

STATE BOARD OF EDUCATION
Action Item
January 17, 2017

SUBJECT: Approval of A.A.A. Scholarship Foundation- Florida, LLC as a Scholarship Funding Organization for 2017-2018

PROPOSED BOARD ACTION

Approve the renewal of A.A.A. Scholarship Foundation- Florida, LLC as an eligible Scholarship Funding Organization (SFO) for purposes of administering the Florida Tax Credit (FTC) Scholarship Program and the Gardiner Scholarship Program for 2017-2018

AUTHORITY FOR STATE BOARD ACTION

Section 1002.395(16), Florida Statutes

EXECUTIVE SUMMARY

In order to participate in the FTC or Gardiner Scholarship Programs, a charitable organization that seeks to be a nonprofit SFO must submit an application for initial approval or renewal to the Office of Independent Education and Parental Choice no later than September 1 of each year before the school year for which the organizations intends to offer scholarships. In consultation with the Department of Revenue and the Chief Financial Officer, the Office of Independent Education and Parental Choice shall review the application and the Commissioner of Education shall recommend approval or denial of the application to the State Board of Education. The Board of Education shall approve or deny the application.

Supporting Documentation Included: Application packet for A.A.A. Scholarship Foundation- Florida, LLC (under separate cover)

Facilitator/Presenter: Adam Miller, Executive Director, Office of Independent Education and Parental Choice; Kimberly Dyson, President, A.A.A. Scholarship Foundation- Florida, LLC



August 25, 2016

The Florida Department of Education
Commissioner of Education
325 W. Gaines St., Suite 1044
Tallahassee, FL 32399-0400

RE: AAA Scholarship Foundation – FL, LLC
Participation Renewal for Florida Tax Credit Scholarship Program

Dear Sirs,

Enclosed, please find the following documents required to renew our participation in the Florida Tax Credit Scholarship Program:

- A signed IEPC SFO-2 form
- Attachment #B - A copy of our IRS Determination Letter as a 501(c)(3) not-for-profit organization
- Attachment #C - A copy of our incorporation and registration with the Florida Division of Corporations, Office of the Secretary of State
- Attachment #D - A description of our financial plan that demonstrates sufficient funds to operate throughout the school year
- Attachment #E - A description of the geographic region that we intend to serve and an analysis of the demand and unmet need for eligible students in that area
- Attachment #F - Our organizational chart
- Attachment #G - A description of the criteria and methodology that we use to evaluate scholarship eligibility
- Attachment #H - A description of our application process, including deadlines and any associated fees
- Attachment #I - A description of our deadlines for attendance verification and scholarship payments
- Attachment #J - A copy of our policies on conflict of interest and whistleblowers
- Attachment #K - A surety bond in an amount equal to the amount of undisbursed donations held by us based on the annual report provided to the Auditor General and the Dept. of Education and conducted by an independent certified public accountant (s.1002.395 (6)(m), F.S.)
- Attachment #L - An annual report that includes the number of students who completed applications, by county and by grade, the number of students who

were approved for scholarships, by county and by grade, and the number of students who received funding for scholarships within each funding category, by county and by grade, as well as the amount of funds received, the amount of funds distributed in scholarships, and an accounting of remaining funds and the obligation of those funds

Our Level 2 criminal background screening results are on file with the Florida Department of Law Enforcement.

Our IRS Form 990 is currently in the review process and a copy will be submitted to you by the November 30, 2016 due date.

The fiscal year 2015-16 audited financial statements and required supplemental reports due to the Florida Auditor General and Florida Department of Education will be submitted once the independent certified public accountants have completed their work and before the statutorily mandated deadline of 180 days after completion of our fiscal year.

We believe that this satisfies our requirement under Section 1002.395(16)(b), Florida Statutes, however, please do not hesitate to contact us if any additional information is required.

Sincerely,

AAA Scholarship Foundation, Inc.



Kimberly Dyson
President and CEO

NONPROFIT SCHOLARSHIP FUNDING ORGANIZATION
PARTICIPATION RENEWAL
FLORIDA TAX CREDIT SCHOLARSHIP PROGRAM



If your nonprofit charitable organization desires to participate, please complete this form and submit it to the Department of Education with information as requested below.
If you have any questions, contact the Office of Independent Education and Parental Choice at: Telephone (850) 245-0502 or FAX (850) 245-9134 or by mail to: 325 W. Gaines Street, Suite 1044, Tallahassee, FL 32399-0400.

SUBMIT BY: SEPTEMBER 1, 2016

INFORMATION REQUIRED ABOUT YOUR ORGANIZATION

AAA Scholarship Foundation - FL, LLC

(Name of Organization)

Kimberly Dyson

(Principal Contact)

kim@aaascholarships.org

(E-mail)

888-707-2465

(Phone)

888-707-2465

(Fax)

PO Box 15719

(Mailing Address)

(Mailing Address Cont.)

Tampa

(City)

33684-0719

(Zip Code)

Kimberly Dyson

(Name of Principal Officer or Legal Representative)

CHARITABLE SFO ASSURANCES / VERIFICATION

WHICH BEST DESCRIBES YOUR ORGANIZATION? (Circle one)

Municipal (serving one city or county)

Regional

Statewide

TO BE CONSIDERED AS AN ELIGIBLE SFO, PLEASE SUBMIT THE FOLLOWING DOCUMENTATION TO THE DEPARTMENT OF EDUCATION:

Attach

- A • A signed IEPC SFO-2 form
- B • A copy of your IRS Determination Letter as a 501(c)(3) not for profit organization
- C • A copy of your organization's incorporation and registration with the Florida Division of Corporations, Office of the Secretary of State
- D • Level 2 criminal background screening results for owners and operators
- E • A description of your organization's financial plan that demonstrates sufficient funds to operate throughout the school year
- F • A description of the geographic region that the organization intends to serve and an analysis of the demand and unmet need for eligible students in that area
- F • The organization's organizational chart

- ✓ A description of the criteria and methodology that the organization will use to evaluate scholarship eligibility
- ✓ A description of the application process, including deadlines and any associated fees
- ✓ A description of the deadlines for attendance verification and scholarship payments
- ✓ A copy of the organization's policies on conflict of interest and whistleblowers
- ✓ A surety bond or letter of credit in an amount equal to the amount of the undisbursed donations held by the organization based on the annual report provided to the Auditor General and the Department of Education and conducted by an independent certified public accountant (s.1002.395(6)(m), F.S.). The amount of the surety bond or letter of credit must be at least \$100,000.00, but no more than \$25 million
- The organization's completed IRS Form 990 (due no later than November 30)
- A copy of the statutorily required audit to the Department of Education and Auditor General
- An annual report that includes the number of students who completed applications, by county and by grade, the number of students who were approved for scholarships, by county and by grade, and the number of students who received funding for scholarships within each category, by county and by grade, as well as the amount of funds received, the amount of funds distributed in scholarships, and an accounting of remaining funds and the obligations of those funds
- n/A • A detailed accounting of how the organization spent the administrative funds, *if applicable*

PLEASE RESPOND TO THE FOLLOWING QUESTIONS:

- ✓ I have read and agree to comply with Florida Administrative Code 6A-6.0960 related to the Florida Tax Credit Scholarship Program
- ✓ I have read and agree to comply with Florida Statutes Section 1002.395 and Section 1002.385, if applicable
- ✓ I will notify the Department of Education within 7 days if personal or corporate bankruptcy is filed within the next year
- ✓ I have not filed for personal or corporate bankruptcy in a corporation of which I owned more than 20 percent in the last 7 years

I HEREBY ATTEST THAT AS THE PRINCIPAL OFFICER OF THE ABOVE NAMED SCHOLARSHIP FUNDING ORGANIZATION ALL OF THE DOCUMENTATION SUBMITTED AND INFORMATION PROVIDED AS A RESULT OF THIS FORM IS TRUE AND CORRECT.



 Signature of Principal Officer

Kimberly Dyson

 Please print or type signature name

8/24/14

 Date

NOTARIZATION ENCOURAGED

FOR DOE PURPOSES ONLY:

Date Received: _____

Received by: _____

Action: _____

Authorization: _____ Date: _____

SFO Notified: _____ DOR Notified: _____ DABT Notified: _____

NOTE: Section 1002.395, F.S., requires the Department of Education to annually notify the Department of Revenue and the Division of Alcoholic Beverages and Tobacco of the Department of Business and Professional Regulation with a list of eligible Scholarship Funding Organizations by March 15th.

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: **SEP 10 2010**

AAA SCHOLARSHIP FOUNDATION INC
C/O HEATHER BRAULT
PO BOX 3579
FORT STEWART, GA 31315

Employer Identification Number:
27-2559468
DLN:
17053140325030
Contact Person:
CHITRA MAMLATDARNA ID# 52471
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
June 30
Public Charity Status:
170(b)(1)(A)(vi)
Form 990 Required:
Yes
Effective Date of Exemption:
March 26, 2010
Contribution Deductibility:
Yes
Addendum Applies:
No

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

Letter 947 (DO/CG)



Detail by Entity Name

Florida Limited Liability Company

AAA SCHOLARSHIP FOUNDATION - FL, LLC

Filing Information

Document Number	L13000172561
FEI/EIN Number	27-2559468
Date Filed	12/13/2013
Effective Date	12/10/2013
State	FL
Status	ACTIVE
Last Event	LC AMENDMENT
Event Date Filed	01/23/2014
Event Effective Date	NONE

Principal Address

13528 PRESTIGE PLACE
107
TAMPA, FL 33635

Changed: 01/21/2014

Mailing Address

PO Box 15719
TAMPA, FL 33684-0719

Changed: 01/10/2015

Registered Agent Name & Address

DYSON, KIM
13528 PRESTIGE PLACE
107
TAMPA, FL 33635

Address Changed: 01/21/2014

Authorized Person(s) Detail

Name & Address

Title MGRM

AAA SCHOLARSHIP FOUNDATION, INC.

PO BOX 3579
FORT STEWART, GA 31315

Annual Reports

Report Year	Filed Date
2014	01/21/2014
2015	01/10/2015
2016	01/23/2016

Document Images

<u>01/23/2016 -- ANNUAL REPORT</u>	View image in PDF format
<u>01/10/2015 -- ANNUAL REPORT</u>	View image in PDF format
<u>01/23/2014 -- LC Amendment</u>	View image in PDF format
<u>01/21/2014 -- ANNUAL REPORT</u>	View image in PDF format
<u>01/17/2014 -- LC Amendment</u>	View image in PDF format
<u>12/13/2013 -- Florida Limited Liability</u>	View image in PDF format

AAA Scholarship Foundation, Inc.
Operating Budget
Fiscal Year 2017-18

	Annual Budget	Budget Narrative/Assumptions
Revenues		
Contributions - GA	953,359	Tax Credit Contributions
Contributions - AZ	11,144,000	Tax Credit Contributions
Contributions - PA	320,000	Tax Credit Contributions
Contributions - AZ-DD	2,040,000	Tax Credit Contributions
Contributions - AL	240,000	Tax Credit Contributions
Contributions - FL	7,945,000	Tax Credit Contributions
Grants - FL PLSA	5,150,000	FL DOE Gardiner Scholarship Grant
Contributions - NV	2,807,000	Tax Credit Contributions
Total Grants & Contributions	30,599,359	
Interest Earned	48,250	Interest Earned on/Restricted for Scholarship Accounts
Net Revenues	30,647,609	
Direct Program Costs		
Scholarships Awarded - GA	858,023	114 scholarships awarded (max of \$7,500 x 1 year)
Scholarships Awarded - AZ	10,029,600	643 scholarships awarded (avg of \$5,000 x 3 years)
Scholarships Awarded - PA	288,000	38 scholarships awarded (max of \$7,500 x 1 year)
Scholarships Awarded - AZ-DD	1,836,000	77 scholarships awarded (avg of \$8,000 x 3 years)
Scholarships Awarded - AL	228,000	35 scholarships awarded (max of \$7,500 x 1 year)
Scholarships Awarded - FL	7,706,650	1541 scholarships awarded (avg of \$5,000 x 1 year)
Scholarships Awarded - FL PLSA	5,000,000	500 scholarships awarded (avg of \$10,000 x 1 year)
Scholarships Awarded - NV	2,666,650	356 scholarships awarded (max of \$7,500 x 1 year)
Total Direct Program Costs	28,612,923	
General and Administrative Expenses		
Wages & Benefits		
FICA	36,339	Employer Payroll Taxes
Employee Benefits	108,000	Employer Paid Group Medical/Dental Premium + Retirement Plan Contribution
Salaries	475,016	Salary Cost: CEO, COO, Controller, Bookkeeper, Scholarship Admin (3), Outreach
Wages & Benefits	619,355	
Travel & Meetings		
Conferences/Conventions	10,830	Attend 10 Conferences
Lodging	14,400	Conferences, School meetings, Site Visits, Student Recruiting
Meals & Entertainment	6,240	Conferences, School meetings, Site Visits, Student Recruiting
Meals - Staff Mtgs	1,250	Staff Meetings/Holiday Parties
Meals - Board Mtgs	200	BOD Lunch Meetings
Travel	34,330	Conferences, School meetings, Site Visits, Student Recruiting
Travel Expenses	67,250	
Business Insurance		
Surety Bond	20,000	FL Bond - Annual Premium
Liability Insurance	3,930	General & D&O Insurance
Workers Comp Insurance	1,483	Annual Premium
Business Insurance	25,413	
General Expenses		
Advertising/Marketing	178,900	Collateral material, paid media, outreach, student recruiting
Bank Charge	25,080	Account Analysis Fees/Late Fees
Business License/Registration	4,544	State Registrations/Solicitation Fees
Contract Services/Development	724,474	Independent Contractors/Marketing/Fund Raising/Govt Relations
Depreciation	1,600	Depreciation of fixed assets
Dues, Fees & Subscriptions	60,671	Application Fees, Memberships, Subscriptions
Equipment Rental	3,234	Various equipment, post office boxes, etc.
Equipment Repair & Maintenance	2,550	Computer/Equipment Repairs
Software Licenses	5,643	Annual Seat for Licenses
Office Equipment	2,400	Various calculators, printers, etc.
Postage & Delivery	23,333	Applications/checks/packets/handbooks/ltrs/notices
Printing & Reproduction	7,272	Applications/Award Letters/School Commitment Forms/Envelopes, etc
Professional Development	2,000	Technical training
Professional Services	83,090	Payroll/Tax Return Prep/Audit/Legal
Supplies	7,000	Paper/toner/storage boxes/pens/highlighters, etc
Telephone/Fax	8,040	Phone/fax/cell
Web/Internet Hosting Services	4,716	Site Hosting, Domains, SEO Optimization
Total General Expenses	1,144,548	
Facility Expenses	32,016	Monthly Lease/utilities/maint
Total G&A Expenses	1,888,582	
Total Costs & Expenses	30,501,505	
Surplus / (Deficit)	146,104	

AAA Scholarship Foundation, Inc.
 Cash Flow Projection
 Fiscal Year 2017-18

	July	August	September	October	November	December	January	February	March	April	May	June
Beginning Balance	18,049,268	32,096,782	34,820,706	34,643,833	34,433,146	27,937,662	30,419,475	24,023,991	23,830,804	25,190,975	19,295,491	19,242,304
+Cash Received	14,203,896	2,882,306	5,345,306	995,306	75,306	2,750,306	175,306	75,306	1,828,685	675,306	215,306	1,625,296
-Cash Paid Out	157,382	157,382	5,522,179	1,205,993	6,570,790	268,493	6,570,790	268,493	268,493	6,570,790	268,493	268,493
Ending Balance	32,096,782	34,820,706	34,643,833	34,433,146	27,937,662	30,419,475	24,023,991	23,830,804	25,190,975	19,295,491	19,242,304	20,599,107

Disclaimer: This report includes forward-looking statements that involve a number of risks and uncertainties. We would like to point out that the actual results could differ materially from those indicated or underlying these statements, or could have an impact on the realization of particular financial projections. Accordingly, we cannot guarantee the realization of these forward-looking statements

A description of the geographic region that the organization intends to serve and an analysis of the demand and unmet need for eligible students in that area.

AAA Scholarship Foundation – FL, LLC serves the children of low-income families throughout the state of Florida. Low-income is defined by AAA as household incomes up to 250 percent of the federal poverty threshold.

The United States Census Bureau estimates Florida’s 2014 population at just over 20 million people with 16.5 percent of them living below the federal poverty threshold.¹ For 2015, the federal poverty threshold was \$24,250 for a family of two adults and two children.²

According to the National Center for Children in Poverty, in 2014 there were 2,009,697 Florida families with 3,896,840 children; approximately 24 percent of those children live in families with incomes below the federal poverty threshold.³ Below is a breakdown of the 2014 Florida household income demographics for Florida’s children as published by Kids Count, a project of the Annie E. Casey Foundation:

- 2,367,000 children are at or below 250 percent of the federal poverty threshold⁴
- 1,987,000 children are at or below 200 percent of the federal poverty threshold⁵
- 1,530,000 children are at or below 150 percent of the federal poverty threshold⁶
- 948,000 children are at or below 100 percent of the federal poverty threshold⁷

The Florida Department of Education’s 2015-16 Annual Report on Private Schools⁸ states that of the 3,138,030 statewide total PK-12 student enrollment in the 2015-2016 school year, 2,792,234 (89 percent) were public school students, and 345,796 (11 percent) were private school students attending 2,540 private schools.

BREAKDOWN OF PRIVATE SCHOOL STUDENTS IN FLORIDA

<u>GRADE LEVEL</u>	<u>STUDENTS</u>	<u>PERCENTAGE OF TOTAL ENROLLMENT</u>
Pre-K	45,552	13.2%
K	26,332	7.6%
1st	24,521	7.1%
2nd	24,066	7.0%
3rd	23,904	6.9%
4th	23,453	6.8%
5th	22,603	6.5%
6th	23,907	6.9%
7th	23,708	6.9%

¹ <http://quickfacts.census.gov/qfd/states/12000.html>

² <http://aspe.hhs.gov/poverty/figures-fed-reg.cfm>

³ http://www.nccp.org/profiles/FL_profile_7.html

⁴ <http://datacenter.kidscount.org/data/tables/48-children-below-250-percent-poverty?loc=1&loct=2#detailed/2/2-52/false/869,36,868,867,133/any/331,332>

⁵ <http://datacenter.kidscount.org/data/tables/47-children-below-200-percent-poverty?loc=1&loct=2#detailed/2/2-52/false/869,36,868,867,133/any/329,330>

⁶ <http://datacenter.kidscount.org/data/tables/46-children-below-150-percent-poverty?loc=1&loct=2#detailed/2/2-52/false/869,36,868,867,133/any/327,328>

⁷ <http://datacenter.kidscount.org/data/tables/43-children-in-poverty-100-percent-poverty?loc=1&loct=2#detailed/2/2-52/false/869,36,868,867,133/any/321,322>

⁸ <http://www.fl DOE.org/core/fileparse.php/7562/urlt/Private-School-Report-2015-16.pdf>

<u>GRADE LEVEL</u>	<u>STUDENTS</u>	<u>PERCENTAGE OF TOTAL ENROLLMENT</u>
8th	23,306	6.7%
9th	22,494	6.5%
10th	21,516	6.2%
11th	20,173	5.8%
12th	20,261	5.9%
Total:	345,796	100.0%

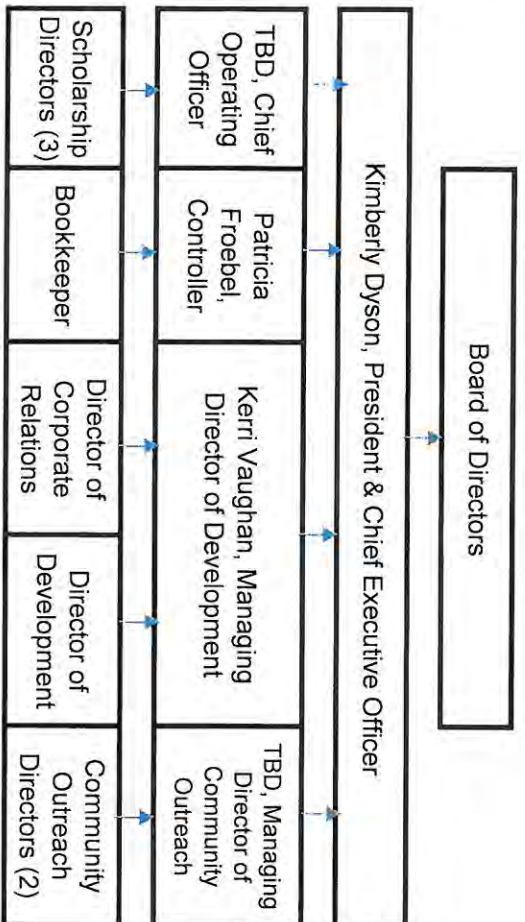
The Florida Department of Education’s June 2016 FTC Quarterly Report⁹ notes that 78,664 students used the Florida Tax Credit (FTC) Scholarship to assist them in paying for tuition, books and fees at 1,602 eligible private schools during the 2015-2016 school year.

Adjusting for Pre-K students who are not eligible for FTC scholarships, we calculate that 300,244 private school seats are available for students in grades K – 12 ($345,796 - 45,552 = 300,244$). Assuming an even distribution of students across all Florida private schools, 118.2 K – 12 seats would be available per private school ($300,244 / 2,540 = 118.2$). Extrapolating that to the 1,602 eligible private schools already accepting the FTC scholarships, results in 189,356 seats available for FTC scholarship students ($1,602 \times 118.2 = 189,356$).

Knowing that over 2.3 million Florida children are in households earning at or below 250 percent of the federal poverty threshold, it is reasonable to deduce that there may be at least an additional 119,406 eligible students for whom a seat in an eligible private school would be available and who subsequently represent the demand and unmet need for eligible students in Florida ($189,356 - 69,950 = 119,406$).

⁹ <http://www.fldoe.org/core/fileparse.php/7558/urlt/FTC-June-2016-Quarterly-Report2.pdf>

Florida Department of Education
Risk Analysis Federal and State Grant Funding
Governmental and Non-Governmental Agencies
Attachment F - Organizational Chart



A description of the criteria and methodology that the organization will use to evaluate scholarship eligibility

In order to qualify for an AAA scholarship, families must provide support for the following requirements:

1. The student's household income is at or below 250 percent of the federal poverty level
 - a. AAA follows the guidelines provided by the National School Lunch Program's USDA Eligibility Manual for School Meals to determine the specific types of income to be included in determining eligibility.
 - i. Income documentation may include, but is not limited to, copies of the signed federal income tax return as filed with the IRS with all supporting schedules, IRS Transcript, year-end award letters/statements for any and all income sources including Cash Assistance (TANF), Food Stamps (SNAP), Social Security Income, Housing Assistance (Section 8, HUD, etc), Workers Compensation, Disability or Retirement, Forms W-2 or 1099.
 - b. AAA uses the guidelines provided by the National School Lunch Program's USDA Eligibility Manual for School Meals to determine household composition.
 - i. Household composition is based on economic units. An economic unit is a group of related or unrelated individuals who are not residents of an institution or boarding house but who are living as one economic unit, and who share housing and/or significant income and expenses of its members. Generally, individuals residing in the same house are an economic unit.
2. The student is currently placed, or during the previous state fiscal year was placed, in foster care or in out-of-home care as defined in s. 39.01
 - a. Documentation from the state of Florida that validates that the child meets the definition of s. 39.01(29) or (48) and specifies the amount of support provided by the state for the benefit of the child.
3. The student is a sibling of an eligible student who is participating in the scholarship program and resides in the same household as the sibling.
4. Resident of Florida
 - a. AAA requires written documentation that an applicant is a resident of Florida.
 - b. Documentation may include tax returns, utility bills, leases, etc.
5. Age Requirement
 - a. AAA requires birth certificates for all children to determine whether they meet the requirement that children must be 5 years old as of September 1.

A description of the application process, including deadlines and any associated fees.

1. AAA Contracts with Applications Processor for Application Processing and Eligibility Determination; Applications Processor Contracts with AAA for Application Processing and Eligibility Determination

The laws governing the administration of the Tax Credit Scholarship Programs in Alabama, Arizona, Florida, Georgia, and Pennsylvania do not require that a third party perform the eligibility determination process. However, AAA's management determined that contracting with a third-party that specializes in needs-analysis would provide objectivity, professionalism and consistency to the process and remove the possible perception of favoritism, impropriety and/or profiteering in the awarding of the scholarships. Thus, AAA began contracting with Private School Aid Service, the same private applications processor used by other scholarship organizations, private schools and foundations around the country.

The applications processor provides needs analysis and qualification analysis services necessary in connection with the administration of tuition assistance programs, scholarship programs, vouchers, and income tax credit programs for numerous organizations around the country. Founded in 1975, they serve over 70 unique Scholarship and Foundation programs across the United States. Their management team has over 80 years of combined financial aid experience and uses its expertise to provide an objective and uniform needs evaluation.

The majority of the eligibility determination costs performed by the applications processor are covered in the application fee (except in Florida where AAA pays for the fees to process the applications). Since the application fee is for the household, a family may submit multiple students on one application and pay the fee only once per year. In addition to the application fee, AAA pays the applications processor for other services associated with the eligibility determination process, such as appeal reviews and custom report preparation.

2. AAA Provides Updates to the Application Form; Applications Processor Modifies the Application Form and System

Annually, AAA updates the scholarship applications. Reasons for modifications include changes in law, new requirements, changes in the poverty level guidelines established by the United States Department of Health and Human Service, and improvements in language and format for clarity based on feedback and user experience. The applications are available in English and Spanish, and may be available in Creole in the future. The intent of the application is to collect sufficient and valid information from the applicant in order to determine eligibility for the scholarship.

3. AAA Develops Scholarship Application Review Guidelines for Applications Processor

AAA develops the Scholarship Program Guidelines for the applications processor to use in reviewing the applications and making scholarship eligibility determinations.

Development of these guidelines is based on the states' individual statutes, income level criteria, and AAA's knowledge and experience. These instructions are included as part of the applications processor contract and include specific evaluation standards and criteria for use by them. AAA provides guidance on the scholarship eligibility and the processor provides AAA with its suggested process, as well as required forms and documents. AAA approves the process, document list, and forms, or suggests adjustments as needed.

As noted in #11 below, AAA audits a sample of each state's completed applications to help ensure that the applications processor is following the guidelines and is making accurate eligibility determinations.

4. AAA Distributes Scholarship Applications to Potential Recipients

AAA provides links to each state's application on its website for an applicant to complete. AAA also conducts outreach and education about the scholarship – providing hard copy applications at face-to-face meetings, expos, and during other opportunities.

Students are awarded multi-year scholarships for Arizona and 1-year scholarships for Alabama, Florida, Georgia, Nevada and Pennsylvania. If a scholarship student does not renew the application by a certain time of the year, AAA attempts to reach the household through various methods.

5. Applicant Completes Online Scholarship Application; Applicant Submits Completed Scholarship Application to Applications Processor

Families and student applicants can access an online application or complete and print a fillable pdf application via the AAA website. They can also print a hard copy of the application, sign it, and upload, mail or fax it along with copies of supporting documentation to the applications processor. Regardless of the chosen application method, AAA requires that the parent/guardian print and sign the last page of the application so that their signature can be used to verify the endorsement on the scholarship check during the check audit process if they are found eligible.

6. Applications Processor Enters Scholarship Application into Secure Database

The applications processor maintains a secure database of all applications. Applicants may log onto the applications processor secure website to view their application status, students applied for within the household, and a checklist indicating what has been completed and what information is still needed. AAA staff may log onto the applications processor's secure website to view an image of the scanned application, supporting documentation and to run reports.

7. Applications Processor Reviews Scholarship Application for Completeness

The applications processor performs an initial review of the application for completeness. If the application is missing required information necessary for the applications processor to determine eligibility, the application status is set to "on hold." The applications processor sends a letter to the applicant indicating the application has been set to the "on hold" status, with a checklist indicating additional information needed. (See step #9 for a full discussion of the "on hold" process).

Much of the AAA scholarship processing operations are broken into stages and therefore the applications processor staff assigned to a given applicant varies based on the stage of the application at a given time. Generally, there is an assigned account manager for the applicant, who works closely with a team of fulltime applications processor staff members to manage applications, parent/guardian phone calls, client requests, and processing requirements. Ten cross-trained fulltime employees are also assigned to handle high call volume and application processing. These additional staff members ensure ease of flow and timeliness in application processing. During the applications processor's peak season, there is an overall staff of 90 to meet the needs of all customers in addition to AAA. During the slower season, the staff decreases to around 40-45 employees. Most staff members are cross-trained to work in many areas so that when necessary, they can step in to assist with heavy volume. There are also additional staff members whose expertise is utilized for other various tasks.

8. Applications Processor Provides Telephone Support to Families; AAA Provides Telephone Support to Families

The applications processor has a toll-free number listed on the cover of the scholarship application, its website, and all communications for applicants to call if they have questions about their application or status. The applications processor receives these calls and routes them to the dedicated applications processor staff depending on the inquiry. In addition, the applications processor initiates phone calls to families and applicants whose applications have been put on hold, as detailed below in step #9.

In all cases, the applications processor documents phone contacts in an electronic call log, including a summary of the information the applications processor provided to the caller.

AAA also takes phone calls from families/students seeking scholarships and answers additional questions arising after the application process has been completed. Most calls are for basic information and are resolved quickly. However, if the caller becomes upset or abusive, the staff member may request that a senior staff member assist with the call.

9. Applications Processor Follows the Hold/Expired Process Required by AAA

The contract with the applications processor includes specific guidelines it must follow for each application in the "on hold" status. During processing and reviewing, all applications are set to "in process." If an application had been set to "on hold" and the applications processor has since received the needed documentation, the application will be updated to the "in process" status as the documentation is reviewed. If all required documents are received and a determination of eligibility can be made, then the application can be deemed complete. However, if the application is still missing vital documentation, the application will be set back to "on hold" and the process of obtaining the appropriate information will begin again. The application cannot be officially labeled as complete until all documentation is received and an eligibility decision has been determined.

The first letter notifying the family/student the application is on hold is sent along with a timeframe for response. There is a 45-day deadline and a 60-day deadline. The following describes the hold/expired process.

- A. The applications processor calls the applicant within 48 hours of the application status being set to "on hold." The purpose of the call is to inform the applicant a letter is being sent about the hold status, explain the reasons for the hold, and answer any questions regarding the reasons for the application status. They also email the applicant if an email address is provided.
- B. If the application is still on hold after 30 days, the applications processor places an additional phone call to the applicant requesting the information and needed documents. If attempts to contact the applicant are unsuccessful, another letter is sent to the household.
- C. If the applications processor determines the family has not sent the required documents because the request was not understood, the applications processor places a phone call to provide additional counsel to the applicant.

- D. If a family/applicant indicates he or she does not wish to continue with the application process, the application is marked as "completed" by the applications processor, with each student being noted as ineligible due to "withdrawal from application process."
- E. If the family fails to respond to the second notice and any additional phone calls, the application will be considered "completed - ineligible due to failure to document eligibility in a timely manner" by the applications processor. The household is then sent a letter of ineligibility. If the household later decides to finish the application by sending in the required documentation, the application status is returned to "on hold" and the documentation is processed without additional charge.

10.Applications Processor Determines Applicant's Scholarship Eligibility

Based on the guidelines established by AAA, a senior staff member reviews all complete applications and determines whether an applicant satisfies the eligibility criteria for the scholarship. A cover sheet for each application is prepared, indicating key data associated with the application, such as student eligibility, criteria for eligibility, and summary supporting eligibility determination. The application, supporting documents and cover sheet are available to AAA via the applications processor's secure website.

11.AAA Performs Random Audit on Application; AAA Sends Application Back to Applications Processor with Error Details to be Reprocessed

AAA performs an audit of the lesser of 10 percent or 25 randomly selected completed applications per week during the contract period. In the event AAA discovers discrepancies, the applications processor will be required to address the errors and reprocess the affected applications.

12.AAA Notifies the Applicant of Eligibility Determination

AAA mails a letter to the applicants notifying them of their scholarship eligibility determination. All determination letters are sent via postal mail to the address listed on the application to help prevent "ghost students." If eligible, the applicant receives an award letter accompanied with a school commitment form. The applicant selects a private school compliant with that state's Department of Education, and hand-delivers the form to the school. The school and parent/guardian complete the form, sign it and return it to AAA by the state deadline date.

If the applications processor determines the applicant is ineligible for the scholarship, AAA mails the applicant a denial letter explaining the reason(s) why the scholarship was denied and the appeals process (see #15 below).

13. Applications Processor Generates Weekly Standard Reports; AAA Receives Weekly Standard Reports

The applications processor generates and makes available on their secure website standard reports in Microsoft Excel format. AAA imports data from these reports into a secure Microsoft Access database. Four standard reports are currently being provided:

- Cumulative report of all completed student applications, both eligible and ineligible, with tabs for each type of student (Renewal, Add-On, and New)
- Hold report
- In-process report
- Numbers breakdown

14. Applications Processor Scans and then mails all Applications and Supporting Documents to AAA

The applications processor scans then mails all applications and supporting documents to AAA. AAA staff has access to all scanned images through the applications processor's secure website.

15. Applicant Appeals Ineligibility; AAA Reviews Appeal

An applicant who has been determined ineligible will receive a denial letter explaining the reason(s) why (see step #12). The applicant may then contact AAA to appeal the decision. Requests for appeal are allowed only for inaccuracies in data, including misinterpretations of the data made by the applications processor. If the AAA staff deems there was a misinterpretation of the application data, the AAA staff forwards an explanation to the applications processor and requests the application be re-evaluated.

16.AAA Requests Administrative Support; Applications Processor Provides Administrative Support

The applications processor responds to any request from AAA that is not typical and that requires management intervention. This includes, but is not limited to, such things as the following:

- Management review of specific processed applications
- Additional report requests
- Family history requests

17.Applicant Selects an Approved School and Hand Delivers School Commitment Form; School Completes School Commitment Form and Sends to AAA; AAA Enters Data

Once families/applicants receive a scholarship award letter, they must select a state-approved private school to attend. The family must deliver the School Commitment Form to the selected school, and both a parent/guardian and a school administrator must complete and sign it. The completed, signed form must then be sent to AAA by the school by the deadline date. AAA's secure Microsoft Access database is updated with this information. If AAA does not receive this information by the deadline date, it contacts the applicant.

In some cases, a student may be awarded a scholarship, but then chooses not to accept it. If an applicant decides to decline the scholarship, the secure Access database will be updated to show a status of "forfeit."

If a student transfers the scholarship to a different school, the parent/guardian must bring the School Commitment Form to the new school where both they and the school administrator complete and sign it then send it to AAA. The exiting school is required to submit a withdrawal form to AAA.

18.Applicant Renews Application

A household may renew its scholarship after the award period ends. This process may vary from state to state.

Arizona – AAA awards multi-year scholarships to students of households that qualify. In this case, the household only needs to apply once for the first year and pay the \$30 application fee. However, a School Commitment form is required for each new school year in order for the student to remain on the scholarship. At the end of the multi-year term, the household may renew for an additional multi-year period.

The renewal process involves completing a new AAA scholarship application form, providing the \$30 fee, and, if eligible, delivering the School Commitment form to the approved school. Please refer to steps #5 through 12 for the application review process.

Alabama, Florida, Georgia, Nevada and Pennsylvania – AAA awards 1-year scholarships to students of households that qualify. The renewal process involves completing a new AAA scholarship application form, paying the \$30 application fee (except for Nevada where the application fee is capped at \$25 by law and for Florida where AAA incurs the entire cost), and, if eligible, delivering the School Commitment Form to the approved school. Please refer to steps #5 through 12 for the application review process.

Scholarship Program Guidelines – Required Documentation (as applicable):

- Signed and completed application; and
- Documentation of each household member's income including but not limited to:
 - Copies of the signed federal income tax return as filed with the IRS with all supporting schedules,
 - IRS Transcript,
 - Year-End award letters/statements for any and all income sources including Cash Assistance (TANF), Food Stamps (SNAP), Social Security Income, Housing Assistance (Section 8, HUD, etc), Workers Compensation, Disability or Retirement,
 - Forms W-2 or 1099; and
- Birth Certificates for participating students; and
- Documentation verifying a separated parent/guardian address; and
- Documentation verifying placement in foster care or out-of-home care; and
- A letter explaining a "special circumstance" if the family's documented income does not reflect the income that will be available during the school year; and
- Documentation of prior year public school attendance; and
- Additional documentation as requested.

Florida Scholarship Funding Organization
Annual Application – Attachment I
For the Fiscal Year Ended 6/30/18

A description of the deadlines for attendance verification and scholarship payments.

Once a household is determined eligible, they are provided with an award letter and school enrollment form for each scholarship student. The parent or guardian takes the award letter and school enrollment form to the eligible school of their choice and enrolls their student(s). The school returns the completed school enrollment form to AAA certifying that the student has accepted the scholarship and enrolled in an eligible private school.

Four times during the school year, AAA sends the school a verification form to ascertain whether the student remains enrolled, is attending the school regularly and is current on any funds personally owed to the school. Below is the calendar for the verification and scholarship payments for the 2016-2017 school year:

1. 1st Distribution
 - a. Friday September 16th 2016 Verification Reports Sent
 - b. Thursday September 22 2016 Verification Reports Due
 - c. Tuesday September 27th 2016 Checks Mailed
2. 2nd Distribution
 - a. Friday November 4th 2016 Verification Reports Sent
 - b. Thursday November 10th 2016 Verification Reports Due
 - c. Tuesday November 15th 2016 Checks Mailed
3. 3rd Distribution
 - a. Friday January 27th 2017 Verification Reports Sent
 - b. Thursday February 2nd 2017 Verification Reports Due
 - c. Tuesday February 7th 2017 Checks Mailed
4. 4th Distribution
 - a. Friday April 21st 2017 Verification Reports Sent
 - b. Thursday April 27th 2017 Verification Reports Due
 - c. Tuesday May 2nd 2017 Checks Mailed

Once the verification report is received back, AAA scans it for any circumstances that would prohibit the disbursement of an award. If there are none noted, AAA disburses one quarter of the scholarship award in the form of a check made payable to the parent/guardian but for deposit only by the school. The parent/guardian must restrictively endorse the check over to the school before it can be deposited.

If the school is not meeting the needs of the scholarship student, the parent/guardian may transfer the student and the student's scholarship to a different eligible private school at any time.



A. Hachment J

Conflicts of Interest Policy

Article I Purpose

The purpose of the conflict of interest policy is to protect AAA Scholarship Foundation's (the "Organization") interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Article II Definitions

1. Interested Person

Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
- b. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Article III Procedures

1. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

2. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

- a. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the governing board or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the

disinterested directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy

- a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV Records of Proceedings

The minutes of the governing board and all committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Article V Compensation

- a. A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article VI Annual Statements

Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Article VII Periodic Reviews

To ensure the Organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Article VIII Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

Please complete the form below and fax or email it to Kim Dyson at 888-707-2465 or kim@aaascholarships.org.

I, _____, am a Director, Principal Officer or Member of a committee with governing board delegated powers of AAA Scholarship Foundation, Inc. and I

- a. Have received a copy of the conflicts of interest policy,
- b. Have read and understands the policy,
- c. Have agreed to comply with the policy, and
- d. Understand the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Signature

Date Signed



Policy on Fraud and Employee Protection (Whistleblower)

Article 1 - General

AAA Scholarship Foundation, Inc. (the "Organization") requires directors, officers and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of the Organization, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations.

Article II - Reporting Responsibility

It is the responsibility of all directors, officers and employees to report misconduct, dishonesty and fraud or suspected violations of misconduct, dishonesty and fraud in accordance with this Policy.

Article III - No Retaliation

No director, officer or employee who in good faith reports a violation or suspected violation shall suffer harassment, retaliation or adverse employment consequence. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment. This Policy is intended to encourage and enable employees and others to raise serious concerns within the Organization prior to seeking resolution outside the Organization.

Article IV – Examples of Misconduct, Dishonesty and Fraud

For purposes of this policy, misconduct, dishonesty and fraud include but are not limited to:

- Acts which violate the organization's Code of Conduct
- Theft or other misappropriation of assets, including assets of the Organization, our donors, constituents, suppliers or others with whom we have a business relationship
- Misstatements and other irregularities in Organization records, including the intentional misstatement of the results of operations
- Profiteering as a result of insider knowledge of Organization activities
- Disclosing confidential and proprietary information to outside parties
- Forgery or other alteration of documents
- Accepting or seeking anything of value from constituents, donors, contractors, vendors, or other persons providing services/materials to the Organization.
- Fraud and other unlawful acts
- Any similar acts or related irregularity

Article V - Reporting Violations

The Organization has an open door policy and suggests that you share your questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, your supervisor is in the best position to address an area of concern. However, if you are not comfortable speaking with your supervisor or you are not satisfied with your supervisor's response, you are encouraged to call our toll-free hotline at 1-877-767-7781 or email AAAScholarships@getintouch.com with your concern.

In order to provide an appropriate process for communicating and reporting known or suspected fraud related to the actions of the Organization's management, all communications with the independent company administering the hotline will be directly reported to the Board of Directors.

Article VI – Responsibility for Investigating Reported Violations

The Board of Directors is responsible for investigating and resolving all reported violations or suspected violations.

Article VII - Acting in Good Faith

Anyone filing a complaint concerning a violation or suspected violation must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.

AAA Scholarship Foundation, Inc.
Policy on Fraud and Employee Protection (Whistleblower)

Article VIII - Confidentiality

Violations or suspected violations may be submitted on a confidential and anonymous basis. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

Article IX - Handling of Reported Violations

All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation. You may call back the toll-free hotline at 1-877-767-7781 within three to four days after leaving your message or sending your email to hear a message from the Organization regarding the status of your case. You will be asked to enter the five-digit case number that was provided at the time of the report.

**ACKNOWLEDGEMENT OF RECEIPT AND UNDERSTANDING OF POLICY ON FRAUD AND
EMPLOYEE PROTECTION (WHISTLEBLOWER)**

My signature below indicates my receipt and understanding of this policy. It also verifies that I have been provided with an opportunity to ask questions about the policy.

Employee Signature

Date Signed

Employee Name



SURETY RIDER

- OLD REPUBLIC SURETY COMPANY
- OLD REPUBLIC INSURANCE COMPANY
- BITUMINOUS CASUALTY
- OLD REPUBLIC GENERAL INSURANCE CORPORATION

TO BE ATTACHED TO AND FORM PART OF Scholarship Funding - FL Bond Number OFL2141261
(Type of bond)

IN FAVOR OF FL Dept of Education
(Obligees)

ON BEHALF OF AAA Scholarship Foundation - FL LLC
(Principal)

EFFECTIVE July 18th 2014
(Original Effective Date)

IT IS AGREED THAT, in consideration of the original premium charged for this bond, and any additional premium that may be properly chargeable as a result of this rider,

1. The Surety hereby gives its consent to:

- | | |
|---|--|
| <input type="checkbox"/> INCREASE | <input type="checkbox"/> CHANGE THE NAME OF THE PRINCIPAL |
| <input type="checkbox"/> DECREASE | <input type="checkbox"/> CHANGE THE ADDRESS OF THE PRINCIPAL |
| <input type="checkbox"/> CHANGE THE EFFECTIVE DATE | <input type="checkbox"/> CHANGE THE EXPIRATION DATE |
| <input checked="" type="checkbox"/> OTHER <u>Bond wording changed</u> | |

(of) the attached bond FROM: are held and firmly bound unto an eligible nonprofit scholarship funding organization for the use and benefit of any student who would have had scholarships funded but for a diversion of funds giving rise to the claim against this bond...

TO: ...any claim against the bond or letter of credit may be made only by an eligible nonprofit scholarship-funding organization to provide scholarships to and on behalf of students who would have had scholarships funded if it were not for the diversion of funds giving rise to the claim against the bond or letter of credit

EFFECTIVE: July 18th 2016

2. PROVIDED, however, that this attached bond shall be subject to all its agreements, limitations, and considerations except as herein expressly modified, and that the liability of the Surety under the attached bond and under the attached bond as changed by this rider shall not be cumulative.

3. Signed and sealed this 27th day of June, 2016.

ACCEPTED BY: Old Republic Surety Company SURETY
 By: Shayne Daly ATTORNEY
(TITLE)





OLD REPUBLIC SURETY COMPANY

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That OLD REPUBLIC SURETY COMPANY, a Wisconsin stock insurance corporation, does make, constitute and appoint: THOMAS H. STONE, JEANETTE RODRIGUEZ, LINETTE RIVERA, DOUGLAS E. BARNETTE, VALERIE MCCORMICK, MELANIE MCGOVERN, SHAYNE DALY, OF WINTER PARK, FL

its true and lawful Attorney(s)-in-Fact, with full power and authority, not exceeding \$50,000,000, for and on behalf of the company as surety, to execute and deliver and affix the seal of the company thereto (if a seal is required), bonds, undertakings, recognizances or other written obligations in the nature thereof, (other than bail bonds, bank depository bonds, mortgage deficiency bonds, mortgage guaranty bonds, guarantees of installment paper and note guaranty bonds, self-insurance workers compensation bonds guaranteeing payment of benefits, asbestos abatement contract bonds, waste management bonds, hazardous waste remediation bonds or black lung bonds), as follows:

ALL WRITTEN INSTRUMENTS IN AN AMOUNT NOT TO EXCEED FIVE MILLION DOLLARS(\$5,000,000)----- FOR ANY SINGLE OBLIGATION.

and to bind OLD REPUBLIC SURETY COMPANY thereby, and all of the acts of said Attorneys-in-Fact, pursuant to these presents, are ratified and confirmed. This document is not valid unless printed on colored background and is multi-colored. This appointment is made under and by authority of the board of directors at a special meeting held on February 18, 1982. This Power of Attorney is signed and sealed by facsimile under and by the authority of the following resolutions adopted by the board of directors of the OLD REPUBLIC SURETY COMPANY on February 18, 1982.

RESOLVED that, the president, any vice president, or assistant vice president, in conjunction with the secretary or any assistant secretary, may appoint attorneys-in-fact or agents with authority as defined or limited in the instrument evidencing the appointment in each case, for and on behalf of the company to execute and deliver and affix the seal of the company to bonds, undertakings, recognizances, and suretyship obligations of all kinds; and said officers may remove any such attorney-in-fact or agent and revoke any Power of Attorney previously granted to such person.

RESOLVED FURTHER, that any bond, undertaking, recognizance, or suretyship obligation shall be valid and binding upon the Company (i) when signed by the president, any vice president or assistant vice president, and attested and sealed (if a seal be required) by any secretary or assistant secretary; or (ii) when signed by the president, any vice president or assistant vice president, secretary or assistant secretary, and countersigned and sealed (if a seal be required) by a duly authorized attorney-in-fact or agent; or (iii) when duly executed and sealed (if a seal be required) by one or more attorneys-in-fact or agents pursuant to and within the limits of the authority evidenced by the Power of Attorney issued by the company to such person or persons.

RESOLVED FURTHER, that the signature of any authorized officer and the seal of the company may be affixed by facsimile to any Power of Attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the company; and such signature and seal when so used shall have the same force and effect as though manually affixed.

IN WITNESS WHEREOF, OLD REPUBLIC SURETY COMPANY has caused these presents to be signed by its proper officer, and its corporate seal to be affixed this 30TH day of DECEMBER, 2015.

OLD REPUBLIC SURETY COMPANY

Jane E. Cherney
Assistant Secretary



Alan Pavlic
President

STATE OF WISCONSIN, COUNTY OF WAUKESHA-SS

On this 30TH day of DECEMBER, 2015, personally came before me, Alan Pavlic and Jane E. Cherney,

to me known to be the individuals and officers of the OLD REPUBLIC SURETY COMPANY who executed the above instrument, and they each acknowledged the execution of the same, and being by me duly sworn, did severally depose and say; that they are the said officers of the corporation aforesaid, and that the seal affixed to the above instrument is the seal of the corporation, and that said corporate seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority of the board of directors of said corporation.



Kathryn R. Pearson
Notary Public
My commission expires: 9/28/2018

(Expiration of notary commission does not invalidate this instrument)

CERTIFICATE

I, the undersigned, assistant secretary of the OLD REPUBLIC SURETY COMPANY, a Wisconsin corporation, CERTIFY that the foregoing and attached Power of Attorney remains in full force and has not been revoked, and furthermore, that the Resolutions of the board of directors set forth in the Power of Attorney, are now in force.

92-0015



Signed and sealed at the City of Brookfield, WI this _____ day of _____

Jane E. Cherney
Assistant Secretary

OLD REPUBLIC SURETY CORP.

THIS DOCUMENT HAS A COLORED BACKGROUND AND IS MULTI-COLORED ON THE FACE. THE COMPANY LOGO APPEARS ON THE BACK OF THIS DOCUMENT AS A WATERMARK. IF THESE FEATURES ARE ABSENT, THIS DOCUMENT IS VOID.

OLD REPUBLIC SURETY COMPANY

SURETY RIDER

Surety:
OLD REPUBLIC SURETY COMPANY
445 S. Moorland Road, Suite 200
Brookfield, WI 53005
(800) 217-1792

Agent:
BROWN & BROWN OF FLORIDA, INC.
Address: P.O. BOX 173086
TAMPA, FL 33672
Phone: 813-226-1300

TO BE ATTACHED TO AND FORM PART OF
SCHOLARSHIP FUNDING Bond Number OFL2141261
(Type of Bond)

IN FAVOR OF STATE OF FLORIDA, DEPT. OF EDUCATION
(Obligee)

ON BEHALF OF AAA SCHOLARSHIP FOUNDATION-FL, LLC
(Principal)

EFFECTIVE July 18, 2014
(Original Effective Date)

IT IS AGREED THAT, in consideration of the original premium charged for this bond, and any additional premium that may be properly chargeable as a result of this rider,

1. The Surety hereby gives its consent to and the intent of this rider is to:

- (X) INCREASE
() DECREASE
() CHANGE THE EFFECTIVE DATE
() OTHER
() CHANGE THE NAME OF THE PRINCIPAL
() CHANGE THE ADDRESS OF THE PRINCIPAL
() CHANGE THE EXPIRATION DATE

(of) the attached bond FROM: BOND AMOUNT: \$150,000

TO: BOND AMOUNT: \$930,000

EFFECTIVE: July 18, 2016

2. PROVIDED, however, that this attached bond shall be subject to all its agreements, limitations, and considerations except as herein expressly modified, and that the liability of the Surety under the attached bond and under the attached bond as changed by this rider shall not be cumulative.

3. Signed and sealed this 22ND day of JUNE, 2016.

ACCEPTED BY:

(TITLE)



OLD REPUBLIC SURETY COMPANY
(SURETY)

By: Judy A. Nelson
ATTORNEY-IN-FACT



OLD REPUBLIC SURETY COMPANY

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That OLD REPUBLIC SURETY COMPANY, a Wisconsin stock insurance corporation, does make, constitute and appoint: **Judy A Vedner of Brookfield, WI**

its true and lawful Attorney(s)-in-Fact, with full power and authority, not exceeding \$10,000,000, for and on behalf of the company as surety, to execute and deliver and affix the seal of the company thereto (if a seal is required), bonds, undertakings, recognizances or other written obligations in the nature thereof, (other than bail bonds, bank depository bonds, mortgage deficiency bonds, mortgage guaranty bonds, guarantees of installment paper and note guaranty bonds, self-insurance workers compensation bonds guaranteeing payment of benefits, asbestos abatement contract bonds, waste management bonds, hazardous waste remediation bonds or black lung bonds), as follows:
All Written Instruments

and to bind OLD REPUBLIC SURETY COMPANY thereby, and all of the acts of said Attorneys-in-Fact, pursuant to these presents, are ratified and confirmed. This appointment is made under and by authority of the board of directors at a special meeting held on February 18, 1982.

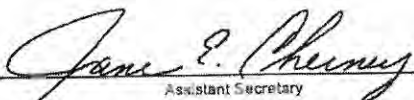
This Power of Attorney is signed and sealed by facsimile under and by the authority of the following resolutions adopted by the board of directors of the OLD REPUBLIC SURETY COMPANY on February 18, 1982.

RESOLVED that the president, any vice president or assistant vice president, in conjunction with the secretary or any assistant secretary, may appoint attorneys-in-fact or agents with authority as defined or limited in the instrument evidencing the appointment in each case, for and on behalf of the company to execute and deliver and affix the seal of the company to bonds, undertakings, recognizances, and suretyship obligations of all kinds; and said officers may remove any such attorney-in-fact or agent and revoke any Power of Attorney previously granted to such person.

- RESOLVED FURTHER that any bond, undertaking, recognizance, or suretyship obligation shall be valid and binding upon the Company
- (i) when signed by the president, any vice president or assistant vice president, and attested and sealed (if a seal be required) by any secretary or assistant secretary; or
 - (ii) when signed by the president, any vice president or assistant vice president, secretary or assistant secretary, and countersigned and sealed (if a seal be required) by a duly authorized attorney-in-fact or agent; or
 - (iii) when duly executed and sealed (if a seal be required) by one or more attorneys-in-fact or agents pursuant to and within the limits of the authority evidenced by the Power of Attorney issued by the company to such person or persons.


RESOLVED FURTHER that the signature of any authorized officer and the seal of the company may be affixed by facsimile to any Power of Attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the company; and such signature and seal when so used shall have the same force and effect as though manually affixed.

IN WITNESS WHEREOF, OLD REPUBLIC SURETY COMPANY has caused these presents to be signed by its proper officer, and its corporate seal to be affixed this 22ND day of JUNE, 2016.


Assistant Secretary



OLD REPUBLIC SURETY COMPANY


President

STATE OF WISCONSIN, COUNTY OF WAUKESHA - SS

On this 22ND day of JUNE, 2016, personally came before me, Alan Pavlic and Jane E. Cherney, to me known to be the individuals and officers of the OLD REPUBLIC SURETY COMPANY who executed the above instrument, and they each acknowledged the execution of the same, and being by me duly sworn, did severally depose and say: that they are the said officers of the corporation aforesaid, and that the seal affixed to the above instrument is the seal of the corporation, and that said corporate seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority of the board of directors of said corporation.




Notary Public

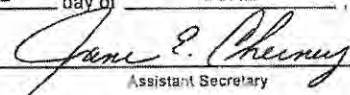
My Commission Expires: September 28, 2018
(Expiration of notary's commission does not invalidate this instrument)

CERTIFICATE

I, the undersigned, assistant secretary of the OLD REPUBLIC SURETY COMPANY, a Wisconsin corporation, CERTIFY that the foregoing and attached Power of Attorney remains in full force and has not been revoked; and furthermore, that the Resolutions of the board of directors set forth in the Power of Attorney, are now in force.



Signed and sealed at the City of Brookfield, WI this 22ND day of JUNE, 2016.


Assistant Secretary

**Florida Scholarship Funding Organization
Annual Application - Attachment L
For the Fiscal Year Ended 6/30/18**

An annual report that includes 1) the number of students who completed applications, by county and by grade, 2) the number of students who were approved for scholarships, by county and by grade, and 3) the number of students who received funding for scholarships within each category, by county and by grade, as well as 4) the amount of funds received, 5) the amount of funds distributed in scholarships, and 6) an accounting of remaining funds and the obligations of those funds.

2015-16 School Year

1) Completed Applications

<u>County</u>	<u>Number</u>	<u>County</u>	<u>Number</u>	<u>County</u>	<u>Number</u>	<u>Grade</u>	<u>Number</u>
Alachua	23	Hillsborough	118	Orange	150	-1	12
Bradford	4	Holmes	2	Osceola	24	K	193
Brevard	21	Indian River	1	Palm Beach	14	1	131
Broward	89	Lake	7	Pasco	15	2	97
Citrus	3	Lee	5	Pinellas	92	3	79
Clay	2	Leon	12	Polk	56	4	83
Columbia	2	Levy	1	Putnam	1	5	87
Dixie	2	Madison	4	Sarasota	13	6	89
Duval	63	Manatee	17	Seminole	13	7	76
Escambia	4	Marion	28	St. Johns	2	8	65
Flagler	3	Martin	1	St. Lucie	21	9	77
Gadsden	1	Miami-Dade	275	Suwannee	14	10	60
Gilchrist	1	Nassau	0	Volusia	22	11	57
Hernando	6	Okaloosa	6	Walton	1	12	35
				Washington	2		

2) Approved for Scholarships

<u>County</u>	<u>Number</u>	<u>County</u>	<u>Number</u>	<u>County</u>	<u>Number</u>	<u>Grade</u>	<u>Number</u>
Alachua	22	Hillsborough	95	Osceola	17	K	171
Bradford	4	Holmes	2	Palm Beach	6	1	116
Brevard	19	Indian River	1	Pasco	13	2	79
Broward	71	Lake	5	Pinellas	84	3	63
Citrus	3	Lee	5	Polk	48	4	74
Clay	2	Leon	10	Putnam	1	5	77
Columbia	2	Levy	1	Sarasota	13	6	78
Dixie	2	Madison	4	Seminole	8	7	68
Duval	58	Manatee	17	St. Johns	2	8	56
Escambia	4	Marion	24	St. Lucie	20	9	59
Flagler	3	Martin	1	Suwannee	14	10	48
Gadsden	1	Miami-Dade	224	Volusia	14	11	45
Gilchrist	1	Okaloosa	6	Walton	1	12	23
Hernando	6	Orange	121	Washington	2		

3) Scholarships Funded

<u>County</u>	<u>Number</u>	<u>County</u>	<u>Number</u>	<u>County</u>	<u>Number</u>	<u>Grade</u>	<u>Number</u>
Alachua	7	Holmes	1	Polk	22	0	88
Bradford	1	Lake	3	Sarasota	4	1	55
Brevard	8	Lee	1	Seminole	1	2	36
Broward	26	Leon	5	St. Johns	1	3	30
Clay	2	Levy	1	St. Lucie	6	4	36
Columbia	1	Manatee	8	Suwannee	9	5	39
Duval	35	Marion	8	Volusia	5	6	37
Escambia	3	Miami-Dade	100	Washington	2	7	30
Flagler	1	Orange	68			8	29
Gadsden	1	Osceola	5			9	21
Gilchrist	1	Palm Beach	5			10	23
Hernando	2	Pasco	5			11	26
Hillsborough	60	Pinellas	51			12	9

4) Funds Received \$ 3,101,484.00

5) Funds Distributed \$ (2,350,148.10)

6) Remaining Funds \$ 751,335.90

The remaining funds will be used to fund scholarships disbursements during the 2016-17 school year. To date, 321 students have been awarded scholarships for the 2016-17 school year, totalling just over \$1.7 million.



July 12, 2016

Florida Department of Education
325 W. Gaines St., Suite 1044
Tallahassee, FL 32399-0400

Re: AAA Scholarship Foundation - FL, LLC
Surety Bond Riders


Dear Sirs:

Please find enclosed with this letter two Surety Bond Riders. The broker has instructed us to send them to you for review and signature. Please contact the broker directly with any questions about this request.

We would appreciate a mailed or scanned copy of both for our records. Thank you for your attention to this matter.

Sincerely,

AAA Scholarship Foundation, Inc.



Kimberly Dyson
President and CEO



Brown & Brown of Florida, Inc.
P.O. Box 173086
Tampa, Florida 33672
(813) 226-1300
(813) 226-1313 Fax

July 8, 2016

AAA Scholarship Foundation FL, Inc.
13528 Prestige Place, Suite 107
Tampa, FL 33635

Bond Number: OFL2141261
Surety Company: OLD REPUBLIC SURETY CO
Obligee: State of Florida, Department of Education
Bond Description: Scholarship Funding Bond - FL
Effective Date: 07/18/16
Expiration Date: 07/18/17

Dear Kim:

Enclosed is the original Bond Rider that should be attached to your bond. Please review and let us know if it is NOT correct.

Effective: 07/18/2016
Amended Bond Form Wording as requested by the Obligee

Please make a copy of the Rider for your file and mail the original to the Obligee.

There is no change in premium for this endorsement.

Regards,

Sheron Cornell
Bond Account Manager

Enclosure





SURETY RIDER

- OLD REPUBLIC SURETY COMPANY
- OLD REPUBLIC INSURANCE COMPANY
- BITUMINOUS CASUALTY
- OLD REPUBLIC GENERAL INSURANCE CORPORATION

TO BE ATTACHED TO AND FORM PART OF
Scholarship Funding - FL Bond Number OFL2141261
 (Type of bond)

IN FAVOR OF FL Dept of Education
 (Obligees)

ON BEHALF OF AAA Scholarship Foundation - FL LLC
 (Principal)

EFFECTIVE July 18th 2014
 (Original Effective Date)

IT IS AGREED THAT, in consideration of the original premium charged for this bond, and any additional premium that may be properly chargeable as a result of this rider,

1. The Surety hereby gives its consent to:

- | | |
|---|--|
| <input type="checkbox"/> INCREASE | <input type="checkbox"/> CHANGE THE NAME OF THE PRINCIPAL |
| <input type="checkbox"/> DECREASE | <input type="checkbox"/> CHANGE THE ADDRESS OF THE PRINCIPAL |
| <input type="checkbox"/> CHANGE THE EFFECTIVE DATE | <input type="checkbox"/> CHANGE THE EXPIRATION DATE |
| <input checked="" type="checkbox"/> OTHER <u>Bond wording changed</u> | |

(of) the attached bond FROM: are held and firmly bound unto an eligible nonprofit scholarship funding organization for the use and benefit of any student who would have had scholarships funded but for a diversion of funds giving rise to the claim against this bond...

TO: ...any claim against the bond or letter of credit may be made only by an eligible nonprofit scholarship-funding organization to provide scholarships to and on behalf of students who would have had scholarships funded if it were not for the diversion of funds giving rise to the claim against the bond or letter of credit

EFFECTIVE: July 18th 2016

2. PROVIDED, however, that this attached bond shall be subject to all its agreements, limitations, and considerations except as herein expressly modified, and that the liability of the Surety under the attached bond and under the attached bond as changed by this rider shall not be cumulative.

3. Signed and sealed this 27th day of June, 2016.

ACCEPTED BY: Old Republic Surety Company

SURETY

By: Shayne Daly
 Shayne Daly

ATTOR



(TITLE)



OLD REPUBLIC SURETY COMPANY

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That OLD REPUBLIC SURETY COMPANY, a Wisconsin stock insurance corporation, does make, constitute and appoint: THOMAS H. STONE, JEANETTE RODRIGUEZ, LINETTE RIVERA, DOUGLAS E. BARNETTE, VALERIE MCCORMICK, MELANIE MCGOVERN, SHAYNE DALY, OF WINTER PARK, FL

its true and lawful Attorney(s)-in-Fact, with full power and authority, not exceeding \$50,000,000, for and on behalf of the company as surety, to execute and deliver and affix the seal of the company thereto (if a seal is required), bonds, undertakings, recognizances or other written obligations in the nature thereof, (other than bail bonds, bank depository bonds, mortgage deficiency bonds, mortgage guaranty bonds, guarantees of installment paper and note guaranty bonds, self-insurance workers compensation bonds guaranteeing payment of benefits, asbestos abatement contract bonds, waste management bonds, hazardous waste remediation bonds or black lung bonds), as follows:

ALL WRITTEN INSTRUMENTS IN AN AMOUNT NOT TO EXCEED FIVE MILLION DOLLARS(\$5,000,000) FOR ANY SINGLE OBLIGATION.

and to bind OLD REPUBLIC SURETY COMPANY thereby, and all of the acts of said Attorneys-in-Fact, pursuant to these presents, are ratified and confirmed. This document is not valid unless printed on colored background and is multi-colored. This appointment is made under and by authority of the board of directors at a special meeting held on February 18, 1982. This Power of Attorney is signed and sealed by facsimile under and by the authority of the following resolutions adopted by the board of directors of the OLD REPUBLIC SURETY COMPANY on February 18, 1982.

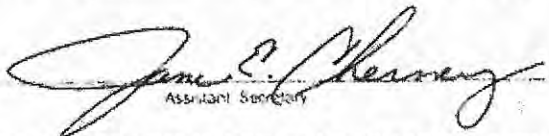
RESOLVED that, the president, any vice-president, or assistant vice president, in conjunction with the secretary or any assistant secretary, may appoint attorneys-in-fact or agents with authority as defined or limited in the instrument evidencing the appointment in each case, for and on behalf of the company to execute and deliver and affix the seal of the company to bonds, undertakings, recognizances, and suretyship obligations of all kinds; and said officers may remove any such attorney-in-fact or agent and revoke any Power of Attorney previously granted to such person.

- RESOLVED FURTHER, that any bond, undertaking, recognizance, or suretyship obligation shall be valid and binding upon the Company
- (i) when signed by the president, any vice president or assistant vice president, and attested and sealed (if a seal be required) by any secretary or assistant secretary, or
 - (ii) when signed by the president, any vice president or assistant vice president, secretary or assistant secretary, and countersigned and sealed (if a seal be required) by a duly authorized attorney-in-fact or agent, or
 - (iii) when duly executed and sealed (if a seal be required) by one or more attorneys-in-fact or agents pursuant to and within the limits of the authority evidenced by the Power of Attorney issued by the company to such person or persons.

RESOLVED FURTHER, that the signature of any authorized officer and the seal of the company may be affixed by facsimile to any Power of Attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the company, and such signature and seal when so used shall have the same force and effect as though manually affixed.

IN WITNESS WHEREOF, OLD REPUBLIC SURETY COMPANY has caused these presents to be signed by its proper officer, and its corporate seal to be affixed this 30TH day of DECEMBER, 2015.

OLD REPUBLIC SURETY COMPANY


Assistant Secretary





President

STATE OF WISCONSIN, COUNTY OF WAUKESHA-SS

On this 30TH day of DECEMBER, 2015, personally came before me, Alan Pavlic and Jane E. Cherney, to me known to be the individuals and officers of the OLD REPUBLIC SURETY COMPANY who executed the above instrument, and they each acknowledged the execution of the same, and being by me duly sworn, did severally depose and say; that they are the said officers of the corporation aforesaid, and that the seal affixed to the above instrument is the seal of the corporation, and that said corporate seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority of the board of directors of said corporation.




Notary Public
My commission expires 9/28/2018

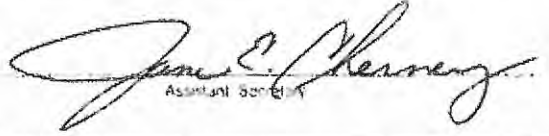
CERTIFICATE

I, the undersigned, assistant secretary of the OLD REPUBLIC SURETY COMPANY, a Wisconsin corporation, CERTIFY that the foregoing and attached Power of Attorney remains in full force and has not been revoked; and furthermore, that the Resolutions of the board of directors set forth in the Power of Attorney, are now in force.

92-0015

Signed and sealed at the City of Brookfield, WI this _____ day of _____.




Assistant Secretary

OLD REPUBLIC SURETY CORP.

THIS DOCUMENT HAS A COLORED BACKGROUND AND IS MULTI-COLORED ON THE FACE. THE COMPANY LOGO APPEARS ON THE BACK OF THIS DOCUMENT AS A WATERMARK. IF THESE FEATURES ARE ABSENT, THIS DOCUMENT IS VOID.

OLD REPUBLIC SURETY COMPANY

SURETY RIDER

Surety: OLD REPUBLIC SURETY COMPANY
445 S. Moorland Road, Suite 200
Brookfield, WI 53005
(800) 217-1792

Agent: BROWN & BROWN OF FLORIDA, INC.
Address: P.O. BOX 173086
TAMPA, FL 33672
Phone: 813-226-1300

TO BE ATTACHED TO AND FORM PART OF SCHOLARSHIP FUNDING Bond Number OFL2141261
(Type of Bond)

IN FAVOR OF STATE OF FLORIDA, DEPT. OF EDUCATION (Obligee)

ON BEHALF OF AAA SCHOLARSHIP FOUNDATION-FL, LLC (Principal)

EFFECTIVE July 18, 2014 (Original Effective Date)

IT IS AGREED THAT, in consideration of the original premium charged for this bond, and any additional premium that may be properly chargeable as a result of this rider,

- 1. The Surety hereby gives its consent to and the intent of this rider is to:
(X) INCREASE () CHANGE THE NAME OF THE PRINCIPAL
() DECREASE () CHANGE THE ADDRESS OF THE PRINCIPAL
() CHANGE THE EFFECTIVE DATE () CHANGE THE EXPIRATION DATE
() OTHER

(of) the attached bond FROM: BOND AMOUNT: \$150,000

TO: BOND AMOUNT: \$930,000

EFFECTIVE: July 18, 2016

2. PROVIDED, however, that this attached bond shall be subject to all its agreements, limitations, and considerations except as herein expressly modified, and that the liability of the Surety under the attached bond and under the attached bond as changed by this rider shall not be cumulative.

3. Signed and sealed this 22ND day of JUNE, 2016.

ACCEPTED BY: (TITLE)



OLD REPUBLIC SURETY COMPANY (SURETY)

By: Judy A. Nelson ATTORNEY-IN-FACT



OLD REPUBLIC SURETY COMPANY

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That OLD REPUBLIC SURETY COMPANY, a Wisconsin stock insurance corporation, does make, constitute and appoint: Judy A Vedner of Brookfield, WI

its true and lawful Attorney(s)-in-Fact, with full power and authority, not exceeding \$10,000,000, for and on behalf of the company as surety, to execute and deliver and affix the seal of the company thereto (if a seal is required), bonds, undertakings, recognizances or other written obligations in the nature thereof, **(other than bail bonds, bank depository bonds, mortgage deficiency bonds, mortgage guaranty bonds, guarantees of installment paper and note guaranty bonds, self-insurance workers compensation bonds guaranteeing payment of benefits, asbestos abatement contract bonds, waste management bonds, hazardous waste remediation bonds or black lung bonds)**, as follows:
All Written Instruments

and to bind OLD REPUBLIC SURETY COMPANY thereby, and all of the acts of said Attorneys-in-Fact, pursuant to these presents, are ratified and confirmed. This appointment is made under and by authority of the board of directors at a special meeting held on February 18, 1982. This Power of Attorney is signed and sealed by facsimile under and by the authority of the following resolutions adopted by the board of directors of the OLD REPUBLIC SURETY COMPANY on February 18, 1982.

RESOLVED that the president, any vice president or assistant vice president, in conjunction with the secretary or any assistant secretary, may appoint attorneys-in-fact or agents with authority as defined or limited in the instrument evidencing the appointment in each case, for and on behalf of the company to execute and deliver and affix the seal of the company to bonds, undertakings, recognizances, and suretyship obligations of all kinds; and said officers may remove any such attorney-in-fact or agent and revoke any Power of Attorney previously granted to such person.

RESOLVED FURTHER that any bond, undertaking, recognizance, or suretyship obligation shall be valid and binding upon the Company

- (i) when signed by the president, any vice president or assistant vice president, and attested and sealed (if a seal be required) by any secretary or assistant secretary; or
- (ii) when signed by the president, any vice president or assistant vice president, secretary or assistant secretary, and countersigned and sealed (if a seal be required) by a duly authorized attorney-in-fact or agent; or
- (iii) when duly executed and sealed (if a seal be required) by one or more attorneys-in-fact or agents pursuant to and within the limits of the authority evidenced by the Power of Attorney issued by the company to such person or persons.

RESOLVED FURTHER that the signature of any authorized officer and the seal of the company may be affixed by facsimile to any Power of Attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the company; and such signature and seal when so used shall have the same force and effect as though manually affixed.

IN WITNESS WHEREOF, OLD REPUBLIC SURETY COMPANY has caused these presents to be signed by its proper officer, and its corporate seal to be affixed this 22ND day of JUNE, 2016.

OLD REPUBLIC SURETY COMPANY

Jane E. Cherney
Assistant Secretary



Alan Pavlic
President

STATE OF WISCONSIN, COUNTY OF WAUKESHA - SS

On this 22ND day of JUNE, 2016, personally came before me, Alan Pavlic and Jane E. Cherney, to me known to be the individuals and officers of the OLD REPUBLIC SURETY COMPANY who executed the above instrument, and they each acknowledged the execution of the same, and being by me duly sworn, did severally depose and say: that they are the said officers of the corporation aforesaid, and that the seal affixed to the above instrument is the seal of the corporation, and that said corporate seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority of the board of directors of said corporation.



Kathryn R. Pearson
Notary Public

My Commission Expires: September 28, 2018

(Expiration of notary's commission does not invalidate this instrument)

CERTIFICATE

I, the undersigned, assistant secretary of the OLD REPUBLIC SURETY COMPANY, a Wisconsin corporation, CERTIFY that the foregoing and attached Power of Attorney remains in full force and has not been revoked; and furthermore, that the Resolutions of the board of directors set forth in the Power of Attorney, are now in force.



Signed and sealed at the City of Brookfield, WI this 22ND day of JUNE, 2016.

Jane E. Cherney
Assistant Secretary



November 14, 2016

The Florida Department of Education
Commissioner of Education
325 W. Gaines St., Suite 1044
Tallahassee, FL 32399-0400

RE: AAA Scholarship Foundation – FL, LLC

Dear Sirs,

Enclosed, please find the following documents as requested in your September 26, 2016 letter:

- (a) Fiscal year 2015-16 IRS Form 990
- (b) Fiscal year 2015-16 audited financial statements and required supplemental reports

We believe that this satisfies our requirement under Section 1002.395(16)(b), Florida Statutes, however, please do not hesitate to contact us if any additional information is required.

Sincerely,

AAA Scholarship Foundation, Inc.



Kimberly Dyson
President and CEO



COPY

November 14, 2016

Auditor General
Local Government Audits/342
Claude Pepper Building, Room 401
111 W. Madison St.
Tallahassee, FL 32399-1450

Dear Sirs,

Enclosed, please find the July 1, 2015 – June 30, 2016 fiscal year audit report for AAA Scholarship Foundation – FL, LLC, a Florida scholarship funding organization.


As required, the audit report is being sent as a single document and includes the following:

- (a) A table of contents.
- (b) The auditor's report on the financial statements.
- (c) The financial statements reported on, together with related notes and required supplementary information required by generally accepted accounting principles.
- (d) The auditor's report on internal control and compliance based on an audit of the financial statements in accordance with auditing standards generally accepted in the United States of America and government auditing standards.
- (e) The auditor's report and related financial information required pursuant to the Florida Single Audit Act; Chapter 10.650, Rules of the Auditor General.

We believe that this satisfies our requirement under Section 1002.395, Florida Statutes and Rules of the Auditor General Chapter 10.700, however, please do not hesitate to contact us if any additional information is required.

Sincerely,

AAA Scholarship Foundation, Inc.



Kimberly Dyson
President and CEO

cc: The Florida Department of Education
Commissioner of Education
325 W. Gaines St., Suite 1044
Tallahassee, FL 32399-0400

STATE OF FLORIDA AUDITOR GENERAL

Operational Audit

Report No. 2017-033
October 2016

**AAA SCHOLARSHIP
FOUNDATION – FL, LLC**



Sherrill F. Norman, CPA
Auditor General

President and Board of Directors

During the period March 2015 through February 2016, Kim Dyson served as President and Chief Executive Officer for AAA Scholarship Foundation – FL, LLC, and the following individuals served as Members of the Board of Directors:

Dwight Glisson to September 21, 2015 ^a

Teri L'Homme

Becky Burress from May 8, 2015 ^b

^a Board member position remained vacant from September 22, 2015, through February 29, 2016.

^b Board member position was vacant through May 7, 2015.

The team leader was Brian Werthmiller, CPA, and the audit was supervised by Derek H. Noonan, CPA.

Please address inquiries regarding this report to Michael J. Gomez, CPA, Audit Manager, by e-mail at mikegomez@aud.state.fl.us or by telephone at (850) 412-2881.

This report and other reports prepared by the Auditor General are available at:

www.myflorida.com/audgen

Printed copies of our reports may be requested by contacting us at:

State of Florida Auditor General

Claude Pepper Building, Suite G74 • 111 West Madison Street • Tallahassee, FL 32399-1450 • (850) 412-2722

AAA SCHOLARSHIP FOUNDATION – FL, LLC

SUMMARY

This operational audit of AAA Scholarship Foundation – FL, LLC (AAA) focused on selected administrative activities and management’s performance related to the Florida Tax Credit Scholarship (FTC) and Florida Personal Learning Scholarship Accounts (PLSA)¹ Programs, including AAA’s compliance with applicable laws and rules, and included a follow-up on the finding noted in our report No. 2016-054. Our audit disclosed the following:

Finding 1: Although State Board of Education rules require AAA to obtain from the parent of each first-time FTC Program student who was enrolled in a Florida public school in the prior school year a written statement that the parent has informed the student’s school district that the child will be attending an eligible private school, AAA did not obtain the required written statements from the parents of 171 first-time FTC Program students.

Finding 2: AAA procedures could be enhanced to ensure that FTC Program checks are endorsed in accordance with State law.

Related Information

Section 11.45(2)(k), Florida Statutes, requires our audit to include a determination of AAA’s compliance with certain FTC Program provisions. Our audit procedures and tests of selected AAA records and accounts found that, except as noted in Findings 1 and 2, AAA generally complied with the applicable provisions of Section 1002.395, Florida Statutes.

Section 1002.385(14)(a), Florida Statutes, provides that, as part of our audit, we are to verify the total amount of students served and eligibility of reimbursements made by AAA for the PLSA Program and transmit that information to the Florida Department of Education. Our audit procedures disclosed that, for the PLSA Program during the period March 2015 through February 2016, AAA served 278 students and approved the payment of PLSA Program scholarship awards totaling \$2,039,175 for those students. In addition, our tests of AAA records found that the PLSA Program scholarship payments selected for audit were eligible PLSA Program disbursements.

BACKGROUND

AAA Scholarship Foundation, Inc. (Corporation), was incorporated in Georgia in 2010 and is registered in Florida as a foreign nonprofit corporation. AAA Scholarship Foundation – FL, LLC (AAA), a wholly owned subsidiary of the Corporation, is a Florida nonprofit scholarship funding organization (SFO) registered on December 10, 2013, as a single-member limited liability company, and operating pursuant to State law.² AAA’s stated mission is to provide economic and other assistance to economically disadvantaged families and families of disabled students to enable them to select the best schools for

¹ Effective July 1, 2016, Chapter 2016-2, Laws of Florida, changed the PLSA Program name to the Gardiner Scholarship Program.

² Section 1002.395(2)(f), Florida Statutes.

their children. AAA is a State-approved nonprofit SFO that helps administer two scholarships for Florida schoolchildren: the Florida Tax Credit Scholarship (FTC) Program for low-income families and the Florida Personal Learning Scholarship Accounts (PLSA) Program³ for children with certain special needs. The governing body of AAA is the Corporation's Board of Directors (Board), composed of two to five members who each serve a 1-year term. New members are elected by the Board. The Board sets policy, approves strategic plans and related resource allocations, and is responsible for the performance of the organization as a whole; whereas, the Chief Executive Officer is responsible for day-to-day operations.

State law⁴ established the FTC Program to expand educational opportunities for children of families with limited financial resources. The FTC Program provides that eligible nonprofit SFOs may solicit and receive eligible contributions. Such contributions entitle donors to a 100 percent State tax credit against corporate income tax, insurance premium tax, alcoholic beverage excise tax, direct-pay sales tax, and oil and gas severance tax. State law⁵ requires the SFOs to use the contributions received for eligible students' private school tuition, transportation to public schools outside their districts, or transportation to lab schools.

State law⁶ also requires the Florida Department of Education (FDOE) to determine, and annually verify, the eligibility of the SFOs, and the FDOE recognized AAA as an eligible SFO for the 2014-15 and 2015-16 fiscal years. Table 1 shows AAA's FTC Program activity for the period March 2015 through February 2016.

**Table 1
AAA FTC Program Activities**

For the Period March 2015 through February 2016

Contributions collected	\$1,751,461
Total scholarships paid	\$1,664,586
Number of students awarded scholarships	470
Number of private schools paid	178

Source: AAA records.

For the 2014-15 and 2015-16 fiscal years, eligible students received from the FTC Program maximum scholarship awards of \$5,272 and \$5,677, respectively, to attend eligible private schools. AAA did not award any scholarships for transportation expenses for the 2014-15 or 2015-16 fiscal years.

Additionally, State law⁷ established the PLSA Program to help meet the educational needs of students who have a specified intellectual disability such as autism, cerebral palsy, or Down syndrome. State law requires the PLSA Program moneys to be used for:

- Instructional materials including digital devices and other assistive technology devices;
- Curriculum and any required supplemental materials;

³ Effective July 1, 2016, Chapter 2016-2, Laws of Florida, changed the PLSA Program name to the Gardiner Scholarship Program.

⁴ Section 1002.395(3)(a), Florida Statutes.

⁵ Section 1002.395(6)(d), Florida Statutes.

⁶ Section 1002.395(9)(b), Florida Statutes.

⁷ Section 1002.385(1), Florida Statutes (2015).

- Specialized services by approved providers selected by the parent;
- Enrollment in an eligible private school, an eligible postsecondary institute, an authorized private tutoring program, or a virtual instruction program offered by an FDOE-approved provider;
- Examination fees for specified tests and assessments;
- Contributions to the Prepaid College Program;
- Contracted services provided by a public school; and
- Tuition and fees for part-time tutoring services provided by a person who holds a valid Florida educator's certificate.

As an SFO participating in the FTC Program, AAA qualified to participate in the PLSA Program. According to AAA accounting records for the period March 2015 through February 2016, AAA received \$3,118,111 in PLSA Program funds from the FDOE and \$57,794 from another SFO, served 278 students, and approved the payment of PLSA Program scholarship awards reimbursements totaling \$2,039,175 for those students. The scholarship award amounts ranged from \$9,587 to \$20,546, depending on the student's county of residence, grade level, and disability type.

FINDINGS AND RECOMMENDATIONS

Finding 1: Parental Written Statements

State Board of Education (SBE) rules⁸ require scholarship funding organizations (SFOs) to obtain from the parent of each first-time Florida Tax Credit (FTC) Program student who was enrolled in a Florida public school in the prior school year a written statement that the parent has informed the student's school district that the child will be attending an eligible private school. The SFO is to maintain this written statement on file for no less than 3 years or until such time as the student graduates or otherwise exits the program.

AAA requires parents to sign the FTC Program application and school commitment forms that both require parents to follow the rules and responsibilities listed in AAA's *Parent and School Handbook*. According to the *Handbook*, parents are required to inform the student's school district when a student is withdrawn to attend an eligible private school; however, AAA had not established procedures to obtain written statements from parents to confirm that the parents informed the student's school district.

For the 2014-15 and 2015-16 school years, AAA records identified 15 and 156 first-time FTC Program students, respectively, (171 total students) who attended a Florida public school in the prior school year. However, our discussions with AAA personnel disclosed that AAA did not obtain the required written statements from the students' parents. Without the written statements, AAA did not comply with SBE rules and has limited assurance that the parent informed the student's school district that the child will be attending an eligible private school.

Subsequent to our audit inquiry, in June 2016, AAA mailed letters to parents of the 171 first-time FTC Program students requesting the required written statements from the parents.

⁸ SBE Rule 6A-6.0960(2)(a), Florida Administrative Code.

Recommendation: AAA should establish procedures to obtain and maintain the required written statements from parents of first-time FTC Program students previously enrolled in a Florida public school to evidence that the parent informed the student's school district that the child will be attending an eligible private school. AAA should also continue efforts to obtain the required written statements from the parents of the 171 students and appropriately maintain the statements received.

Finding 2: Check Endorsements

State law⁹ requires a student who participates in the FTC Program to attend an eligible private school selected by the student's parent. State law also requires that, upon receipt of a FTC Program payment (check) from an SFO, the parent to whom the check is made payable must restrictively endorse the check to the private school for deposit into the school's account. Pursuant to State law,¹⁰ the SFO must ensure that the parent restrictively endorsed the check to the private school for deposit into the school's account. Additionally, according to a Florida Department of Financial Services (DFS) report,¹¹ the SFO may sample a portion of the check population as a reasonable basis for conclusions about whether checks are properly endorsed.

When evaluating less than 100 percent of a population, it is important that the sample items selected for evaluation be representative of the population. When there are test exceptions in the initial sample selected, tests are typically expanded to include additional sample items so that a better understanding of the population can be obtained and appropriate conclusions about the population can be made.

To test whether parents restrictively endorsed checks to private schools for deposit into the schools' accounts, AAA personnel selected 39 FTC Program checks totaling \$59,440 from the 832 checks totaling \$1,664,586 paid during the period March 2015 through February 2016. According to AAA personnel, they also attempted to compare the parent endorsements on the 39 checks to parent signatures on the applicable FTC Program applications and school commitment forms for consistency. As a result of these procedures, AAA personnel identified 3 checks totaling \$3,623 that were not properly endorsed at three private schools. Specifically, 2 of the 3 checks lacked parent endorsement and the third check did not evidence the private school's endorsement. AAA sent a written notice to each of the three private schools to inform the schools of the improper endorsements and that, according to AAA's policy, after two written warnings for improper endorsements the school would become ineligible to receive AAA scholarship payments. However, according to AAA personnel, they conducted no further tests to determine whether the 39 checks tested were representative of the population or whether additional endorsement exceptions existed in the check population.

As part of our test of FTC Program check endorsements, we selected and examined 60 FTC Program checks totaling \$146,258 that were issued during the period March 2015 through February 2016, including 2 checks totaling \$2,402 that were included in the sample of 39 checks tested by AAA personnel. Our test results confirmed that the 2 checks previously tested by AAA personnel were properly

⁹ Section 1002.395, Florida Statutes.

¹⁰ Section 1002.395(12)(b), Florida Statutes.

¹¹ The DFS report, *Corporate Tax Credit Scholarship Program*, dated December 2003, indicated that SFOs should establish a process for review and follow-up of cleared scholarship checks and that periodically selecting and reviewing a sample of endorsements on checks that have cleared the bank account can accomplish this process.

endorsed; however, our test results related to the other 58 checks identified 4 checks totaling \$17,143 that were not properly endorsed at two private schools. Specifically, we noted that 3 checks lacked the required parent endorsement¹² and one check lacked the private school endorsement. We expanded our audit procedures to test the 10 remaining checks endorsed at the two private schools and found that 6 additional checks totaling \$10,232 were not properly endorsed, including 2 checks that lacked the required parent endorsement¹³ and 4 checks that lacked the private school endorsement.

To determine whether the students benefited from the 10 FTC Program checks totaling \$27,375 by attending the two private schools, we examined the two schools' payment verification reports that were signed by school employees with direct knowledge of the students' attendance. Subsequent to our audit inquiry, in June 2016, AAA sent written notices to inform the two schools of the improper endorsements and the consequences for future recurrences (i.e., ineligibility for AAA scholarship payments after two written warnings).

The restrictive endorsement of FTC Program checks by both a parent and the private school:

- Documents compliance with State law.
- Provides assurance that the parent consents to the payment for FTC Program services provided by the private school for their child and the private school accepts payment for the services provided.
- Reduces the risk for individuals to fraudulently cash checks or deposit the checks into unauthorized bank accounts.

Recommendation: AAA should continue efforts to ensure FTC Program checks are endorsed in accordance with State law. If such efforts employ sampling techniques, the sample of checks tested should be representative of the check population, which may require expanded tests of additional checks and related endorsements to better understand whether the sample is representative of the population and to make appropriate conclusions about the population.

RELATED INFORMATION

As described in the ***OBJECTIVES, SCOPE, AND METHODOLOGY*** section of this report, we performed procedures to determine AAA's compliance with various statutory provisions related to the Florida Tax Credit Program. Except as noted above, our audit procedures and tests of selected AAA records and accounts found that AAA generally complied with the applicable provisions of Section 1002.395, Florida Statutes.

In addition, as also described in the ***OBJECTIVES, SCOPE, AND METHODOLOGY*** section of this report, we performed procedures to verify the number of students who received Florida Personal Learning Scholarship Accounts (PLSA) Program¹⁴ scholarships during the period March 2015 through February 2016, and examined documentation for selected scholarship payments to determine whether

¹² The 3 checks without parent endorsements were for one of the private schools cited by AAA for not including the parent endorsement on 1 of the checks included in the AAA check endorsement test.

¹³ The 2 checks without parent endorsement were for the same private school cited by AAA and mentioned in the previous footnote.

¹⁴ Effective July 1, 2016, Chapter 2016-2, Laws of Florida, changed the PLSA Program name to the Gardiner Scholarship Program.

the payments were eligible PLSA Program disbursements. Our procedures disclosed that, during the period, 278 students received PLSA Program scholarships totaling \$2,039,175. In addition, our tests of AAA records found that the PLSA Program scholarship payments selected for audit were eligible PLSA Program disbursements.

PRIOR AUDIT FOLLOW-UP

AAA management had taken corrective actions for the finding included in our report No. 2016-054.

OBJECTIVES, SCOPE, AND METHODOLOGY

The Auditor General conducts operational audits of governmental entities to provide the Legislature, Florida's citizens, public entity management, and other stakeholders unbiased, timely, and relevant information for use in promoting government accountability and stewardship and improving government operations. State law¹⁵ requires us to conduct annual operational audits of the accounts and records of scholarship funding organizations (SFOs) participating in the Florida Tax Credit (FTC) and Florida Personal Learning Scholarship Accounts (PLSA) Programs.¹⁶

We conducted this operational audit from March 2016 to June 2016 in accordance with applicable generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

This operational audit of the AAA focused on selected administrative activities and management's performance related to the FTC and PLSA Programs, including AAA's compliance with applicable laws and rules. The overall objectives of the operational audit were to:

- Evaluate management's performance in establishing and maintaining internal controls, including controls designed to prevent and detect fraud, waste, and abuse, and in administering assigned responsibilities in accordance with applicable laws, including applicable provisions of Sections 1002.385 and 1002.395, Florida Statutes; rules; regulations; contracts; grant agreements; and other guidelines.
- Examine internal controls designed and placed in operation to promote and encourage the achievement of management's control objectives in the categories of compliance, economic and efficient operations, reliability of records and reports, and the safeguarding of assets, and identify weaknesses in those controls.
- Identify statutory and fiscal changes that may be recommended to the Legislature pursuant to Section 11.45(7)(h), Florida Statutes.

Our audit also included steps to determine whether management had corrected, or was in the process of correcting, the deficiency noted in our report No. 2016-054.

¹⁵ Sections 11.45(2)(k) and 1002.385(14)(a), Florida Statutes.

¹⁶ Section 1002.385, Florida Statutes (2015), and Section 1002.395, Florida Statutes.

This audit was designed to identify, for those programs, activities, or functions included within the scope of the audit, deficiencies in management's internal controls; instances of noncompliance with applicable laws, rules, regulations, contracts, grant agreements, and other guidelines; and instances of inefficient or ineffective operational policies, procedures, or practices. The focus of this audit was to identify problems so that they may be corrected in such a way as to improve government accountability and efficiency and the stewardship of management. Professional judgment has been used in determining significance and audit risk and in selecting the particular transactions, legal compliance matters, records, and controls considered.

As described in more detail below, for those programs, activities, and functions included within the scope of our audit, our audit work included, but was not limited to, communicating to management and those charged with governance the scope, objectives, timing, overall methodology, and reporting of our audit; obtaining an understanding of the program, activity, or function; exercising professional judgment in considering significance and audit risk in the design and execution of the research, interviews, tests, analyses, and other procedures included in the audit methodology; obtaining reasonable assurance of the overall sufficiency and appropriateness of the evidence gathered in support of our audit's findings and conclusions; and reporting on the results of the audit as required by governing laws and auditing standards.

Our audit included transactions, as well as events and conditions, occurring during the audit period of March 2015 through February 2016, and selected AAA actions taken prior and subsequent thereto. Unless otherwise indicated in this report, these records and transactions were not selected with the intent of statistically projecting the results, although we have presented for perspective, where practicable, information concerning relevant population value or size and quantifications relative to the items selected for examination.

An audit by its nature does not include a review of all records and actions of entity management, staff, and vendors, and, as a consequence, cannot be relied upon to identify all instances of noncompliance, fraud, waste, abuse, or inefficiency.

In conducting our audit, we:

- Reviewed applicable laws, rules, regulations, and AAA policies and procedures applicable to the FTC and PLSA Programs and interviewed AAA personnel to gain an understanding of AAA's scholarship-related operations and evaluate the adequacy of the operations.
- Obtained an understanding of AAA's internal controls and evaluated the effectiveness of key FTC and PLSA Program processes, policies, and procedures for ensuring compliance with significant governing laws, economic and efficient operations, reliability of records and reports, and the safeguarding of assets.
- Determined whether the three AAA bank accounts used for FTC and PLSA Program moneys for the audit period were administered through a qualified public depository pursuant to Section 1002.395(14), Florida Statutes, and whether separate accounts were established for scholarship and operating funds as required by Section 1002.395(6)(k), Florida Statutes. We also determined whether AAA personnel periodically reviewed banking agreements for sufficiency of the safeguards provided.
- Assessed the sufficiency of AAA's controls for electronic transfers and transmitting funds via the Automated Clearing House to students for the PLSA Program.

- Examined AAA's records during the audit period to determine whether AAA had any investments using FTC or PLSA Program funds.
- Examined documentation to determine whether AAA obtained required level 2 background screenings and verified that there were no bankruptcies associated with the two AAA owners or operators as required by Section 1002.395(6), Florida Statutes.
- Confirmed with the surety that the surety bond AAA obtained pursuant to its 2016-17 fiscal year renewal application submitted to the Florida Department Of Education (FDOE) in September 2015 was still maintained as of June 2016 and was in the amount required by Section 1002.395(6)(p), Florida Statutes.
- Examined documentation for selected accounts receivable to determine whether AAA's collection efforts complied with established policies and procedures and good business practices.
- Examined documentation for 60 students, selected from the population of 470 students who received FTC Program scholarship awards during the audit period, to determine whether AAA documented student program eligibility as required by Section 1002.395(6)(j)3., Florida Statutes.
- From the population of FTC Program scholarship payments totaling \$1,664,586 made during the audit period, examined AAA documentation for scholarship payments totaling \$146,258 made on behalf of 60 students to determine whether the payments were used for students to attend eligible private schools or for transportation to a public school outside of the recipient's district or to a lab school pursuant to Section 1002.395(6)(d), Florida Statutes.
- Examined AAA documentation to determine whether the FTC Program reports required to be filed on August 15, 2015, October 15, 2015, and January 15, 2016, were timely submitted to the FDOE and contained the information required by Section 1002.395(9)(m), Florida Statutes, and State Board of Education (SBE) Rule 6A-6.0960(2)(b), Florida Administrative Code (FAC).
- Examined AAA's records for the 2014-15 fiscal year to determine whether AAA complied with the carryforward limitations on unexpended FTC Program moneys pursuant to Section 1002.395(6)(j)2., Florida Statutes.
- Determined whether AAA provided the FDOE a summary of the FTC scholarship amount paid for each student and the school attended, no later than 30 days after the last payment date of the school year, as required by SBE Rule 6A-6.0960(2)(c), FAC.
- Examined AAA's records to determine whether AAA obtained from each parent of first time FTC Program students written statements that they had informed the student's school district that the child will be attending an eligible private school.
- Examined AAA records for the audit period to determine whether AAA was eligible to use FTC Program moneys for administrative expenses.
- Examined AAA records for the 2014-15 fiscal year to determine whether AAA provided the majority of the FTC and PLSA Program scholarship funding to any school receiving scholarship payments exceeding \$250,000 during the 2014-15 fiscal year and, therefore, was required to ensure that private schools contracted with an independent certified public accountant to perform agreed upon procedures for the FTC and PLSA Programs pursuant to Sections 1002.395(8)(e) and 1002.385(8)(e), Florida Statutes, respectively.
- Examined AAA documentation to determine whether the PLSA Program reports required to be submitted on April 30, 2015, June 30, 2015, October 30, 2015, and January 30, 2016, were timely submitted to the FDOE and contained the information required by Section 1002.385(9)(d), Florida Statutes, and SBE Rule 6A-6.0961(6), FAC.
- Examined AAA records supporting the population of 278 students who received PLSA Program scholarships during the audit period, as well as documentation for 60 selected students to verify the number of students served and to determine whether AAA complied with applicable Program

eligibility requirements established in Section 1002.385(3)(a), Florida Statutes, and SBE Rule 6A-6.0961(5)(a), FAC.

- From the population of PLSA Program scholarship payments totaling \$2,039,175 made during the audit period, examined documentation for 60 scholarship payments totaling \$159,344 to determine whether the payments were eligible PLSA Program disbursements and were not reduced for administrative expenses.
- Determined whether AAA had established procedures to notify parents of PLSA Program scholarship awards and to provide a date for parents to confirm initial or continuing program participation pursuant to Section 1002.385(12)(b) and (c), Florida Statutes.
- Reviewed AAA's policies and procedures for the return of unused PLSA Program funds to the FDOE and determined whether any amounts were required to be returned pursuant to Section 1002.385(12)(g) and (13)(c), Florida Statutes.
- From the population of 20 PLSA students identified by the FDOE in its October 2015 and February 2016 surveys as potentially being enrolled in a Florida public school, examined documentation to determine whether AAA timely returned program funds, if applicable, to the FDOE.
- Communicated on an interim basis with applicable officials to ensure the timely resolution of issues involving controls and noncompliance.
- Performed various other auditing procedures, including analytical procedures, as necessary, to accomplish objectives of the audit.
- Prepared and submitted for management response the findings and recommendations that are included in this report and which describe the matters requiring corrective actions. Management's response is included in this report under the heading **MANAGEMENT'S RESPONSE**.

AUTHORITY

Section 11.45(2)(k), Florida Statutes, requires the Auditor General to annually conduct an operational audit of the accounts and records of eligible nonprofit scholarship-funding organizations receiving eligible contributions under Section 1002.395, Florida Statutes, including any contracts for services with related entities. Similarly, Section 1002.385(14)(a), Florida Statutes, requires the Auditor General to annually conduct an operational audit of the accounts and records of each eligible scholarship funding organization that participates in the Florida Personal Learning Scholarship Accounts Program. Pursuant to the provisions of Section 11.45, Florida Statutes, I have directed that this report be prepared to present the results of our operational audit.



Sherrill F. Norman, CPA
Auditor General

MANAGEMENT'S RESPONSE



October 17, 2016

Sherrill F. Norman, CPA
Florida Auditor General
Claude Pepper Building, Suite G74
111 West Madison Street
Tallahassee, FL 32399-1450

Dear Ms. Norman,

Please accept this letter in response to your October 10, 2016 preliminary and tentative audit finding and recommendation. In that document, you list the following:

Finding 1: Although State Board of Education rules require AAA to obtain from the parent of each first-time FTC Program student who was enrolled in a Florida public school in the prior school year a written statement that the parent has informed the student's school district that the child will be attending an eligible private school, AAA did not obtain the required written statements from the parents of 171 first-time FTC Program students.

Recommendation: AAA should establish procedures to obtain and maintain the required written statements from parents of first-time FTC Program students previously enrolled in a Florida public school to evidence that the parent informed the student's school district that the child will be attending an eligible private school. AAA should also continue efforts to obtain the required written statements from the parents of the 171 students and appropriately maintain the statements received.

In response to Finding 1 and Recommendation, we have enhanced our procedures to require an additional separate written statement confirming the parent has informed the prior public school district that the student will not be returning before scholarship funds are disbursed for that student. We will retain an electronic copy of each statement on our secure server for at least three years. In addition, we will continue our efforts to obtain the required written statements from the parents of the 171 students and will retain electronic copies of those statements on our secure server for at least three years as well.

Finding 2: AAA procedures could be enhanced to ensure that FTC Program checks are endorsed in accordance with State law.

Recommendation: AAA should continue efforts to ensure FTC Program checks are endorsed in accordance with State law. If such efforts employ sampling techniques, the sample of checks tested should be representative of the check population, which may require expanded tests of additional checks and related endorsements to better understand whether the sample is representative of the population and to make appropriate conclusions about the population.


Florida Auditor General
October 17, 2016
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In response to Finding 2 and Recommendation, as we do intend to continue to employ sampling techniques we will ensure that our supporting documentation clearly explains how the sample of checks tested is representative of the population and will expand testing of additional checks and related endorsements when appropriate.

We believe this letter provides you with the requested explanations and corrective action, however, please do not hesitate to contact us if you have any questions or need additional information.

Sincerely,

AAA Scholarship Foundation, Inc.


Kimberly Dyson
CEO & President

Offices: Alabama • Arizona • Florida • Georgia • Nevada • Pennsylvania
Phone and Fax: 888-707-2465 • Website: www.aaascholarships.org

**FLORIDA SINGLE AUDIT ACT – NONPROFIT AND FOR-PROFIT ENTITIES
FINANCIAL REPORTING PACKAGE SUBMITTAL CHECKLIST**

Entity Name: AAA Scholarship Foundation - FL, LLC

Entity Type (Nonprofit, For-Profit): Nonprofit

Contact Person Name and Title: Kim Dyson, President and CEO

Contact Person Mailing Address: PO Box 15719, Tampa, FL 33684-0719

Contact Person Phone Number: 888-707-2465

Contact Person E-mail Address: kim@aaascholarships.org

Fiscal Period Audited: July 1, 2015 - June 30, 2016

Date the auditor delivered the audit report to the entity: October 31, 2016

Does the financial reporting package include the following items required by Section 10.656(3), Rules of the Auditor General:

Required for State single audits as defined by Section 215.97(2)(x), Florida Statutes, and project-specific audits as defined by Section 215.97(2)(w), Florida Statutes:

YES A schedule of expenditures of State financial assistance as described in Section 10.656(3)(d)1., Rules of the Auditor General? **NOTE:** The schedule of expenditures of State financial assistance, when applicable, is required to be combined with the schedule of expenditures of Federal awards.

YES The auditor's report on the schedule of State financial assistance as described in Section 10.656(3)(d)2., Rules of the Auditor General?

YES The auditor's report on compliance with requirements that could have a direct and material effect on each major State project and on internal control over compliance as described in Section 10.656(3)(d)3., Rules of the Auditor General?

YES A schedule of findings and questioned costs as described in Section 10.656(3)(d)4., Rules of the Auditor General?

NO A summary schedule of prior audit findings as described in Section 10.656(3)(d)5., Rules of the Auditor General? **NOTE:** If a schedule of prior audit findings is not presented because there are no prior audit findings to be reported, this should be stated in the schedule of findings and questioned costs.

NO A corrective action plan as described Section 10.656(3)(d)6., Rules of the Auditor General?

NO The management letter defined in Section 10.654(1)(e), Rules of the Auditor General, and, if applicable, a written statement of explanation or rebuttal, including corrective action to be taken, concerning the deficiencies cited in the management

letter (see Section 10.656(3)(e), Rules of the Auditor General)? **NOTE:** If a management letter is not presented because there are no items related to State financial assistance required to be reported in the management letter, this should be stated in the schedule of findings and questioned costs.

YES

Are all of the above elements of the financial reporting package included in a **single document** as required by Section 10.656(3), Rules of the Auditor General?

YES

Are **one** paper copy and **one** electronic copy of the financial reporting package being submitted as required by Section 10.657(1), Rules of the Auditor General? **NOTE:** There is no provision in law authorizing an extension for filing the financial reporting package.

YES

Is the electronic copy named using all lower case letters as follows? [fiscal year] [name of entity].pdf. For example, the converted document for the 2015-16 fiscal year for "Example Nonprofit" entity should be named 2016 example nonprofit.pdf.

YES

Is the financial reporting package being submitted within 45 days after receipt of the financial reporting package from the auditor, but no later than 9 months after the end of the fiscal year as required by Section 10.657(2), Rules of the Auditor General?

Required only for State single audits as defined by Section 215.97(2)(x), Florida Statutes:

YES

The annual financial statements described in Section 10.655(3), Rules of the Auditor General, as applicable, together with related notes to the financial statements (see Section 10.656(3)(f), Rules of the Auditor General)?

N/A

Required supplementary information (RSI) such as the management's discussion and analysis, or the budgetary comparison schedule required as RSI if not presented as part of the financial statements (see Section 10.655(3), Rules of the Auditor General)? **NOTE:** This applies only to nonprofit organizations that are determined to be governmental entities.

YES

The auditor's report on the financial statements as described in Section 10.656(3)(b), Rules of the Auditor General?

YES

The auditor's report on compliance and internal control based on an audit of the financial statements as described in Section 10.656(3)(b), Rules of the Auditor General?

N/A

If applicable, the auditor's reports and related financial information required pursuant to the *Federal Single Audit Act Amendments of 1996*, United States OMB Uniform Guidance (2 CFR Part 200), or other applicable Federal law (see Section 10.656(3)(c), Rules of the Auditor General)?

This checklist should accompany the financial reporting package. It is suggested that you retain a copy of the checklist for your files. Do not hesitate to contact this office if assistance or clarification is needed regarding reporting requirements. Our telephone and fax numbers, and electronic addresses, are as follows:

Auditor General
Local Government Audits/342
Claude Pepper Building, Room 401
111 West Madison Street
Tallahassee, FL 32399-1450

Telephone: (850) 412-2881

Fax: (850) 488-6975

E-mail Address: flaudgen_localgovt@aud.state.fl.us

Web site Address: www.myflorida.com/audgen

**CERTAIN NONPROFIT ORGANIZATIONS – SUBMITTAL CHECKLIST
FOR AUDIT REPORTS SUBMITTED
PURSUANT TO CHAPTER 10.700, RULES OF THE AUDITOR GENERAL**

Entity Name: AAA Scholarship Foundation - FL, LLC

Contact Person Name and Title: Kim Dyson, President and CEO

Contact Person Mailing Address: PO Box 15719, Tampa, FL 33684-0719

Contact Person Phone Number: 888-707-2465

Contact Person E-mail Address: kim@aaascholarships.org

Fiscal Year Audited: July 1, 2015 - June 30, 2016

Date the auditor delivered the audit report to the entity: 10/31/2016

Does the audit report include the following items required by Section 10.730(4), Rules of the Auditor General:

YES The auditor's report on internal control and compliance based on an audit of the financial statements (see Section 10.730(4)(c), Rules of the Auditor General)?

YES The financial statements reported on, together with related notes to the financial statements and required supplementary information, required by generally accepted accounting principles (see Section 10.730(4)(e), Rules of the Auditor General)?

YES The auditor's report on the financial statements (see Section 10.730(4)(b), Rules of the Auditor General)?

YES If applicable, the auditor's reports and related financial information required pursuant to the Federal *Single Audit Act Amendments of 1996*; United States OMB Uniform Guidance (2 CFR Part 200); the *Florida Single Audit Act*; Chapter 10.650, Rules of the Auditor General; or other applicable Federal and State law (see Section 10.730(4)(d), Rules of the Auditor General)?

In addition to the above, have the following requirements been complied with:

YES Are all of the elements of the audit report, as prescribed by Section 10.730, Rules of the Auditor General, included in a **single document** (see Section 10.730(4), Rules of the Auditor General)?

NA For direct-support and citizen-support organizations, is the audit report being submitted no later than 9 months after the end of the fiscal year (see Section 10.730(5), Rules of the Auditor General)?

YES For scholarship funding-organizations, is the audit report being submitted no later than 180 days after completion of the fiscal year of the auditee (see Section 10.730(5), Rules of the Auditor General)?

NA

For Enterprise Florida, Inc., and the Scripps Florida Funding Corporation, is the audit report being submitted within 45 days of delivery of the audit report to the auditee, but no later than 9 months after the end of the fiscal year of the auditee (see Section 10.730(5), Rules of the Auditor General)?

NA

For Florida Is For Veterans, Inc., is the audit report being submitted within 45 days of delivery of the audit report to the auditee, but no later than December 1 after the end of the fiscal year of the auditee (see Section 10.730(5), Rules of the Auditor General)?

This checklist should accompany the audit report. It is suggested that you retain a copy of the checklist for your files. Do not hesitate to contact this office if assistance or clarification is needed regarding reporting requirements. Our telephone and fax numbers, and electronic addresses, are as follows:

Auditor General
Local Government Audits/342
Claude Pepper Building, Room 401
111 West Madison Street
Tallahassee, Florida 32399-1450

Telephone: (850) 412-2881

Fax: (850) 488-6975

E-mail Address: flaudgen_dsb_charter@aud.state.fl.us

Web site Address: www.myflorida.com/audgen



AAA SCHOLARSHIP FOUNDATION, INC.

Financial Statements and Additional Information
Together with report of Independent Certified Public Accountant

For the Years Ended June 30, 2016 and 2015

SGCASH_{LLC}
CERTIFIED PUBLIC ACCOUNTANT

AAA SCHOLARSHIP FOUNDATION, INC.

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INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT'S REPORT

To the Board of Directors of
AAA Scholarship Foundation, Inc.

We have audited the accompanying financial statements of AAA Scholarship Foundation, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2016 and 2015, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

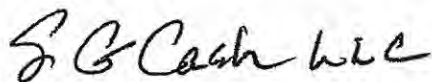
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of AAA Scholarship Foundation, Inc. as of June 30, 2016 and 2015, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters – Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of state financial assistance as required by the State of Florida Chapter 10.650, *Rules of the Auditor General*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2016, on our consideration of AAA Scholarship Foundation Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering AAA Scholarship Foundation Inc.'s internal control over financial reporting and compliance.



Athens, Georgia
October 31, 2016

AAA SCHOLARSHIP FOUNDATION, INC.

**Statements of Financial Position
As of June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
ASSETS		
Cash and cash equivalents	\$ 6,010,798	\$ 6,299,572
Investments - short term	6,699,036	3,714,943
Pledges receivable (net)	4,194,351	1,525,000
Other assets	79,956	42,239
Investments - long term	8,397,476	9,396,776
Fixed assets (net)	<u>7,623</u>	<u>4,086</u>
Total assets	<u>\$ 25,389,240</u>	<u>\$ 20,982,616</u>
 LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable and accrued expenses	\$ 75,099	\$ 32,140
Scholarships payable - current	13,594,632	8,481,801
Scholarships payable - net of current portion	<u>10,760,560</u>	<u>9,881,368</u>
Total liabilities	<u>24,430,291</u>	<u>18,395,309</u>
Commitments and contingencies	-	-
Net assets:		
Unrestricted	(3,745,785)	(633,629)
Temporarily restricted	4,704,734	3,220,936
Permanently restricted	-	-
Total net assets	<u>958,949</u>	<u>2,587,307</u>
Total liabilities and net assets	<u>\$ 25,389,240</u>	<u>\$ 20,982,616</u>

The accompanying notes are an integral part of these financial statements

AAA SCHOLARSHIP FOUNDATION, INC.

Statements of Activities and Changes in Net Assets
For the years ended June 30, 2016 and 2015

	Year Ended June 30, 2016			Year Ended June 30, 2015				
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenue and other support -								
Contributions (net of administrative allowance)	\$ -	\$ 15,569,403	\$ -	\$ 15,569,403	\$ -	\$ 12,665,374	\$ -	\$ 12,665,374
Grants	-	2,509,719	-	2,509,719	-	805,022	-	805,022
Administrative allowance	1,037,665	-	-	1,037,665	1,277,254	-	-	1,277,254
Donated services	-	-	-	-	-	-	-	-
Other	4,827	-	-	4,827	2,737	-	-	2,737
Interest	-	117,962	-	117,962	-	74,351	-	74,351
Net assets released from restrictions	16,713,286	(16,713,286)	-	-	11,579,814	(11,579,814)	-	-
Total revenue and other support	17,755,778	1,483,798	-	19,239,576	12,859,805	1,964,933	-	14,824,738
Expenses -								
Program services - scholarships	20,441,312	-	-	20,441,312	12,123,327	-	-	12,123,327
Management and general	19,163	-	-	19,163	19,539	-	-	19,539
Fundraising	407,459	-	-	407,459	555,478	-	-	555,478
Total expenses	20,867,934	-	-	20,867,934	12,698,344	-	-	12,698,344
Change in net assets	(3,112,156)	1,483,798	-	(1,628,358)	161,461	1,964,933	-	2,126,394
Net assets, beginning of year	(633,629)	3,220,936	-	2,587,307	(795,090)	1,256,003	-	460,913
Net assets, end of year	\$ (3,745,785)	\$ 4,704,734	\$ -	\$ 958,949	\$ (633,629)	\$ 3,220,936	\$ -	\$ 2,587,307

The accompanying notes are an integral part of these financial statements

AAA Scholarship Foundation, Inc.
Statements of Functional Expenses
For the years ended June 30, 2016 and 2015

	For the year ended June 30, 2016			For the year ended June 30, 2015				
	Program	Management and General	Fundraising	Total	Program	Management and General	Fundraising	Total
Direct program costs	\$ 19,569,730	\$ -	\$ -	\$ 19,569,730	\$ 11,579,814	\$ -	\$ -	\$ 11,579,814
Accounting fees	267	33	33	333	393	49	49	491
Audit fees	7,650	1,600	900	10,150	7,700	850	850	9,400
Advertising / marketing	119,796	-	2,887	122,683	55,208	25	3,328	58,561
Bank service fees	23,509	327	331	24,167	8,671	226	226	9,123
Business registration fees	897	6	4,005	4,908	550	9	3,576	4,135
Contractor expenses	121,076	-	366,946	488,022	67,345	600	508,054	575,999
Depreciation	1,261	158	158	1,577	130	16	16	162
Dues, fees, & subscriptions	4,507	-	3,476	7,983	2,892	173	4,887	7,952
Equipment rental	5,500	313	313	6,126	3,728	274	274	4,276
Insurance	6,933	510	510	7,953	3,587	230	230	4,047
Legal fees	10,031	-	5,429	15,460	5,396	1,129	6,741	13,266
License - software	3,379	237	237	3,853	1,272	40	40	1,352
Office equipment	84	11	11	106	44	6	6	56
Postage, mailing service	8,937	624	700	10,261	5,254	143	605	6,002
Printing & reproduction	6,032	-	7	6,039	3,034	-	275	3,309
Professional development	534	59	59	652	470	59	134	663
Rent - facilities	25,362	2,670	2,670	30,702	17,012	2,127	2,127	21,266
Supplies	6,203	20	20	6,243	3,805	379	378	4,562
Taxes - payroll	28,334	1,232	1,232	30,798	19,984	869	869	21,722
Telephone & communications	6,655	527	633	7,815	5,436	349	484	6,269
Travel & meetings	36,533	35	6,125	42,693	27,309	211	10,554	38,074
Wages and benefits	442,971	10,392	10,392	463,755	300,685	11,468	11,468	323,621
Web / internet hosting	5,131	409	385	5,925	3,608	307	307	4,222
Total expenses	\$ 20,441,312	\$ 19,163	\$ 407,459	\$ 20,867,934	\$ 12,123,327	\$ 19,539	\$ 555,478	\$ 12,698,344

The accompanying notes are an integral part of these financial statements.

AAA SCHOLARSHIP FOUNDATION, INC.

**Statements of Cash Flows
For the years ended June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
Cash flows from operating activities:		
Change in net assets	\$ (1,628,359)	\$ 2,126,394
Adjustments to reconcile change in net assets to net cash provided by operating activities -		
Depreciation and amortization	1,648	163
Changes in assets and liabilities:		
Pledges receivable	(2,662,959)	(385,910)
Other assets	(44,109)	(32,064)
Accounts payable and accrued expenses	42,960	7,727
Scholarships payable	5,992,023	6,169,530
	<u>1,701,204</u>	<u>7,885,840</u>
Net cash provided by operating activities		
Cash used in investing activities:		
Net change in investments	(1,984,865)	(13,096,598)
Purchase of fixed assets	(5,113)	(4,249)
	<u>(1,989,978)</u>	<u>(13,100,847)</u>
Net cash used by investing activities		
Net change in cash	(288,774)	(5,215,007)
Cash at beginning of year	<u>6,299,572</u>	<u>11,514,579</u>
Cash at end of year	<u>\$ 6,010,798</u>	<u>\$ 6,299,572</u>

The accompanying notes are an integral part of these financial statements

AAA Scholarship Foundation, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2016 and 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

1. Organization

The AAA Scholarship Foundation, Inc. ("AAA") is a Georgia not-for-profit organization incorporated March 26, 2010 with the mission of ensuring economically disadvantaged families and families of children with disabilities have equal access to the customized K-12 learning options they need to effectively educate their children. AAA believes that educational option programs spur improvements by equipping parents with the tools to seek the best education for their children. AAA's primary focus is in providing learning options for children from low-income and working class families and for children with disabilities.

AAA Scholarship Foundation – FL, LLC ("AAA-FL") is a wholly-owned subsidiary of AAA that commenced operation in December 2013.

AAA is an approved Scholarship Organization (SO) in Georgia, Arizona, Pennsylvania, Alabama, and Nevada. AAA-FL is an approved SO in Florida. As an SO, AAA and AAA-FL (together, referred to as "AAA") may receive re-directed taxes from taxpayers which are then distributed to qualified students in the form of scholarships so they may attend the qualified private school of their parent's choice. Below are tables summarizing the seven state tax credit programs administered by AAA during the fiscal year ended June 30, 2016:

	AZ	GA	PA
Cap for Current Year	\$52 million	\$58 million	\$50 million
Year for Cap Purposes	July 1 - June 30	Jan 1 - Dec 31	July 1 - June 30
Taxes Available for Redirection	Corporate income tax & insurance premium tax	Corporate and individual income tax	Corporate net income tax, capital stock franchise tax, bank and trust company shares tax, title insurance companies share tax, insurance premiums tax, or mutual thrift institution tax
Percentage of Tax Available for Redirection	100% for both taxes	75% for companies; Individuals filing as single or head of household can redirect up to \$1,000 per tax year. Individuals filing jointly can redirect up to \$2,500 per tax year	Up to \$750,000 annually
Value of Tax Credit	Dollar-for-dollar	Dollar-for-dollar	75 percent for a one year commitment. 90 percent for a two year commitment.
Maximum Annual Scholarship Value	\$5,100 for k – 8 th grade \$6,400 for 9 th – 12 th grade	\$7,500	\$8,500
Scholarship Term	3 years	3 years	1 year
Administrative Allowance	10 percent	10 % for first \$1.5 million; 7% for \$1.5 million – 10 million; 6% for \$10 million – 20 million; 5% over \$20 million	20 percent

AAA Scholarship Foundation, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2016 and 2015

	AZ - DD	AL	NV	FL
Cap for Current Year	\$5 million	\$30 million	\$5 million	\$447 million
Year for Cap Purposes	July 1 - June 30	Jan 1 - Dec 31	July 1 - June 30	Income Tax Jan 1 – Corp FYE Insurance Premium Tax Jan 1 – Dec 31 Alcoholic beverage excise tax, direct pay sales and use tax, oil and/or gas production tax July 1 – June 30
Taxes Available for Redirection	Corporate income tax & insurance premium tax	Corporate and individual income tax	Modified Business tax	Income tax, insurance premium tax, alcoholic beverage excise tax, direct pay sales and use tax, oil and/or gas production tax
Percentage of Tax Available for Redirection	100% for both taxes	50% (not to exceed \$7,500 for individuals)	100% for taxes	100% for income tax, insurance premium, direct pays sales and use tax 90% for alcoholic beverage excise tax 50% for oil and/or gas production tax
Value of Tax Credit	Dollar-for-dollar	Dollar-for-dollar	Dollar-for-dollar	Dollar-for-dollar
Maximum Annual Scholarship Value	90% of the amount of state aid that would otherwise have been computed for the student in Title 15, Chapter 9, Article 15	\$7,500	\$7,755	\$5,677 private school or \$500 transportation to public school outside of district
Scholarship Term	3 years	1 year	1 years	1 year
Administrative Allowance	10 percent	5 percent	5 percent	Zero percent for first 3 years then 3 percent

In addition, AAA is an approved administrator of the Florida Personal Learning Scholarship Account (FL PLSA). The FL PLSA was established in 2014 to provide parents the option to better meet the individual needs of their eligible children. Parents of eligible Florida children may use the accounts to purchase approved goods or services. The FL PLSA is funded by a direct appropriation from the Legislature, with the money disbursed to the various scholarship organizations based on the scholarship amounts awarded to each of its approved students. For 2015-16, the state appropriation for the FL PLSA was \$55 million.

2. Basis of Presentation

The financial statements of AAA have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles. The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.

AAA Scholarship Foundation, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2016 and 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of AAA and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that may be maintained permanently by AAA. AAA does not currently have any permanently restricted net assets.

3. Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. AAA has not received any contributions with donor-imposed restrictions that would result in permanently restricted net assets.

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. AAA recognized no donated goods during fiscal years ended June 30, 2016 and 2015.

4. Cash and Cash Equivalents

AAA considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

AAA maintains its cash accounts at a commercial bank. Such amounts on deposit are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per institution. At June 30, 2016 and 2015, cash on deposit at a commercial bank exceeded the \$250,000 FDIC limit by \$5,760,798 and \$6,049,572 respectively.

Each state program has its own requirements regarding contributions received under the program after administrative allowance (if any) and whether interest earned on contributions must be used for scholarships.

At June 30, 2016, cash on deposit and restricted for scholarships is as follows:

Georgia Private School Tax Credit Scholarship Program	\$1,070,059
Arizona Low-Income Corporate Tax Credit Scholarship Program	\$441,828
Arizona Disabled-Displaced Tax Credit Scholarship Program	\$1,890,246
Pennsylvania Opportunity Scholarship Tax Credit	\$52,732
Alabama Educational Scholarship Program	\$296,265
Florida Tax Credit Scholarship Program	\$899,234

AAA Scholarship Foundation, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2016 and 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Florida Personal Learning Scholarship Account	\$547,250
Nevada Educational Choice Scholarship	\$371,707

At June 30, 2015, cash on deposit and restricted for scholarships is as follows:

Georgia Private School Tax Credit Scholarship Program	\$1,543,403
Arizona Low-Income Corporate Tax Credit Scholarship Program	\$1,841,108
Arizona Disabled-Displaced Tax Credit Scholarship Program	\$823,130
Pennsylvania Opportunity Scholarship Tax Credit	\$604,420
Alabama Educational Scholarship Program	\$348,215
Florida Tax Credit Scholarship Program	\$144,742
Florida Personal Learning Scholarship Account	\$290,232

5. Pledges Receivable

Pledges receivable represent unconditional promises to give and are recorded as receivable and revenue at fair value when received. Management evaluates the collectability of its pledges receivable and records an allowance for estimated uncollectible amounts, if necessary.

6. Fixed Assets

AAA capitalizes property and equipment on the basis of cost at the acquisition date, and fully depreciated assets are carried on the books until the date of disposal. Depreciation is computed on the straight-line method over the estimated useful lives of the related assets. Repairs and maintenance expenditures are charged to expense when incurred.

7. Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefitted.

8. Held to Maturity Securities

AAA determines the appropriate classification of its investments in debt and equity securities at the time of purchase and reevaluates such determinations at each balance sheet date. Securities are classified as held to maturity when the Company has the positive intent and ability to hold the securities to maturity. Held to maturity securities are recorded as either short or long-term on the Statement of Financial Position, based on contractual maturity date and are stated at amortized cost.

AAA Scholarship Foundation, Inc.
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2016 and 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

At June 30, 2016, AAA held investments in marketable securities that were classified as held to maturity and consisted of the following:

<u>Short-Term:</u>	<u>Amortized Cost</u>
U.S. government securities	\$6,699,036
<u>Long-Term:</u>	
U.S. government securities	<u>\$8,397,476</u>
Total Held to Maturity securities	<u>\$15,096,512</u>

At June 30, 2015, AAA held investments in marketable securities that were classified as held to maturity and consisted of the following:

<u>Short-Term:</u>	<u>Amortized Cost</u>
U.S. government securities	\$3,699,808
Certificate of deposit	<u>\$15,135</u>
Total Short-Term	\$3,714,943
<u>Long-Term:</u>	
U.S. government securities	<u>\$9,396,776</u>
Total Held to Maturity securities	<u>\$13,111,719</u>

9. Accounting Estimates

The presentation of financial statements in conformity with U. S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue's and expenses during the reporting period. Actual results could differ from those estimates.

10. Income Taxes

In 2006, the FASB issued FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes - an interpretation of FASB Statement No. 109*, (FIN 48), which clarifies the accounting for uncertainty in tax positions. FIN 48 has been codified in FASB ASC 740-10. FIN 48 requires that the Company recognize in the financial statements the impact of a tax position, if that position is more likely than not of being sustained on audit, based on the technical merits of the position. AAA adopted the provisions of FIN 48 as of March 26, 2010. AAA is exempt from Federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. At June 30, 2016 and 2015, there are no deferred tax assets and liabilities or current income tax expense.

AAA Scholarship Foundation, Inc.
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2016 and 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

No interest or penalties resulting from an underpayment of income taxes have been recognized in the statement of activities or in the statement of financial position. AAA has no positions for which it believes it is reasonably possible that the total amounts of unrecognized tax benefits will significantly increase or decrease within the next twelve months. The tax years 2016 through 2012 remain subject to examination by the Internal Revenue Service.

NOTE B – PLEDGES RECEIVABLE

Pledges receivable at June 30 consists of the following:

	2016	2015
Pledges due within one year	\$ 4,187,959	\$ 1,525,000

At June 30, 2016 and 2015, all pledges receivable are expected to be collected during the next year. Management has determined that the pledges receivable are fully collectible; therefore, no allowance for uncollectible pledges is considered necessary at June 30, 2016 and 2015.

NOTE C – FIXED ASSETS

At June 30, 2016 and 2015, fixed assets consisted of the following:

	2016	2015
Computers	\$ 6,209	\$ 3,609
Furniture and equipment	3,153	640
	9,362	4,249
Less accumulated depreciation	(1,739)	(163)
Net property and equipment	\$ 7,623	\$ 4,086

Depreciation expense was \$1,576 and \$163 for the years ended June 30, 2016 and 2015.

NOTE D – SCHOLARSHIP CONTRIBUTIONS AND GRANTS

During the fiscal years ended June 30, 2016 and 2015, AAA received re-directed taxes from taxpayers in Georgia, Arizona, Pennsylvania, Alabama, Nevada, and Florida. Each state Tax Credit Scholarship Program requires that contributions received under the program after administrative allowance must be used for scholarships. Alabama and Florida also require that all interest earned on contributions be used for scholarships.

AAA Scholarship Foundation, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2016 and 2015

NOTE D – SCHOLARSHIP CONTRIBUTIONS AND GRANTS – CONTINUED

During the fiscal year ended June 30, 2016, AAA recorded the following re-directed taxes as contributions:

Georgia Private School Tax Credit Scholarship Program	\$953,399
Arizona Low-Income Corporate Tax Credit Scholarship Program	\$5,765,691
Arizona Disabled-Displaced Tax Credit Scholarship Program	\$1,790,000
Pennsylvania Opportunity Scholarship Tax Credit	\$240,000
Alabama Educational Scholarship Program	\$169,930
Florida Tax Credit Scholarship Program	\$5,564,443
Nevada Educational Choice Scholarship Program	\$2,045,250

Of the re-directed taxes recorded as contributions, the following pledges were outstanding and deemed as collectible as June 30, 2016:

Florida Tax Credit Scholarship Program	\$3,987,959
Pennsylvania Opportunity Scholarship Tax Credit	\$200,000

During the fiscal year ended June 30, 2016, AAA claimed the following administrative allowances against collected contributions:

Georgia Private School Tax Credit Scholarship Program	\$88,982
Arizona Low-Income Corporate Tax Credit Scholarship Program	\$576,569
Arizona Disabled-Displaced Tax Credit Scholarship Program	\$179,000
Pennsylvania Opportunity Scholarship Tax Credit	\$4,000
Alabama Educational Scholarship Program	\$8,497
Nevada Educational Choice Scholarship Program	\$102,263

During the fiscal year ended June 30, 2016, AAA earned the following interest on collected tax credit contributions:

Georgia Private School Tax Credit Scholarship Program	\$2,960
Arizona Low-Income Corporate Tax Credit Scholarship Program	\$102,744
Arizona Disabled-Displaced Tax Credit Scholarship Program	\$5,229
Pennsylvania Opportunity Scholarship Tax Credit	\$997
Alabama Educational Scholarship Program	\$745
Florida Tax Credit Scholarship Program	\$3,154
Nevada Educational Choice Scholarship Program	\$2,134

During the fiscal year ended June 30, 2016, AAA received the following grant funds related to the Florida PLSA program:

	<u>Scholarships</u>	<u>Administrative Allowance</u>
Grant funds received from the State of Florida	\$2,733,835	\$82,015
Grant funds returned to the State of Florida	(224,116)	(3,649)
Net grant funds received from the State of Florida	<u>\$2,509,719</u>	<u>\$78,366</u>

AAA Scholarship Foundation, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2016 and 2015

NOTE D – SCHOLARSHIP CONTRIBUTIONS AND GRANTS – CONTINUED

The Florida PLSA program grant agreement required that all interest earned on the grant funds be remitted to the State. The amount of interest earned on the grant funds and remitted to the State was \$2,881.

The Florida PLSA program allows students to transfer their scholarship accounts between eligible SFOs during the year. If an SFO incurred expenses to administer the account, they are allowed to keep the administrative allowance, otherwise, the allowance is required to be transferred along with the scholarship balance. During the fiscal year ended June 30, 2016, the following transfers occurred:

	<u>Scholarship Balance</u>	<u>Administrative Allowance</u>
Program funds transferred from an SFO	\$64,521	\$289
Program funds transferred to an SFO	<u>(19,666)</u>	<u>(301)</u>
Net Program funds transferred	<u>\$44,855</u>	<u>\$(12)</u>

During the fiscal year ended June 30, 2015, AAA recorded the following re-directed taxes as contributions:

Georgia Private School Tax Credit Scholarship Program	\$223,443
Arizona Low-Income Corporate Tax Credit Scholarship Program	\$11,077,505
Arizona Disabled-Displaced Tax Credit Scholarship Program	\$785,000
Pennsylvania Opportunity Scholarship Tax Credit	\$15,000
Alabama Educational Scholarship Program	\$306,680
Florida Tax Credit Scholarship Program	\$1,535,000

Of the re-directed taxes recorded as contributions, the following pledges were outstanding and deemed as collectible as June 30, 2015:

Florida Tax Credit Scholarship Program	\$1,525,000
--	-------------

During the fiscal year ended June 30, 2015, AAA claimed the following administrative allowances against collected contributions:

Georgia Private School Tax Credit Scholarship Program	\$22,344
Arizona Low-Income Corporate Tax Credit Scholarship Program	\$1,107,751
Arizona Disabled-Displaced Tax Credit Scholarship Program	\$78,500
Pennsylvania Opportunity Scholarship Tax Credit	\$51,500
Alabama Educational Scholarship Program	\$17,159

During the fiscal year ended June 30, 2015, AAA earned the following interest on collected contributions:

Georgia Private School Tax Credit Scholarship Program	\$3,615
Arizona Low-Income Corporate Tax Credit Scholarship Program	\$67,081
Arizona Disabled-Displaced Tax Credit Scholarship Program	\$1,315
Pennsylvania Opportunity Scholarship Tax Credit	\$1,194

AAA Scholarship Foundation, Inc.
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2016 and 2015

NOTE D – SCHOLARSHIP CONTRIBUTIONS AND GRANTS – CONTINUED

Alabama Educational Scholarship Program	\$461
Florida Tax Credit Scholarship Program	\$685

During the fiscal year ended June 30, 2015, AAA received a grant for \$805,022 from the State of Florida for the Florida PLSA program. The grant agreement allowed for no administrative allowance and that all interest earned on the grant funds be remitted to the State. The amount of interest earned on the grant funds was \$384.

NOTE E – SCHOLARSHIPS AWARDED AND PAYABLE

AAA scholarships are awarded to qualified students for multi-year periods in Arizona and for a one year period in Georgia, Pennsylvania, Alabama, Florida, and Nevada. To qualify for a scholarship, a student and the parents or guardian of that student must meet certain state and AAA requirements, enroll in an eligible private school and comply with certain other responsibilities for program participation. For multi-year scholarships the parents or guardian must return a completed School Commitment Form by the specified deadline for subsequent years in order to remain eligible.

During the fiscal year ended June 30, 2016, AAA expensed the following net scholarships:

Georgia Private School Tax Credit Scholarship Program	\$896,343
Arizona Low-Income Corporate Tax Credit Scholarship Program	\$6,560,874
Arizona Disabled-Displaced Tax Credit Scholarship Program	\$2,223,625
Pennsylvania Opportunity Scholarship Tax Credit	\$108,685
Alabama Educational Scholarship Program	\$283,554
Florida Tax Credit Scholarship Program	\$2,766,016
Florida Personal Learning Scholarship Account	\$2,509,719
Nevada Educational Choice Scholarship	\$4,220,915

The following schedule illustrates the scholarships awarded but unpaid as of June 30, 2016:

	<u>Payable in 2016-17</u>	<u>Payable in 2017-18</u>	<u>Payable in 2018-19</u>	<u>Total</u>
Georgia Private School Tax Credit Scholarship Program	\$1,080,000	\$30,000	\$0	\$1,110,000
Arizona Low-Income Corporate Tax Credit Scholarship Program	\$6,598,800	\$6,636,825	\$2,715,700	\$15,951,325
Arizona Disabled-Displaced Tax Credit Scholarship Program	\$1,108,660	\$1,074,666	\$303,369	\$2,486,695
Pennsylvania Opportunity Scholarship Tax Credit	\$105,000	\$0	\$0	\$105,000

AAA Scholarship Foundation, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2016 and 2015

Alabama Educational Scholarship Program	\$199,925	\$0	\$0	\$199,925
Florida Tax Credit Scholarship Program	\$1,329,530	\$0	\$0	\$1,329,530
Florida Personal Learning Scholarship Account	\$525,218	\$0	\$0	\$525,218
Nevada Educational Choice Scholarship	2,647,500	\$0	\$0	\$2,647,500
Total:	<u>\$13,594,632</u>	<u>\$7,741,491</u>	<u>\$3,019,069</u>	<u>\$24,355,192</u>

During the fiscal year ended June 30, 2015, AAA expensed the following net scholarships:

Georgia Private School Tax Credit Scholarship Program	(\$161,657)
Arizona Low-Income Corporate Tax Credit Scholarship Program	\$8,202,783
Arizona Disabled-Displaced Tax Credit Scholarship Program	\$681,070
Pennsylvania Opportunity Scholarship Tax Credit	\$402,601
Alabama Educational Scholarship Program	\$270,861
Florida Tax Credit Scholarship Program	\$1,379,133
Florida Personal Learning Scholarship Account	\$805,022

The following schedule illustrates the scholarships awarded but unpaid as of June 30, 2015:

	<u>Payable in 2015-16</u>	<u>Payable in 2016-17</u>	<u>Payable in 2017-18</u>	<u>Total</u>
Georgia Private School Tax Credit Scholarship Program	\$1,494,375	\$30,000	\$30,000	\$1,544,375
Arizona Low-Income Corporate Tax Credit Scholarship Program	\$4,802,650	\$4,713,050	\$4,601,050	\$14,116,750
Arizona Disabled-Displaced Tax Credit Scholarship Program	\$265,913	\$265,913	\$241,355	\$773,181
Pennsylvania Opportunity Scholarship Tax Credit	\$585,000	\$0	\$0	\$585,000
Alabama Educational Scholarship Program	\$130,500	\$0	\$0	\$130,500
Florida Tax Credit Scholarship Program	\$913,189	\$0	\$0	\$913,189
Florida Personal Learning Scholarship Account	\$290,173	\$0	\$0	\$290,173
Total:	<u>\$8,481,801</u>	<u>\$5,008,963</u>	<u>\$4,872,405</u>	<u>\$18,363,169</u>

AAA Scholarship Foundation, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2016 and 2015

NOTE E – SCHOLARSHIPS AWARDED AND PAYABLE – CONTINUED

Tax credit scholarship checks are disbursed in four installments each school year after receipt of a verification report from the school. The verification report limits the risk that a check might be issued for a student who has withdrawn from the eligible private school or the student's parent or guardian has not complied with their responsibilities under the program. The checks are made payable to the student's parent or guardian and are restrictively endorsed for deposit only to the private school by law.

FL PLSA disbursements are made pursuant to a request from a student's parent or guardian for an authorized education-related good or service. The disbursement may be made to a private school, a vendor or as a reimbursement to a parent or guardian.

NOTE F – TEMPORARILY RESTRICTED NET ASSETS

At June 30, 2016, net assets were released from donor restrictions by incurring expenses satisfying the purpose specified by donors as follows:

Georgia Private School Tax Credit Scholarship Program	\$896,343
Arizona Low-Income Corporate Tax Credit Scholarship Program	\$6,560,874
Arizona Disabled-Displaced Tax Credit Scholarship Program	\$1,642,974
Pennsylvania Opportunity Scholarship Tax Credit	\$108,685
Alabama Educational Scholarship Program	\$283,554
Florida Tax Credit Scholarship Program	\$2,766,016
Florida Personal Learning Scholarship Account	\$2,509,719
Nevada Educational Choice Scholarship	\$1,945,121

At June 30, 2015, net assets were released from donor restrictions by incurring expenses satisfying the purpose specified by donors as follows:

Georgia Private School Tax Credit Scholarship Program	(\$161,657)
Arizona Low-Income Corporate Tax Credit Scholarship Program	\$8,202,783
Arizona Disabled-Displaced Tax Credit Scholarship Program	\$681,070
Pennsylvania Opportunity Scholarship Tax Credit	\$402,601
Alabama Educational Scholarship Program	\$270,861
Florida Tax Credit Scholarship Program	\$1,379,133
Florida Personal Learning Scholarship Account	\$805,022

NOTE G – CONCENTRATION OF RISKS

Contributions from three major donors accounted for approximately 53 percent of contributions received for the fiscal year ended June 30, 2016. The pledges from two of these donors were fully paid as of June 30, 2016. A \$942,959 pledge from one was outstanding and deemed collectible as of June 30, 2016.

AAA Scholarship Foundation, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2016 and 2015

NOTE G – CONCENTRATION OF RISKS – CONTINUED

Contributions from four major donors accounted for approximately 76 percent of contributions received for the fiscal year ended June 30, 2015. The pledges from three of these donors were fully paid as of June 30, 2015. A \$1,000,000 pledge from one was outstanding and deemed collectible as of June 30, 2015.

NOTE H - RELATED PARTY TRANSACTIONS

AAA retained the services of their Chief Executive Officer's accounting firm to provide bi-weekly payroll services for between \$20 and \$30 per month and shares office space and equipment with the same firm for \$1,500 per month from July 2014 through February 2015. In March 2015, AAA took over the lease for the office space for \$2,000, purchased the office equipment from the same firm for \$3,609 and discontinued using the payroll service.

NOTE I - FAIR VALUE

FASB Statement No. 157 defines fair value, establishes a framework for measuring fair value, and establishes a fair value hierarchy which prioritizes the inputs to valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach, as specified by FASB Statement No. 157, are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities AAA has the ability to access.

Level 2 inputs are inputs (other than quoted prices included within level 1) that are observable for the asset or liability, either directly or indirectly.

Level 3 are unobservable inputs for the asset or liability and rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability. (The unobservable inputs should be developed based on the best information available in the circumstances and may include AAA's own data).

AAA Scholarship Foundation, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2016 and 2015

NOTE I - FAIR VALUE – CONTINUED

The following table presents AAA's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of June 30, 2016.

June 30, 2016:	Amortized Cost	Level 1	Level 2	Level 3	Unrecognized Gain/(Loss)
Held to Maturity - Short-Term	\$6,699,036	\$6,700,681	\$0	\$0	\$1,645
Held to Maturity - Long-Term	<u>\$8,397,476</u>	<u>\$8,438,865</u>	<u>\$0</u>	<u>\$0</u>	<u>\$41,389</u>
Total:	<u>\$15,096,512</u>	<u>\$15,139,546</u>	<u>\$0</u>	<u>\$0</u>	<u>\$43,034</u>

The following table presents AAA's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of June 30, 2015:

June 30, 2015:	Amortized Cost	Level 1	Level 2	Level 3	Unrecognized Gain/(Loss)
Held to Maturity - Short-Term	\$3,714,943	\$3,699,974	\$15,135	\$0	\$166
Held to Maturity - Long-Term	<u>\$9,396,776</u>	<u>\$9,428,233</u>	<u>\$0</u>	<u>\$0</u>	<u>\$31,457</u>
Total:	<u>\$13,111,719</u>	<u>\$13,128,207</u>	<u>\$15,135</u>	<u>\$0</u>	<u>\$31,623</u>

NOTE J – COMPLIANCE WITH STATE STATUTES

As an SO in multiple states, AAA must comply with certain operational and reporting requirements established and adopted into law by each state. Failure to comply with these statutes may result in sanctions that suspend or revoke operations. For the years ending June 30, 2016 and 2015, AAA is in compliance with all material operating and reporting requirements for each applicable state.

NOTE K – SUBSEQUENT EVENTS

Subsequent events have been evaluated through the date of the accountant's report and there were no significant events that would require disclosure in the financial statements.

Supplementary Information

AAA SCHOLARSHIP FOUNDATION INC.
AAA SCHOLARSHIP FOUNDATION - FL, LLC
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
For the Year Ended June 30, 2016

<u>State Agency and State Project</u>	<u>CSFA Number</u>	<u>Contract Number</u>	<u>State Expenditures</u>
State of Florida Department of Education - Personal Learning Scholarship Accounts	48.113	92V-90025-5Q001	\$ <u>2,509,719</u>
Total Expenditures of State Financial Assistance			\$ <u><u>2,509,719</u></u>

See notes to schedule of expenditures of state financial assistance

**AAA SCHOLARSHIP FOUNDATION, INC.
AAA SCHOLARSHIP FOUNDATION – FL, LLC
NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2016**

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of State Financial Assistance (the “Schedule”) includes the grant activity of AAA Scholarship Foundation – FL, Inc. under programs of the State of Florida for the year ended June 30, 2016. The information in the Schedule is presented in accordance with the requirements of the State of Florida, Chapter 10.650, *Rules of the Auditor General*. The Schedule presents only a selected portion of the operations of AAA Scholarship Foundation, Inc. and is not intended to and does not present the financial position, changes in net assets, or cash flows of AAA Scholarship Foundation, Inc.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures are reported on the accrual basis of accounting, following the cost principles established by the State of Florida Department of Financial Services.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors of
AAA Scholarship Foundation, Inc.

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of AAA Scholarship Foundation, Inc. (the "Organization"), which comprise the statement of financial position as of June 30, 2016, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 31, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect, or correct misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "S. G. Cash, LLC". The signature is written in a cursive, slightly slanted style.

Athens, Georgia
October 31, 2016

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR STATE FINANCIAL ASSISTANCE PROJECT AND ON
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
STATE OF FLORIDA CHAPTER 10.650, *RULES OF THE AUDITOR GENERAL*

To the Board of Directors of
AAA Scholarship Foundation, Inc.

Report on Compliance for Each Major State Financial Assistance Project

We have audited the compliance of AAA Scholarship Foundation, Inc. (the "Organization") with the types of compliance requirements described in the Department of Financial Services' State Projects Compliance Supplement that could have a direct and material effect on the Organization's major state financial assistance project for the year ended June 30, 2016. The Organization's major state financial assistance project is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state financial assistance project.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Organization's major state financial assistance project based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the State of Florida Chapter 10.650, Rules of the Auditor General. Those standards and the State of Florida Chapter 10.650, Rules of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state financial assistance project occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstance.

We believe that our audit provides a reasonable basis for our opinion on compliance for its major state financial assistance project. However, our audit does not provide a legal determination on the Organization's compliance.

Opinion on Each Major State Financial Assistance Project

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major state financial assistance project for the year ended June 30, 2016.

Report on Internal Control Over Compliance

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on its major state financial assistance project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for its major state financial assistance project and to test and report on internal control over compliance in accordance with the State of Florida Chapter 10.650, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect noncompliance with a type of compliance requirement of a state financial assistance project on a timely basis. A material weakness in internal control over compliance is a deficiency or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state financial assistance project will not be prevented, or detected and corrected on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state financial assistance project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the State of Florida Chapter 10.650, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "S. G. Cash".

Athens, Georgia
October 31, 2016

**AAA SCHOLARSHIP FOUNDATION, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2016**

A. SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unmodified opinion on the financial statements of AAA Scholarship Foundation, Inc.
2. No material weaknesses or significant deficiencies related to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
3. No instances of noncompliance material to the financial statements of AAA Scholarship Foundation, Inc. were disclosed during the audit.
4. No material weaknesses or significant deficiencies relating to the audit of the major state project are reported in the Independent Auditor's Report on Compliance for Each Major State Financial Assistance Project and on Internal Control over Compliance Required by the State of Florida Chapter 10.650, Rules of the Auditor General.
5. The auditor's report on compliance for the major state project for AAA Scholarship Foundation, Inc. expresses an unmodified opinion.
6. The project tested as a major project is the Personal Learning Scholarship Accounts Program, CSFA Number 48.113.
7. The threshold for distinguishing Type A and Type B programs/projects was \$752,915 for state financial assistance projects.

B. FINDINGS – FINANCIAL STATEMENTS AUDIT

No matters were reported.

C. FINDINGS AND QUESTIONED COSTS FOR STATE FINANCIAL ASSISTANCE

No matters were reported.

D. OTHER ISSUES

1. No Summary Schedule of Prior Audit Findings is presented because there were no matters reported for the year ending June 30, 2015.

AAA SCHOLARSHIP FOUNDATION, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2016

2. No Corrective Action Plan is presented because there were no findings required to be reported under the Florida Single Audit Act.

3. There was no management letter or control deficiency letter issued for the year ended June 30, 2016 and there were no matters required to be reported in these letters.

Return of Organization Exempt From Income Tax
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)
Do not enter social security numbers on this form as it may be made public.
Information about Form 990 and its instructions is at www.irs.gov/form990.

A For the 2015 calendar year, or tax year beginning 07/01/15, and ending 06/30/16

- B** Check if applicable:
- Address change
 - Name change
 - Initial return
 - Final return/terminated
 - Amended return
 - Application pending

C Name of organization
AAA Scholarship Foundation, Inc.

Doing business as

Number and street (or P.O. box if mail is not delivered to street address) Room/suite
PO Box 15719

City or town, state or province, country, and ZIP or foreign postal code
Tampa FL 33684

D Employer identification number
27-2559468

E Telephone number
888-707-2465

G Gross receipts \$ **19,239,575**

F Name and address of principal officer:
Kimberly Dyson, CPA
PO Box 15719
Tampa FL 33684

H(a) Is this a group return for subordinates? Yes No
H(b) Are all subordinates included? Yes No
If "No," attach a list. (see instructions)

I Tax-exempt status: 501(c)(3) 501(c) () (insert no.) 4947(a)(1) or 527

J Website: **www.aaascholarships.org**

K Form of organization: Corporation Trust Association Other

H(c) Group exemption number

L Year of formation: **2010** **M** State of legal domicile: **GA**

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: See Schedule O		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	4
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	3
	5 Total number of individuals employed in calendar year 2015 (Part V, line 2a)	5	7
	6 Total number of volunteers (estimate if necessary)	6	0
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
b Net unrelated business taxable income from Form 990-T, line 34	7b	0	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year 14,750,387	Current Year 19,121,613
	9 Program service revenue (Part VIII, line 2g)		0
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	74,351	117,962
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		0
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	14,824,738	19,239,575
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	11,579,814	19,569,730
	14 Benefits paid to or for members (Part IX, column (A), line 4)		0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	345,345	494,556
	16a Professional fundraising fees (Part IX, column (A), line 11e)	503,319	378,472
	b Total fundraising expenses (Part IX, column (D), line 25) 419,292		
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	270,802	427,845
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	12,699,280	20,870,603
19 Revenue less expenses. Subtract line 18 from line 12	2,125,458	-1,631,028	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year 20,982,615	End of Year 25,389,240
	21 Total liabilities (Part X, line 26)	18,395,313	24,430,298
	22 Net assets or fund balances. Subtract line 21 from line 20	2,587,302	958,942

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.



Sign Here

Signature of officer: **Kimberly Dyson, CPA** Date: _____
Type or print name and title: **Chief Exec Officer**

Paid Preparer Use Only

Print/Type preparer's name: **Kimberly Dyson, CPA** Preparer's signature: **Kimberly Dyson, CPA** Date: **11/14/16** Check if self-employed if PTIN **P01244342**

Firm's name: **Dyson Business Advisors, Inc.** Firm's EIN: **27-3446481**
13528 Prestige Pl Ste 107
Firm's address: **Tampa, FL 33635-9776** Phone no.: **813-814-5680**

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

1 Briefly describe the organization's mission:

See Schedule O

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

Yes No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?

Yes No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ **20,432,519** including grants of \$ **19,569,730**) (Revenue \$)

Because of our wonderful donors, we had the privilege of granting the following scholarships to ensure that economically-disadvantaged families and families of children with special-needs could select the best educational environment for their children's learning needs:

- Georgia: 132 annual pre-k4 - 12th grade scholarships;**
- Arizona: 1,553 annual k - 12th grade scholarships;**
- Pennsylvania: 51 annual k - 12th grade scholarships;**
- Alabama: 49 annual k - 12th grade scholarships;**
- Florida: 563 annual k - 12th grade scholarships; and**
- 239 Personal Learning Scholarship Accounts;**

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

COPY

4d Other program services (Describe in Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses **▶ 20,432,519**

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	<input type="checkbox"/>	<input checked="" type="checkbox"/>
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	<input type="checkbox"/>	<input checked="" type="checkbox"/>
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	<input type="checkbox"/>	<input checked="" type="checkbox"/>
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V	<input type="checkbox"/>	<input checked="" type="checkbox"/>
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X	<input type="checkbox"/>	<input checked="" type="checkbox"/>
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional	<input type="checkbox"/>	<input checked="" type="checkbox"/>
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	<input type="checkbox"/>	<input checked="" type="checkbox"/>
14a Did the organization maintain an office, employees, or agents outside of the United States?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV	<input type="checkbox"/>	<input checked="" type="checkbox"/>
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV	<input type="checkbox"/>	<input checked="" type="checkbox"/>
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV	<input type="checkbox"/>	<input checked="" type="checkbox"/>
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	<input type="checkbox"/>	<input checked="" type="checkbox"/>
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Part IV Checklist of Required Schedules (continued)

		Yes	No
20a	Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H		X
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		
21	Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II		X
22	Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	X	
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J		X
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24a through 24d and complete Schedule K. If "No," go to line 25a		X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a	Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I		X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I		X
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If "Yes," complete Schedule L, Part II		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III		X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	X	
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		X
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV		X
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I	X	
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, or IV, and Part V, line 1		X
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2		
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O.	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

		1a	7	Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable		7		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?				
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	7		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)			<input checked="" type="checkbox"/>	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?				<input checked="" type="checkbox"/>
b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O				
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?				<input checked="" type="checkbox"/>
b	If "Yes," enter the name of the foreign country: <input type="text"/> See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?				<input checked="" type="checkbox"/>
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?				<input checked="" type="checkbox"/>
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?				
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?				<input checked="" type="checkbox"/>
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?				
7	Organizations that may receive deductible contributions under section 170(c).				
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?				<input checked="" type="checkbox"/>
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?				
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?				<input checked="" type="checkbox"/>
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?				<input checked="" type="checkbox"/>
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?				<input checked="" type="checkbox"/>
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?				<input checked="" type="checkbox"/>
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?				<input checked="" type="checkbox"/>
8	Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?				
9	Sponsoring organizations maintaining donor advised funds.				
a	Did the sponsoring organization make any taxable distributions under section 4966?				
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?				
10	Section 501(c)(7) organizations. Enter:				
a	Initiation fees and capital contributions included on Part VIII, line 12	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	Section 501(c)(12) organizations. Enter:				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b			
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?				
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	Section 501(c)(29) qualified nonprofit health insurance issuers.				
a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.				
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?				<input checked="" type="checkbox"/>
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O				

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions. Check if Schedule O contains a response or note to any line in this Part VI

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.	4	
1b	Enter the number of voting members included in line 1a, above, who are independent	3	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6	Did the organization have members or stockholders?		X
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		X
7b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
8a	The governing body?	X	
8b	Each committee with authority to act on behalf of the governing body?	X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?		X
10b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	X	
11b	Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	X	
12b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
12c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	X	
13	Did the organization have a written whistleblower policy?	X	
14	Did the organization have a written document retention and destruction policy?	X	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
15a	The organization's CEO, Executive Director, or top management official	X	
15b	Other officers or key employees of the organization If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).	X	
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
16b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed **AK, AL, AR, CA, CO, CT, FL, GA, IL, KY, MA, MD, MI**
- 18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
 Own website Another's website Upon request Other (explain in Schedule O)
- 19** Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20** State the name, address, and telephone number of the person who possesses the organization's books and records: ▶

AAA Scholarship Foundation, Inc. 13528 Prestige Place

Tampa

FL 33635

888-707-2465

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
 - List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
 - List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
 - List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
 - List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.
- List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Teresa L'Homme Director	0.00 0.00	X						0	0	0
(2) Rebecca Burress Director	0.00 0.00	X						0	0	0
(3) Toni Cardamone Director	0.00 0.00	X						0	0	0
(4) Kimberly Dyson, CPA Chief Exec Officer	60.00 0.00			X				62,404	0	11,161
(5)										
(6)										
(7)										
(8)										
(9)										
(10)										
(11)										

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
1b Sub-total							62,404		11,161	
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)							62,404		11,161	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **0**

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual		X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
KV and Associates, LLC Seattle WA 98121	2800 Elliott Ave. Fund Raising	378,472

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **1**

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns					
	1b Membership dues					
	1c Fundraising events					
	1d Related organizations					
	1e Government grants (contributions)	2,588,073				
	1f All other contributions, gifts, grants, and similar amounts not included above	16,533,540				
	g Noncash contributions included in lines 1a-1f: \$					
	h Total. Add lines 1a-1f	19,121,613				
	Program Service Revenue	2a				
b						
c						
d						
e						
f All other program service revenue						
g Total. Add lines 2a-2f						
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		117,962		117,962	
	4 Income from investment of tax-exempt bond proceeds					
	5 Royalties					
	6a Gross rents	(i) Real				
		(ii) Personal				
	b Less: rental exps.					
	c Rental inc. or (loss)					
	d Net rental income or (loss)					
	7a Gross amount from sales of assets other than inventory	(i) Securities				
		(ii) Other				
	b Less: cost or other basis & sales exps.					
	c Gain or (loss)					
	d Net gain or (loss)					
	8a Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18	a				
	b Less: direct expenses	b				
c Net income or (loss) from fundraising events						
9a Gross income from gaming activities. See Part IV, line 19	a					
b Less: direct expenses	b					
c Net income or (loss) from gaming activities						
10a Gross sales of inventory, less returns and allowances	a					
	b Less: cost of goods sold	b				
	c Net income or (loss) from sales of inventory					
Miscellaneous Revenue						
11a	Busn. Code					
	b					
	c					
	d All other revenue					
e Total. Add lines 11a-11d						
12 Total revenue. See instructions.		19,239,575	0	0	117,962	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21				
2 Grants and other assistance to domestic individuals. See Part IV, line 22	19,569,730	19,569,730		
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	73,565	61,010	6,277	6,278
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	89,262	89,262		
7 Other salaries and wages	268,737	262,523	3,107	3,107
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits	32,192	28,972	1,610	1,610
10 Payroll taxes	30,800	29,538	631	631
11 Fees for services (non-employees):				
a Management				
b Legal	15,460	10,031		5,429
c Accounting	10,483	7,917	1,633	933
d Lobbying	24,000	24,000		
e Professional fundraising services. See Part IV, line 7	378,472			378,472
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	85,550	85,550		
12 Advertising and promotion	122,683	119,796		2,887
13 Office expenses	78,154	66,237	1,786	10,131
14 Information technology	5,925	5,132	409	384
15 Royalties				
16 Occupancy	30,702	25,362	2,670	2,670
17 Travel	28,935	28,888	7	40
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	13,757	7,645	27	6,085
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	4,243	3,993	125	125
23 Insurance	7,953	6,933	510	510
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a				
b				
c				
d				
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	20,870,603	20,432,519	18,792	419,292
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

		(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest bearing		
	2	Savings and temporary cash investments	6,299,572	1 6,010,798
	3	Pledges and grants receivable, net	15,135	2
	4	Accounts receivable, net	1,525,000	3 4,187,959
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		4
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L		5
	7	Notes and loans receivable, net		6
	8	Inventories for sale or use		7
	9	Prepaid expenses and deferred charges		8
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D		9 79,956
		b Less: accumulated depreciation	10a 9,362	
			10b 1,739	10c 7,623
	11	Investments—publicly traded securities	4,085	11 15,096,512
	12	Investments—other securities. See Part IV, line 11	13,096,584	12
	13	Investments—program-related. See Part IV, line 11		13
	14	Intangible assets		14
15	Other assets. See Part IV, line 11		15 6,392	
16	Total assets. Add lines 1 through 15 (must equal line 34)	20,982,615	16 25,389,240	
Liabilities	17	Accounts payable and accrued expenses		17 75,106
	18	Grants payable	32,144	18 24,355,192
	19	Deferred revenue	18,363,169	19
	20	Tax-exempt bond liabilities		20
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22
	23	Secured mortgages and notes payable to unrelated third parties		23
	24	Unsecured notes and loans payable to unrelated third parties		24
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		25
	26	Total liabilities. Add lines 17 through 25	18,395,313	26 24,430,298
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27	Unrestricted net assets		
	28	Temporarily restricted net assets	-633,634	27 -3,745,792
	29	Permanently restricted net assets	3,220,936	28 4,704,734
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		30
	31	Paid-in or capital surplus, or land, building, or equipment fund		31
	32	Retained earnings, endowment, accumulated income, or other funds		32
33	Total net assets or fund balances	2,587,302	33 958,942	
34	Total liabilities and net assets/fund balances	20,982,615	34 25,389,240	

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	19,239,575
2	Total expenses (must equal Part IX, column (A), line 25)	2	20,870,603
3	Revenue less expenses. Subtract line 2 from line 1	3	-1,631,028
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	2,587,302
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	2,668
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	958,942

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
b	Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	X	
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.		X
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.		

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ.

▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2015

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization

AAA Scholarship Foundation, Inc.

Employer identification number

27-2559468

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E (Form 990 or 990-EZ).)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state:
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3)**. Check the box in lines 11a through 11d that describes the type of supporting organization and complete lines 11e, 11f, and 11g.
 - a **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
 - b **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
 - c **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
 - d **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
 - e Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
 - f Enter the number of supported organizations
 - g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1–9 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
(A)						
(B)						
(C)						
(D)						
(E)						
Total						

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
 (Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2011	(b) 2012	(c) 2013	(d) 2014	(e) 2015	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	1,775,000	7,066,000	8,712,346	14,747,650	19,038,432	51,339,428
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	1,775,000	7,066,000	8,712,346	14,747,650	19,038,432	51,339,428
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4.						51,339,428

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2011	(b) 2012	(c) 2013	(d) 2014	(e) 2015	(f) Total
7 Amounts from line 4	1,775,000	7,066,000	8,712,346	14,747,650	19,038,432	51,339,428
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	2,832	4,602	12,727	75,951	122,762	218,874
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)				1,137	27	1,164
11 Total support. Add lines 7 through 10						51,559,466

12 Gross receipts from related activities, etc. (see instructions) 12

13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

14 Public support percentage for 2015 (line 6, column (f) divided by line 11, column (f))	14	99.57%
15 Public support percentage from 2014 Schedule A, Part II, line 14	15	99.72%
16a 33 1/3% support test—2015. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization <input checked="" type="checkbox"/>		
b 33 1/3% support test—2014. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
17a 10%-facts-and-circumstances test—2015. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
b 10%-facts-and-circumstances test—2014. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions <input type="checkbox"/>		

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2011	(b) 2012	(c) 2013	(d) 2014	(e) 2015	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2011	(b) 2012	(c) 2013	(d) 2014	(e) 2015	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2015 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2014 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2015 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2014 Schedule A, Part III, line 17	18	%

- 19a 33 1/3% support tests—2015.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization
- b 33 1/3% support tests—2014.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization
- 20 Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

Part IV Supporting Organizations

(Complete only if you checked a box in line 11 on Part I. If you checked 11a of Part I, complete Sections A and B. If you checked 11b of Part I, complete Sections A and C. If you checked 11c of Part I, complete Sections A, D, and E. If you checked 11d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

		Yes	No
1	Are all of the organization's supported organizations listed by name in the organization's governing documents? If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.		
2	Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).		
3a	Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? If "Yes," answer (b) and (c) below.		
b	Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? If "Yes," describe in Part VI when and how the organization made the determination.		
c	Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? If "Yes," explain in Part VI what controls the organization put in place to ensure such use.		
4a	Was any supported organization not organized in the United States ("foreign supported organization")? If "Yes," and if you checked 11a or 11b in Part I, answer (b) and (c) below.		
b	Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.		
c	Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.		
5a	Did the organization add, substitute, or remove any supported organizations during the tax year? If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI , including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).		
b	Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c	Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6	Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? If "Yes," provide detail in Part VI .		
7	Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).		
8	Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).		
9a	Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? If "Yes," provide detail in Part VI .		
b	Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? If "Yes," provide detail in Part VI .		
c	Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? If "Yes," provide detail in Part VI .		
10a	Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? If "Yes," answer 10b below.		
b	Did the organization have any excess business holdings in the tax year? (Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)		

Part IV Supporting Organizations (continued)

		Yes	No
11	Has the organization accepted a gift or contribution from any of the following persons?		
a	A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?		
b	A family member of a person described in (a) above?		
c	A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in Part VI .		

Section B. Type I Supporting Organizations

		Yes	No
1	Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.		
2	Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.		

Section C. Type II Supporting Organizations

		Yes	No
1	Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).		

Section D. All Type III Supporting Organizations

		Yes	No
1	Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
2	Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).		
3	By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.		

Section E. Type III Functionally-Integrated Supporting Organizations

- 1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions):
 - a The organization satisfied the Activities Test. Complete **line 2** below.
 - b The organization is the parent of each of its supported organizations. Complete **line 3** below.
 - c The organization supported a governmental entity. Describe in **Part VI** how you supported a government entity (see instructions).

2 **Activities Test. Answer (a) and (b) below.**

		Yes	No
a	Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.		
b	Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.		
3 Parent of Supported Organizations. Answer (a) and (b) below.			
a	Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Provide details in Part VI .		
b	Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in Part VI the role played by the organization in this regard.		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

1 Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970. See instructions. All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	Adjusted Net Income (subtract lines 5, 6 and 7 from line 4)	8	
Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1 Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):			
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e Discount claimed for blockage or other factors (explain in detail in Part VI):			
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d	3	
4	Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by .035	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	
Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, Column A)	1	
2	Enter 85% of line 1	2	
3	Minimum asset amount for prior year (from Section B, line 8, Column A)	3	
4	Enter greater of line 2 or line 3	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6	
7	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions).		

Section D - Distributions

	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI). See instructions.	
7 Total annual distributions. Add lines 1 through 6.	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.	
9 Distributable amount for 2015 from Section C, line 6	
10 Line 8 amount divided by Line 9 amount	

Section E - Distribution Allocations (see instructions)

	(i) Excess Distributions	(ii) Underdistributions Pre-2015	(iii) Distributable Amount for 2015
1 Distributable amount for 2015 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2015 (reasonable cause required-see instructions)			
3 Excess distributions carryover, if any, to 2015:			
a			
b			
c			
d From 2013			
e From 2014			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2015 distributable amount			
i Carryover from 2010 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4 Distributions for 2015 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2015 distributable amount			
c Remainder. Subtract lines 4a and 4b from 4.			
5 Remaining underdistributions for years prior to 2015, if any. Subtract lines 3g and 4a from line 2 (if amount greater than zero, see instructions).			
6 Remaining underdistributions for 2015. Subtract lines 3h and 4b from line 1 (if amount greater than zero, see instructions).			
7 Excess distributions carryover to 2016. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a			
b			
c Excess from 2013			
d Excess from 2014			
e Excess from 2015			

Part VI Supplemental Information. Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a and 3b; Part V, line 1; Part V, Section B, line 1e; Part V, Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions.)

Part II, Line 10 - Other Income Detail

Cashback Rebates \$ **1,164**

SCHEDULE C
(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

OMB No. 1545-0047

2015

Open to Public Inspection

For Organizations Exempt From Income Tax Under section 501(c) and section 527

Department of the Treasury
Internal Revenue Service

- ▶ Complete if the organization is described below.
- ▶ Attach to Form 990 or Form 990-EZ.
- ▶ Information about Schedule C (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

If the organization answered "Yes," on Form 990, Part IV, line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations: Complete Parts I-A and B. Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations: Complete Parts I-A and C below. Do not complete Part I-B.
- Section 527 organizations: Complete Part I-A only.

If the organization answered "Yes," on Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

If the organization answered "Yes," on Form 990, Part IV, line 5 (Proxy Tax) (see separate instructions) or Form 990-EZ, Part V, line 35c (Proxy Tax) (see separate instructions), then

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

Name of organization

AAA Scholarship Foundation, Inc.

Employer identification number
27-2559468

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

- 1 Provide a description of the organization's direct and indirect political campaign activities in Part IV.
- 2 Political expenditures ▶ \$
- 3 Volunteer hours ▶ \$

Part I-B Complete if the organization is exempt under section 501(c)(3).

- 1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ \$
- 2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ \$
- 3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? Yes No
- 4a Was a correction made? Yes No
- b If "Yes," describe in Part IV.

Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ \$
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ \$
- 3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b ▶ \$
- 4 Did the filing organization file Form 1120-POL for this year? Yes No
- 5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule C (Form 990 or 990-EZ) 2015

Part II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).

- A** Check if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).
B Check if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)		0	
b Total lobbying expenditures to influence a legislative body (direct lobbying)		24,000	
c Total lobbying expenditures (add lines 1a and 1b)		24,000	
d Other exempt purpose expenditures		20,465,462	
e Total exempt purpose expenditures (add lines 1c and 1d)		20,489,462	
f Lobbying nontaxable amount. Enter the amount from the following table in both columns.		1,000,000	
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:		
Not over \$500,000	20% of the amount on line 1e.		
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.		
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.		
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.		
Over \$17,000,000	\$1,000,000.		
g Grassroots nontaxable amount (enter 25% of line 1f)		250,000	
h Subtract line 1g from line 1a. If zero or less, enter -0-		0	
i Subtract line 1f from line 1c. If zero or less, enter -0-		0	
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?			<input type="checkbox"/> Yes <input type="checkbox"/> No

4-Year Averaging Period Under section 501(h)
 (Some organizations that made a section 501(h) election do not have to complete all of the five columns below.
 See the separate instructions for lines 2a through 2f.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2012	(b) 2013	(c) 2014	(d) 2015	(e) Total
2a Lobbying nontaxable amount	499,926	543,145	759,751	1,000,000	2,802,822
b Lobbying ceiling amount (150% of line 2a, column(e))					4,204,233
c Total lobbying expenditures		8,000	41,000	24,000	73,000
d Grassroots nontaxable amount	124,982	135,786	189,938	250,000	700,706
e Grassroots ceiling amount (150% of line 2d, column (e))					1,051,059
f Grassroots lobbying expenditures				0	

Part II-B Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

For each "Yes," response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?			
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?			
c Media advertisements?			
d Mailings to members, legislators, or the public?			
e Publications, or published or broadcast statements?			
f Grants to other organizations for lobbying purposes?			
g Direct contact with legislators, their staffs, government officials, or a legislative body?			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?			
i Other activities?			
j Total. Add lines 1c through 1i			
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

	Yes	No
1 Were substantially all (90% or more) dues received nondeductible by members?		
2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?		
3 Did the organization agree to carry over lobbying and political expenditures from the prior year?		

Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No," OR (b) Part III-A, line 3, is answered "Yes."

1 Dues, assessments and similar amounts from members	1	
2 Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
a Current year	2a	
b Carryover from last year	2b	
c Total	2c	
3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5 Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV Supplemental Information

Provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; Part II-A (affiliated group list); Part II-A, lines 1 and 2 (see instructions); and Part II-B, line 1. Also, complete this part for any additional information.

Schedule C, Part II-A, Explanation of Four Year Averaging

Fiscal Year 2015-16 is the fourth tax year for which AAA Scholarship Foundation, Inc.'s section 501(h) election was in effect.

SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b. Attach to Form 990.

OMB No. 1545-0047

2015

Open to Public Inspection

Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

Name of the organization

Employer identification number

AAA Scholarship Foundation, Inc.

27-2559468

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 1 Total number at end of year, 2 Aggregate value of contributions to (during year), 3 Aggregate value of grants from (during year), 4 Aggregate value at end of year, 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?, 6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?.

Part II Conservation Easements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

Table with 2 columns: Description, Held at the End of the Tax Year. Rows include: 1 Purpose(s) of conservation easements held by the organization (check all that apply), 2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year. (2a Total number of conservation easements, 2b Total acreage restricted by conservation easements, 2c Number of conservation easements on a certified historic structure included in (a), 2d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register), 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year, 4 Number of states where property subject to conservation easement is located, 5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?, 6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year, 7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year, 8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?, 9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

Table with 2 columns: Description, Amount. Rows include: 1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items. 1b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items: (i) Revenue included on Form 990, Part VIII, line 1, (ii) Assets included in Form 990, Part X. 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items: a Revenue included on Form 990, Part VIII, line 1, b Assets included in Form 990, Part X.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

- 3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a Public exhibition
 - b Scholarly research
 - c Preservation for future generations
 - d Loan or exchange programs
 - e Other
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No
- b If "Yes," explain the arrangement in Part XIII and complete the following table:
- | | Amount |
|---------------------------------|--------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |
- 2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? Yes No
- b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII

Part V Endowment Funds.

Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a Board designated or quasi-endowment %
 - b Permanent endowment %
 - c Temporarily restricted endowment %
- The percentages on lines 2a, 2b, and 2c should equal 100%.
- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- | | Yes | No |
|--|--------|----|
| (i) unrelated organizations | 3a(i) | |
| (ii) related organizations | 3a(ii) | |
| b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? | 3b | |
- 4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment		9,362	1,739	7,623
e Other				
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				7,623

Part VII Investments—Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

Part VIII Investments—Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

Part IX Other Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	

Part X Other Liabilities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII ...

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements		1	19,239,575
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
	a Net unrealized gains (losses) on investments	2a		
	b Donated services and use of facilities	2b		
	c Recoveries of prior year grants	2c		
	d Other (Describe in Part XIII.)	2d		
	e Add lines 2a through 2d		2e	
3	Subtract line 2e from line 1		3	19,239,575
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:			
	a Investment expenses not included on Form 990, Part VIII, line 7b	4a		
	b Other (Describe in Part XIII.)	4b		
	c Add lines 4a and 4b		4c	
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)		5	19,239,575

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements		1	20,867,935
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:			
	a Donated services and use of facilities	2a		
	b Prior year adjustments	2b		
	c Other losses	2c		
	d Other (Describe in Part XIII.)	2d		
	e Add lines 2a through 2d		2e	
3	Subtract line 2e from line 1		3	20,867,935
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:			
	a Investment expenses not included on Form 990, Part VIII, line 7b	4a		
	b Other (Describe in Part XIII.)	4b		2,668
	c Add lines 4a and 4b		4c	2,668
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)		5	20,870,603

Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

Part XII, Line 4b - Expense Amounts Included on Return - Other

Book / Tax Depreciation Difference \$ **2,668**

**SCHEDULE G
(Form 990 or 990-EZ)**

Supplemental Information Regarding Fundraising or Gaming Activities

OMB No. 1545-0047

2015

Department of the Treasury
Internal Revenue Service

Complete if the organization answered "Yes" on Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.

▶ Attach to Form 990 or Form 990-EZ.

▶ Information about Schedule G (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

Open to Public Inspection

Name of the organization

AAA Scholarship Foundation, Inc.

Employer identification number

27-2559468

Part I Fundraising Activities. Complete if the organization answered "Yes" on Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- a Mail solicitations
- b Internet and email solicitations
- c Phone solicitations
- d In-person solicitations
- e Solicitation of non-government grants
- f Solicitation of government grants
- g Special fundraising events

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? Yes No

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col. (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
KV and Associates LLC 1 2800 Elliott Ave. Seattle WA 98121	Fundraising		X	16,318,868	378,472	15,940,396
2						
3						
4						
5						
6						
7						
8						
9						
10						
Total				16,318,868	378,472	15,940,396

3 List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing.

Alaska, Alabama, Arkansas, Arizona, California, Colorado, Connecticut, Delaware, Florida, Georgia, Iowa, Idaho, Illinois, Indiana, Kansas, Kentucky, Massachusetts, Maryland, Michigan, Minnesota, North Carolina, Nebraska, New Jersey, Nevada, New York, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Utah, Virginia, Washington, Wisconsin, Wyoming

Part II Fundraising Events. Complete if the organization answered "Yes" on Form 990, Part IV, line 18, or reported than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List event gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events
		(event type)	(event type)	(total number)	(add col. (a) through col. (c))
Revenue	1	Gross receipts			
	2	Less: Contributions			
	3	Gross income (line 1 minus line 2)			
Direct Expenses	4	Cash prizes			
	5	Noncash prizes			
	6	Rent/facility costs			
	7	Food and beverages			
	8	Entertainment			
	9	Other direct expenses			
	10	Direct expense summary. Add lines 4 through 9 in column (d)			
11	Net income summary. Subtract line 10 from line 3, column (d)				

Part III Gaming. Complete if the organization answered "Yes" on Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
		1	Gross revenue		
Direct Expenses	2	Cash prizes			
	3	Noncash prizes			
	4	Rent/facility costs			
	5	Other direct expenses			
6	Volunteer labor	<input type="checkbox"/> Yes <input type="checkbox"/> No %	<input type="checkbox"/> Yes <input type="checkbox"/> No %	<input type="checkbox"/> Yes <input type="checkbox"/> No %	
7	Direct expense summary. Add lines 2 through 5 in column (d)				
8	Net gaming income summary. Subtract line 7 from line 1, column (d)				

9 Enter the state(s) in which the organization conducts gaming activities:
 a Is the organization licensed to conduct gaming activities in each of these states? Yes No
 b If "No," explain:

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? Yes No
 b If "Yes," explain:

11 Does the organization conduct gaming activities with nonmembers? Yes No

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? Yes No

13 Indicate the percentage of gaming activity conducted in:
a The organization's facility 13a %
b An outside facility 13b %

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:
Name
Address

15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? Yes No

b If "Yes," enter the amount of gaming revenue received by the organization \$ and the amount of gaming revenue retained by the third party \$

c If "Yes," enter name and address of the third party:
Name
Address

16 Gaming manager information:
Name
Gaming manager compensation \$
Description of services provided
 Director/officer Employee Independent contractor

17 Mandatory distributions:
a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? Yes No
b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year \$

Part IV Supplemental Information. Provide the explanations required by Part I, line 2b, columns (iii) and (v); and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also provide any additional information (see instructions).

Lined area for providing supplemental information.

**SCHEDULE I
(Form 990)**

Department of the Treasury
Internal Revenue Service

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**

Complete if the organization answered "Yes" on Form 990, Part IV, line 21 or 22.

▶ Attach to Form 990.

▶ Information about Schedule I (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2015

**Open to Public
Inspection**

Name of the organization

AAA Scholarship Foundation, Inc.

Employer identification number

27-2559468

Part I General Information on Grants and Assistance

- 1** Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?
2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Yes No

Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

	(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1)								
(2)								
(3)								
(4)								
(5)								
(6)								
(7)								
(8)								
(9)								

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table

3 Enter total number of other organizations listed in the line 1 table

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

DAA

Schedule I (Form 990) (2015)

Part III **Grants and Other Assistance to Domestic Individuals.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22.
Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1 Tax Credit Scholarships	3254	19,569,730			
2					
3					
4					
5					
6					
7					

Part IV Supplemental Information. Provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

SCHEDULE L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Name of the organization

Transactions With Interested Persons

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.

▶ Attach to Form 990 or Form 990-EZ.

▶ Information about Schedule L (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2015

Open To Public Inspection

AAA Scholarship Foundation, Inc.

Employer identification number

27-2559468

Part I Excess Benefit Transactions (section 501(c)(3), section 501(c)(4), and 501(c)(29) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected?	
				Yes	No
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

- 2 Enter the amount of tax incurred by the organization managers or disqualified persons during the year under section 4958 ▶ \$ _____
- 3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ▶ \$ _____

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a or Form 990, Part IV, line 26; or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22.

1	(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the org.?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
				To	From			Yes	No	Yes	No	Yes	No
(1)													
(2)													
(3)													
(4)													
(5)													
(6)													
(7)													
(8)													
(9)													
(10)													
Total							▶ \$						

Part III Grants or Assistance Benefiting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

1	(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of org. revenues?	
				Yes	No
(1) Dyson Business Advisors PA	CEO		Form 990 Prep		X
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

Part V Supplemental Information

Provide additional information for responses to questions on Schedule L (see instructions).

SCHEDULE O
(Form 990 or 990-EZ)

Supplemental Information to Form 990 or 990-EZ
Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

OMB No. 1545-0047

2015

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

Name of the organization

AAA Scholarship Foundation, Inc.

Employer identification number

27-2559468

Form 990 - Organization's Mission

The AAA Scholarship Foundation, Inc. ("AAA") is a Georgia not-for-profit organization incorporated March 26, 2010 with the mission of ensuring economically-disadvantaged families have equal access to the customized learning options they need to effectively educate their children. In May 2014, the mission was expanded to include families of children with disabilities.

AAA believes that educational option programs spur improvements by removing many of the financial barriers parents face as they seek the best education for their children.

During the 2015-16 fiscal year, AAA was an approved Scholarship Organization (SO) in Georgia, Arizona, Pennsylvania, Alabama, Florida and Nevada.

As an SO, AAA may receive re-directed taxes from individual and corporate taxpayers. These re-directed funds are then distributed to qualified students in the form of scholarships so they may attend the qualified private school of their parent's choice.

Form 990, Part III, Line 4a - First Accomplishment

Nevada: 667 annual k - 12th grade scholarships.

Form 990, Part VI, Line 11b - Organization's Process to Review Form 990

A draft of the Form 990 is emailed to each director, who is asked to reply with his/her approval within a specified time period.

Name of the organization

AAA Scholarship Foundation, Inc.

Employer identification number

27-2559468

Form 990, Part VI, Line 12c - Enforcement of Conflicts Policy

A conflict of interest statement is signed annually by officers, directors, and key employees.

Form 990, Part VI, Line 15a - Compensation Process for Top Official

The CEO's salary is approved by the Board of Directors. AAA purchases the Guidestar Compensation Survey each year to use for comparability when determining top management official's salary.

Form 990, Part VI, Line 15b - Compensation Process for Officers

Other Officers and Key Employees salaries are determined by the CEO. AAA purchases the Guidestar Compensation Survey each year to use for comparability when determining top management official's salaries.

Form 990, Part VI, Line 17 - Other States Where Copy of Return is Filed

Minnesota, North Carolina, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Virginia, Washington, Wisconsin

Form 990, Part VI, Line 19 - Governing Documents Disclosure Explanation

Governing documents are available on the Georgia Department of Corporation website and upon request.

Form 990, Part XI, Line 9 - Other Changes in Net Assets Explanation

Book / Tax Depreciation Difference	\$	2,668
Total	\$	2,668

**SCHEDULE R
(Form 990)**

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

- ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
▶ Attach to Form 990.
- ▶ Information about Schedule R (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2015
Open to Public Inspection

Name of the organization

AAA Scholarship Foundation, Inc.

Employer identification number
27-2559468

Part I Identification of Disregarded Entities Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) AAA Scholarship Foundation - FL LLC 13528 Prestige Place Tampa FL 33635	Scholarshi	FL	8,155,673	5,452,751	AAA Schola
(2)					
(3)					
(4)					
(5)					

Part II Identification of Related Tax-Exempt Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1)							
(2)							
(3)							
(4)							
(5)							

Part III Identification of Related Organizations Taxable as a Partnership Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate alloc.?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1)												
(2)												
(3)												
(4)												

Part IV Identification of Related Organizations Taxable as a Corporation or Trust Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
(1)									
(2)									
(3)									
(4)									

Part V Transactions With Related Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

		Yes	No
1	During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV? a Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity		
	b Gift, grant, or capital contribution to related organization(s)	1a	
	c Gift, grant, or capital contribution from related organization(s)	1b	
	d Loans or loan guarantees to or for related organization(s)	1c	
	e Loans or loan guarantees by related organization(s)	1d	
	f Dividends from related organization(s)	1e	
	g Sale of assets to related organization(s)	1f	
	h Purchase of assets from related organization(s)	1g	
	i Exchange of assets with related organization(s)	1h	
	j Lease of facilities, equipment, or other assets to related organization(s)	1i	
	k Lease of facilities, equipment, or other assets from related organization(s)	1j	
	l Performance of services or membership or fundraising solicitations for related organization(s)	1k	
	m Performance of services or membership or fundraising solicitations by related organization(s)	1l	
	n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1m	
	o Sharing of paid employees with related organization(s)	1n	
	p Reimbursement paid to related organization(s) for expenses	1o	
	q Reimbursement paid by related organization(s) for expenses	1p	
	r Other transfer of cash or property to related organization(s)	1q	
	s Other transfer of cash or property from related organization(s)	1r	
2	If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.	1s	

	(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

Part VI Unrelated Organizations Taxable as a Partnership Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(1)	(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
					Yes	No			Yes	No		Yes	No	
(1)													
(2)													
(3)													
(4)													
(5)													
(6)													
(7)													
(8)													
(9)													
(10)													
(11)													

Part VII Supplemental Information

Provide additional information for responses to questions on Schedule R (see instructions).

[Dotted lines for supplemental information]

Depreciation and Amortization
(Including Information on Listed Property)

Department of the Treasury
Internal Revenue Service (99)

▶ **Attach to your tax return.**
▶ **Information about Form 4562 and its separate instructions is at www.irs.gov/form4562.**

Name(s) shown on return

AAA Scholarship Foundation, Inc.

Identifying number

27-2559468

Business or activity to which this form relates

Indirect Depreciation

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	500,000
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,000,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2014 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2016. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	2,557
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2015	17	1,247
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here	<input type="checkbox"/>	

Section B—Assets Placed in Service During 2015 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property		1,300	5.0	HY	200DB	260
c 7-year property		1,256	7.0	HY	200DB	179
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
i Nonresidential real property			39 yrs.	MM	S/L	
				MM	S/L	

Section C—Assets Placed in Service During 2015 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instructions	22	4,243
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.



State Board of Education

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Michael Olenick
Andy Tuck

Pam Stewart
Commissioner of Education

December 10, 2016


A.A.A. Scholarship Foundation
Attn: Kim Dyson
13528 Prestige Place, Suite 107
Tampa, FL 33635

Dear Ms. Dyson:

Thank you for submitting an application to operate as a Scholarship Funding Organization for the purpose of administering the Florida Tax Credit Scholarship Program and Gardiner Scholarship Program for the 2017-18 school year. Pursuant to section 1002.395(16), Florida Statutes, the Office of Independent Education and Parental Choice, in consultation with the Department of Revenue and the Office of the Chief Financial Officer, conducted a full and complete review of your application and determined that it met the requirements set forth in section 1002.395(16), Florida Statutes, pending the submission of the organization's completed IRS Form 990 for year ending June 2015. Provided this form is received, I will recommend that the State Board of Education approve your application at the January 2017 meeting.

Thank you for your continued participation in Florida's educational choice programs. If you have any additional questions, please contact Adam Miller at 850-245-0502.

Sincerely,


Pam Stewart

PS/as

cc: Adam Miller, Executive Director, Office of Independent Education & Parental Choice
Laura Mazyck, Scholarship Director, Office of Independent Education & Parental Choice



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Pam Stewart
Commissioner of Education

September 26, 2016

A.A.A. Scholarship Foundation
Attn: Kim Dyson
13528 Prestige Place, Suite 107
Tampa, FL 33635

Dear Scholarship Funding Organization Administrator:

On August 31, 2016, the Florida Department of Education received the Participation Renewal Form and documentation for A.A.A. Scholarship Foundation to establish continued eligibility to operate as a Scholarship Funding Organization for the Florida Tax Credit Scholarship Program and the Gardiner Scholarship for the 2017-2018 school year.

The Office of Independent Education and Parental Choice has reviewed the Participation Renewal Form and documentation, and the following areas were deemed incomplete, and/or in need of revision:

- The organization's completed IRS Form 990 was included, but dated June 2015. A new form filed for year ending June 2015 needs to be included, if available, by November 30, 2016; and
- The statutorily required audit to the Florida Department of Education and Auditor General was included, but dated June 2015. A new audit needs to be included, if available, along with the auditor's management representation letter.

Please review the participation requirements outlined in the Participation Renewal Form, section 1002.395, Florida Statutes, and Rule 6A-6.0960, Florida Administrative Code, and submit the requested documentation to:

The Florida Department of Education
Commissioner of Education
325 West Gaines Street, Suite 1044
Tallahassee, FL 32399-0400

Adam Miller, Executive Director
Office of Independent Education & Parental Choice

A.A.A. Scholarship Foundation
September 26, 2016
Page 2

Thank you for your attention to this matter as you complete the renewal process for the 2017-2018 school year. We look forward to your continued participation as a Scholarship Funding Organization.

You may contact our office at 850-245-0502 with any questions.

Sincerely,



Adam Miller
Executive Director
Office of Independent Education and Parental Choice

AM/as