	10,493
Contract labor	43,615	-	43,615	355,588	-	355,588
Supplies	744	-	744	6,750	-	6,750
Promotion	1,919	-	1,919	25,688	-	25,688
Printing	58	-	58	2,386	-	2,386
Postage	229	-	229	1,057	-	1,057
Telecommunications	-	-	-	122	-	122
Rutgers	-	-	-	-	-	-
Vernier	92,735	-	92,735	625,054	-	625,054
NewByte	3,148	-	3,148	8,910	-	8,910
Bio-Rad	-	-	-	58,241	-	58,241
Carthage	-	-	-	-	-	-
Carthage contract labor	75,525	-	75,525	153,525	-	153,525
Field test	1,500	-	1,500	3,370	-	3,370
Field test contract labor	-	-	-	-	-	-
CI scholarships	7,038	-	7,038	224,420	-	224,420
APT contract labor	2,500	-	2,500	2,500	-	2,500
NRES	-	-	-	124,080	-	124,080
APB	-	-	-	27,556	-	27,556
FSS	19,906	-	19,906	56,785	-	56,785
APT	26,490	-	26,490	31,905	-	31,905
Assesmnets	-	-	-	-	-	-
Royalty expense - Cengage	3,691	-	3,691	29,404	-	29,404
Case management fee	-	-	-	-	-	-
Bank charges	-	-	-	-	-	-
CI mentor	4,168	-	4,168	4,168	-	4,168
Credit card expense	25	-	25	25	-	25
Depreciation	9	-	9	114	-	114
Equipment	-	-	-	42	-	42
TOTAL EXPENSES	<u>348,514</u>	<u>-</u>	<u>348,514</u>	<u>1,929,557</u>	<u>-</u>	<u>1,929,557</u>
NET INCOME (LOSS)	<u>\$ 61,138</u>	<u>\$ -</u>	<u>\$ 61,138</u>	<u>\$ 180,672</u>	<u>\$ -</u>	<u>\$ 180,672</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT