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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, 2016 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

September 21, 2016

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Financial Position

July 31, 2016

ASSETS

Cash on deposit	\$ 641,534
Investments - operating fund	609,420
Investments - life membership fund	210,797
Accounts receivable	583,308
Inventory	5,000
Prepaid expenses	42,896
Property and equipment - CASE	542
Property and equipment	<u>12,037</u>

TOTAL ASSETS \$ 2,105,534

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$ 248,504
Accrued leave payable	41,327
Other current liabilities	<u>9,840</u>

TOTAL LIABILITIES 299,671

NET ASSETS

Unrestricted net assets:	
Current operation	974,915
Board designated for special purposes	208,415
Temporarily restricted net assets	1,020
CASE Project	<u>621,513</u>

TOTAL NET ASSETS 1,805,863

TOTAL LIABILITIES AND NET ASSETS \$ 2,105,534

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Activities

For the Month ended July 31, 2016

	<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	\$ 2,290	\$ -	\$ -	\$ -	\$ 2,290
Convention registration	-	-	-	-	-
Sponsorship and awards	-	-	-	-	-
Merchandise sales	1,354	-	-	-	1,354
Contributions	-	-	50	-	50
Management fees	-	-	-	-	-
Net realized and unrealized gains (losses) on securities	30,705	-	-	-	30,705
Interest and dividends	444	-	-	-	444
FFA Foundation projects	-	-	-	-	-
CASE Program income	-	-	-	287,542	287,542
Other income	669	-	-	-	669
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenue, Gains and Losses	35,462	-	50	287,542	323,054
Net Assets Released from Restrictions	-	-	-	-	-
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Total Revenue, Gains and Losses and Reclassifications	35,462	-	50	287,542	323,054
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Expenses					
General expenses	104,364	-	-	-	104,364
FFA Foundation projects	-	-	-	-	-
CASE Program expenses	-	-	-	167,824	167,824
Convention expenses	2,722	-	-	-	2,722
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Total expenses	107,086	-	-	167,824	274,910
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INCREASE (DECREASE) IN NET ASSETS	(71,624)	-	50	119,718	48,144
NET ASSETS AT BEGINNING OF PERIOD	1,046,539	208,415	970	501,795	1,757,719
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NET ASSETS AT END OF PERIOD	\$ 974,915	\$ 208,415	\$ 1,020	\$ 621,513	\$ 1,805,863
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SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of Actual vs. Budget
For the Month Ended July 31, 2016

	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	\$ 1,540	\$ 32,907	\$ (31,367)	\$ 1,540	\$ 394,880	\$ (393,340)
Corporate membership dues	750	2,563	(1,813)	750	30,750	(30,000)
Delmar scholarships	-	625	(625)	-	7,500	(7,500)
Foundation management fees	-	7,917	(7,917)	-	95,000	(95,000)
Interest and dividends	285	2,917	(2,632)	285	35,000	(34,715)
Net realized and unrealized gains (losses) on securities	30,705	-	30,705	30,705	-	30,705
Merchandise sales	1,354	833	521	1,354	10,000	(8,646)
Investment income, Life Fund	159	917	(758)	159	11,000	(10,841)
Contributions, Legislative Fund	50	-	50	50	-	50
Miscellaneous income	-	833	(833)	-	10,000	(10,000)
Scholarship raffle proceeds	-	125	(125)	-	1,500	(1,500)
National Teach Ag Campaign	-	37,500	(37,500)	-	450,000	(450,000)
Teacher crisis fund	669	-	669	669	-	669
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	-	-	-	-	-	-
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	-	-	-	-	-	-
FFA Foundation teacher workshop	-	1,667	(1,667)	-	20,000	(20,000)
FFA Foundation upper division scholarships	-	1,833	(1,833)	-	22,000	(22,000)
FFA Foundation Agriscience Teacher	-	667	(667)	-	8,000	(8,000)
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	-	4,783	(4,783)	-	57,400	(57,400)
FFA Foundation convention internet lounge	-	-	-	-	-	-
CASE program net income	119,718	-	119,718	119,718	-	119,718
Convention net income	<u>(2,722)</u>	<u>5,005</u>	<u>(7,727)</u>	<u>(2,722)</u>	<u>53,050</u>	<u>(55,772)</u>
TOTAL REVENUE	<u>152,508</u>	<u>123,593</u>	<u>28,915</u>	<u>152,508</u>	<u>1,476,080</u>	<u>(1,323,572)</u>
EXPENSES						
Salaries	36,605	30,331	6,274	36,605	363,967	(327,362)
Taxes and benefits	8,238	8,419	(181)	8,238	101,023	(92,785)
Computer service	2,675	667	2,008	2,675	8,000	(5,325)
Telephone	447	417	30	447	5,000	(4,553)
Accounting	650	1,317	(667)	650	15,800	(15,150)
Depreciation	277	333	(56)	277	4,000	(3,723)
Rent	-	629	(629)	-	7,550	(7,550)
Insurance	773	833	(60)	773	10,000	(9,227)
Legal	-	83	(83)	-	1,000	(1,000)
Office Supplies	1,936	833	1,103	1,936	10,000	(8,064)
Bank charges and investment fees	1,857	8	1,849	1,857	100	1,757
Printing, general	123	250	(127)	123	3,000	(2,877)
Staff training	-	42	(42)	-	500	(500)
Taxes and licenses	-	8	(8)	-	100	(100)
Membership and contributions	-	1,667	(1,667)	-	20,000	(20,000)
Travel, staff	2,603	2,917	(314)	2,603	35,000	(32,397)
Promotion and marketing	1,752	1,250	502	1,752	15,000	(13,248)
Merchandise and diaries	-	208	(208)	-	2,500	(2,500)
Photocopying	-	8	(8)	-	100	(100)
Postage, general	568	542	26	568	6,500	(5,932)
Professional liability insurance	-	3,183	(3,183)	-	38,200	(38,200)
Public relations	273	83	190	273	1,000	(727)

(Continued)

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of Actual vs. Budget

For the Month Ended July 31, 2016

	<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>
Scholarships	-	2,583	(2,583)	-	31,000	(31,000)
Travel, regional secretaries	-	1,500	(1,500)	-	18,000	(18,000)
Travel, board of directors	6,853	3,333	3,520	6,853	40,000	(33,147)
Nat'l Teach Ag Campaign	12,840	34,167	(21,327)	12,840	410,000	(397,160)
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	-	-	-	-	-	-
FFA Foundation teacher workshop	-	-	-	-	-	-
FFA Foundation Regional Grants	-	-	-	-	-	-
FFA Foundation Agriscience Teachers	-	-	-	-	-	-
FFA Foundation XLR8	852	2,000	(1,148)	852	24,000	(23,148)
FFA Foundation convention internet lounge	-	-	-	-	-	-
DuPont Agriscience	23,224	667	22,557	23,224	8,000	15,224
Regional grants	-	-	-	-	-	-
NPS expense	-	417	(417)	-	5,000	(5,000)
Webinar expense	-	100	(100)	-	1,200	(1,200)
Teacher crisis fund	500	-	500	500	-	500
Communities of practice expense	-	3,167	(3,167)	-	38,000	(38,000)
Substitute teacher hire behinds	-	42	(42)	-	500	(500)
Website	1,050	1,083	(33)	1,050	13,000	(11,950)
NATAA stipends	-	10,000	(10,000)	-	120,000	(120,000)
BFRDP expense	-	-	-	-	-	-
BFPD contract labor	-	-	-	-	-	-
Credit card expense	268	208	60	268	2,500	(2,232)
Miscellaneous	-	-	-	-	-	-
TOTAL EXPENSES	<u>104,364</u>	<u>121,046</u>	<u>(16,682)</u>	<u>104,364</u>	<u>1,452,540</u>	<u>(1,348,176)</u>
NET INCOME (LOSS)	<u>\$ 48,144</u>	<u>\$ 2,547</u>	<u>\$ 45,597</u>	<u>\$ 48,144</u>	<u>\$ 23,540</u>	<u>\$ 24,604</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.
Schedule of Convention Revenue and Expenses
For the Month Ended July 31, 2016

	<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	-	4,583	(4,583)	-	55,000	(55,000)
Convention, host state social	-	-	-	-	-	-
Convention, sponsorships	-	1,333	(1,333)	-	16,000	(16,000)
TOTAL REVENUE	<u>-</u>	<u>15,499</u>	<u>(15,499)</u>	<u>-</u>	<u>186,000</u>	<u>(186,000)</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	499	208	291	499	2,500	(2,001)
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	-	4,583	(4,583)	-	55,000	(55,000)
Convention, travel/board of directors	660	1,333	(673)	660	16,000	(15,340)
Convention, staff travel	1,563	1,000	563	1,563	12,000	(10,437)
TOTAL EXPENSES	<u>2,722</u>	<u>10,494</u>	<u>(7,772)</u>	<u>2,722</u>	<u>132,950</u>	<u>(130,228)</u>
NET INCOME (LOSS)	<u>\$ (2,722)</u>	<u>\$ 5,005</u>	<u>\$ (7,727)</u>	<u>\$ (2,722)</u>	<u>\$ 53,050</u>	<u>\$ (55,772)</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, 2016

	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	\$ 225,124	\$ -	\$ 225,124	\$ 225,124	\$ -	\$ 225,124
Vendor - Vernier	44,340	-	44,340	44,340	-	44,340
Vendor - NewByte	399	-	399	399	-	399
Vendor - Bio-Rad	-	-	-	-	-	-
Field test fees	5,000	-	5,000	5,000	-	5,000
NRES	-	-	-	-	-	-
APT	-	-	-	-	-	-
ASP	-	-	-	-	-	-
ESI	-	-	-	-	-	-
Capstone Revenue	-	-	-	-	-	-
Royalty - Cengage	8,955	-	8,955	8,955	-	8,955
FSS revenue	-	-	-	-	-	-
G.W. Publications	2,122	-	2,122	2,122	-	2,122
Online	1,475	-	1,475	1,475	-	1,475
Merchandise	102	-	102	102	-	102
Replacement CD	25	-	25	25	-	25
TOTAL REVENUE	287,542	-	287,542	287,542	-	287,542
EXPENSES						
Council assessment	-	-	-	-	-	-
Travel	6,726	-	6,726	6,726	-	6,726
Travel - staff	4,079	-	4,079	4,079	-	4,079
Salary	7,090	-	7,090	7,090	-	7,090
Taxes and benefits	528	-	528	528	-	528
Contract labor	41,803	-	41,803	41,803	-	41,803
Supplies	874	-	874	874	-	874
Merchandise	37	-	37	37	-	37
Promotion	1,820	-	1,820	1,820	-	1,820
Printing	-	-	-	-	-	-
Postage	285	-	285	285	-	285
Telecommunications	-	-	-	-	-	-
Vernier	24,600	-	24,600	24,600	-	24,600
NewByte	761	-	761	761	-	761
Bio-Rad	-	-	-	-	-	-
Carthage	1,083	-	1,083	1,083	-	1,083
Carthage contract labor	57,900	-	57,900	57,900	-	57,900
Field test	10,000	-	10,000	10,000	-	10,000
CI scholarships	-	-	-	-	-	-
NRES	-	-	-	-	-	-
FSS	-	-	-	-	-	-
APT	-	-	-	-	-	-
ARD	-	-	-	-	-	-
ESI	2,391	-	2,391	2,391	-	2,391
G.W. Publications	732	-	732	732	-	732
Online expense	-	-	-	-	-	-
Royalty expense - Cengage	783	-	783	783	-	783
CI Mentor contract labor	2,500	-	2,500	2,500	-	2,500
CI mentor	3,823	-	3,823	3,823	-	3,823
Depreciation	9	-	9	9	-	9
TOTAL EXPENSES	167,824	-	167,824	167,824	-	167,824
NET INCOME (LOSS)	\$ 119,718	\$ -	\$ 119,718	\$ 119,718	\$ -	\$ 119,718

SEE ACCOMPANYING ACCOUNTANT'S REPORT