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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 May 31, 2015 and the related statement of activities for the eleven 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

June 24, 2015

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Financial Position

May 31, 2015

ASSETS

Cash on deposit	\$ 87,824
Investments - operating fund	614,460
Investments - life membership fund	213,212
Investments - reserve fund	2,723
Accounts receivable	567,493
Prepaid expenses	578,320
Property and equipment - CASE	675
Property and equipment	<u>7,959</u>

TOTAL ASSETS \$ 2,072,666

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$ 178,618
Accrued leave payable	33,802
Other current liabilities	<u>9,391</u>

TOTAL LIABILITIES 221,811

NET ASSETS

Unrestricted net assets:	
Current operation	1,299,293
Board designated for special purposes	207,445
Temporarily restricted net assets	480
CASE Project	<u>343,637</u>

TOTAL NET ASSETS 1,850,855

TOTAL LIABILITIES AND NET ASSETS \$ 2,072,666

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Activities

For the Eleven Months ended May 31, 2015

	Unrestricted				
	Current Operations	Board Designated	Temporarily Restricted	CASE Project	Total
Revenue, Gains and Losses					
Membership dues	\$ 418,020	\$ 4,290	\$ -	\$ -	\$ 422,310
Convention registration	108,443	-	-	-	108,443
Sponsorship and awards	10,850	-	-	-	10,850
Merchandise sales	4,272	-	-	-	4,272
Contributions	-	-	480	-	480
Management fees	86,096	-	-	-	86,096
Net realized and unrealized gains (losses) on securities	4,714	-	-	-	4,714
Interest and dividends	43,730	-	-	-	43,730
FFA Foundation projects	190,189	-	-	-	190,189
CASE Program income	-	-	-	1,784,701	1,784,701
Other income	596,977	-	-	-	596,977
	1,463,291	4,290	480	1,784,701	3,252,762
Total Revenue, Gains and Losses					
Net Assets Released from Restrictions	-	-	-	-	-
Total Revenue, Gains and Losses and Reclassifications	1,463,291	4,290	480	1,784,701	3,252,762
Expenses					
General expenses	785,513	-	-	-	785,513
FFA Foundation projects	48,566	-	-	-	48,566
CASE Program expenses	-	-	-	1,630,789	1,630,789
Convention expenses	35,857	-	-	-	35,857
	869,936	-	-	1,630,789	2,500,725
Total expenses					
INCREASE (DECREASE) IN NET ASSETS	593,355	4,290	480	153,912	752,037
NET ASSETS AT BEGINNING OF PERIOD	705,938	203,155	-	189,725	1,098,818
NET ASSETS AT END OF PERIOD	\$ 1,299,293	\$ 207,445	\$ 480	\$ 343,637	\$ 1,850,855

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of Actual vs. Budget

For the One and Eleven Months Ended May 31, 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	\$ 18,845	\$ 31,385	\$ (12,540)	\$ 407,160	\$ 376,615	\$ 30,545
Corporate membership dues	-	2,500	(2,500)	15,150	30,000	(14,850)
NSTA Dues	-	-	-	-	-	-
Delmar scholarships	-	625	(625)	-	7,500	(7,500)
Freshman scholarships	-	-	-	-	-	-
Foundation management fees	52,000	7,083	44,917	86,096	85,000	1,096
MBNA affinity credit card program	-	-	-	-	-	-
Toyota vehicle lease management fee	-	-	-	-	-	-
Interest and dividends	278	1,667	(1,389)	32,927	20,000	12,927
Net realized and unrealized						
gains (losses) on securities	4,928	-	4,928	4,714	-	4,714
Merchandise sales	1,672	708	964	4,272	8,500	(4,228)
Investment income, Life Fund	158	42	116	10,803	500	10,303
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	69,661	13,833	55,828	201,858	166,000	35,858
Teacher Ag non-foundation revenue	-	-	-	3,116	-	3,116
Teacher crisis fund	195	-	195	1,908	-	1,908
BFRDP Grant	-	2,500	(2,500)	12,797	30,000	(17,203)
AEM business manager stipend	4,000	333	3,667	4,000	4,000	-
AEM subscriptions	35	-	35	45	-	45
Webinar revenue	-	-	-	-	-	-
DuPont Agriscience	13,829	-	13,829	113,949	-	113,949
DuPont - non foundation	105,000	-	105,000	105,000	-	105,000
NPS	-	-	-	465	-	465
State website development	-	-	-	-	-	-
Hurricane relief	-	-	-	-	-	-
Credit card revenue	-	-	-	-	-	-
F2F revenue	-	-	-	-	15,000	(15,000)
CASE management fee	24,000	2,000	22,000	24,000	24,000	-
Council MMM management fee	5,000	417	4,583	5,000	5,000	-
C O P	-	-	-	62,735	24,600	38,135
FFA Foundation project - TTTK	5,220	3,875	1,345	73,465	46,500	26,965
FFA Foundation project - OPAP	1,764	1,000	764	9,745	12,000	(2,255)
FFA Foundation project - OMSP	-	1,000	(1,000)	10,944	12,000	(1,056)
FFA Foundation project - OT	1,764	917	847	14,442	11,000	3,442
FFA Foundation project - OYM	3,521	917	2,604	18,334	11,000	7,334
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	372	2,000	(1,628)	27,290	24,000	3,290
CASE program net income	27,398	-	27,398	153,912	-	153,912
Convention net income	(61)	4,587	(4,648)	144,269	48,050	96,219
TOTAL REVENUE	<u>339,579</u>	<u>92,364</u>	<u>247,215</u>	<u>1,586,116</u>	<u>1,140,965</u>	<u>445,151</u>
EXPENSES						
Salaries	38,385	28,050	10,335	334,648	336,594	(1,946)
Taxes and benefits	7,649	7,037	612	75,792	84,448	(8,656)
Computer service	1,125	625	500	7,516	7,500	16
Telephone	492	333	159	2,489	4,000	(1,511)
Accounting	8,650	1,317	7,333	15,150	15,800	(650)
Depreciation	249	333	(84)	2,742	4,000	(1,258)
Rent	-	625	(625)	-	7,500	(7,500)

(Continued)

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of Actual vs. Budget

For the One and Eleven Months Ended May 31, 2015

	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>
Insurance	-	542	(542)	13,363	6,500	6,863
Legal		83	(83)	-	1,000	(1,000)
Office Supplies	45	667	(622)	1,355	8,000	(6,645)
Bank charges and investment fees	-	8	(8)	5,943	100	5,843
Printing, general	487	417	70	2,090	5,000	(2,910)
Staff training	-	42	(42)	250	500	(250)
Taxes and licenses	10	8	2	25	100	(75)
Membership and contributions	-	1,417	(1,417)	17,687	17,000	687
Travel, staff	61	2,083	(2,022)	2,565	25,000	(22,435)
Promotion and marketing	1,380	1,000	380	3,914	12,000	(8,086)
Merchandise and diaries	-	500	(500)	2,039	6,000	(3,961)
Photocopying		8	(8)	-	100	(100)
Postage, general	319	500	(181)	2,310	6,000	(3,690)
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	-	1,167	(1,167)	6,257	14,000	(7,743)
Travel, board of directors	465	2,917	(2,452)	14,505	35,000	(20,495)
Nat'l Teach Ag Campaign	5,175	11,167	(5,992)	141,884	134,000	7,884
FFA Foundation project - TTTK	-	3,875	(3,875)	5,318	46,500	(41,182)
FFA Foundation project - OPAP	264	1,000	(736)	2,483	12,000	(9,517)
FFA Foundation project - OMSP	-	1,000	(1,000)	2,011	12,000	(9,989)
FFA Foundation project - OT	264	917	(653)	2,128	11,000	(8,872)
FFA Foundation project - OYM	521	917	(396)	825	11,000	(10,175)
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	8,883	-	8,883	15,468	-	15,468
GMAC SmartEdge program		-	-	-	-	-
NPS expense	-	833	(833)	3,488	10,000	(6,512)
Webinar expense	-	100	(100)	601	1,200	(599)
Teacher crisis fund	1,500	-	1,500	5,800	-	5,800
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	1,050	-	1,050	12,983	-	12,983
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	253	-	253	2,143	-	2,143
Ag Ed opportunity fund		-	-	-	-	-
Miscellaneous	-	-	-	74	-	74
TOTAL EXPENSES	<u>77,227</u>	<u>81,650</u>	<u>(4,423)</u>	<u>834,079</u>	<u>1,102,287</u>	<u>(268,208)</u>
NET INCOME (LOSS)	<u>\$ 262,352</u>	<u>\$ 10,714</u>	<u>\$ 251,638</u>	<u>\$ 752,037</u>	<u>\$ 38,678</u>	<u>\$ 713,359</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.
Schedule of Convention Revenue and Expenses
For the One and Eleven Months Ended May 31, 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	<u>-</u>	<u>12,583</u>	<u>(12,583)</u>	<u>180,126</u>	<u>151,000</u>	<u>29,126</u>
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	61	583	(522)	2,779	7,000	(4,221)
Convention, other travel	-	-	-	-	-	-
TOTAL EXPENSES	<u>61</u>	<u>7,996</u>	<u>(7,935)</u>	<u>35,857</u>	<u>102,950</u>	<u>(67,093)</u>
NET INCOME (LOSS)	<u>\$ (61)</u>	<u>\$ 4,587</u>	<u>\$ (4,648)</u>	<u>\$ 144,269</u>	<u>\$ 48,050</u>	<u>\$ 96,219</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of CASE Program Revenue and Expenses

For the One and Eleven Months Ended May 31, 2015

	<u>MONTH ACTUAL</u>	<u>MONTH BUDGET</u>	<u>MONTH \$VARIANCE</u>	<u>YEAR TO DATE ACTUAL</u>	<u>YEAR BUDGET</u>	<u>YEAR \$VARIANCE</u>
REVENUE						
CI fees	\$ -	\$ -	\$ -	\$ 254,707	\$ -	\$ 254,707
Vendor - Vernier	73,041	-	73,041	844,578	-	844,578
Vendor - NewByte	874	-	874	13,748	-	13,748
Vendor - Bio-Rad	-	-	-	13,642	-	13,642
Field test fees	19,100	-	19,100	106,740	-	106,740
New Jersey	-	-	-	-	-	-
NRES	6,250	-	6,250	90,399	-	90,399
APB	-	-	-	-	-	-
APT	16,035	-	16,035	132,845	-	132,845
ASP	-	-	-	700	-	700
ESI	5,431	-	5,431	5,431	-	5,431
Capstone Revenue	16,903	-	16,903	108,112	-	108,112
Royalty - Cengage	4,333	-	4,333	49,662	-	49,662
Royalty - Ward's	-	-	-	-	-	-
FSS revenue	9,731	-	9,731	141,840	-	141,840
Assessments - ASP	-	-	-	-	-	-
Assessments - ASA	-	-	-	-	-	-
G.W. Publications	1,326	-	1,326	2,294	-	2,294
Online	2,689	-	2,689	19,531	-	19,531
Merchandise	-	-	-	272	-	272
Replacement CD	-	-	-	200	-	200
Interest	-	-	-	-	-	-
FFA Foundation	-	-	-	-	-	-
TOTAL REVENUE	155,713	-	155,713	1,784,701	-	1,784,701
EXPENSES						
Legal and professional	-	-	-	-	-	-
Council assessment	-	-	-	11,675	-	11,675
Travel	(148)	-	(148)	25,862	-	25,862
Travel - staff	-	-	-	3,875	-	3,875
Salary	4,184	-	4,184	46,029	-	46,029
Taxes and benefits	763	-	763	9,480	-	9,480
Contract labor	56,594	-	56,594	576,432	-	576,432
Supplies	-	-	-	(145)	-	(145)
Promotion	100	-	100	10,831	-	10,831
Printing	-	-	-	2,451	-	2,451
Postage	8	-	8	148	-	148
Telecommunications	-	-	-	-	-	-
Rutgers	-	-	-	-	-	-
Vernier	56,480	-	56,480	733,971	-	733,971
NewByte	1,870	-	1,870	6,542	-	6,542
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	(132)	-	(132)	2,650	-	2,650
APB	-	-	-	-	-	-
FSS	-	-	-	12,524	-	12,524
APT	3,428	-	3,428	4,950	-	4,950
ARD	-	-	-	3,091	-	3,091
ESI	2,500	-	2,500	3,750	-	3,750
G.W. Publications	1,213	-	1,213	2,122	-	2,122
Online expense	-	-	-	750	-	750
Assesmnts	-	-	-	-	-	-
Royalty expense - Cengage	1,446	-	1,446	45,589	-	45,589
Case management fee	-	-	-	-	-	-
Bank charges	-	-	-	-	-	-
CI Mentor contract labor	-	-	-	6,500	-	6,500
CI mentor	-	-	-	150	-	150
Credit card expense	-	-	-	-	-	-
Depreciation	9	-	9	104	-	104
Equipment	-	-	-	-	-	-
TOTAL EXPENSES	128,315	-	128,315	1,630,789	-	1,630,789
NET INCOME (LOSS)	\$ 27,398	\$ -	\$ 27,398	\$ 153,912	\$ -	\$ 153,912

SEE ACCOMPANYING ACCOUNTANT'S REPORT