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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, 2019 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, CASE Initiative Revenue and Expenses, and National Teach Ag Campaign 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

May 16, 2019

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Financial Position

April 30, 2019

ASSETS

Cash on deposit	\$ 959,967
Investments - operating fund	759,651
Investments - life membership fund	266,165
Accounts receivable	256,821
Inventory	5,000
Prepaid expenses	1,077
Property and equipment - CASE Initiative	228
Property and equipment	<u>9,453</u>

TOTAL ASSETS \$ 2,258,362

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$ 32,847
Accrued leave payable	39,221
Other current liabilities	<u>8,392</u>

TOTAL LIABILITIES 80,460

NET ASSETS

Unrestricted net assets:	
Current operation	1,019,785
Board designated for special purposes	219,275
Temporarily restricted net assets	(1,954)
CASE Initiative	<u>940,796</u>

TOTAL NET ASSETS 2,177,902

TOTAL LIABILITIES AND NET ASSETS \$ 2,258,362

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Activities

For the Ten Months Ended April 30, 2019

	<u>Unrestricted</u>				
	<u>Current</u>	<u>Board</u>	<u>Temporarily</u>	<u>CASE</u>	<u>Total</u>
	<u>Operations</u>	<u>Designated</u>	<u>Restricted</u>	<u>Initiative</u>	
Revenue, Gains and Losses					
Membership dues	\$ 437,501	\$ 4,500	\$ -	\$ -	\$ 442,001
Convention registration	158,135	-	-	-	158,135
Sponsorship and awards	27,210	-	-	-	27,210
Merchandise sales	6,026	-	-	-	6,026
Contributions	-	-	-	-	-
Net realized and unrealized					
gains (losses) on securities	(29,870)	-	-	-	(29,870)
Interest and dividends	41,835	-	-	-	41,835
FFA Foundation projects	151,700	-	-	-	151,700
CASE Initiative income	-	-	-	2,123,127	2,123,127
National Teach Ag Campaign Income	-	-	717,500	-	717,500
Other income	288,777	-	-	-	288,777
	<u>1,081,314</u>	<u>4,500</u>	<u>717,500</u>	<u>2,123,127</u>	<u>3,926,441</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>1,081,314</u>	<u>4,500</u>	<u>717,500</u>	<u>2,123,127</u>	<u>3,926,441</u>
Expenses					
General expenses	659,257	-	-	-	659,257
FFA Foundation projects	370,554	-	-	-	370,554
CASE Initiative expenses	-	-	-	1,806,018	1,806,018
National Teach Ag Campaign expenses	-	-	721,004	-	721,004
Convention expenses	194,643	-	-	-	194,643
	<u>1,224,454</u>	<u>-</u>	<u>721,004</u>	<u>1,806,018</u>	<u>3,030,472</u>
Total expenses					
INCREASE (DECREASE) IN NET ASSETS	(143,140)	4,500	(3,504)	317,109	174,965
NET ASSETS AT BEGINNING OF PERIOD	<u>1,162,925</u>	<u>214,775</u>	<u>1,550</u>	<u>623,687</u>	<u>2,002,937</u>
NET ASSETS AT END OF PERIOD	<u>\$ 1,019,785</u>	<u>\$ 219,275</u>	<u>\$ (1,954)</u>	<u>\$ 940,796</u>	<u>\$ 2,177,902</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, 2019

	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	\$ 3,886	\$ 34,023	\$ (30,137)	\$ 430,451	\$ 408,280	\$ 22,171
Corporate membership dues	-	1,250	(1,250)	11,550	15,000	(3,450)
Upper division scholarships	-	1,667	(1,667)	-	20,000	(20,000)
Delmar scholarships	-	625	(625)	-	7,500	(7,500)
Foundation management fees	-	-	-	-	-	-
Interest and dividends	14	2,917	(2,903)	32,283	35,000	(2,717)
Net realized and unrealized gains (losses) on securities	-	-	-	(29,870)	-	(29,870)
Merchandise sales	-	500	(500)	6,026	6,000	26
Investment income, Life Fund	-	1,000	(1,000)	9,552	12,000	(2,448)
Contributions, Legislative Fund	-	-	-	-	-	-
Miscellaneous income	-	750	(750)	4,859	9,000	(4,141)
Scholarship raffle proceeds	-	-	-	-	-	-
Student teacher scholarship revenue	-	-	-	-	-	-
Teacher crisis fund	500	-	500	12,713	-	12,713
BFRDP Grant	-	-	-	-	-	-
AEM business manager stipend	-	333	(333)	-	4,000	(4,000)
Nat'l Agriscience Teacher Ambassadors	-	13,667	(13,667)	212,000	164,000	48,000
NPS National Ag Ed leadership dinner	-	352	(352)	-	4,225	(4,225)
CASE Initiative 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	960	-	960	3,647	-	3,647
FFA Foundation project - TTTK	-	5,467	(5,467)	65,600	65,600	-
FFA Foundation project - OPAP	-	1,252	(1,252)	-	15,025	(15,025)
FFA Foundation project - OMSP	-	1,298	(1,298)	-	15,580	(15,580)
FFA Foundation project - OT	-	1,298	(1,298)	7,380	15,580	(8,200)
FFA Foundation project - OYM	-	1,367	(1,367)	-	16,400	(16,400)
FFA Foundation project - Lifetime Achievement	-	410	(410)	-	4,920	(4,920)
FFA Foundation project - Outstanding Service Citation	-	-	-	-	-	-
FFA Foundation teacher workshop	-	-	-	-	-	-
FFA Foundation upper division scholarships	-	-	-	-	-	-
FFA Foundation Agriscience Initiative	-	2,050	(2,050)	-	24,600	(24,600)
FFA Foundation NATAA/NAI	-	-	-	-	-	-
FFA Foundation project - XLR8	8,200	6,567	1,633	49,200	78,800	(29,600)
FFA Foundation communities of practice	24,600	5,600	19,000	29,520	67,200	(37,680)
FFA Foundation convention internet lounge	-	-	-	-	-	-
CASE Initiative net income	124,186	3,966	120,220	317,109	47,583	269,526
Convention net income	6,970	5,996	974	46,260	71,950	(25,690)
National Teach Ag Campaign net income	562,811	6,250	556,561	(3,504)	75,000	(78,504)
TOTAL REVENUE	732,127	101,022	631,105	1,204,776	1,212,243	(7,467)
EXPENSES						
Salaries	36,822	32,500	4,322	351,657	390,000	(38,343)
Taxes and benefits	7,752	9,151	(1,399)	70,699	109,815	(39,116)
Computer service	1,275	1,667	(392)	12,375	20,000	(7,625)
Telephone	155	500	(345)	3,498	6,000	(2,502)
Accounting	1,700	1,367	333	16,500	16,400	100
Depreciation	354	333	21	3,444	4,000	(556)
Rent	-	838	(838)	-	10,050	(10,050)
Insurance	86	1,000	(914)	7,533	12,000	(4,467)
Legal	-	83	(83)	-	1,000	(1,000)
Office Supplies	584	1,083	(499)	11,340	13,000	(1,660)
Bank charges and investment fees	-	8	(8)	7,124	100	7,024
Printing, general	318	250	68	1,203	3,000	(1,797)
Staff training	-	83	(83)	462	1,000	(538)
Taxes and licenses	-	4	(4)	273	50	223
Membership and contributions	-	1,667	(1,667)	13,646	20,000	(6,354)
Travel, staff	181	2,917	(2,736)	16,325	35,000	(18,675)
Promotion and marketing	-	2,083	(2,083)	14,642	25,000	(10,358)

(Continued)

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of Actual vs. Budget

For the One and Ten Months Ended April 30, 2019

	<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>
Merchandise and diaries	-	417	(417)	5,974	5,000	974
Photocopying	-	8	(8)	-	100	(100)
Postage, general	454	667	(213)	7,876	8,000	(124)
Professional liability insurance	-	3,285	(3,285)	40,830	39,425	1,405
Public relations	-	83	(83)	576	1,000	(424)
Delmar scholarships	-	625	(625)	-	7,500	(7,500)
Travel, regional secretaries	350	1,500	(1,150)	13,082	18,000	(4,918)
Travel, board of directors	2,066	3,333	(1,267)	27,135	40,000	(12,865)
FFA Foundation project - TTTK	-	3,333	(3,333)	58,527	40,000	18,527
FFA Foundation project - OPAP	-	750	(750)	11,202	9,000	2,202
FFA Foundation project - OMSP	-	750	(750)	10,907	9,000	1,907
FFA Foundation project - OT	-	750	(750)	11,952	9,000	2,952
FFA Foundation project - OECT	-	750	(750)	10,536	9,000	1,536
FFA Foundation project - Lifetime achievement	-	208	(208)	2,024	2,500	(476)
FFA Foundation project - Outstanding service citation	-	-	-	1,900	-	1,900
FFA Foundation teacher workshop	-	-	-	-	-	-
FFA Foundation Regional Grants	-	-	-	-	-	-
FFA Foundation Agriscience Initiative	-	1,667	(1,667)	-	20,000	(20,000)
FFA Foundation XLR8	-	3,333	(3,333)	50,922	40,000	10,922
FFA Foundation convention internet lounge	-	-	-	-	-	-
NPS Ag Ed Leadership dinner	-	352	(352)	-	4,225	(4,225)
Upper division scholarships	-	1,667	(1,667)	30,000	20,000	10,000
TTTK	-	-	-	-	-	-
NATAA	629	10,833	(10,204)	116,949	130,000	(13,051)
Regional grants	-	-	-	-	-	-
NPS expense	-	417	(417)	5,750	5,000	750
Webinar expense	-	42	(42)	303	500	(197)
Teacher crisis fund	500	-	500	15,350	-	15,350
Communities of practice expense	-	3,167	(3,167)	40,910	38,000	2,910
Substitute teacher hire behinds	-	42	(42)	-	500	(500)
Website	-	1,500	(1,500)	1,508	18,000	(16,492)
NATAA stipends	325	-	325	18,975	-	18,975
TTTK stipends	-	-	-	1,000	-	1,000
XLR8 stipends	-	-	-	1,750	-	1,750
BFRDP expense	-	-	-	-	-	-
BFPD contract labor	-	-	-	-	-	-
Credit card expense	518	333	185	7,550	4,000	3,550
Storage	-	-	-	2,269	-	2,269
Professional development	-	-	-	373	-	373
Ag ed oppourtuinty fund	-	-	-	-	-	-
Miscellaneous	-	-	-	2,960	-	2,960
TOTAL EXPENSES	<u>54,069</u>	<u>95,346</u>	<u>(41,277)</u>	<u>1,029,811</u>	<u>1,144,165</u>	<u>(114,354)</u>
NET INCOME (LOSS)	<u>\$ 678,058</u>	<u>\$ 5,676</u>	<u>\$ 672,382</u>	<u>\$ 174,965</u>	<u>\$ 68,078</u>	<u>\$ 106,887</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, 2019

	<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	\$ -	\$ 10,583	\$ (10,583)	\$ 158,135	\$ 127,000	\$ 31,135
Convention, trade show	-	-	-	2,100	-	2,100
Convention, sponsorships - FFA Foundation	6,970	5,417	1,553	53,458	65,000	(11,542)
Convention, host state social	-	-	-	-	-	-
Convention, sponsorships	-	1,667	(1,667)	27,210	20,000	7,210
TOTAL REVENUE	<u>6,970</u>	<u>17,667</u>	<u>(10,697)</u>	<u>240,903</u>	<u>212,000</u>	<u>28,903</u>
EXPENSES						
Convention, plaques and trophies	-	167	(167)	1,404	2,000	(596)
Convention, printing	-	-	-	3,696	-	3,696
Convention, awards	-	750	(750)	10,210	9,000	1,210
Convention, miscellaneous	-	-	-	1,801	-	1,801
Convention, meal functions	-	125	(125)	-	1,500	(1,500)
Convention, promotion and marketing	-	417	(417)	12,670	5,000	7,670
Convention, postage and shipping	-	333	(333)	7,234	4,000	3,234
Convention, equipment rental	-	2,000	(2,000)	46,688	24,000	22,688
Convention, host state social	-	-	-	-	-	-
Convention, committee expense	-	379	(379)	3,350	4,550	(1,200)
Convention, sponsorships - FFA Foundation	-	4,583	(4,583)	65,375	55,000	10,375
Convention, travel/board of directors	-	1,917	(1,917)	21,662	23,000	(1,338)
Convention, staff travel	-	1,000	(1,000)	20,553	12,000	8,553
TOTAL EXPENSES	<u>-</u>	<u>11,671</u>	<u>(11,671)</u>	<u>194,643</u>	<u>140,050</u>	<u>54,593</u>
NET INCOME (LOSS)	<u>\$ 6,970</u>	<u>\$ 5,996</u>	<u>\$ 974</u>	<u>\$ 46,260</u>	<u>\$ 71,950</u>	<u>\$ (25,690)</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of CASE Initiative Revenue and Expenses

For the One and Ten Months Ended April 30, 2019

	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 fee revenue	\$ 105,500	51,000	\$ 54,500	\$ 607,357	\$ 612,000	\$ (4,643)
USDA NIFA PD-STEP 18	-	7,083	(7,083)	85,483	85,000	483
Vernier revenue	84,590	53,333	31,257	968,802	640,000	328,802
NewByte revenue	199	375	(176)	5,654	4,500	1,154
Vendor - Bio-Rad	-	417	(417)	-	5,000	(5,000)
Field test fees	-	-	-	-	-	-
NRES	-	-	-	-	-	-
APT revenue	-	-	-	6,806	-	6,806
ASP	-	-	-	-	-	-
ESI	-	-	-	-	-	-
MSA Revenue	20,500	4,367	16,133	76,438	52,398	24,040
ABF	40,500	8,583	31,917	103,000	103,000	-
ARD CI Revenue	-	-	-	7,200	-	7,200
Capstone Revenue	-	-	-	-	-	-
Cengage revenue	-	2,083	(2,083)	104,938	25,000	79,938
Ward's revenue	-	1,167	(1,167)	23,641	14,000	9,641
FSS revenue	-	-	-	-	-	-
MidSch	-	4,783	(4,783)	57,400	57,400	-
Sustain revenue	-	3,750	(3,750)	45,000	45,000	-
G.W. Pubs revenue	-	-	-	2,017	-	2,017
Online	30	3,000	(2,970)	27,053	36,000	(8,947)
Merchandise	-	-	-	88	-	88
Course downloads	125	-	125	2,250	-	2,250
TOTAL REVENUE	251,444	139,941	111,503	2,123,127	1,679,298	443,829
EXPENSES						
Travel	7,290	3,875	3,415	34,225	46,500	(12,275)
Travel - staff	948	2,208	(1,260)	28,489	26,500	1,989
Salary	7,606	6,833	773	74,145	82,000	(7,855)
Taxes and benefits	613	2,083	(1,470)	4,459	25,000	(20,541)
Contract labor	27,400	35,792	(8,392)	305,492	429,500	(124,008)
Supplies	-	479	(479)	243	5,750	(5,507)
Merchandise	-	-	-	-	-	-
Promotion	3,000	808	2,192	12,352	9,700	2,652
Printing	1,365	458	907	2,137	5,500	(3,363)
Postage	373	121	252	1,954	1,450	504
Technology	-	458	(458)	7,040	5,500	1,540
Management fee	-	2,000	(2,000)	-	24,000	(24,000)
Vernier	74,358	46,400	27,958	863,189	556,800	306,389
NewByte	257	214	43	2,809	2,565	244
Bio-Rad	-	-	-	-	-	-
Legal and professional	-	183	(183)	770	2,200	(1,430)
Lead teacher orientation	-	5,513	(5,513)	-	66,150	(66,150)
Lead teacher stipends	-	17,500	(17,500)	95,900	210,000	(114,100)
Field test	-	-	-	-	-	-
Institute expense	8,250	-	8,250	233,779	-	233,779
USDA NIFA PD-STEP 18	-	6,883	(6,883)	17,842	82,600	(64,758)
NRES	-	-	-	-	-	-
FSS	-	-	-	-	-	-
APT	-	-	-	5,719	-	5,719
ARD	-	-	-	-	-	-
ESI	-	-	-	-	-	-
MSA	-	-	-	15,886	-	15,886
ABF	-	-	-	-	-	-
ARDCI	(7,200)	-	(7,200)	(5,141)	-	(5,141)
G.W. Publisher	-	-	-	1,663	-	1,663
Sustain expense	-	708	(708)	9,000	8,500	500
Online expense	-	1,667	(1,667)	-	20,000	(20,000)
Cengage	2,988	1,792	1,196	93,971	21,500	72,471
CI Mentor contract labor	-	-	-	-	-	-
CI mentor	-	-	-	-	-	-
Depreciation	10	-	10	95	-	95
TOTAL EXPENSES	127,258	135,975	(8,717)	1,806,018	1,631,715	174,303
NET INCOME (LOSS)	\$ 124,186	\$ 3,966	\$ 120,220	\$ 317,109	\$ 47,583	\$ 269,526

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.
Schedule of National Teach Ag Campaign Revenue and Expenses
For the One and Ten Months Ended April 30, 2019

	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						
National Teach Ag Campaign	\$ 594,500	\$ 81,250	\$ 513,250	\$ 717,500	\$ 975,000	\$ (257,500)
EXPENSES						
Contractor stipends	11,667	-	11,667	90,125		90,125
Staff salaries	4,106	-	4,106	41,063		41,063
Staff fringes	625	-	625	6,826		6,826
Travel	575	-	575	12,935		12,935
Supplies	-	-	-	859		859
Promotion	-	-	-	1,569		1,569
Presenter stipends	2,000	-	2,000	3,225		3,225
IT services	-	-	-	2,134		2,134
Printing	-	-	-	678		678
Postage/shipping	-	-	-	17		17
Professional dev	-	-	-	-		-
State grants	5,000	-	5,000	5,000		5,000
NAAE management fee	-	-	-	-		-
Grants	7,500	-	7,500	7,500		7,500
Nat'l Teach Ag Campaign	216	75,000	(74,784)	547,063	900,000	(352,937)
Miscellaneous	-	-	-	2,010	-	2,010
TOTAL EXPENSES	<u>31,689</u>	<u>75,000</u>	<u>(43,311)</u>	<u>721,004</u>	<u>900,000</u>	<u>(178,996)</u>
NET INCOME (LOSS)	<u>\$ 562,811</u>	<u>\$ 6,250</u>	<u>\$ 556,561</u>	<u>\$ (3,504)</u>	<u>\$ 75,000</u>	<u>\$ (78,504)</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT