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

Management is responsible for the accompanying financial statements of National Association of Agricultural Educators, Inc. (a nonprofit organization), which comprise the statement of financial position as of April 30, 2017 and the related statement of activities for the ten months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The supplementary information contained in the Schedule of Actual vs. Budget, Convention Revenue and Expenses, and Case Program Revenue and Expenses is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to our compilation engagement, however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

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 17, 2017

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Financial Position

April 30, 2017

ASSETS

Cash on deposit	\$ 143,517
Investments - operating fund	666,568
Investments - life membership fund	228,891
Accounts receivable	225,177
Inventory	5,000
Prepaid expenses	-
Property and equipment - CASE	456
Property and equipment	<u>9,546</u>

TOTAL ASSETS \$ 1,279,155

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$ 89,063
Accrued leave payable	41,327
Other current liabilities	<u>8,650</u>

TOTAL LIABILITIES 139,040

NET ASSETS

Unrestricted net assets:	
Current operation	725,372
Board designated for special purposes	212,795
Temporarily restricted net assets	1,550
CASE Project	<u>200,398</u>

TOTAL NET ASSETS 1,140,115

TOTAL LIABILITIES AND NET ASSETS \$ 1,279,155

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Activities

For the Ten Months ended April 30, 2017

	<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	\$ 400,424	\$ 4,380	\$ -	\$ -	\$ 404,804
Convention registration	127,206	-	-	-	127,206
Sponsorship and awards	17,250	-	-	-	17,250
Merchandise sales	3,067	-	-	-	3,067
Contributions	-	-	580	-	580
Management fees	-	-	-	-	-
Net realized and unrealized gains (losses) on securities	87,552	-	-	-	87,552
Interest and dividends	24,917	-	-	-	24,917
FFA Foundation projects	44,600	-	-	-	44,600
CASE Program income	-	-	-	1,275,277	1,275,277
Other income	540,058	-	-	-	540,058
	<u>1,245,074</u>	<u>4,380</u>	<u>580</u>	<u>1,275,277</u>	<u>2,525,311</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>1,245,074</u>	<u>4,380</u>	<u>580</u>	<u>1,275,277</u>	<u>2,525,311</u>
Expenses					
General expenses	1,376,457	-	-	-	1,376,457
FFA Foundation projects	73,527	-	-	-	73,527
CASE Program expenses	-	-	-	1,576,674	1,576,674
Convention expenses	116,257	-	-	-	116,257
	<u>1,566,241</u>	<u>-</u>	<u>-</u>	<u>1,576,674</u>	<u>3,142,915</u>
Total expenses					
INCREASE (DECREASE) IN NET ASSETS	(321,167)	4,380	580	(301,397)	(617,604)
NET ASSETS AT BEGINNING OF PERIOD	<u>1,046,539</u>	<u>208,415</u>	<u>970</u>	<u>501,795</u>	<u>1,757,719</u>
NET ASSETS AT END OF PERIOD	<u>\$ 725,372</u>	<u>\$ 212,795</u>	<u>\$ 1,550</u>	<u>\$ 200,398</u>	<u>\$ 1,140,115</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, 2017

	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						
Member dues	\$ 3,890	\$ 32,907	\$ (29,017)	\$ 393,104	\$ 394,880	\$ (1,776)
Corporate membership dues	-	2,563	(2,563)	11,700	30,750	(19,050)
Student teacher scholarship revenue	-	-	-	13,527	-	13,527
Delmar scholarships	-	625	(625)	-	7,500	(7,500)
Foundation management fees	-	7,917	(7,917)	-	95,000	(95,000)
Interest and dividends	431	2,917	(2,486)	19,102	35,000	(15,898)
Net realized and unrealized gains (losses) on securities	11,086	-	11,086	87,552	-	87,552
Merchandise sales	-	833	(833)	3,067	10,000	(6,933)
Investment income, Life Fund	148	917	(769)	5,815	11,000	(5,185)
Contributions, Legislative Fund	-	-	-	580	-	580
Miscellaneous income	-	833	(833)	34,911	10,000	24,911
Scholarship raffle proceeds	-	125	(125)	-	1,500	(1,500)
National Teach Ag Campaign	-	37,500	(37,500)	281,532	450,000	(168,468)
Teacher crisis fund	-	-	-	24,068	-	24,068
BFRDP Grant	-	-	-	-	-	-
AEM business manager stipend	-	333	(333)	-	4,000	(4,000)
DuPont agriscience revenue	-	-	-	164,350	-	164,350
DuPont - non foundation	-	-	-	10,305	-	10,305
CASE management fee	-	2,000	(2,000)	-	24,000	(24,000)
Council MMM management fee	-	417	(417)	-	5,000	(5,000)
Teach AG non-foundation revenue	575	-	575	6,285	-	6,285
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)	24,600	8,000	16,600
FFA Foundation NATAA/NAI	-	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	(102,481)	-	(102,481)	(301,397)	-	(301,397)
Convention net income	-	5,005	(5,005)	33,279	53,050	(19,771)
TOTAL REVENUE	(86,351)	123,593	(209,944)	832,380	1,476,080	(643,700)
EXPENSES						
Salaries	36,897	30,331	6,566	383,544	363,967	19,577
Taxes and benefits	8,358	8,419	(61)	73,282	101,023	(27,741)
Computer service	2,325	667	1,658	13,312	8,000	5,312
Telephone	141	417	(276)	3,809	5,000	(1,191)
Accounting	650	1,317	(667)	15,000	15,800	(800)
Depreciation	277	333	(56)	2,766	4,000	(1,234)
Rent	-	629	(629)	7,550	7,550	-
Insurance	854	833	21	6,668	10,000	(3,332)
Legal	-	83	(83)	-	1,000	(1,000)
Office Supplies	1,267	833	434	9,253	10,000	(747)
Bank charges and investment fees	2,092	8	2,084	7,905	100	7,805
Printing, general	184	250	(66)	3,086	3,000	86
Staff training	-	42	(42)	415	500	(85)
Taxes and licenses	-	8	(8)	25	100	(75)
Membership and contributions	-	1,667	(1,667)	19,145	20,000	(855)
Travel, staff	2,973	2,917	56	25,827	35,000	(9,173)
Promotion and marketing	736	1,250	(514)	18,229	15,000	3,229
Merchandise and diaries	-	208	(208)	2,727	2,500	227

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NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of Actual vs. Budget

For the One and Ten Months Ended April 30, 2017

	<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>
Photocopying		8	(8)	-	100	(100)
Postage, general	680	542	138	5,445	6,500	(1,055)
Professional liability insurance	-	3,183	(3,183)	38,775	38,200	575
Public relations	172	83	89	331	1,000	(669)
Scholarships	-	2,583	(2,583)	37,500	31,000	6,500
Travel, regional secretaries	979	1,500	(521)	5,475	18,000	(12,525)
Travel, board of directors	1,318	3,333	(2,015)	22,447	40,000	(17,553)
Nat'l Teach Ag Campaign	30,297	34,167	(3,870)	395,951	410,000	(14,049)
FFA Foundation project - TTTK		3,875	(3,875)	34,108	46,500	(12,392)
FFA Foundation project - OPAP		917	(917)	6,777	11,000	(4,223)
FFA Foundation project - OMSP		917	(917)	5,798	11,000	(5,202)
FFA Foundation project - OT	-	917	(917)	8,312	11,000	(2,688)
FFA Foundation project - OYM	-	917	(917)	10,452	11,000	(548)
FFA Foundation project - Lifetime achievement	-	208	(208)	1,546	2,500	(954)
FFA Foundation project - Outstanding service citation	-	-	-	902	-	902
FFA Foundation teacher workshop	-	-	-	-	-	-
FFA Foundation Regional Grants	-	-	-	-	-	-
FFA Foundation Agriscience Teachers	-	-	-	5,632	-	5,632
FFA Foundation XLR8	174	2,000	(1,826)	23,240	24,000	(760)
FFA Foundation convention internet lounge	-	-	-	-	-	-
DuPont Agriscience	4,914	667	4,247	151,200	8,000	143,200
Regional grants	-	-	-	-	-	-
NPS expense	-	417	(417)	9,500	5,000	4,500
Webinar expense	-	100	(100)	535	1,200	(665)
Teacher crisis fund	-	-	-	7,500	-	7,500
Communities of practice expense	-	3,167	(3,167)	52,191	38,000	14,191
Substitute teacher hire behinds	-	42	(42)	-	500	(500)
Website	1,050	1,083	(33)	13,131	13,000	131
NATAA stipends	-	10,000	(10,000)	13,250	120,000	(106,750)
BFRDP expense	-	-	-	-	-	-
BFPD contract labor	-	-	-	-	-	-
Credit card expense	414	208	206	4,417	2,500	1,917
Storage	-	-	-	2,708	-	2,708
Professional development	271	-	271	318	-	318
Miscellaneous	-	-	-	-	-	-
TOTAL EXPENSES	<u>97,023</u>	<u>121,046</u>	<u>(24,023)</u>	<u>1,449,984</u>	<u>1,452,540</u>	<u>(2,556)</u>
NET INCOME (LOSS)	<u>\$ (183,374)</u>	<u>\$ 2,547</u>	<u>\$ (185,921)</u>	<u>\$ (617,604)</u>	<u>\$ 23,540</u>	<u>\$ (641,144)</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, 2017

	<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)	\$ 127,206	\$ 115,000	\$ 12,206
Convention, trade show	-	-	-	1,800	-	1,800
Convention, sponsorships - FFA Foundation	-	4,583	(4,583)	3,280	55,000	(51,720)
Convention, host state social	-	-	-	-	-	-
Convention, sponsorships	-	1,333	(1,333)	17,250	16,000	1,250
TOTAL REVENUE	-	15,499	(15,499)	149,536	186,000	(36,464)
EXPENSES						
Convention, plaques and trophies	-	242	(242)	1,179	2,900	(1,721)
Convention, printing	-	-	-	4,117	-	4,117
Convention, awards	-	-	-	8,227	7,000	1,227
Convention, miscellaneous	-	-	-	428	-	428
Convention, meal functions	-	833	(833)	1,043	10,000	(8,957)
Convention, promotion and marketing	-	208	(208)	5,865	2,500	3,365
Convention, postage and shipping	-	333	(333)	7,519	4,000	3,519
Convention, equipment rental	-	1,583	(1,583)	2,695	19,000	(16,305)
Convention, host state social	-	-	-	-	-	-
Convention, committee expense	-	379	(379)	3,316	4,550	(1,234)
Convention, sponsorships - FFA Foundation	-	4,583	(4,583)	57,258	55,000	2,258
Convention, travel/board of directors	-	1,333	(1,333)	15,522	16,000	(478)
Convention, staff travel	-	1,000	(1,000)	9,088	12,000	(2,912)
TOTAL EXPENSES	-	10,494	(10,494)	116,257	132,950	(16,693)
NET INCOME (LOSS)	<u>\$ -</u>	<u>\$ 5,005</u>	<u>\$ (5,005)</u>	<u>\$ 33,279</u>	<u>\$ 53,050</u>	<u>\$ (19,771)</u>

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, 2017

	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	\$ 4,200	\$ -	\$ 4,200	\$ 306,304	\$ -	\$ 306,304
Vendor - Vernier	20,356	-	20,356	752,896	-	752,896
Vendor - NewByte	-	-	-	8,069	-	8,069
Vendor - Bio-Rad	-	-	-	6,010	-	6,010
Field test fees	-	-	-	5,000	-	5,000
NRES	-	-	-	-	-	-
APT	91	-	91	10,366	-	10,366
ASP	-	-	-	-	-	-
ESI	-	-	-	-	-	-
Capstone Revenue	-	-	-	57,400	-	57,400
Royalty - Cengage	-	-	-	69,786	-	69,786
Royalty - Ward's	-	-	-	19,203	-	-
FSS revenue	-	-	-	-	-	-
G.W. Publications	105	-	105	5,763	-	5,763
Online	-	-	-	33,084	-	33,084
Merchandise	-	-	-	721	-	721
Replacement CD	25	-	25	675	-	675
TOTAL REVENUE	<u>24,777</u>	<u>-</u>	<u>24,777</u>	<u>1,275,277</u>	<u>-</u>	<u>1,256,074</u>
EXPENSES						
Council assessment	-	-	-	-	-	-
Travel	9,171	-	9,171	44,153	-	44,153
Travel - staff	3,372	-	3,372	42,778	-	42,778
Salary	7,070	-	7,070	70,722	-	70,722
Taxes and benefits	306	-	306	3,065	-	3,065
Contract labor	41,802	-	41,802	418,025	-	418,025
Supplies	-	-	-	1,084	-	1,084
Merchandise	-	-	-	327	-	327
Promotion	6,242	-	6,242	14,211	-	14,211
Printing	21	-	21	7,307	-	7,307
Postage	296	-	296	925	-	925
Telecommunications	-	-	-	-	-	-
Vernier	26,625	-	26,625	732,664	-	732,664
NewByte	154	-	154	4,622	-	4,622
Bio-Rad	-	-	-	-	-	-
Carthage	32,226	-	32,226	40,976	-	40,976
Carthage contract labor	-	-	-	84,850	-	84,850
Field test	-	-	-	10,000	-	10,000
CI scholarships	-	-	-	-	-	-
NRES	-	-	-	-	-	-
FSS	-	-	-	-	-	-
APT	83	-	83	8,336	-	8,336
ARD	-	-	-	-	-	-
ESI	121	-	121	1,559	-	1,559
MSA expense	140	-	140	8,864	-	8,864
G.W. Publications	96	-	96	5,336	-	5,336
Online expense	-	-	-	-	-	-
Royalty expense - Cengage	(476)	-	(476)	67,984	-	67,984
CI Mentor contract labor	-	-	-	5,000	-	5,000
CI mentor	-	-	-	3,791	-	3,791
Depreciation	9	-	9	95	-	95
TOTAL EXPENSES	<u>127,258</u>	<u>-</u>	<u>127,258</u>	<u>1,576,674</u>	<u>-</u>	<u>1,576,674</u>
NET INCOME (LOSS)	\$ (102,481)	\$ -	\$ (102,481)	\$ (301,397)	\$ -	\$ (320,600)

SEE ACCOMPANYING ACCOUNTANT'S REPORT