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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 July 31, 2015 and the related statement of activities for the month 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

November 10, 2015

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Financial Position

July 31, 2015

ASSETS

Cash on deposit	\$ 325,529
Investments - operating fund	614,067
Investments - life membership fund	213,362
Investments - reserve fund	2,723
Accounts receivable	783,489
Inventory	5,000
Prepaid expenses	349
Property and equipment - CASE	656
Property and equipment	<u>12,288</u>

TOTAL ASSETS \$ 1,957,463

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$ 300,233
Accrued leave payable	38,485
Other current liabilities	<u>8,183</u>

TOTAL LIABILITIES 346,901

NET ASSETS

Unrestricted net assets:	
Current operation	775,414
Board designated for special purposes	207,445
Temporarily restricted net assets	480
CASE Project	<u>627,223</u>

TOTAL NET ASSETS 1,610,562

TOTAL LIABILITIES AND NET ASSETS \$ 1,957,463

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Activities

For the Month ended July 31, 2015

	<u>Unrestricted</u>		<u>Temporarily Restricted</u>	<u>CASE Project</u>	<u>Total</u>
	<u>Current Operations</u>	<u>Board Designated</u>			
Revenue, Gains and Losses					
Membership dues	\$ 12,870		\$ -	\$ -	\$ 12,870
Convention registration	-	-	-	-	-
Sponsorship and awards	5,000	-	-	-	5,000
Merchandise sales	1,154	-	-	-	1,154
Contributions	-	-	-	-	-
Management fees	1	-	-	-	1
Net realized and unrealized gains (losses) on securities	11,438	-	-	-	11,438
Interest and dividends	420	-	-	-	420
FFA Foundation projects	26,961	-	-	-	26,961
CASE Program income	-	-	-	518,835	518,835
Other income	61,433	-	-	-	61,433
	<u>119,277</u>	<u>-</u>	<u>-</u>	<u>518,835</u>	<u>638,112</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>119,277</u>	<u>-</u>	<u>-</u>	<u>518,835</u>	<u>638,112</u>
Expenses					
General expenses	94,680	-	-	-	94,680
FFA Foundation projects	-	-	-	-	-
CASE Program expenses	-	-	-	122,339	122,339
Convention expenses	-	-	-	-	-
	<u>94,680</u>	<u>-</u>	<u>-</u>	<u>122,339</u>	<u>217,019</u>
Total expenses					
INCREASE (DECREASE) IN NET ASSETS	24,597	-	-	396,496	421,093
NET ASSETS AT BEGINNING OF PERIOD	<u>750,817</u>	<u>207,445</u>	<u>480</u>	<u>230,727</u>	<u>1,189,469</u>
NET ASSETS AT END OF PERIOD	<u>\$ 775,414</u>	<u>\$ 207,445</u>	<u>\$ 480</u>	<u>\$ 627,223</u>	<u>\$ 1,610,562</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of Actual vs. Budget
For the Month Ended July 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>
REVENUE						
Member dues	\$ 10,620	\$ 31,938	\$ (21,318)	\$ 10,620	\$ 383,260	\$ (372,640)
Corporate membership dues	2,250	2,563	(313)	2,250	30,750	(28,500)
Delmar scholarships	-	625	(625)	-	7,500	(7,500)
Foundation management fees	1	7,333	(7,332)	1	88,000	(87,999)
Interest and dividends	267	1,833	(1,566)	267	22,000	(21,733)
Net realized and unrealized gains (losses) on securities	11,438	-	11,438	11,438		11,438
Merchandise sales	1,154	833	321	1,154	10,000	(8,846)
Investment income, Life Fund	153	42	111	153	500	(347)
Contributions, Legislative Fund	-	-	-	-	-	-
Miscellaneous income	-	833	(833)	-	10,000	(10,000)
Scholarship raffle proceeds	-	125	(125)	-	1,500	(1,500)
National Teach Ag Campaign	3,344	13,833	(10,489)	3,344	166,000	(162,656)
Teacher crisis fund	689	-	689	689		689
BFRDP Grant	-	-	-	-		-
AEM business manager stipend	-	333	(333)	-	4,000	(4,000)
CASE management fee	-	2,000	(2,000)	-	24,000	(24,000)
Council MMM management fee	-	417	(417)	-	5,000	(5,000)
C O P	57,400	-	57,400	57,400		57,400
FFA Foundation project - TTTK	-	3,875	(3,875)	-	46,500	(46,500)
FFA Foundation project - OPAP	-	917	(917)	-	11,000	(11,000)
FFA Foundation project - OMSP	-	917	(917)	-	11,000	(11,000)
FFA Foundation project - OT	-	917	(917)	-	11,000	(11,000)
FFA Foundation project - OYM	-	917	(917)	-	11,000	(11,000)
FFA Foundation project - Lifetime Achievement	18,000	208	17,792	18,000	2,500	15,500
FFA Foundation project - Outstanding Service Citation	-	205	(205)	-	2,460	(2,460)
FFA Foundation teacher workshop	-	958	(958)	-	11,500	(11,500)
FFA Foundation Regional Grants Revenue	-	1,500	(1,500)	-	18,000	(18,000)
FFA Foundation Agriscience Teacher	8,961	1,562	7,399	8,961	18,740	(9,779)
FFA Foundation NATAA/NAII	-	10,000	(10,000)	-	120,000	(120,000)
FFA Foundation project - XLR8	-	2,000	(2,000)	-	24,000	(24,000)
FFA Foundation communities of practice	-	2,733	(2,733)	-	32,800	(32,800)
FFA Foundation convention internet lounge	-	683	(683)	-	8,200	(8,200)
CASE program net income	396,496	-	396,496	396,496	-	396,496
Convention net income	5,000	6,338	(1,338)	5,000	69,050	(64,050)
TOTAL REVENUE	515,773	96,438	419,335	515,773	1,150,260	(634,487)
EXPENSES						
Salaries	32,946	28,806	4,140	32,946	345,675	(312,729)
Taxes and benefits	9,739	7,301	2,438	9,739	87,613	(77,874)
Computer service	1,125	667	458	1,125	8,000	(6,875)
Telephone	323	417	(94)	323	5,000	(4,677)
Accounting	650	1,317	(667)	650	15,800	(15,150)
Depreciation	265	250	15	265	3,000	(2,735)
Rent	5,000	417	4,583	5,000	5,000	-
Insurance	729	667	62	729	8,000	(7,271)
Legal	-	83	(83)	-	1,000	(1,000)
Office Supplies	33	667	(634)	33	8,000	(7,967)
Bank charges and investment fees	2,016	8	2,008	2,016	100	1,916
Printing, general	-	167	(167)	-	2,000	(2,000)
Staff training	-	42	(42)	-	500	(500)
Taxes and licenses	-	8	(8)	-	100	(100)
Membership and contributions	-	1,417	(1,417)	-	17,000	(17,000)
Travel, staff	(709)	2,500	(3,209)	(709)	30,000	(30,709)
Promotion and marketing	549	1,000	(451)	549	12,000	(11,451)
Merchandise and diaries	4,724	208	4,516	4,724	2,500	2,224

(Continued)

Photocopying	-	8	(8)	-	100	(100)
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NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of Actual vs. Budget

For the Month Ended July 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>
Postage, general	645	542	103	645	6,500	(5,855)
Professional liability insurance	-	3,043	(3,043)	-	36,515	(36,515)
Public relations	-	50	(50)	-	600	(600)
Scholarships	11,250	813	10,437	11,250	9,750	1,500
Travel, regional secretaries	-	1,000	(1,000)	-	12,000	(12,000)
Travel, board of directors	3,939	3,083	856	3,939	37,000	(33,061)
Nat'l Teach Ag Campaign	7,414	11,167	(3,753)	7,414	134,000	(126,586)
FFA Foundation project - TTTK	-	3,875	(3,875)	-	46,500	(46,500)
FFA Foundation project - OPAP	-	917	(917)	-	11,000	(11,000)
FFA Foundation project - OMSP	-	917	(917)	-	11,000	(11,000)
FFA Foundation project - OT	-	917	(917)	-	11,000	(11,000)
FFA Foundation project - OYM	-	917	(917)	-	11,000	(11,000)
FFA Foundation project - Lifetime achievement	-	208	(208)	-	2,500	(2,500)
FFA Foundation project - Outstanding service citation	-	205	(205)	-	2,460	(2,460)
FFA Foundation teacher workshop	-	958	(958)	-	11,500	(11,500)
FFA Foundation Regional Grants	-	-	-	-	-	-
FFA Foundation Agriscience Teachers	-	-	-	-	-	-
FFA Foundation XLR8	-	2,000	(2,000)	-	24,000	(24,000)
FFA Foundation convention internet lounge	-	683	(683)	-	8,200	(8,200)
DuPont Agriscience	4,876	1,562	3,314	4,876	18,740	(13,864)
Regional grants	-	1,500	(1,500)	-	18,000	(18,000)
NPS expense	-	833	(833)	-	10,000	(10,000)
Webinar expense	-	100	(100)	-	1,200	(1,200)
Teacher crisis fund	-	-	-	-	-	-
Communities of practice expense	-	1,667	(1,667)	-	20,000	(20,000)
Substitute teacher hire behinds	-	42	(42)	-	500	(500)
Website	1,050	-	1,050	1,050	10,000	(8,950)
NATAA stipends	7,875	-	7,875	7,875	120,000	(112,125)
BFRDP expense	-	-	-	-	-	-
BFPD contract labor	-	-	-	-	-	-
Credit card expense	241	-	241	241	2,500	(2,259)
Miscellaneous	-	-	-	-	-	-
TOTAL EXPENSES	<u>94,680</u>	<u>82,949</u>	<u>11,731</u>	<u>94,680</u>	<u>1,127,853</u>	<u>(1,033,173)</u>
NET INCOME (LOSS)	<u>\$ 421,093</u>	<u>\$ 13,489</u>	<u>\$ 407,604</u>	<u>\$ 421,093</u>	<u>\$ 22,407</u>	<u>\$ 398,686</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.
Schedule of Convention Revenue and Expenses
For the Month Ended July 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	\$ -	\$ 9,583	\$ (9,583)	\$ -	\$ 115,000	\$ (115,000)
Convention, trade show	-	-	-	-	-	-
Convention, sponsorships - FFA Foundation	-	4,167	(4,167)	-	50,000	(50,000)
Convention, host state social	-	-	-	-	-	-
Convention, sponsorships	<u>5,000</u>	<u>1,333</u>	<u>3,667</u>	<u>5,000</u>	<u>16,000</u>	<u>(11,000)</u>
TOTAL REVENUE	<u>5,000</u>	<u>15,083</u>	<u>(10,083)</u>	<u>5,000</u>	<u>181,000</u>	<u>(176,000)</u>
EXPENSES						
Convention, plaques and trophies	-	242	(242)	-	2,900	(2,900)
Convention, printing	-	-	-	-	-	-
Convention, awards	-	-	-	-	7,000	(7,000)
Convention, meal functions	-	833	(833)	-	10,000	(10,000)
Convention, promotion and marketing	-	208	(208)	-	2,500	(2,500)
Convention, postage and shipping	-	333	(333)	-	4,000	(4,000)
Convention, equipment rental	-	1,583	(1,583)	-	19,000	(19,000)
Convention, host state social	-	-	-	-	-	-
Convention, committee expense	-	379	(379)	-	4,550	(4,550)
Convention, sponsorships - FFA Foundation	-	3,333	(3,333)	-	40,000	(40,000)
Convention, travel/board of directors	-	1,167	(1,167)	-	14,000	(14,000)
Convention, staff travel	<u>-</u>	<u>667</u>	<u>(667)</u>	<u>-</u>	<u>8,000</u>	<u>(8,000)</u>
TOTAL EXPENSES	<u>-</u>	<u>8,745</u>	<u>(8,745)</u>	<u>-</u>	<u>111,950</u>	<u>(111,950)</u>
NET INCOME (LOSS)	<u>\$ 5,000</u>	<u>\$ 6,338</u>	<u>\$ (1,338)</u>	<u>\$ 5,000</u>	<u>\$ 69,050</u>	<u>\$ (64,050)</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.
Schedule of CASE Program Revenue and Expenses
For the Month Ended July 31, 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	\$ 273,358	\$ -	\$ 273,358	\$ 273,358	\$ -	\$ 273,358
Vendor - Vernier	35,711	-	35,711	35,711	-	35,711
Vendor - NewByte	848	-	848	848	-	848
Vendor - Bio-Rad	-	-	-	-	-	-
Field test fees	-	-	-	-	-	-
NRES	-	-	-	-	-	-
APT	196,164	-	196,164	196,164	-	196,164
ASP	-	-	-	-	-	-
ESI	-	-	-	-	-	-
Capstone Revenue	1,839	-	1,839	1,839	-	1,839
Royalty - Cengage	10,165	-	10,165	10,165	-	10,165
FSS revenue	-	-	-	-	-	-
G.W. Publications	-	-	-	-	-	-
Online	750	-	750	750	-	750
Merchandise	-	-	-	-	-	-
Replacement CD	-	-	-	-	-	-
TOTAL REVENUE	518,835	-	518,835	518,835	-	518,835
EXPENSES						
Council assessment	-	-	-	-	-	-
Travel	2,804	-	2,804	2,804	-	2,804
Travel - staff	506	-	506	506	-	506
Salary	5,386	-	5,386	5,386	-	5,386
Taxes and benefits	1,392	-	1,392	1,392	-	1,392
Contract labor	55,032	-	55,032	55,032	-	55,032
Supplies	-	-	-	-	-	-
Merchandise	-	-	-	-	-	-
Promotion	1,098	-	1,098	1,098	-	1,098
Printing	148	-	148	148	-	148
Postage	452	-	452	452	-	452
Telecommunications	-	-	-	-	-	-
Vernier	25,749	-	25,749	25,749	-	25,749
NewByte	-	-	-	-	-	-
Bio-Rad	-	-	-	-	-	-
Carthage	-	-	-	-	-	-
Carthage contract labor	6,650	-	6,650	6,650	-	6,650
Field test	-	-	-	-	-	-
CI scholarships	-	-	-	-	-	-
NRES	-	-	-	-	-	-
FSS	-	-	-	-	-	-
APT	8,268	-	8,268	8,268	-	8,268
ARD	1,839	-	1,839	1,839	-	1,839
ESI	-	-	-	-	-	-
G.W. Publications	1,626	-	1,626	1,626	-	1,626
Online expense	-	-	-	-	-	-
Royalty expense - Cengage	8,485	-	8,485	8,485	-	8,485
CI Mentor contract labor	1,000	-	1,000	1,000	-	1,000
CI mentor	1,895	-	1,895	1,895	-	1,895
Depreciation	9	-	9	9	-	9
TOTAL EXPENSES	122,339	-	122,339	122,339	-	122,339
NET INCOME (LOSS)	\$ 396,496	\$ -	\$ 396,496	\$ 396,496	\$ -	\$ 396,496

SEE ACCOMPANYING ACCOUNTANT'S REPORT