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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 July 31, 2019 and the related statement of activities for the one month 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

November 20, 2019

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.
Statement of Financial Position
July 31, 2019

ASSETS

Cash on deposit	\$ 765,186
Investments - operating fund	790,846
Investments - life membership fund	314,979
Accounts receivable	526,146
Inventory	5,000
Prepaid expenses	1,873
Property and equipment - CASE Initiative	200
Property and equipment	<u>8,404</u>
 TOTAL ASSETS	 <u>\$ 2,412,634</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$ 133,114
Accrued leave payable	40,004
Other current liabilities	<u>7,779</u>
 TOTAL LIABILITIES	 <u>180,897</u>

NET ASSETS

Unrestricted net assets:	
Current operation	945,312
Board designated for special purposes	219,695
Temporarily restricted net assets	(96,450)
CASE Initiative	<u>1,163,180</u>
 TOTAL NET ASSETS	 <u>2,231,737</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 2,412,634</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Activities

For the One Month Ended July 31, 2019

	Unrestricted				
	Current Operations	Board Designated	NTAC Initiative	CASE Initiative	Total
Revenue, Gains and Losses					
Membership dues	\$ 5,830	\$ 420	\$ -	\$ -	\$ 6,250
Convention registration	-	-	-	-	-
Sponsorship and awards	-	-	-	-	-
Merchandise sales	3,511	-	-	-	3,511
Contributions	-	-	-	-	-
Net realized and unrealized gains (losses) on securities	10,612	-	-	-	10,612
Interest and dividends	724	-	-	-	724
FFA Foundation projects	16,400	-	-	-	16,400
CASE Initiative income	-	-	-	473,837	473,837
National Teach Ag Campaign Income	-	-	265	-	265
Other income	32,911	-	-	-	32,911
	69,988	420	265	473,837	544,510
Total Revenue, Gains and Losses					
Net Assets Released from Restrictions	-	-	-	-	-
Total Revenue, Gains and Losses and Reclassifications	69,988	420	265	473,837	544,510
Expenses					
General expenses	73,929	-	-	-	73,929
FFA Foundation projects	53,474	-	-	-	53,474
CASE Initiative expenses	-	-	-	397,766	397,766
National Teach Ag Campaign expenses	-	-	18,530	-	-
Convention expenses	-	-	-	-	-
	127,403	-	18,530	397,766	525,169
Total expenses					
INCREASE (DECREASE) IN NET ASSETS	(57,415)	420	(18,265)	76,071	811
NET ASSETS AT BEGINNING OF PERIOD	1,002,727	219,275	(78,185)	1,087,109	2,230,926
NET ASSETS AT END OF PERIOD	\$ 945,312	\$ 219,695	\$ (96,450)	\$ 1,163,180	\$ 2,231,737

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of Actual vs. Budget

For the One Month Ended July 31, 2019

	<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	\$ 6,250	\$ 35,008	\$ (28,758)	\$ 6,250	\$ 420,090	\$ (413,840)
Corporate membership dues		1,250	(1,250)		15,000	(15,000)
Scholarships upper division		625	(625)		7,500	(7,500)
National Geographic Cengage scholarships		-	-			-
Foundation management fees		-	-			-
Interest and dividends	512	2,917	(2,405)	512	35,000	(34,488)
Net realized and unrealized gains (losses) on securities	10,612	-	10,612	10,612		10,612
Merchandise sales	3,511	500	3,011	3,511	6,000	(2,489)
Investment income, Life Fund	212	1,000	(788)	212	12,000	(11,788)
Contributions, Legislative Fund		-	-			-
Miscellaneous income	242	750	(508)	242	9,000	(8,758)
Scholarship raffle proceeds		-	-			-
Student teacher scholarship revenue		-	-			-
Teacher crisis fund	3,969	-	3,969	3,969		3,969
BFRDP Grant		-	-			-
AEM business manager stipend		333	(333)		4,000	(4,000)
National Ag Ed Summit Revenue		-	-			-
National Teach Ag Campaign management fee		-	-		46,000	(46,000)
Nat'l Agriscience Teacher Ambassadors		13,667	(13,667)		164,000	(164,000)
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		-	-			-
FFA Foundation project - TTTK		5,467	(5,467)		65,600	(65,600)
FFA Foundation project - OPAP		1,367	(1,367)		16,400	(16,400)
FFA Foundation project - OMSP		1,367	(1,367)		16,400	(16,400)
FFA Foundation project - OT		1,367	(1,367)		16,400	(16,400)
FFA Foundation project - OECT	16,400	1,367	15,033	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		1,667	(1,667)		20,000	(20,000)
FFA Foundation Agriscience Initiative		-	-			-
FFA Foundation NATAA/NAII		-	-			-
FFA Foundation project - XLR8		8,333	(8,333)		100,000	(100,000)
FFA Foundation communities of practice		5,600	(5,600)		67,200	(67,200)
FFA Foundation convention internet lounge		-	-			-
CASE Initiative net income	76,071	(2)	76,073	76,071	-	76,071
Convention net income	28,700	8,161	20,539	28,700	97,950	(69,250)
National Teach Ag Campaign net income	(18,265)	556	(18,821)	(18,265)	6,685	(24,950)
TOTAL REVENUE	128,214	94,479	33,735	128,214	1,179,770	(1,051,556)
EXPENSES						
Salaries	30,651	33,524	(2,873)	30,651	402,290	(371,639)
Taxes and benefits	8,878	9,470	(592)	8,878	113,645	(104,767)
Computer service	1,237	1,667	(430)	1,237	20,000	(18,763)
Telephone	448	500	(52)	448	6,000	(5,552)
Accounting	700	1,429	(729)	700	17,150	(16,450)
Depreciation	341	333	8	341	4,000	(3,659)
Rent	-	838	(838)		10,050	(10,050)
Insurance	104	1,000	(896)	104	12,000	(11,896)
Legal		83	(83)		1,000	(1,000)
Office Supplies	121	1,083	(962)	121	13,000	(12,879)
Bank charges and investment fees	2,616	8	2,608	2,616	100	2,516
Printing, general	996	250	746	996	3,000	(2,004)
Staff training		83	(83)		1,000	(1,000)
Taxes and licenses		4	(4)		50	(50)

(Continued)

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of Actual vs. Budget

For the One Month Ended July 31, 2019

	<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>
Membership and contributions		1,667	(1,667)		20,000	(20,000)
Travel, staff	2,352	2,833	(481)	2,352	34,000	(31,648)
Promotion and marketing	14	1,250	(1,236)	14	15,000	(14,986)
Merchandise and diaries	1,374	417	957	1,374	5,000	(3,626)
Photocopying		8	(8)		100	(100)
Postage, general	1,474	667	807	1,474	8,000	(6,526)
Professional liability insurance		3,397	(3,397)		40,760	(40,760)
Public relations		83	(83)		1,000	(1,000)
Delmar scholarships		625	(625)		7,500	(7,500)
Scholarships upper division		-	-		20,000	(20,000)
National Geographic Cengage scholarships		-	-		-	-
Travel, regional secretaries	2,274	1,500	774	2,274	18,000	(15,726)
Travel, board of directors	6,935	3,250	3,685	6,935	39,000	(32,065)
FFA Foundation project - TTTK		3,333	(3,333)		40,000	(40,000)
FFA Foundation project - OPAP		750	(750)		9,000	(9,000)
FFA Foundation project - OMSP		750	(750)		9,000	(9,000)
FFA Foundation project - OT		750	(750)		9,000	(9,000)
FFA Foundation project - OECT		750	(750)		9,000	(9,000)
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 Initiative		-	-		-	-
FFA Foundation XLR8	1,837	5,000	(3,163)	1,837	60,000	(58,163)
FFA Foundation convention internet lounge		-	-		-	-
NPS Ag Ed Leadership dinner		352	(352)		4,225	(4,225)
TTTK		-	-		-	-
NATAA	38,687	10,833	27,854	38,687	130,000	(91,313)
Regional grants		-	-		-	-
NPS expense		417	(417)		5,000	(5,000)
Webinar expense		42	(42)		500	(500)
Teacher crisis fund	1,000	-	1,000	1,000	-	1,000
Communities of practice expense		3,409	(3,409)		40,910	(40,910)
Substitute teacher hire behinds		42	(42)		500	(500)
Website	308	1,500	(1,192)	308	18,000	(17,692)
NATAA stipends	12,950	-	12,950	12,950	-	12,950
TTTK stipends		-	-		-	-
XLR8 stipends	1,125	-	1,125	1,125	-	1,125
BFRDP expense		-	-		-	-
BFPD contract labor		-	-		-	-
Contract labor	1,025	-	1,025	1,025	-	1,025
Credit card expense	342	333	9	342	4,000	(3,658)
Storage		-	-		-	-
Professional development		-	-		-	-
National Ag Ed Summit Expense		-	-		-	-
Ag ed oppourtuinty fund		-	-		-	-
Ag ed resource guide expense	9,614	-	9,614	9,614	-	9,614
Miscellaneous	-	-	-	-	-	-
TOTAL EXPENSES	<u>127,403</u>	<u>94,438</u>	<u>32,965</u>	<u>127,403</u>	<u>1,153,280</u>	<u>(1,025,877)</u>
NET INCOME (LOSS)	<u>\$ 811</u>	<u>\$ 41</u>	<u>\$ 770</u>	<u>\$ 811</u>	<u>\$ 26,490</u>	<u>\$ (25,679)</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.
Schedule of Convention Revenue and Expenses
For the One Month Ended July 31, 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		\$ 12,083	\$ (12,083)		\$ 145,000	\$ (145,000)
Convention, trade show		-	-			-
Convention, sponsorships - FFA Foundation	28,700	5,833	22,867	28,700	70,000	(41,300)
Convention, partners reception		250			3,000	
Convention, host state social	-	-	-			-
Convention, sponsorships	-	2,083	(2,083)		25,000	(25,000)
TOTAL REVENUE	<u>28,700</u>	<u>20,249</u>	<u>8,701</u>	<u>28,700</u>	<u>243,000</u>	<u>(211,300)</u>
EXPENSES						
Convention, plaques and trophies	-	167	(167)		2,000	(2,000)
Convention, printing	-	-	-			-
Convention, awards	-	750	(750)		9,000	(9,000)
Convention, miscellaneous	-	-	-			-
Convention, meal functions	-	125	(125)		1,500	(1,500)
Convention, promotion and marketing	-	417	(417)		5,000	(5,000)
Convention, postage and shipping	-	333	(333)		4,000	(4,000)
Convention, equipment rental	-	2,000	(2,000)		24,000	(24,000)
Convention, host state social	-	-	-			-
Convention, committee expense	-	379	(379)		4,550	(4,550)
Convention, sponsorships - FFA Foundation	-	5,000	(5,000)		60,000	(60,000)
Convention, travel/board of directors	-	1,917	(1,917)		23,000	(23,000)
Convention, staff travel	-	1,000	(1,000)		12,000	(12,000)
TOTAL EXPENSES	<u>-</u>	<u>12,088</u>	<u>(12,088)</u>	<u>-</u>	<u>145,050</u>	<u>(145,050)</u>
NET INCOME (LOSS)	<u>\$ 28,700</u>	<u>\$ 8,161</u>	<u>\$ 20,789</u>	<u>\$ 28,700</u>	<u>\$ 97,950</u>	<u>\$ (66,250)</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of CASE Initiative Revenue and Expenses

For the One Month Ended July 31, 2019

	MONTH	MONTH	MONTH	YEAR TO DATE	YEAR	YEAR
	ACTUAL	BUDGET	\$VARIANCE	ACTUAL	BUDGET	\$VARIANCE
REVENUE						
CI fee revenue	\$ 227,110	30,000	\$ 197,110	\$ 227,110	\$ 360,000	\$ (132,890)
Brief CASE CI fee revenue	9,000	833	8,167	9,000	10,000	(1,000)
Brief CASE service fee	6,000	625	5,375	6,000	7,500	(1,500)
LT service fee	105,000	21,000	84,000	105,000	252,000	(147,000)
USDA NIFA PD-STEP 18		5,167	(5,167)		62,000	(62,000)
Vernier revenue	104,333	53,333	51,000	104,333	640,000	(535,667)
NewByte revenue	399	375	24	399	4,500	(4,101)
Vendor - Bio-Rad		417	(417)		5,000	(5,000)
APT revenue	961	-	961	961		961
MSA Revenue		-	-			-
ABF		-	-			-
ARD CI Revenue	500	-	500	500		500
Capstone Revenue		-	-			-
Cengage revenue	16,553	2,083	14,470	16,553	25,000	(8,447)
Ward's kits	3,769	-	3,769	3,769		3,769
Ward's revenue		1,167	(1,167)		14,000	(14,000)
FSS revenue		-	-			-
New projects		8,590	(8,590)		103,082	(103,082)
CI scholarships/grants		37,875	(37,875)		454,500	(454,500)
MidSch		-	-			-
Sustain revenue		-	-			-
G.W. Pubs revenue		-	-			-
Online		-	-			-
Merchandise	62	3,000	(2,938)	62	36,000	(35,938)
Course downloads	150	-	150	150	-	150
TOTAL REVENUE	<u>473,837</u>	<u>164,465</u>	<u>309,372</u>	<u>473,837</u>	<u>1,973,582</u>	<u>(1,499,745)</u>
EXPENSES						
Travel	7,705	3,875	3,830	7,705	46,500	(38,795)
Travel - staff	12,934	2,542	10,392	12,934	30,500	(17,566)
Salary	6,164	7,077	(913)	6,164	84,922	(78,758)
Taxes and benefits	306	2,025	(1,719)	306	24,295	(23,989)
Contract labor	20,938	28,021	(7,083)	20,938	336,250	(315,312)
Supplies	78	479	(401)	78	5,750	(5,672)
Merchandise		-	-			-
Professional development		-	-			-
Promotion		808	(808)		9,700	(9,700)
Printing		458	(458)		5,500	(5,500)
Postage	138	121	17	138	1,450	(1,312)
Technology	117	458	(341)	117	5,500	(5,383)
Management fee		2,000	(2,000)		24,000	(24,000)
Vernier	86,805	46,400	40,405	86,805	556,800	(469,995)
NewByte	461	214	247	461	2,565	(2,104)
Bio-Rad		-	-			-
Legal and professional		183	(183)		2,200	(2,200)
Lead teacher orientation	3,850	5,513	(1,663)	3,850	66,150	(62,300)
Lead teacher stipends	68,425	17,500	50,925	68,425	210,000	(141,575)
Field test		-	-			-
Institute expense		-	-			-
USDA NIFA PD-STEP 18		5,167	(5,167)		62,000	(62,000)
NRES		-	-			-
FSS		-	-			-
APT	853	-	853	853		853
ARD		-	-			-
ESI		-	-			-
MSA	2,427	-	2,427	2,427		2,427
ABF		-	-			-
ARDCI	110	-	110	110		110
G.W. Publisher		-	-			-
Sustain expense		-	-			-
Online expense		1,667	(1,667)		20,000	(20,000)
Cengage	16,346	1,792	14,554	16,346	21,500	(5,154)
BriefCASE LT stipends	2,100	292	1,808	2,100	3,500	(1,400)
CI scholarship	168,000	37,875	130,125	168,000	454,500	(286,500)
CI Mentor contract labor		-	-			-
CI mentor		-	-			-
Depreciation	9	-	9	9	-	9
TOTAL EXPENSES	<u>397,766</u>	<u>164,467</u>	<u>233,299</u>	<u>397,766</u>	<u>1,973,582</u>	<u>(1,575,816)</u>
NET INCOME (LOSS)	<u>\$ 76,071</u>	<u>\$ (2)</u>	<u>\$ 76,073</u>	<u>\$ 76,071</u>	<u>\$ -</u>	<u>\$ 76,071</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.
Schedule of National Teach Ag Campaign Revenue and Expenses
For the One Month Ended July 31, 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	\$ 265	\$ 69,833	\$ (69,568)	\$ 265	\$ 838,000	\$ (837,735)
EXPENSES						
Contractor stipends	3,345	11,754	(8,409)	3,345	141,050	(137,705)
Staff salaries	2,494	4,718	(2,224)	2,494	56,610	(54,116)
Staff fringes		1,658	(1,658)		19,890	(19,890)
Travel	2,768	13,999	(11,231)	2,768	167,990	(165,222)
Supplies	228	1,313	(1,085)	228	15,750	(15,522)
Promotion		2,738	(2,738)		32,850	(32,850)
Presenter stipends		1,008	(1,008)		12,100	(12,100)
IT services	16	583	(567)	16	7,000	(6,984)
Printing		360	(360)		4,325	(4,325)
Postage/shipping		313	(313)		3,750	(3,750)
Professional dev		417	(417)		5,000	(5,000)
State grants		24,833	(24,833)		298,000	(298,000)
NAAE management fee		3,833	(3,833)		46,000	(46,000)
Grants		1,250	(1,250)		15,000	(15,000)
National Tech Ag Campaign expense	7,417	-	7,417	7,417	-	7,417
Miscellaneous	2,262	500	1,762	2,262	6,000	(3,738)
TOTAL EXPENSES	<u>18,530</u>	<u>69,277</u>	<u>(50,747)</u>	<u>18,530</u>	<u>831,315</u>	<u>(812,785)</u>
NET INCOME (LOSS)	<u>\$ (18,265)</u>	<u>\$ 556</u>	<u>\$ (18,821)</u>	<u>\$ (18,265)</u>	<u>\$ 6,685</u>	<u>\$ (24,950)</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT