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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 April 30, 2015 and the related statement of activities for the ten 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

May 29, 2015

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Financial Position

April 30, 2015

ASSETS

Cash on deposit	\$ 140,935
Investments - operating fund	610,340
Investments - life membership fund	211,973
Investments - reserve fund	2,723
Accounts receivable	390,440
Prepaid expenses	480,491
Property and equipment - CASE	684
Property and equipment	<u>8,207</u>

TOTAL ASSETS \$ 1,845,793

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$ 215,833
Accrued leave payable	33,802
Other current liabilities	<u>7,429</u>

TOTAL LIABILITIES 257,064

NET ASSETS

Unrestricted net assets:	
Current operation	1,064,340
Board designated for special purposes	207,445
Temporarily restricted net assets	480
CASE Project	<u>316,464</u>

TOTAL NET ASSETS 1,588,729

TOTAL LIABILITIES AND NET ASSETS \$ 1,845,793

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Activities

For the Ten Months ended April 30, 2015

	<u>Unrestricted</u>		Temporarily <u>Restricted</u>	CASE <u>Project</u>	<u>Total</u>
	<u>Current Operations</u>	<u>Board Designated</u>			
Revenue, Gains and Losses					
Membership dues	\$ 399,175	\$ 4,290	\$ -	\$ -	\$ 403,465
Convention registration	108,443	-	-	-	108,443
Sponsorship and awards	10,850	-	-	-	10,850
Merchandise sales	2,599	-	-	-	2,599
Contributions	-	-	480	-	480
Management fees	34,096	-	-	-	34,096
Net realized and unrealized gains (losses) on securities	(213)	-	-	-	(213)
Interest and dividends	43,298	-	-	-	43,298
FFA Foundation projects	177,547	-	-	-	177,547
CASE Program income	-	-	-	1,628,986	1,628,986
Other income	375,256	-	-	-	375,256
	<u>1,151,051</u>	<u>4,290</u>	<u>480</u>	<u>1,628,986</u>	<u>2,784,807</u>
Total Revenue, Gains and Losses	1,151,051	4,290	480	1,628,986	2,784,807
Net Assets Released from Restrictions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenue, Gains and Losses and Reclassifications	<u>1,151,051</u>	<u>4,290</u>	<u>480</u>	<u>1,628,986</u>	<u>2,784,807</u>
Expenses					
General expenses	709,336	-	-	-	709,336
FFA Foundation projects	47,517	-	-	-	47,517
CASE Program expenses	-	-	-	1,502,247	1,502,247
Convention expenses	35,796	-	-	-	35,796
	<u>792,649</u>	<u>-</u>	<u>-</u>	<u>1,502,247</u>	<u>2,294,896</u>
Total expenses	792,649	-	-	1,502,247	2,294,896
INCREASE (DECREASE) IN NET ASSETS	358,402	4,290	480	126,739	489,911
NET ASSETS AT BEGINNING OF PERIOD	<u>705,938</u>	<u>203,155</u>	<u>-</u>	<u>189,725</u>	<u>1,098,818</u>
NET ASSETS AT END OF PERIOD	<u>\$ 1,064,340</u>	<u>\$ 207,445</u>	<u>\$ 480</u>	<u>\$ 316,464</u>	<u>\$ 1,588,729</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of Actual vs. Budget

For the One and Ten Months Ended April 30, 2015

	<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>
REVENUE						
Member dues	\$ 5,840	\$ 31,385	\$ (25,545)	\$ 388,315	\$ 376,615	\$ 11,700
Corporate membership dues	3,000	2,500	500	15,150	30,000	(14,850)
NSTA Dues	-	-	-	-	-	-
Delmar scholarships	-	625	(625)	-	7,500	(7,500)
Freshman scholarships	-	-	-	-	-	-
Foundation management fees	-	7,083	(7,083)	34,096	85,000	(50,904)
MBNA affinity credit card program	-	-	-	-	-	-
Toyota vehicle lease management fee	-	-	-	-	-	-
Interest and dividends	203	1,667	(1,464)	32,654	20,000	12,654
Net realized and unrealized						
gains (losses) on securities	5,613	-	5,613	(213)	-	(213)
Merchandise sales	478	708	(230)	2,599	8,500	(5,901)
Investment income, Life Fund	116	42	74	10,644	500	10,144
Contributions, Legislative Fund	-	-	-	480	-	480
Miscellaneous income	-	417	(417)	1,271	5,000	(3,729)
Scholarship raffle proceeds	-	125	(125)	-	1,500	(1,500)
National Teach Ag Campaign	35,834	13,833	22,001	132,197	166,000	(33,803)
Teacher Ag non-foundation revenue	-	-	-	3,116	-	3,116
Teacher crisis fund	-	-	-	1,713	-	1,713
BFRDP Grant	-	2,500	(2,500)	12,797	30,000	(17,203)
AEM business manager stipend	-	333	(333)	-	4,000	(4,000)
AEM subscriptions	-	-	-	10	-	10
Webinar revenue	-	-	-	-	-	-
DuPont Agriscience	14,200	-	14,200	100,119	-	100,119
NPS	-	-	-	465	-	465
State website development	-	-	-	-	-	-
Hurricane relief	-	-	-	-	-	-
Credit card revenue	-	-	-	-	-	-
F2F revenue	-	-	-	-	15,000	(15,000)
CASE management fee	-	2,000	(2,000)	-	24,000	(24,000)
Council MMM management fee	-	417	(417)	-	5,000	(5,000)
C O P	-	-	-	62,735	24,600	38,135
FFA Foundation project - TTTK	-	3,875	(3,875)	68,245	46,500	21,745
FFA Foundation project - OPAP	-	1,000	(1,000)	7,981	12,000	(4,019)
FFA Foundation project - OMSP	-	1,000	(1,000)	10,944	12,000	(1,056)
FFA Foundation project - OT	-	917	(917)	12,677	11,000	1,677
FFA Foundation project - OYM	-	917	(917)	14,813	11,000	3,813
FFA Foundation project - Lifetime Achievement	-	208	(208)	19,625	2,500	17,125
FFA Foundation project - Outstanding Service Citation	-	205	(205)	975	2,460	(1,485)
FFA Foundation teacher workshop	-	958	(958)	5,001	11,500	(6,499)
FFA Foundation internet café	-	-	-	-	-	-
FFA Foundation Pfizer classroom	-	-	-	-	-	-
FFA Foundation Regional Grants Revenue	-	1,500	(1,500)	-	18,000	(18,000)
FFA Foundation Agriscience Teacher	-	1,562	(1,562)	10,368	18,740	(8,372)
FFA Foundation NATAA/NAII	-	10,000	(10,000)	-	120,000	(120,000)
FFA Foundation project - XLR8	-	2,000	(2,000)	26,918	24,000	2,918
CASE program net income	1,800	-	1,800	126,739	-	126,739
Convention net income	-	4,587	(4,587)	144,330	48,050	96,280
TOTAL REVENUE	67,084	92,364	(25,280)	1,246,764	1,140,965	105,799
EXPENSES						
Salaries	29,191	28,050	1,141	296,264	336,594	(40,330)
Taxes and benefits	8,239	7,037	1,202	68,143	84,448	(16,305)
Computer service	712	625	87	6,391	7,500	(1,109)
Telephone	243	333	(90)	1,997	4,000	(2,003)
Accounting	650	1,317	(667)	6,500	15,800	(9,300)
Depreciation	249	333	(84)	2,493	4,000	(1,507)
Rent	-	625	(625)	-	7,500	(7,500)
Insurance	459	542	(83)	13,363	6,500	6,863
Legal	-	83	(83)	-	1,000	(1,000)

(Continued)

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of Actual vs. Budget

For the One and Ten Months Ended April 30, 2015

	<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>
Office Supplies	29	667	(638)	1,311	8,000	(6,689)
Bank charges and investment fees	1,997	8	1,989	5,943	100	5,843
Printing, general	-	417	(417)	1,602	5,000	(3,398)
Staff training	-	42	(42)	250	500	(250)
Taxes and licenses	-	8	(8)	15	100	(85)
Membership and contributions	140	1,417	(1,277)	17,687	17,000	687
Travel, staff	1,184	2,083	(899)	2,504	25,000	(22,496)
Promotion and marketing	-	1,000	(1,000)	2,534	12,000	(9,466)
Merchandise and diaries	40	500	(460)	2,039	6,000	(3,961)
Photocopying	-	8	(8)	-	100	(100)
Postage, general	124	500	(376)	1,991	6,000	(4,009)
Professional liability insurance	-	3,041	(3,041)	36,810	36,495	315
Public relations	-	83	(83)	-	1,000	(1,000)
Scholarships	-	813	(813)	11,250	9,750	1,500
Travel, regional secretaries	1,392	1,167	225	6,257	14,000	(7,743)
Travel, board of directors	2,358	2,917	(559)	14,040	35,000	(20,960)
Nat'l Teach Ag Campaign	7,117	11,167	(4,050)	136,709	134,000	2,709
FFA Foundation project - TTTK	-	3,875	(3,875)	5,318	46,500	(41,182)
FFA Foundation project - OPAP	-	1,000	(1,000)	2,219	12,000	(9,781)
FFA Foundation project - OMSP	-	1,000	(1,000)	2,011	12,000	(9,989)
FFA Foundation project - OT	-	917	(917)	1,864	11,000	(9,136)
FFA Foundation project - OYM	-	917	(917)	304	11,000	(10,696)
FFA Foundation project - Lifetime achievement	-	208	(208)	15,000	2,500	12,500
FFA Foundation project - Outstanding service citation	-	205	(205)	-	2,460	(2,460)
FFA Foundation project - Smart Edge	-	-	-	-	-	-
FFA Foundation teacher workshop	-	958	(958)	6,851	11,500	(4,649)
FFA Foundation internet café	-	-	-	-	-	-
FFA Foundation Pfizer Classroom	-	-	-	-	-	-
FFA Foundation Regional Grants	-	1,500	(1,500)	3,000	18,000	(15,000)
FFA Foundation Agriscience Teachers	-	1,562	(1,562)	10,950	18,740	(7,790)
FFA Foundation NATAA/NAII	-	-	-	-	-	-
FFA Foundation XLR8	-	2,000	(2,000)	6,056	24,000	(17,944)
DuPont Agriscience	-	-	-	6,585	-	6,585
GMAC SmartEdge program	-	-	-	-	-	-
NPS expense	3,000	833	2,167	3,488	10,000	(6,512)
Webinar expense	-	100	(100)	601	1,200	(599)
Teacher crisis fund	800	-	800	4,300	-	4,300
Communities of practice expense	-	1,667	(1,667)	22,191	20,000	2,191
Substitute teacher hire behinds	-	125	(125)	-	1,500	(1,500)
NSTA dues	-	-	-	-	-	-
Bad debts	-	-	-	-	-	-
Website	1,328	-	1,328	11,933	-	11,933
NATAA stipends	-	-	-	8,625	120,000	(111,375)
BFRDP expense	-	-	-	-	2,500	(2,500)
BFPD contract labor	-	-	-	7,500	-	7,500
Contract labor	-	-	-	-	-	-
Storage	-	-	-	-	-	-
Credit card expense	181	-	181	1,890	-	1,890
Ag Ed opportunity fund	-	-	-	-	-	-
Miscellaneous	-	-	-	74	-	74
TOTAL EXPENSES	<u>59,433</u>	<u>81,650</u>	<u>(22,217)</u>	<u>756,853</u>	<u>1,102,287</u>	<u>(345,434)</u>
NET INCOME (LOSS)	<u>\$ 7,651</u>	<u>\$ 10,714</u>	<u>\$ (3,063)</u>	<u>\$ 489,911</u>	<u>\$ 38,678</u>	<u>\$ 451,233</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.
Schedule of Convention Revenue and Expenses
For the One and Ten Months Ended April 30, 2015

	<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	\$ -	\$ 8,333	\$ (8,333)	\$ 108,443	\$ 100,000	\$ 8,443
Convention, tickets/workshops	-	-	-	-	-	-
Convention, trade show	-	-	-	1,810	-	1,810
Convention - Ideas Unlimited	-	-	-	-	-	-
Convention - Teacher Mentor	-	-	-	-	-	-
Convention scholarship fund	-	-	-	1,486	-	1,486
Convention, sponsorships - FFA Foundation	-	2,917	(2,917)	48,640	35,000	13,640
Convention, host state social	-	-	-	8,897	-	8,897
Convention, sponsorships	-	1,333	(1,333)	10,850	16,000	(5,150)
TOTAL REVENUE	-	12,583	(12,583)	180,126	151,000	29,126
EXPENSES						
Convention, plaques and trophies	-	242	(242)	4,765	2,900	1,865
Convention, printing	-	-	-	1,854	-	1,854
Convention, miscellaneous	-	-	-	-	-	-
Convention, awards	-	-	-	5,175	7,000	(1,825)
Convention, photography	-	-	-	-	-	-
Convention, meal functions	-	833	(833)	2,535	10,000	(7,465)
Convention, promotion and marketing	-	208	(208)	3,325	2,500	825
Convention, postage and shipping	-	167	(167)	-	2,000	(2,000)
Convention, equipment rental	-	1,500	(1,500)	-	18,000	(18,000)
Convention, workshops	-	-	-	-	-	-
Convention, host state social	-	-	-	8,890	-	8,890
Convention, speakers	-	-	-	-	-	-
Convention, trade show expense	-	-	-	-	-	-
Convention, tour expenses	-	-	-	-	-	-
Convention, committee expense	-	379	(379)	2,112	4,550	(2,438)
Convention, sponsorships - FFA Foundation	-	2,917	(2,917)	-	35,000	(35,000)
Convention, travel/board of directors	-	1,167	(1,167)	4,422	14,000	(9,578)
Convention, staff travel	-	583	(583)	2,718	7,000	(4,282)
Convention, other travel	-	-	-	-	-	-
TOTAL EXPENSES	-	7,996	(7,996)	35,796	102,950	(67,154)
NET INCOME (LOSS)	\$ -	\$ 4,587	\$ (4,587)	\$ 144,330	\$ 48,050	\$ 96,280

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of CASE Program Revenue and Expenses

For the One and Ten Months Ended April 30, 2015

	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	\$ -	\$ -	\$ -	\$ 254,707	\$ -	\$ 254,707
Vendor - Vernier	175,805	-	175,805	771,537	-	771,537
Vendor - NewByte	3,110	-	3,110	12,874	-	12,874
Vendor - Bio-Rad	-	-	-	13,642	-	13,642
Field test fees	25,000	-	25,000	87,640	-	87,640
New Jersey	-	-	-	-	-	-
NRES	6,250	-	6,250	84,149	-	84,149
APB	-	-	-	-	-	-
APT	8,943	-	8,943	116,810	-	116,810
ASP	-	-	-	700	-	700
Capstone Revenue	11,401	-	11,401	91,209	-	91,209
Royalty - Cengage	1,562	-	1,562	45,328	-	45,328
Royalty - Ward's	-	-	-	-	-	-
FSS revenue	9,305	-	9,305	132,108	-	132,108
Assessments - ASP	-	-	-	-	-	-
Assessments - ASA	-	-	-	-	-	-
G.W. Publications	-	-	-	968	-	968
Online	-	-	-	16,842	-	16,842
Merchandise	-	-	-	272	-	272
Replacement CD	-	-	-	200	-	200
Interest	-	-	-	-	-	-
FFA Foundation	-	-	-	-	-	-
TOTAL REVENUE	241,376	-	241,376	1,628,986	-	1,628,986
EXPENSES						
Legal and professional	-	-	-	-	-	-
Council assessment	-	-	-	11,675	-	11,675
Travel	14,209	-	14,209	25,785	-	25,785
Travel - staff	114	-	114	3,875	-	3,875
Salary	4,184	-	4,184	41,844	-	41,844
Taxes and benefits	763	-	763	8,716	-	8,716
Contract labor	56,594	-	56,594	519,838	-	519,838
Supplies	-	-	-	(145)	-	(145)
Promotion	-	-	-	10,731	-	10,731
Printing	-	-	-	2,451	-	2,451
Postage	149	-	149	140	-	140
Telecommunications	-	-	-	-	-	-
Rutgers	-	-	-	-	-	-
Vernier	156,818	-	156,818	677,491	-	677,491
NewByte	576	-	576	4,672	-	4,672
Bio-Rad	-	-	-	76	-	76
Carthage	-	-	-	-	-	-
Carthage contract labor	-	-	-	118,725	-	118,725
Field test	-	-	-	-	-	-
Field test contract labor	-	-	-	-	-	-
CI scholarships	-	-	-	2,657	-	2,657
APT contract labor	-	-	-	-	-	-
NRES	-	-	-	2,782	-	2,782
APB	-	-	-	-	-	-
FSS	-	-	-	12,524	-	12,524
APT	559	-	559	1,522	-	1,522
ARD	3,091	-	3,091	3,091	-	3,091
ESI	1,250	-	1,250	1,250	-	1,250
G.W. Publications	-	-	-	909	-	909
Online expense	-	-	-	750	-	750
Assesmnts	-	-	-	-	-	-
Royalty expense - Cengage	1,259	-	1,259	44,143	-	44,143
Case management fee	-	-	-	-	-	-
Bank charges	-	-	-	-	-	-
CI Mentor contract labor	-	-	-	6,500	-	6,500
CI mentor	-	-	-	150	-	150
Credit card expense	-	-	-	-	-	-
Depreciation	10	-	10	95	-	95
Equipment	-	-	-	-	-	-
TOTAL EXPENSES	239,576	-	239,576	1,502,247	-	1,502,247
NET INCOME (LOSS)	\$ 1,800	\$ -	\$ 1,800	\$ 126,739	\$ -	\$ 126,739

SEE ACCOMPANYING ACCOUNTANT'S REPORT