

STATE BOARD OF EDUCATION
Action Item
January 17, 2017

SUBJECT: Approval of Step Up For Students, Inc. as a Scholarship Funding Organization for 2017-2018

PROPOSED BOARD ACTION

Approve the renewal of Step Up For Students, Inc. as an eligible Scholarship Funding Organization (SFO) for purposes of administering the Florida Tax Credit (FTC) Scholarship Program and the Gardiner Scholarship Program for 2016-17.

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 Step Up For Students, Inc. (under separate cover)

Facilitator/Presenter: Adam Miller, Executive Director, Office of Independent Education and Parental Choice; Doug Tuthill, President, Step Up For Students, Inc.



2017 -2018 SFO Renewal Application



August 23, 2016

Ms. Pam Stewart
Commissioner of Education
Office of the Commissioner
Turlington Building, Suite 1514
325 West Gaines Street
Tallahassee, FL 32399

Dear Commissioner Stewart:

We respectfully submit our application to serve as a Scholarship Funding Organization in 2017-18 under Florida Statutes 1002.395 and 1002.385, and look forward to answering any questions you may have.

The Tax Credit Scholarship grew last year by more than 11,000 students, serving 78,664 of Florida's most economically disadvantaged students. The average household income was only 6 percent above poverty, and more than two-thirds of the students were black or Hispanic and more than half lived with a single parent or guardian. The department's researcher has reported that these students were the lowest academic achievers from the public schools they left behind and that they are continuing to achieve the same annual standardized test score gains as students of all income levels nationally.

This past year, the Personal Learning Scholarship Account (PLSA) program for students with severe special needs was renamed to the Gardiner Scholarship. Step Up was able to serve 5,000 students last year and is projecting to serve 6,500 in the current year. We have already begun to remake our application and reimbursement systems to better handle the load and improve customer service.

Your department should take pride in the breadth of learning options that Florida and its school districts provide to parents. We are dedicated to assuring that two of them, FTC and Gardiner, are administered faithfully and transparently. We welcome your questions.

Sincerely,

A handwritten signature in black ink that reads "Doug Tuthill". The signature is written in a cursive, flowing style.

Doug Tuthill
President

www.stepupforstudents.org

ST. PETERSBURG OFFICE • 1901 Ulmerton Road, Suite 180, Clearwater, FL 33762 • 813.258.2700
JACKSONVILLE OFFICE • 4655 Salisbury Road, Suite 400, Jacksonville, FL 32256 • 904.247.6033

Step Up For Students
Participation Renewal For Scholarship Funding Organization
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**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

Step Up For Students, Inc.

(Name of Organization)

Anne White

awhite@sufs.org

904.352.2243

(Principal Contact)

(E-mail)

(Phone)

(Fax)

4655 Salisbury Road

(Mailing Address)

Suite 400

(Mailing Address Cont.)

Jacksonville

32256

(City)

(Zip Code)

Doug Tuthill

(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:

- A signed IEPC SFO-2 form
- A copy of your IRS Determination Letter as a 501(c)(3) not for profit organization
- A copy of your organization's incorporation and registration with the Florida Division of Corporations, Office of the Secretary of State
- Level 2 criminal background screening results for owners and operators
- A description of your organization's financial plan that demonstrates sufficient funds to operate throughout the school year
- 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
- 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
- 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.

Doug Tuthill

Signature of Principal Officer

Doug Tuthill

Please print or type signature name

8/23/2016

Date

NOTARIZATION ENCOURAGED

FOR DOE PURPOSES ONLY:

Date Received: _____

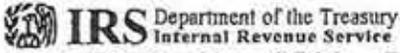
Received by: _____

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.



Department of the Treasury
Internal Revenue Service

P.O. Box 2508, Room 4010
Cincinnati OH 45201

In reply refer to: 4077556534
Aug. 12, 2011 LTR 4168C 0
59-3649371 000000 00

00025515
BODC: TE

STEP UP FOR STUDENTS INC
% JOHN F KIRTLEY
337 S PLANT AVE
TAMPA FL 33606-2325



008932

Employer Identification Number: 59-3649371
Person to Contact: SHARON LENARD
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your July 18, 2011, request for information regarding your tax-exempt status.

Our records indicate that you were recognized as exempt under section 501(c)(3) of the Internal Revenue Code in a determination letter issued in July 2000.

Our records also indicate that you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section(s) 509(a)(1) and 170(b)(1)(A)(vi).

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

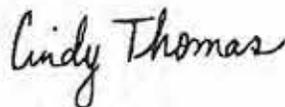
Please refer to our website www.irs.gov/eo for information regarding filing requirements. Specifically, section 6033(j) of the Code provides that failure to file an annual information return for three consecutive years results in revocation of tax-exempt status as of the filing due date of the third return for organizations required to file. We will publish a list of organizations whose tax-exempt status was revoked under section 6033(j) of the Code on our website beginning in early 2011.

4077556534
Aug. 12, 2011 LTR 4168C 0
59-3649371 000000 00
00025516

STEP UP FOR STUDENTS INC
% JOHN F KIRTLEY
337 S PLANT AVE
TAMPA FL 33606-2325

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely yours,



Cindy Thomas
Manager, EO Determinations

N00000001090

Wilson W. Wright
Requestor's Name

217 South Adams Street
Address

Tallahassee, FL 32301 224-5169
City/State/Zip Phone #

Office Use Only

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

00 FEB 18 AM 10:11

APPROVED
AND
FILED

CORPORATION NAME(S) & DOCUMENT NUMBER(S), (if known):

1. The National Education Development Fund, Incorporated
(Corporation Name) (Document #)
2. _____
(Corporation Name) (Document #)
3. _____
(Corporation Name) (Document #)
4. _____
(Corporation Name) (Document #)

- Walk in Pick up time _____ Certified Copy
- Mail out Will wait Photocopy Certificate of Status

NEW FILINGS	
<input type="checkbox"/>	Profit
<input checked="" type="checkbox"/>	NonProfit
<input type="checkbox"/>	Limited Liability
<input type="checkbox"/>	Domestication
<input type="checkbox"/>	Other

AMENDMENTS	
<input type="checkbox"/>	Amendment
<input type="checkbox"/>	Resignation of R.A., Officer/ Director
<input type="checkbox"/>	Change of Registered Agent
<input type="checkbox"/>	Dissolution/Withdrawal
<input type="checkbox"/>	Merger

OTHER FILINGS	
<input type="checkbox"/>	Annual Report
<input type="checkbox"/>	Fictitious Name
<input type="checkbox"/>	Name Reservation

REGISTRATION/ QUALIFICATION	
<input type="checkbox"/>	Foreign
<input type="checkbox"/>	Limited Partnership
<input type="checkbox"/>	Reinstatement
<input type="checkbox"/>	Trademark
<input type="checkbox"/>	Other

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*****78.75 *****78.75

will wait

Examiner's Initials

218-0073

**ARTICLES OF INCORPORATION
OF
THE NATIONAL EDUCATION DEVELOPMENT FUND, INCORPORATED**

ARTICLE I NAME

The name of the corporation shall be:
THE NATIONAL EDUCATION DEVELOPMENT FUND, INCORPORATED

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

00 FEB 18 AM 10:11

APPROVED
AND
FILED

ARTICLE II PRINCIPAL OFFICE

The principal place of business and mailing address of this corporation shall be:

601 North Ashley Drive, Suite 500
Tampa, Florida 33602

ARTICLE III PURPOSE(S)

The corporation shall be a not-for-profit entity and no economic benefit shall accrue to any member of this corporation. The corporation is being formed for the purpose of providing economic and other assistance (usually acting as an intermediary) to private schools (as opposed to public schools operated by a school system) which carry out their educational missions from physical facilities located in inner city areas of municipalities located throughout the United States and which are also, in large part, not-for-profit institutions.

ARTICLE IV MANNER OF ELECTION OF DIRECTORS

The corporation's affairs and its assets shall be carried out and maintained by a Board of Directors having not less than one nor more than seven members. The members of the Board of Directors shall be elected annually in January of each year by the majority vote of the members of the corporation, each member being entitled to one vote. Cumulative voting shall not be permitted in the election of directors. Vacancies occurring on the Board of Directors may be filled, until the next election of directors, by appointment by virtue of majority action of the then members of the Board of Directors. Members of the Board of Directors of the corporation need not be members of the corporation.

ARTICLE V INITIAL REGISTERED AGENT AND STREET ADDRESS

The name and Florida street address of the initial registered agent are:

WILLIAM T. KIRTLEY, Esq.
2940 South Tamiami Trail
Sarasota, Florida 34239

ARTICLE VI INCORPORATOR

The name and address of the Incorporator to these Articles of Incorporation are:

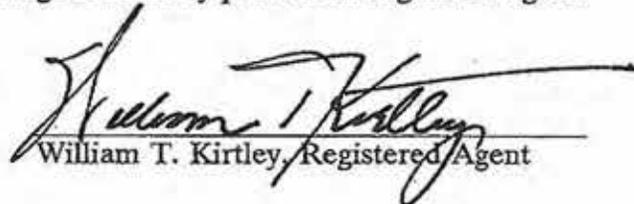
WILLIAM T. KIRTLEY, Esq.
2940 South Tamiami Trail
Sarasota, Florida 34239

IN WITNESS WHEREOF, these Articles of Incorporation have been executed as of the 16th day of February, 2000.


William T. Kirtley, Incorporator

Having been named as registered agent and to accept service of process for the above stated corporation at the place designated in this certificate, I hereby accept the appointment as registered agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes relating to the proper and complete performance of my duties, and I am familiar with and accept the obligations of my position as registered agent.

Dated: February 16, 2000


William T. Kirtley, Registered Agent

FLORIDA DEPARTMENT OF STATE
DIVISION OF CORPORATIONS



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Events

STEP UP FOR STUDENTS, INC.

Document Number N00000001090
Date Filed 02/18/2000
Effective Date None
Status Active

Event Type	Filed Date	Effective Date	Description
AMENDMENT AND NAME CHANGE	01/06/2011		OLD NAME WAS : THE FLORIDA SCHOOL CHOICE FUND, INCORPORATED
AMENDMENT AND NAME CHANGE	06/01/2000		OLD NAME WAS : THE NATIONAL EDUCATION DEVELOPMENT FUND, INCORPORATED

Note: This is not official record. See documents if question or conflict.

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State of Florida, Department of State

State of Florida

Department of State

I certify from the records of this office that STEP UP FOR STUDENTS, INC. is a corporation organized under the laws of the State of Florida, filed on February 18, 2000.

The document number of this corporation is N00000001090.

I further certify that said corporation has paid all fees due this office through December 31, 2016, that its most recent annual report/uniform business report was filed on June 27, 2016, and that its status is active.

I further certify that said corporation has not filed Articles of Dissolution.

*Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capital, this
the Twenty-seventh day of June,
2016*



Ken Detjmer
Secretary of State

Tracking Number: CC6414240710

To authenticate this certificate, visit the following site, enter this number, and then follow the instructions displayed.

<https://services.sunbiz.org/Filings/CertificateOfStatus/CertificateAuthentication>

Step Up For Students

Level 2 criminal background screening results for owners and operators

The background screenings for all owners and operators are satisfactory and are on file with the Florida Department of Law Enforcement. Step Up For Students' officers are Doug Tuthill, Joe Pfountz, and Anne White.

Step Up For Students, Florida Only
3 Year Plan - Income Statement by Category

Each year, Step Up For Students prepares a detailed three year projection of its revenues and expenses. The income statement for the SFO application year is highlighted. Each year's budget must result in a net operating margin of 1 – 4%. This financial margin provides the safety net generally considered prudent and best practice for not-for-profit organizations.

All executive team members participate in the budgeting process and the board of directors reviews and approves the budgets before the beginning of each fiscal year. Monthly financial results are published and shared with the executive team and board of directors, allowing for timely corrective action when needed. Step Up For Students has a track record of accurate financial projections and budgets.

Fundraising Cap	\$699M	\$699M	\$699M
------------------------	---------------	---------------	---------------

<i>12 Months ending June 30,</i>			
Operating Revenues	2017	2018	2019
Florida Tax Credit Administrative Allowance	\$16,562,461	\$18,000,000	\$18,450,000
Gardiner Administrative Allowance	\$2,041,080	\$2,551,350	\$2,806,485
Grants	340,000	200,000	200,000
Other Income	300,000	450,000	600,000
Total Revenues	\$19,243,541	\$21,201,350	\$22,056,485

	2017 Operating Budget	2018 Annual Plan	2019 Annual Plan
Operating Expenses			
Salaries, wages and benefits	12,802,508	14,030,461	14,618,035
Occupancy	699,793	700,133	771,522
Insurance	266,974	280,322	294,338
Voice and data	405,629	425,910	447,206
Travel	615,834	642,468	666,756
Cellular Phone	81,894	82,421	82,516
Dues, Fees & Subscriptions	241,019	246,881	237,300
Repair & Maintenance - Equipment	38,248	40,160	42,168
Professional Services	265,422	278,693	292,628
Marketing/Advertising	117,821	181,110	221,037
Contract Services	446,668	325,750	300,371
Equipment	172,579	38,010	39,911
Postage & Delivery	101,224	105,701	110,384
Printing & Reproduction	144,330	149,820	155,532
Conferences & Seminars	157,757	161,893	168,076
Training	98,930	103,877	109,070
Employee Recruitment	26,750	22,838	23,979
Sponsorship/Tradeshows	159,209	166,905	174,978
Bank Fees	253,393	300,711	315,746
Supplies	87,819	92,023	96,433
Depreciation	417,509	649,233	699,305
Other	1,352,064	1,609,423	1,753,281
Total Operating Expenses	18,953,371	20,634,743	21,620,572
Net Income(Loss)	\$290,170	\$566,607	\$435,913
Net Income % of Revenue	1.5%	2.7%	2.0%

Investment Income	199,179	15,000	15,000
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Net Income(Loss)	\$489,348	\$581,607	\$450,913
Net Income % of Revenue	2.5%	2.7%	2.0%

Capital expenditure	\$ 658,000	\$ 442,650	\$ 441,233
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**Step Up For Students
Operational Cash Flow 2018 Plan**

The financial planning process includes operational cashflow projections. Cash on hand approximates two months' expenses at June 30, 2018.

No. of Days Operating Cash on Hand at June 30, 2018	55
-----------------------------------------------------	----

Operating Cash at July 1, 2017	\$3,425,491
Operating Revenue	
Florida Tax Credit Administrative Allowance	18,000,000
Gardiner Administrative Allowance	2,551,350
Grants	200,000
Other Income	450,000
Net Cash Received From Revenue	21,201,350
Operating Expenses	
Departmental Operating Expenses	19,904,412
Capital Expenditure	442,650
Net Cash For Operating Expenses	20,347,062
Net Cash Inflow/(Outflow)	854,288
Operating Cash At June 30, 2018	\$4,279,778

Step Up For Students
SCHOLARSHIP CASH FLOW 2018 Plan

Scholarship cash flow is also projected during the planning process. During the 2017 - 2018 school year, Step Up For Students expects 102,000 children to use the tax credit scholarship. To determine the total amount of total scholarship payments for the year, Step Up balances the desire to maximize scholarship payments with the uncertainty associated with estimating the actual number of students that will take advantage of their scholarship awards and the need to reserve enough funds to make the following year's first scholarship payment. As a safeguard to ensure sufficient scholarship cash is available, Step Up For Students maintains a \$32 million line of credit. This line of credit can be used to bridge any gap, generally no more than 5 to 20 days, caused by the concentration of tax credit donation receipts during the last few days of December.

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	2018 Total
Opening Cash & Cash Equivalents	\$55,208	\$101,468	\$144,281	\$47,133	\$94,715	\$149,474	\$105,461	\$160,124	\$56,082	\$105,319	\$139,468	\$25,278	\$55,208
Gross Donations	47,390	43,836	46,145	48,753	56,152	103,491	56,052	43,085	50,458	34,905	34,233	35,501	600,000
Florida administrative allowance	(1,422)	(1,315)	(1,384)	(1,463)	(1,685)	(3,105)	(1,682)	(1,293)	(1,514)	(1,047)	(1,027)	(1,065)	(18,000)
Net Donations	\$45,968	\$42,521	\$44,760	\$47,290	\$54,467	\$100,387	\$54,370	\$41,792	\$48,944	\$33,858	\$33,206	\$34,436	\$582,000
Scholarship Payments	-	-	(142,628)	-	-	(145,129)	-	(146,565)	-	-	(148,133)	-	(582,455)
Payments Received from Schools	292	292	720	292	292	729	292	732	292	292	736	292	5,252
Balance at end of month	\$101,468	\$144,281	\$47,133	\$94,715	\$149,474	\$105,461	\$160,124	\$56,082	\$105,319	\$139,468	\$25,278	\$60,005	\$60,005

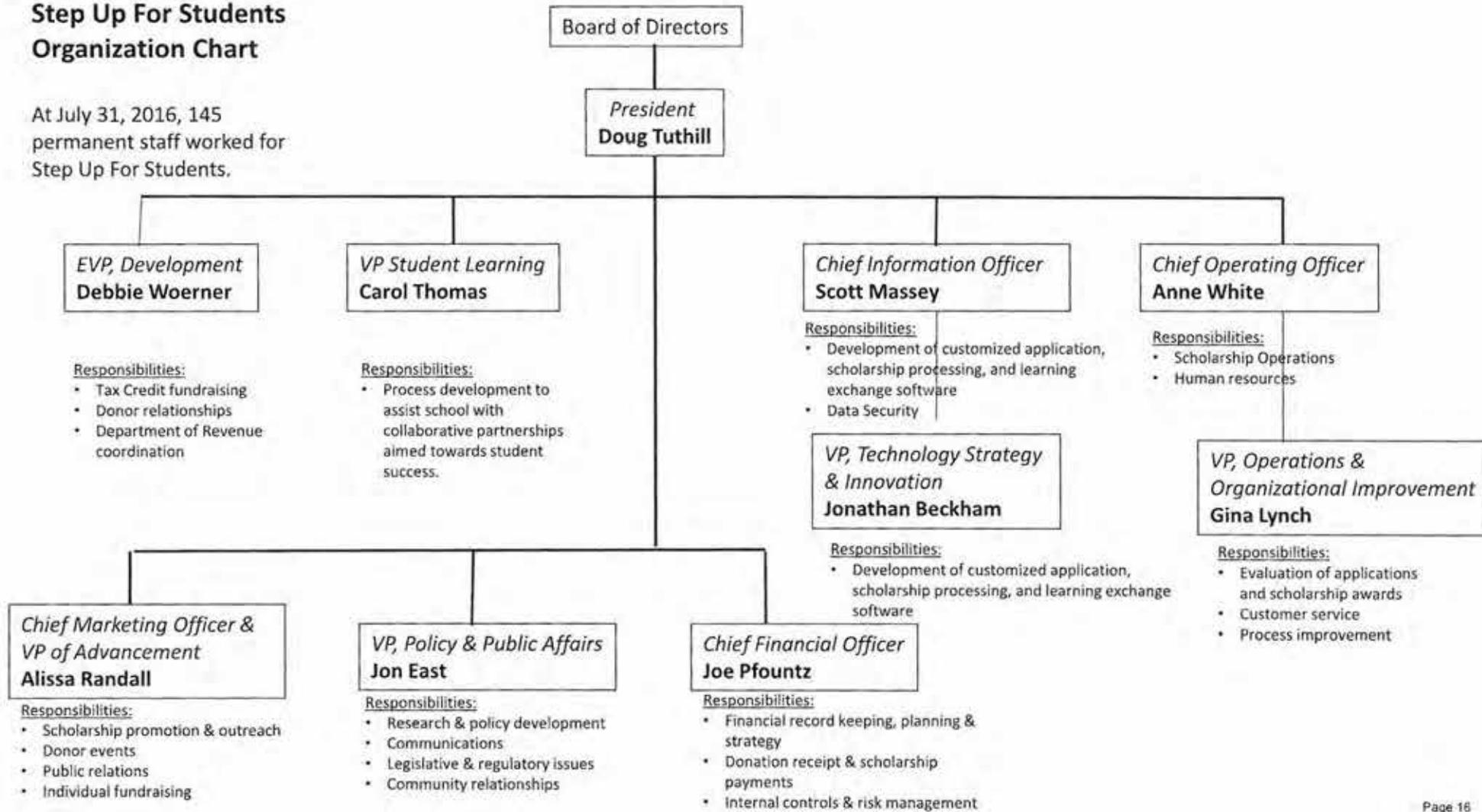
Step Up For Students

The geographic region served and an analysis of the demand and unmet need for eligible students in that area

Step Up For Students intends to continue serving Florida students statewide in any of the 67 counties in 2017-18. For each of the past two years, Step Up has operated statewide and has seen a growing demand for scholarships which has been evidenced by an increasing number of applications each year. In 2014-15, 120,215 students started applications and Step Up was only able to award 75,859 students with scholarships before the application season closed due to overwhelming demand. This means that 37 percent of students who tried to apply were unable to be awarded with scholarships. In 2015-16, 125,115 students started applications and Step Up was able to award 91,575 students with scholarships before the application season closed. This resulted in a 10 percent decline from the previous year, where only 27 percent of students that started an application were not awarded a scholarship. This data continues to demonstrate the unmet needs of eligible students statewide who would like to participate in the tax credit scholarship program.

Step Up For Students Organization Chart

At July 31, 2016, 145 permanent staff worked for Step Up For Students.



Step Up For Students

6. Criteria and Methodology Used to Evaluate Scholarship Eligibility

For the Florida Tax Credit Scholarship program, there are two key criteria for eligibility:

a. Student eligibility

Determining New Student Eligibility

New student eligibility determination begins with the applicant completing the online application, submitting the required validating documentation and the establishment of the following requirements; 1) the student is of an age eligible to enter Kindergarten or 1st grade or 2) is entering 2nd – 12th grade

Determining Renewal Student Eligibility

Renewal student eligibility begins with the applicant completing the online application, submitting all the required validating documentation and the establishment of the following requirements; 1) the student was funded by SUFS during the school year immediately prior to the one being applied for or 2) has a pending scholarship payment in the SAS for the school year immediately prior to the one being applied for.

Household Composition – Definition

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. However, more than one economic unit may reside together in the same house. Separate economic units in the same house are characterized by prorating expenses and economic independence from one another. Eligibility Manual for School Meals, August 2013, Pg. 44

Determining a Single Economic Unit

Determining a single economic unit is accomplished by comparing the individuals listed as members of the household on the scholarship application and the required validating documentation. Each household member must be able to be placed in the household validated by the acceptable documents.

b. Income Eligibility

Definition

Income is any money received on a recurring basis, including gross earned income and, for self-employed persons, net income. Households must report their current gross monthly income or current net monthly income if self-employed. Current income is defined as income earned in the month of or prior to the date of submission. Gross earned income is defined as all money earned before such deductions as income taxes, employee's social security taxes, insurance premiums, and bonds. Net income is defined as the income that remains after subtracting all deductible business expenses. Net income is only used for those self-employed. Net income is calculated as gross income less business expenses. Gross receipts are used to calculate net income and include the value of products sold, rental income received from farm land, buildings, equipment or receipts from the items. Non-deductible expenses include the value of salable merchandise. Gross receipts are only used for those that are self-employed. Policy exceptions follow the documented exception process.



Step Up For Students

7. The Application Process, Deadlines and Associated Fees

Families interested in receiving the FTC scholarship will submit an online application in advance of the school year. Application start dates and deadlines are established each year. In keeping with the guiding statute, renewing families are given priority, and the application process for renewals begins earlier than that for new families. Generally, renewing families can apply beginning in October and new families can apply beginning in March. Children in foster or out-of-home care may apply at any time during the year. Following the submission of an online application, families are required to submit supporting documentation to substantiate eligibility, where applicable. We operate under a rolling admissions-style process and establish deadlines for applicants as funding becomes scarce. At this point, any qualified applicants will be placed on a wait list. Wait List students can become awarded if and when previously awarded students decline the scholarship and/or additional funding becomes available. If funding becomes available after the application period has closed, applicants may request an incomplete application to be reopened for processing. Scholarship awards have an expiration date that is determined each year, and is indicated on the award letter. Students must be enrolled in a participating school by the expiration date, or request an extension indicating intent to enroll at a later date. Awards not utilized by the expiration date may be expired. If funding is still available after an award is expired, a family may request the award be reinstated with a new expiration timeframe. For the application season for the 2016-2017 school year, the application fee and the appeal fee has been removed.

Families interested in receiving the Gardiner Scholarship will submit an online application. Application start dates and deadlines are established each year. Applications for the 2016-2017 school year opened in the spring of 2016. Renewing families are given priority. The application period will remain open during the school year as long as funding remains available. Following submission of an online application, families are required to submit supporting documentation to substantiate eligibility, including the student's age, diagnosis and residency in the state of Florida. Once a student is found eligible, parents can access the conditional eligibility letter within the parent login area of the SUFS website. The conditional eligibility letter describes the process that the Department of Education (DOE) uses to fund students. After cross-checking enrollment lists for the public school system, the McKay scholarship, the Florida Tax Credit scholarship, and the Voluntary Prekindergarten, the DOE will send funding to SUFS for those students that do not appear on more one enrollment list. The scholarship award is based on a matrix that assigns the student to support Level III services. The DOE will only accommodate one update to a student's matrix level and, therefore, funding amount during the lifetime of a student's Gardiner scholarship (up or down). We operate under a rolling admissions-style process and establish deadlines for applicants. If funding becomes scarce, we will place qualified applicants on a wait list. Wait list students can become awarded if and when previously awarded students decline the scholarship and/or additional funding becomes available. There is no application fee for the Gardiner program.

Policy exceptions must follow the documented exception process.

For the Gardiner Scholarship Account:

This scholarship is for Florida students 3 years old through 12th grade or age 22, whichever comes first, with one of the following disabilities: autism spectrum disorder, muscular dystrophy, cerebral palsy, Down syndrome, Prader-Willi syndrome, Spina bifida, Williams syndrome, Phelan-McDermid syndrome or intellectual disability (severe cognitive impairment). Also, students ages 3, 4 or 5 deemed "high risk" due to developmental delays may be eligible for the year they apply. (Please note: Students must not be older than 5 on Sept. 1.)

Students need an Individual Education Plan (IEP) from a Florida school district or a formal diagnosis from a Florida licensed physician or psychologist.

Students must be at least 3 or 4 on or before Sept 1. Students entering kindergarten must be 5 on or before Sept 1. Students entering first grade must be 6 on or before Sept 1.

Students can participate in the Gardiner Scholarship (PLSA) program as part of home education. However, they cannot be enrolled in a public school or receive any other state-sponsored scholarship (McKay Scholarship or the Florida Tax Credit Scholarship).

Policy exceptions follow the documented exception process.

8. Deadlines for Attendance Verification and Scholarship Payments

For the FTC program, verification windows will occur a minimum of four times during the 2016-17 school year. During these windows, participating schools with enrolled students submit an attendance verification report for all students. Upon the successful submission of said report, schools will be sent the scholarship payments for the verified students. The verification and check issuance dates are as follows:

Policy exceptions must follow the documented exception process.

2016-2017 Payment Distribution Schedule

Distribution I

Verification Window	Thursday, September 1 – Thursday, September 8 at 5 PM
Check Processing	September 12 – September 22
Checks distributed via US Mail	September 23, 2016

Distribution II

Verification Window	Friday, October 28 – Thursday, November 3 at 5 PM
Check Processing	November 7 – December 1
Checks distributed via US Mail	December 2, 2016

Distribution III

Verification Window	Friday, January 20 – Thursday, January 26 at 5 PM
Check Processing	January 30 – February 16
Checks distributed via US Mail	February 17, 2017

Distribution IV

Verification Window	Tuesday, April 4 – Thursday, April 13 at 5 PM
Check Processing	April 17 – May 11
Checks distributed via US Mail	May 12, 2017

Step Up For Students Conflicts of Interest Policy

Article I

Purpose

The purpose of the conflict of interest policy is to protect this tax-exempt organization's (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.

Step Up For Students Employee Protection – Whistleblower

Purpose

Step Up For Students, Inc. (“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.

Guidelines Reporting Responsibility

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

No Retaliation

No director, officer or employee who in good faith reports an ethics 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 Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns within the organization prior to seeking resolution outside the organization.

Reporting Violations

The Organization has an open door policy and suggests that employees share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, an employee’s 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 speak with anyone in management whom you are comfortable in approaching. Supervisors and managers are required to report suspected ethics violations to the organization’s Compliance Officer, who has specific and exclusive responsibility to investigate all reported violations. When you are not satisfied or uncomfortable with following organization’s open door policy, individuals may contact the organization’s Compliance Officer directly.

Compliance Officer

The organization’s Compliance Officer is responsible for investigating and resolving all reported complaints and allegations concerning violations and, at his/her discretion, shall advise the President and/or the Chairman. The Compliance Step Up For Students Employee Protection - Whistleblower Policy Officer has direct access to the board of directors and is required to report to the board at least annually on compliance activity. The Compliance Officer is the Chief Financial Officer.

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.

Confidentiality

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

Handling of Reported Violations

The Compliance Officer will notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation. Employees using and having access to these corporate assets must take reasonable and prudent steps to preserve the integrity of the systems, data and to protect the assets. These assets should be used primarily for purposes that benefit the Organization and that are directly applicable to an employee's job function and authority. Occasional personal use is acceptable provided such use does not interfere with company business or the performance of your duties and incurs little or no cost. All communications from the Organization or made and transmitted within the Organization shall be professional in nature as they represent the corporation, its employees, board of directors, and others.

Violation of policy or misuse of corporate assets is subject to disciplinary action up to and including termination. Failure to report known violations of policy in itself constitutes a violation of policy and is therefore subject to disciplinary action.

These policies are intended to augment existing State, Federal and copyright laws. Failure to comply with applicable State, Federal, or copyright laws is Step Up For Students Employee Protection - Whistleblower Policy considered a violation of policy and subject to disciplinary action up to and including termination.

Authority and Interpretation

The Organization has the legal right to revise or eliminate this policy at any given time with or without notice.

State of Florida

SCHOLARSHIP FUNDING ORGANIZATION BOND

Bond No. 21BSBHF7433
(To be Assigned by Surety)

Know All Men By These Presents, that we Step Up For Students, Inc.
(Principal)
located at 4655 Salisbury Road Suite 400 Jacksonville, FL 32256
(Address of Principal)

as Principal and Hartford Fire Insurance Company, a corporation of the State of Connecticut lawfully doing business in
(Surety Company)

the State of Florida, as Surety, are held and firmly bound unto an eligible nonprofit scholarship-funding organization, pursuant to 1002.395 F.S. 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 in the sum of \$25,000,000.00 for which sum well and truly to be paid to the eligible nonprofit scholarship-funding organization, for the use and benefit of any student who would have had scholarship funded but for the diversion of funds giving rise to the claim against the bond, said Principal and Surety bind themselves, their heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

Whereas, the above bounded Principal, a "Scholarship Funding Organization," desires to operate its organization at the above stated location as authorized by and in conformity with the provisions of the Florida Statutes and all rules and regulations promulgated by the Department of Education thereunder, and

Whereas, said "Florida K-20 Education Code" requires the filing of a letter of credit or a surety bond in the sum of \$25,000,000.00 (as determined by the formula in section 1002.395, F.S., adjustable quarterly to equal the actual amount of undisbursed funds based upon submission by the organization of a statement from a certified public accountant verifying the amount of undisbursed funds) before a 'Certificate of Authorization' can be issued to the organization.

Now, Therefore, The Condition Of This Obligation is that if the Principal or any of its officers, agents, or employees, shall well and truly perform its obligations as set forth under section 1002.395, F.S., then this obligation shall be null and void; otherwise it shall remain in full force and effect.

1. The aggregate Liability of the Surety shall not exceed the penal sum of the bond, as required by section 1002.395, F.S., on all breaches of the condition of the bond by the Principal and its officers, agents, or employees, nor shall the sum of the bond be considered cumulative from year to year. Should the Principal fall with respect to any of its statutory obligations under section 1002.395, F.S., as evidenced by agency action taken by the Florida Department of Education, resulting in a diversion, giving rise to the claim against the bond, of funds that would have been provided as scholarship funds to student(s), then immediately upon demand, the Surety will be obligated to pay such scholarship funds hereunder up to the amount of such bond to the eligible nonprofit scholarship funding organization.
2. The Surety shall have the right to cancel this bond at any time by written notice, stating when the cancellation shall take effect and served by registered mail to the Office of Independent Education and Parental Choice at least thirty (30) days prior to the date that the cancellation becomes effective, but said Surety so filing said notice shall not be discharged from any liability already accrued or incurred under this bond or which shall accrue or incur hereunder before the expiration of said thirty (30) day period, whether known or unknown at the time of expiration.
3. Without limiting the effect of any other provision herein which is not in conflict therewith, this bond is to be construed as a statutory bond under the provision of section 1002.395, F.S., the Florida K-20 Education Code.

Signed and sealed this 1st day of August 2015.

Attest

[Signature]
(Witness)

[Signature]
(Witness)

Vincent DeLuca
(Witness)

[Signature]
(Witness)

Step Up For Students, Inc.
(Principal)

By [Signature]

Hartford Fire Insurance Company
(Surety)

By [Signature]
Tyler D. DeBord; Attorney-in-Fact & Resident Agent

POWER OF ATTORNEY

Direct Inquiries/Claims to:

THE HARTFORD

Bond T-4

One Hartford Plaza

Hartford, Connecticut 06155

call: 888-266-3488 or fax: 860-757-5835

KNOW ALL PERSONS BY THESE PRESENTS THAT:

Agency Code: 21-220889

- Hartford Fire Insurance Company, a corporation duly organized under the laws of the State of Connecticut
- Hartford Casualty Insurance Company, a corporation duly organized under the laws of the State of Indiana
- Hartford Accident and Indemnity Company, a corporation duly organized under the laws of the State of Connecticut
- Hartford Underwriters Insurance Company, a corporation duly organized under the laws of the State of Connecticut
- Twin City Fire Insurance Company, a corporation duly organized under the laws of the State of Indiana
- Hartford Insurance Company of Illinois, a corporation duly organized under the laws of the State of Illinois
- Hartford Insurance Company of the Midwest, a corporation duly organized under the laws of the State of Indiana
- Hartford Insurance Company of the Southeast, a corporation duly organized under the laws of the State of Florida

having their home office in Hartford, Connecticut (hereinafter collectively referred to as the "Companies") do hereby make, constitute and appoint, **up to the amount of Unlimited** :

Ryan P. Rothrock, Tyler D. DeBord, Steve P. Farmer, Rebecca A. Robinson, Pamela J. Thompson, M. Decker Youngman, III of DAYTONA BEACH, Florida

their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign its name as surety(ies) only as delineated above by , and to execute, seal and acknowledge any and all bonds, undertakings, contracts and other written instruments in the nature thereof, on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

In Witness Whereof, and as authorized by a Resolution of the Board of Directors of the Companies on August 1, 2009, the Companies have caused these presents to be signed by its Vice President and its corporate seals to be hereto affixed, duly attested by its Assistant Secretary. Further, pursuant to Resolution of the Board of Directors of the Companies, the Companies hereby unambiguously affirm that they are and will be bound by any mechanically applied signatures applied to this Power of Attorney.



Wesley W. Cowling

Wesley W. Cowling, Assistant Secretary

M. Ross Fisher

M. Ross Fisher, Vice President

STATE OF CONNECTICUT }
COUNTY OF HARTFORD } ss. Hartford

On this 12th day of July, 2012, before me personally came M. Ross Fisher, to me known, who being by me duly sworn, did depose and say: that he resides in the County of Hartford, State of Connecticut; that he is the Vice President of the Companies, the corporations described in and which executed the above instrument; that he knows the seals of the said corporations; that the seals affixed to the said instrument are such corporate seals; that they were so affixed by authority of the Boards of Directors of said corporations and that he signed his name thereto by like authority.



CERTIFICATE

Kathleen T. Maynard

Kathleen T. Maynard
Notary Public

My Commission Expires July 31, 2016

I, the undersigned, Vice President of the Companies, DO HEREBY CERTIFY that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which is still in full force effective as of August 1, 2015
Signed and sealed at the City of Hartford.



Gary W. Stumper

Gary W. Stumper, Vice President



Verification Certificate

This is to certify that Bond No. 21BSBHF7433
subscribing this certificate, dated August 1, 2016
in the amount of Twenty-Five Million

issued by the member company of The Hartford

Dollars \$25,000,000.00

on behalf of Step Up For Students, Inc. , as Principal,
and in favor of A Scholarship Funding Organization on behalf of The State of Florida , as Obligee,
covers an indefinite term which began on August 1, 2016 , and ends with the cancellation of
said bond; that said bond is now in full force and effect and will continue in full force and effect until cancelled.

ANNIVERSARY PREMIUM PERIOD: August 1, 2016 - August 1, 2017

Signed, Sealed, and Dated June 15, 2016

Hartford Fire Insurance Company

Surety

Attest or Witness

Vincent DeLuca

By: Selfan (Seal)

Steve P. Farmer , Attorney in fact

CC:

CC:

1030

POWER OF ATTORNEY

Direct Inquiries/Claims to:

THE HARTFORD

Bond T-12

One Hartford Plaza

Hartford, Connecticut 06155

email: bond.claims@thehartford.com

call: 866-266-3488 | fax: 860-757-5835

Agency Code: 21-220889

KNOW ALL PERSONS BY THESE PRESENTS THAT:

- Hartford Fire Insurance Company, a corporation duly organized under the laws of the State of Connecticut
- Hartford Casualty Insurance Company, a corporation duly organized under the laws of the State of Indiana
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- Hartford Underwriters Insurance Company, a corporation duly organized under the laws of the State of Connecticut
- Twin City Fire Insurance Company, a corporation duly organized under the laws of the State of Indiana
- Hartford Insurance Company of Illinois, a corporation duly organized under the laws of the State of Illinois
- Hartford Insurance Company of the Midwest, a corporation duly organized under the laws of the State of Indiana
- Hartford Insurance Company of the Southeast, a corporation duly organized under the laws of the State of Florida

having their home office in Hartford, Connecticut (hereinafter collectively referred to as the "Companies") do hereby make, constitute and appoint Steve P. Farmer

its true and lawful Attorney-in-Fact, to sign its name as surety(ies) only as delineated above by , and to execute, seal and acknowledge the following bond, undertaking, contract or written instrument:

Bond No. 21BSBHF7433

Naming Step Up For Students, Inc. as Principal,

and A Scholarship Funding Organization on behalf of The State of Florida as Obligee,

in the amount of See Bond Form(s) on behalf of Company in its business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

In Witness Whereof, and as authorized by a Resolution of the Board of Directors of the Company on August 1, 2008, the Company has caused these presents to be signed by its Vice President and its corporate seals to be hereto affixed, duly attested by its Assistant Secretary. Further, pursuant to Resolution of the Board of Directors of the Company the Company hereby unambiguously affirms that it is and will be bound by any mechanically applied signatures applied to this Power of Attorney.



John Gray, Assistant Secretary

M. Ross Fisher, Vice President

STATE OF CONNECTICUT }
COUNTY OF HARTFORD } ss. Hartford

On this 12th day of July, 2012, before me personally came M. Ross Fisher, to me known, who being by me duly sworn, did depose and say: that he resides in the County of Hartford, State of Connecticut; that he is the Vice President of the Companies, the corporations described in and which executed the above instrument; that he knows the seals of the said corporations; that the seals affixed to the said instrument are such corporate seals; that they were so affixed by authority of the Boards of Directors of said corporations and that he signed his name thereto by like authority.



CERTIFICATE

Kathleen T. Maynard
Notary Public

My Commission Expires July 31, 2016

I, the undersigned, Vice President of the Companies, DO HEREBY CERTIFY that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which is still in full force effective as of June 15, 2016.

Signed and sealed at the City of Hartford.



Kevin Heckman, Assistant Vice President

Caution: Forms printed from within Adobe Acrobat products may not meet IRS or state taxing agency specifications. When using Acrobat 5.x products, uncheck the "Shrink oversized pages to paper size" and uncheck the "Expand small pages to paper size" options, in the Adobe "Print" dialog. When using Acrobat 6.x and later products versions, select "None" in the "Page Scaling" selection box in the Adobe "Print" dialog.

PUBLIC DISCLOSURE COPY

IRS e-file Signature Authorization for an Exempt Organization

For calendar year 2014, or fiscal year beginning JUL 1, 2014, and ending JUN 30, 20 15

2014

Department of the Treasury Internal Revenue Service

Do not send to the IRS. Keep for your records.

Information about Form 8879-EO and its instructions is at www.irs.gov/form8879eo

Name of exempt organization

Employer identification number

STEP UP FOR STUDENTS, INC.

59-3649371

Name and title of officer

JOE PFOUNTZ

CFO

Part I Type of Return and Return Information (Whole Dollars Only)

Check the box for the return for which you are using this Form 8879-EO and enter the applicable amount, if any, from the return. If you check the box on line 1a, 2a, 3a, 4a, or 5a, below, and the amount on that line for the return being filed with this form was blank, then leave line 1b, 2b, 3b, 4b, or 5b, whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. Do not complete more than 1 line in Part I.

Table with 5 rows (1a-5a) and 5 columns (Form type, Total revenue, Total tax, Tax based on investment income, Balance Due) with checkboxes and numerical values.

Part II Declaration and Signature Authorization of Officer

Under penalties of perjury, I declare that I am an officer of the above organization and that I have examined a copy of the organization's 2014 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the organization's electronic return and, if applicable, the organization's consent to electronic funds withdrawal.

Officer's PIN: check one box only

[X] I authorize RSM US LLP to enter my PIN 49371

ERO firm name

Enter five numbers, but do not enter all zeros

as my signature on the organization's tax year 2014 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

[] As an officer of the organization, I will enter my PIN as my signature on the organization's tax year 2014 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Officer's signature Date

Part III Certification and Authentication

ERO's EFIN/PIN. Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN.

50649894013 do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2014 electronically filed return for the organization indicated above. I confirm that I am submitting this return in accordance with the requirements of Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature Date

ERO Must Retain This Form - See Instructions Do Not Submit This Form To the IRS Unless Requested To Do So

STEP UP FOR STUDENTS, INC.
4655 SALISBURY ROAD, NO. 400
JACKSONVILLE, FL 32256

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE CENTER
OGDEN, UT 84201-0027



FORM 990

Form **990**

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

2014

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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 2014 calendar year, or tax year beginning **JUL 1, 2014** and ending **JUN 30, 2015**

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization STEP UP FOR STUDENTS, INC.		D Employer identification number 59-3649371
	Doing business as		E Telephone number 904-352-2246
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	G Gross receipts \$ 458,426,470.
	4655 SALISBURY ROAD	400	
City or town, state or province, country, and ZIP or foreign postal code JACKSONVILLE, FL 32256		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
F Name and address of principal officer: JOE PFOUNTZ SAME AS C ABOVE		H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No	
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		If "No," attach a list. (see instructions)	
J Website: WWW.STEPUFORSTUDENTS.ORG		H(c) Group exemption number ▶	
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of formation: 2000	M State of legal domicile: FL

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: STEP UP FOR STUDENTS PROVIDES LEGISLATIVELY AUTHORIZED K-12 SCHOLARSHIP PROGRAMS AND RELATED		
	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	7
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	7
	5 Total number of individuals employed in calendar year 2014 (Part V, line 2a)	5	127
	6 Total number of volunteers (estimate if necessary)	6	480
	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	Current Year
	9 Program service revenue (Part VIII, line 2g)	332,392,878.	456,345,377.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	70,399.	1,480,255.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	10,001.	11,128.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	820,131.	9,260.
	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	333,293,409.	457,846,020.
Expenses	14 Benefits paid to or for members (Part IX, column (A), line 4)	277,103,445.	362,257,833.
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0.	0.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	4,781,260.	8,588,936.
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 1,547,727.	67,777.	0.
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	3,362,493.	4,932,276.
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	285,314,975.	375,779,045.
19 Revenue less expenses. Subtract line 18 from line 12	47,978,434.	82,066,975.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21 Total liabilities (Part X, line 26)	363,784,990.	449,355,921.
	22 Net assets or fund balances. Subtract line 21 from line 20	1,811,434.	10,311,156.
		361,973,556.	439,044,765.

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	Date			
	JOE PFOUNTZ, CFO Type or print name and title				
Paid Preparer Use Only	Print/Type preparer's name THERESA A. BURDINE, CPA	Preparer's signature	Date	Check <input type="checkbox"/> self-employed	PTIN P00362629
	Firm's name ▶ RSM US LLP	Firm's EIN ▶ 42-0714325			
	Firm's address ▶ 7351 OFFICE PARK PL MELBOURNE, FL 32940	Phone no. 321-751-6200			

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

X

1 Briefly describe the organization's mission: STEP UP FOR STUDENTS PROVIDES LEGISLATIVELY AUTHORIZED K-12 SCHOLARSHIP PROGRAMS AND RELATED SUPPORT TO GIVE DISADVANTAGED FAMILIES THE FREEDOM TO CHOOSE THE BEST LEARNING OPTIONS FOR THEIR CHILDREN.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? No

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? No

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 \$ 351,560,886. including grants of \$ 347,578,490.) (Revenue \$ 1,488,115.) FLORIDA TAX CREDIT SCHOLARSHIP PROGRAM: THIS PAST SCHOOL YEAR, 69,950 UNDERPRIVILEGED STUDENTS ATTENDED 1,533 PRIVATE SCHOOLS ON A STEP UP FOR STUDENTS SCHOLARSHIP, AND FOR THE 2015-16 SCHOOL YEAR, WE ANTICIPATE HAVING ROUGHLY 78,000 STUDENTS ON SCHOLARSHIP. THE SCHOLARSHIP PROGRAM WAS CREATED TO HELP ALLEVIATE THE ENORMOUS EDUCATIONAL CHALLENGES FACED BY CHILDREN WHO LIVE IN POVERTY. THE SCHOLARSHIP GIVES PARENTS WITH LIMITED FINANCIAL MEANS THE FREEDOM TO CHOOSE THE SCHOOL THAT BEST MEETS THEIR CHILDREN'S LEARNING NEEDS FROM KINDERGARTEN THROUGH 12TH GRADE. IT IS THE LARGEST SCHOLARSHIP PROGRAM OF THIS NATURE IN THE UNITED STATES.

4b (Code:) (Expenses \$ 15,328,999. including grants of \$ 14,579,343.) (Revenue \$ 1,400.) THE ALABAMA OPPORTUNITY SCHOLARSHIP FUND (AOSF) IS A SCHOLARSHIP GRANTING ORGANIZATION SERVING LOW-INCOME STUDENTS, WITH PRIORITY GIVEN TO CHILDREN WHO ARE ASSIGNED TO STRUGGLING PUBLIC SCHOOLS. THE SCHOLARSHIP IS USED TO PAY FOR PRIVATE SCHOOL TUITION OR TRANSFER FEES TO A NON-FAILING PUBLIC SCHOOL. THE FUND WAS SUCCESSFUL IN AWARDING SCHOLARSHIPS TO 2,851 STUDENTS FOR THE 2014-2015 SCHOOL YEAR REPRESENTING 45 OUT OF THE 67 COUNTIES IN ALABAMA. HALF OF THE SCHOLARSHIP RECIPIENTS WERE ZONED TO ATTEND A FAILING SCHOOL. THE SCHOLARSHIPS ARE FUNDED BY CORPORATE AND INDIVIDUAL CONTRIBUTIONS THAT RECEIVE STATE TAX CREDITS FROM ALABAMA.

4c (Code:) (Expenses \$ 1,469,172. including grants of \$) (Revenue \$) PERSONAL LEARNING SCHOLARSHIP ACCOUNT PROGRAM: IN 2014-15, STEP UP ALSO ADMINISTERED A NEW STATEWIDE SCHOLARSHIP AVAILABLE TO SPECIAL-NEEDS STUDENTS WITH ONE OF EIGHT SPECIFIC DISABILITIES: AUTISM, CEREBRAL PALSY, DOWN SYNDROME, PRADER-WILLI SYNDROME, SPINA BIPIDA, WILLIAMS SYNDROME, INTELLECTUAL DISABILITY (SEVERE COGNITIVE IMPAIRMENT), OR "HIGH RISK" CHILDREN AGES 3-5. FOR THE 2014-15 SCHOOL YEAR, THE PROGRAM SERVED 1,696 STUDENTS WHO RECEIVED SCHOLARSHIPS WORTH AN AVERAGE OF \$10,000 EACH. THE PROGRAM EMPOWERS FAMILIES TO CHOOSE THE EDUCATIONAL SERVICES THAT BEST MEET THE NEEDS OF THEIR STUDENT, AND THE MONEY CAN BE FOR SCHOOLS, THERAPISTS, SPECIALISTS, CURRICULUM, TECHNOLOGY-EVEN A COLLEGE SAVINGS ACCOUNT.

4d Other program services (Describe in Schedule O.) (Expenses \$ 3,726,831. including grants of \$) (Revenue \$)

4e Total program service expenses 372,085,888.

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)? <i>If "Yes," complete Schedule A</i>	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
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? <i>If "Yes," complete Schedule C, Part II</i>	X	
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? <i>If "Yes," complete Schedule C, Part III</i>		X
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? <i>If "Yes," complete Schedule D, Part I</i>		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
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? <i>If "Yes," complete Schedule D, Part IV</i>		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>		X
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? <i>If "Yes," complete Schedule D, Part VI</i>	X	
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? <i>If "Yes," complete Schedule D, Part VII</i>		X
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? <i>If "Yes," complete Schedule D, Part VIII</i>		X
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? <i>If "Yes," complete Schedule D, Part IX</i>		X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	X	
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)? <i>If "Yes," complete Schedule D, Part X</i>	X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>		X
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>	X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
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? <i>If "Yes," complete Schedule F, Parts I and IV</i>		X
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? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
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? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
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? <i>If "Yes," complete Schedule G, Part I</i>		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		

Part IV Checklist of Required Schedules (continued)

	Yes	No
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 24b 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, Part 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		X
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?	X	

Note. All Form 990 filers are required to complete Schedule O

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

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable		
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
1c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	
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		
2b	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)	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
3b	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)?		X
4b	If "Yes," enter the name of the foreign country: 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?		X
5b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
5c	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?		X
6b	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).		
7a	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?		X
7b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
7c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
7d	If "Yes," indicate the number of Forms 8282 filed during the year		
7e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
7f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
7g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
7h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
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.		
9a	Did the sponsoring organization make any taxable distributions under section 4966?		
9b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter:		
10a	Initiation fees and capital contributions included on Part VIII, line 12		
10b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
11	Section 501(c)(12) organizations. Enter:		
11a	Gross income from members or shareholders		
11b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
12b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
13a	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.		
13b	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		
13c	Enter the amount of reserves on hand		
14a	Did the organization receive any payments for indoor tanning services during the tax year?		X
14b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O		

Form 990 (2014)

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.		
1b	Enter the number of voting members included in line 1a, above, who are independent		
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	a The governing body?	X	
8b	b 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		X
10b		
11a	X	
12a	X	
12b	X	
12c	X	
13	X	
14	X	
15a	X	
15b	X	
16a		X
16b		

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed FL, AR, GA, CT, AL
- 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:
 JOE PFOUNTZ - 904-352-2246
 4655 SALISBURY RD, SUITE 400, JACKSONVILLE, FL 32256

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 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) JOHN KIRTLEY CHAIRMAN, SUFS/DIRECTOR, ALOSF	2.00	X					0.	0.	0.	
(2) JULIO FUENTES DIRECTOR, SUFS	2.00	X					0.	0.	0.	
(3) ALISON HERTOGE DIRECTOR, SUFS	2.00	X					0.	0.	0.	
(4) ALFRED "AL" LAWSON DIRECTOR, SUFS	2.00	X					0.	0.	0.	
(5) RICHARD OUTRAM DIRECTOR, SUFS	2.00	X					0.	0.	0.	
(6) PAUL SHERMAN DIRECTOR, SUFS	2.00	X					0.	0.	0.	
(7) CURTIS STOKES DIRECTOR, SUFS	2.00	X					0.	0.	0.	
(8) GOVERNOR BOB RILEY CHARIMAN, ALOSF	2.00	X					0.	0.	0.	
(9) MARQUITA DAVIS DIRECTOR, ALOSF	2.00	X					0.	0.	0.	
(10) REVEREND H.K. MATTHEWS DIRECTOR, ALOSF	2.00	X					0.	0.	0.	
(11) JOHN H. COOPER DIRECTOR, ALOSF	2.00	X					0.	0.	0.	
(12) ANNE WHITE COO, SUFS/DIRECTOR, ALOSF	40.00	X		X			62,194.	69,260.	19,985.	
(13) DOUG TUTHILL PRESIDENT, SUFS	40.00			X			211,787.	0.	29,049.	
(14) ANN MACKKEY (THRU 03/15) TREAS & CFO, SUFS/DIRECTOR, ALOSF	40.00			X			142,519.	0.	13,241.	
(15) SCOTT MASSEY CIO, SUFS	40.00					X	137,692.	0.	18,839.	
(16) DEBRA WOERNER VP DEVELOPMENT, SUFS	40.00					X	141,116.	0.	13,175.	
(17) ALISSA RANDALL VP MARKETING & EVENTS, SUF	40.00					X	123,476.	0.	12,368.	

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	1 a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d				
	e Government grants (contributions)	1e				
	f All other contributions, gifts, grants, and similar amounts not included above	1f 456,345,377.				
	g Noncash contributions included in lines 1a-1f: \$					
	h Total. Add lines 1a-1f		456,345,377.			
Program Service Revenue	2 a APPLICATION FEES	Business Code 900099	1,479,255.	1,479,255.		
	b FACE INCOME	900099	1,000.	1,000.		
	c					
	d					
	e					
	f All other program service revenue					
	g Total. Add lines 2a-2f		1,480,255.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		8,223.		8,223.	
	4 Income from investment of tax-exempt bond proceeds					
	5 Royalties					
	6 a Gross rents	(i) Real				
		(ii) Personal				
	b Less: rental expenses					
	c Rental income or (loss)					
	d Net rental income or (loss)					
	7 a Gross amount from sales of assets other than inventory	(i) Securities				
		(ii) Other		583,355.		
	b Less: cost or other basis and sales expenses			580,450.		
	c Gain or (loss)			2,905.		
d Net gain or (loss)		2,905.		2,905.		
8 a 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					
9 a Gross income from gaming activities. See Part IV, line 19	a					
	b Less: direct expenses	b				
	c Net income or (loss) from gaming activities					
10 a 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		Business Code				
11 a OTHER INCOME	900099	9,260.	9,260.			
	b					
	c					
	d All other revenue					
	e Total. Add lines 11a-11d		9,260.			
12 Total revenue. See instructions.		457,846,020.	1,489,515.	0.	11,128.	

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

X

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	362,257,833.	362,257,833.		
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	396,596.		396,596.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	6,706,183.	5,113,560.	682,422.	910,201.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	173,972.	129,202.	15,585.	29,185.
9 Other employee benefits	517,297.	381,847.	49,160.	86,290.
10 Payroll taxes	794,888.	638,683.	72,246.	83,959.
11 Fees for services (non-employees):				
a Management				
b Legal	204,826.	7,373.	197,453.	
c Accounting	310,203.	40,657.	269,518.	28.
d Lobbying	55,760.	55,760.		
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	30,760.	2,316.	28,444.	
12 Advertising and promotion	266,873.	181,641.	50,973.	34,259.
13 Office expenses	115,302.	94,872.	11,402.	9,028.
14 Information technology				
15 Royalties				
16 Occupancy	476,303.	364,989.	109,626.	1,688.
17 Travel	521,584.	403,762.	38,444.	79,378.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	28,208.	20,084.	6,804.	1,320.
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	232,102.	195,931.	14,268.	21,903.
23 Insurance	190,543.	137,871.	26,971.	25,701.
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 TEMPORARY LABOR	601,716.	601,569.		147.
b CONTRACT SERVICES	554,829.	472,522.	69,506.	12,801.
c BANK FEES	355,747.	355,302.	445.	
d OTHER COSTS	350,224.	158,132.	34,612.	157,480.
e All other expenses SEE SCH O	637,296.	471,982.	70,955.	94,359.
25 Total functional expenses. Add lines 1 through 24e	375,779,045.	372,085,888.	2,145,430.	1,547,727.
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 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	61,267,083.	1	31,401,777.
	2	Savings and temporary cash investments		2	225,000.
	3	Pledges and grants receivable, net	295,341,685.	3	406,593,606.
	4	Accounts receivable, net	980,030.	4	1,281,027.
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	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 Instr). Complete Part II of Sch L		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges	154,096.	9	228,985.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 1,755,521.		
	b	Less: accumulated depreciation	10b 1,093,819.	10c 483,014.	661,702.
	11	Investments - publicly traded securities		11	
	12	Investments - other securities. See Part IV, line 11		12	
	13	Investments - program-related. See Part IV, line 11		13	
	14	Intangible assets	5,502.	14	
	15	Other assets. See Part IV, line 11	5,553,580.	15	8,963,824.
16	Total assets. Add lines 1 through 15 (must equal line 34)	363,784,990.	16	449,355,921.	
Liabilities	17	Accounts payable and accrued expenses	1,089,066.	17	1,209,014.
	18	Grants payable		18	
	19	Deferred revenue		19	138,318.
	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	722,368.	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	0.	25	8,963,824.
	26	Total liabilities. Add lines 17 through 25	1,811,434.	26	10,311,156.
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	7,764,266.	27	3,020,239.
	28	Temporarily restricted net assets	354,209,290.	28	436,024,526.
	29	Permanently restricted net assets		29	
	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	361,973,556.	33	439,044,765.	
34	Total liabilities and net assets/fund balances	363,784,990.	34	449,355,921.	

Form 990 (2014)

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	457,846,020.
2	Total expenses (must equal Part IX, column (A), line 25)	2	375,779,045.
3	Revenue less expenses. Subtract line 2 from line 1	3	82,066,975.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	361,973,556.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	1,206,089.
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-6,201,855.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	439,044,765.

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
2b	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	
2c	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?		X
3b	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		

Form 990 (2014)

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) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	191,838,536.	267,447,702.	310,799,794.	332,392,878.	456,345,377.	1558824287.
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	191,838,536.	267,447,702.	310,799,794.	332,392,878.	456,345,377.	1558824287.
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)						474,275,728.
6 Public support. Subtract line 5 from line 4.						1084548559.

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
7 Amounts from line 4	191,838,536.	267,447,702.	310,799,794.	332,392,878.	456,345,377.	1558824287.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	14,927.	8,058.	13,048.	12,414.	8,223.	56,670.
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.)	343,078.	332,123.		1,518.	12,665.	689,384.
11 Total support. Add lines 7 through 10						1559570341.
12 Gross receipts from related activities, etc. (see instructions)					12	1,550,654.
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 <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2014 (line 6, column (f) divided by line 11, column (f))	14	69.54 %
15 Public support percentage from 2013 Schedule A, Part II, line 14	15	77.25 %
16a 33 1/3% support test - 2014. 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 - 2013. 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 - 2014. 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 - 2013. 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) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(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) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(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 2014 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2013 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2014 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2013 Schedule A, Part III, line 17	18	%

- 19a 33 1/3% support tests - 2014.** 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 - 2013.** 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 on line 11 of 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 (a) its supported organizations; (b) individuals that are part of the charitable class benefited by one or more of its supported organizations; or (c) 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 IRC 4958(c)(3)(C)), a family member of a substantial contributor, or a 35-percent controlled entity with regard to a substantial contributor? If "Yes," complete Part I of Schedule L (Form 990).		
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).		
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 9(a)) 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 9(a)) 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 IRC 4943 because of IRC 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? If "Yes," answer (b) 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. 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, (1) a written notice describing the type and amount of support provided during the prior tax year, (2) a copy of the Form 990 that was most recently filed as of the date of notification, and (3) 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

	Yes	No
1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions):		
a <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.		
b <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.		
c <input type="checkbox"/> 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.		
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 Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions).

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

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 2014 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-2014	(iii) Distributable Amount for 2014
1 Distributable amount for 2014 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2014 (reasonable cause required-see instructions)			
3 Excess distributions carryover, if any, to 2014:			
a			
b			
c			
d			
e From 2013			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2014 distributable amount			
i Carryover from 2009 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4 Distributions for 2014 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2014 distributable amount			
c Remainder. Subtract lines 4a and 4b from 4.			
5 Remaining underdistributions for years prior to 2014, if any. Subtract lines 3g and 4a from line 2 (if amount greater than zero, see instructions).			
6 Remaining underdistributions for 2014. Subtract lines 3h and 4b from line 1 (if amount greater than zero, see instructions).			
7 Excess distributions carryover to 2015. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a			
b			
c			
d Excess from 2013			
e Excess from 2014			

Part VI **Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

Lined area for supplemental information.

Schedule B

(Form 990, 990-EZ, or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.
▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2014

Name of the organization

STEP UP FOR STUDENTS, INC.

Employer identification number

59-3649371

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(3) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ▶ \$ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2014)

Name of organization STEP UP FOR STUDENTS, INC.	Employer identification number 59-3649371
--------------------------------------------------------	--------------------------------------------------

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1		\$ 9,550,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2		\$ 15,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3		\$ 37,234,604.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
4		\$ 12,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
5		\$ 21,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
10		\$ 16,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization STEP UP FOR STUDENTS, INC.	Employer identification number 59-3649371
--------------------------------------------------------	--------------------------------------------------

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
6	_____	\$ 65,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
7	_____	\$ 15,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
8	_____	\$ 100,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
9	_____	\$ 10,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
11	_____	\$ 10,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
	_____	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization STEP UP FOR STUDENTS, INC.	Employer identification number 59-3649371
---------------------------------------------------------------	---------------------------------------------------------

Part II Noncash Property (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$ _____	_____
		\$ _____	_____
		\$ _____	_____
		\$ _____	_____
		\$ _____	_____
		\$ _____	_____
		\$ _____	_____

Name of organization STEP UP FOR STUDENTS, INC.	Employer identification number 59-3649371
-----------------------------------------------------------	-----------------------------------------------------

Part III Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this info. once.) ▶ \$ _____
Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

SCHEDULE C
(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

OMB No. 1545-0047

2014

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

For Organizations Exempt From Income Tax Under section 501(c) and section 527
 ▶ 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," to 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," to 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," to 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 STEP UP FOR STUDENTS, INC. Employer identification number 59-3649371

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-

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. Schedule C (Form 990 or 990-EZ) 2014

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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)	55,760.													
b	Total lobbying expenditures to influence a legislative body (direct lobbying)														
c	Total lobbying expenditures (add lines 1a and 1b)	55,760.													
d	Other exempt purpose expenditures	375,723,783.													
e	Total exempt purpose expenditures (add lines 1c and 1d)	375,779,543.													
f	Lobbying nontaxable amount. Enter the amount from the following table in both columns.	1,000,000.													
<table border="1"> <thead> <tr> <th>If the amount on line 1e, column (a) or (b) is:</th> <th>The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>		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.		
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) 2011	(b) 2012	(c) 2013	(d) 2014	(e) Total	
2a	Lobbying nontaxable amount	1,000,000.	1,000,000.	1,000,000.	1,000,000.	4,000,000.
b	Lobbying ceiling amount (150% of line 2a, column(e))					6,000,000.
c	Total lobbying expenditures	178,207.	72,000.	196,409.	55,760.	502,376.
d	Grassroots nontaxable amount	250,000.	250,000.	250,000.	250,000.	1,000,000.
e	Grassroots ceiling amount (150% of line 2d, column (e))					1,500,000.
f	Grassroots lobbying expenditures	178,207.	72,000.	47,300.	55,760.	353,267.

Schedule C (Form 990 or 990-EZ) 2014

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)).

	(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 D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

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

OMB No. 1545-0047

2014

Open to Public Inspection

Name of the organization

STEP UP FOR STUDENTS, INC.

Employer identification number

59-3649371

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
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?		<input type="checkbox"/> Yes <input type="checkbox"/> No
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?		<input type="checkbox"/> Yes <input type="checkbox"/> No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

Preservation of land for public use (e.g., recreation or education) Preservation of a historically important land area

Protection of natural habitat Preservation of a certified historic structure

Preservation of open space

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.

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

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?

Yes No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, 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)?

Yes No

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" to Form 990, Part IV, line 8.

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.

b 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 in 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 in 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" to 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 in Part XIII

Part V Endowment Funds. Complete if the organization answered "Yes" to 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 in 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" to 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" to 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		11,082.	9,318.	1,764.
d Equipment		1,744,439.	1,084,501.	659,938.
e Other				
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				661,702.

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" to 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. (Col. (b) must equal Form 990, Part X, col. (B) line 12.)		

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" to 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. (Col. (b) must equal Form 990, Part X, col. (B) line 13.)		

Part IX Other Assets.

Complete if the organization answered "Yes" to 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" to 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) FUNDS HELD IN TRUST FOR STUDENTS	8,963,824.
(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" to Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements		1
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
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

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

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

1	Total expenses and losses per audited financial statements		1
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
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	
c	Add lines 4a and 4b		4c
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)		5

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 X, LINE 2:

STEP UP FOR STUDENTS IS EXEMPT FROM FEDERAL INCOME TAXES UNDER SECTION

501(C)(3) OF THE INTERNAL REVENUE CODE AND FROM STATE INCOME TAXES UNDER

SIMILAR PROVISIONS OF THE FLORIDA STATUTES. ACCORDINGLY, NO PROVISION FOR

FEDERAL AND STATE INCOME TAXES HAS BEEN RECORDED IN THE FINANCIAL

STATEMENTS. STEP UP FOR STUDENTS HAS MADE AN ELECTION UNDER SECTION

501(H) OF THE INTERNAL REVENUE CODE, WHICH PERMITS CERTAIN ELIGIBLE

501(C)(3) ORGANIZATIONS TO MAKE LIMITED EXPENDITURES TO INFLUENCE

LEGISLATION. STEP UP FOR STUDENTS WOULD BE SUBJECT TO AN EXCISE TAX IF IT

SPENDS MORE THAN THE AMOUNTS PERMITTED. SUCH LIMITS HAVE NOT BEEN

EXCEEDED.

Part XIII Supplemental Information (continued)

THE ALABAMA OPPORTUNITY SCHOLARSHIP FUND IS A SINGLE MEMBER LIMITED LIABILITY COMPANY (LLC) WHICH IS WHOLLY-OWNED BY STEP UP FOR STUDENTS. STEP UP FOR STUDENTS IS EXEMPT FROM FEDERAL INCOME TAXES UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE. AS A WHOLLY-OWNED LLC, THE ALABAMA OPPORTUNITY SCHOLARSHIP FUND IS A DISREGARDED ENTITY FOR FEDERAL AND STATE INCOME TAX PURPOSES AND THEREFORE, REPORTS ALL FEDERAL AND STATE INCOME TAX INFORMATION THROUGH ITS PARENT, STEP UP FOR STUDENTS. ACCORDINGLY, NO PROVISION FOR FEDERAL AND STATE INCOME TAXES HAS BEEN RECORDED IN THE CONSOLIDATED FINANCIAL STATEMENTS.

STEP UP FOR STUDENTS FOLLOWS ACCOUNTING STANDARDS RELATING TO ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES. MANAGEMENT ASSESSED WHETHER THERE WERE ANY UNCERTAIN TAX POSITIONS WHICH MAY GIVE RISE TO INCOME TAX LIABILITIES AND DETERMINED THAT THERE WERE NO SUCH MATTERS REQUIRING RECOGNITION IN THE CONSOLIDATED FINANCIAL STATEMENTS. STEP UP FOR STUDENTS FILES INCOME TAX RETURNS IN THE U.S. FEDERAL JURISDICTION. GENERALLY, STEP UP FOR STUDENTS IS NO LONGER SUBJECT TO U.S. FEDERAL OR STATE INCOME TAX EXAMINATIONS BY TAX AUTHORITIES FOR YEARS BEFORE JUNE 30, 2012.

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**
Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990.

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

Name of the organization

STEP UP FOR STUDENTS, INC.

Employer identification number

59-3649371

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? Yes No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" to 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.

1 (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

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 ▶ _____

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

Part III Grants and Other Assistance to Domestic Individuals. Complete if the organization answered "Yes" to 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
TAX CREDIT SCHOLARSHIP PROGRAM	69950	362,257,833.	0.		

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

**SCHEDULE J
(Form 990)**

Compensation Information

OMB No. 1545-0047

2014

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
 ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.
 ▶ Attach to Form 990.

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

Name of the organization

STEP UP FOR STUDENTS, INC.

Employer identification number

59-3649371

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--------------------------------------------------------------------|--------------------------------------------------------------------------|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

- | | |
|-------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input checked="" type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment?
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?
- c** Participate in, or receive payment from, an equity-based compensation arrangement?
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization?
- b** Any related organization?
- If "Yes" to line 5a or 5b, describe in Part III.

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization?
- b** Any related organization?
- If "Yes" to line 6a or 6b, describe in Part III.

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
1a		
1b		
2	X	
3		
4a	X	
4b		X
4c		X
5a		X
5b		X
6a		X
6b		X
7		X
8		X
9		

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

Schedule J (Form 990) 2014

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) ANNE WHITE COO, SUFS/DIRECTOR, ALOSF	(i)	62,194.	0.	0.	3,382.	6,467.	72,043.	0.
	(ii)	69,260.	0.	0.	3,383.	6,753.	79,396.	0.
(2) DOUG TUTHILL PRESIDENT, SUFS	(i)	211,787.	0.	0.	10,889.	18,160.	240,836.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(3) ANN MACKAY (THRU 03/15) TREAS & CFO, SUFS/DIRECTOR, ALOSF	(i)	142,519.	0.	0.	7,169.	6,072.	155,760.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(4) SCOTT MASSEY CIO, SUFS	(i)	137,692.	0.	0.	7,164.	11,675.	156,531.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(5) DEBRA WOERNER VP DEVELOPMENT, SUFS	(i)	141,116.	0.	0.	7,103.	6,072.	154,291.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

PART I, LINE 4A:

THE SEVERENCE AGREEMENT WAS ENTERED INTO ON FEBRUARY 8, 2015 FOR OUR CHIEF

FINANCIAL OFFICER, ANN MACKEY, WITH HER LAST DAY OF EMPLOYMENT BEING MARCH

13, 2015. THE AGREEMENT STATED THAT STEP UP FOR STUDENTS WOULD MAKE

MONTHLY SEVERENCE PAYMENTS TO ANN MACKEY FOR A TOTAL OF SIX MONTHS

BEGINNING APRIL 15, 2015 IN THE AMOUNT OF \$12,124.95 FOR A TOTAL OF

\$72,749.70

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

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.

▶ 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

OMB No. 1545-0047

2014

Open to Public
Inspection

Name of the organization

STEP UP FOR STUDENTS, INC.

Employer identification number

59-3649371

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

SUPPORT TO GIVE DISADVANTAGED FAMILIES THE FREEDOM TO CHOOSE THE BEST

LEARNING OPTIONS FOR THEIR CHILDREN.

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS:

FOR THE 2014-15 SCHOOL YEAR, APPROVED STUDENTS COULD CHOOSE BETWEEN

SCHOLARSHIPS WORTH UP TO \$5,272 FOR PRIVATE SCHOOL TUITION AND FEES OR

UP TO \$500 IN TRANSPORTATION COSTS TO ATTEND AN OUT-OF-DISTRICT PUBLIC

SCHOOL. SINCE ITS CREATION, THE FLORIDA TAX CREDIT SCHOLARSHIP PROGRAM

HAS AWARDED 401,562 SCHOLARSHIPS. FOR 2014-15, THE AVERAGE INCOME FOR

PARTICIPANTS WAS 5% ABOVE THE FEDERAL POVERTY GUIDELINES, AND 54% OF

THE STUDENTS WERE FROM SINGLE-PARENT HOUSEHOLDS.

STANDARDIZED TEST SCORES RELEASED IN AUGUST 2014 SHOWED THAT

SCHOLARSHIP STUDENTS WERE ACHIEVING THE SAME GAINS IN READING AND MATH

AS STUDENTS OF ALL INCOME LEVELS NATIONALLY. BY LAW, SCHOLARSHIP

RECIPIENTS EVERY YEAR MUST TAKE A NATIONALLY RECOGNIZED NORM-REFERENCED

TEST APPROVED BY THE STATE AND MOST TAKE THE WELL-REGARDED STANFORD

ACHIEVEMENT TEST. THE RESULTS REPORTED IN 2014 TRACKED CLOSELY WITH

RESULTS IN PRIOR YEARS AND THE RESEARCHER ISSUED TWO KEY FINDINGS:

-STUDENTS WHO CHOSE THE SCHOLARSHIP WERE AMONG THE POOREST AND

LOWEST-PERFORMING STUDENTS FROM THE PUBLIC SCHOOLS THEY LEFT BEHIND.

-THESE SAME STUDENTS ACHIEVED GAINS IN READING AND MATH THAT WERE THE

SAME AS ALL STUDENTS NATIONALLY, REGARDLESS OF INCOME LEVEL.

FOR THE NINTH TIME, STEP UP FOR STUDENTS WAS AWARDED THE COVETED

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

Schedule O (Form 990 or 990-EZ) (2014)

432211
08-27-14

Name of the organization STEP UP FOR STUDENTS, INC.	Employer identification number 59-3649371
--------------------------------------------------------	----------------------------------------------

RESEARCH ON STUDENT OUTCOMES:

EACH TAX CREDIT SCHOLARSHIP IS INTENDED TO PROVIDE A LOW-INCOME STUDENT IN FLORIDA WITH A VIABLE LEARNING OPTION THAT CAN MAKE A DIFFERENCE IN HIS OR HER EDUCATIONAL LIFE. TOWARD THAT OBJECTIVE, STEP UP IS BUILDING TOOLS TO ASSESS ACADEMIC PROGRESS IN A ROBUST WAY. THE STATE ALREADY COLLECTS STANDARDIZED TEST SCORES EVERY YEAR FOR ALL STUDENTS IN GRADES 3-10 AND IN ITS MOST RECENT REPORT DETERMINED THAT SCHOLARSHIP STUDENTS ACHIEVED THE SAME ACADEMIC GAINS IN READING AND MATH AS STUDENTS OF ALL INCOME LEVELS NATIONALLY. STEP UP IS ATTEMPTING TO GO FURTHER. IN 2012-14, IT PULLED TOGETHER STUDENT INFORMATION ACROSS 10 YEARS AND USED IT TO CONSTRUCT A DATA WAREHOUSE FOR ALL TYPES OF ACADEMIC AND DEMOGRAPHIC INFORMATION. IN 2014-15, STEP UP POLICY ANALYSTS TOOK THE FIRST STEPS TOWARD MINING THE DATA FOR A VARIETY OF ACADEMIC INDICATORS, INCLUDING TEST SCORES, GRADUATION RATES AND ATTRITION RATES. THE PURPOSE IS TO INFORM SCHOLARSHIP PARENTS PARTICIPATING SCHOOLS, THE GENERAL PUBLIC AND POLICYMAKERS ABOUT THE ACADEMIC PROGRESS OF SCHOLARSHIP STUDENTS AND SHED LIGHT ON PATHWAYS TO ACADEMIC IMPROVEMENT.

EXPENSES \$ 3,726,831. INCLUDING GRANTS OF \$ 0. REVENUE \$ 0.

FORM 990, PART VI, SECTION B, LINE 11:

FORM 990 IS PREPARED BY THE FUND'S INDEPENDENT AUDITORS AFTER BEING REVIEWED BY MANAGEMENT, THE FULL FORM 990 INFORMATIONAL RETURN IS PROVIDED TO THE BOARD OF DIRECTORS FOR REVIEW AND COMMENT. THE BOARD OF DIRECTORS IS ALSO AFFORDED THE OPPORTUNITY TO ASK QUESTIONS WITH RESPECT TO THE FORM 990 BEFORE THE RETURN IS FILED.

432212
08-27-14

Name of the organization STEP UP FOR STUDENTS, INC.	Employer identification number 59-3649371
--------------------------------------------------------	----------------------------------------------

FOUR-STAR RATING BY CHARITY NAVIGATOR AND SCORED A PERFECT 100.0 ON THE NAVIGATOR'S SCALE OF FINANCIAL ACCOUNTABILITY AND TRANSPARENCY. STEP UP WAS RANKED FIFTH BEST "TOP-NOTCH" CHARITY IN THE NATION.

FORM 990, PART III, LINE 4D, OTHER PROGRAM SERVICES:

SCHOOL DEVELOPMENT AND STUDENT LEARNING:

STEP UP FOR STUDENTS IS HELPING STRENGTHEN THE PROGRAM'S PARTNERSHIP SCHOOLS BY OFFERING FREE PROFESSIONAL DEVELOPMENT THROUGH STEP UP'S OFFICE OF STUDENT LEARNING, THIS DEPARTMENT'S LARGEST INITIATIVE, SUCCESS PARTNERS, IS A COMPREHENSIVE TWO YEAR PROFESSIONAL DEVELOPMENT PROGRAM DESIGNED TO CREATE CLOSER RELATIONSHIPS BETWEEN PARENTS TEACHERS AND ADMINISTRATORS AND STUDENTS, THE INITIATIVE IS BASED ON THE BENEFITS OF STRENGTHENING THE FAMILY-SCHOOL PARTNERSHIP FOR THE WELL-BEING OF THE CHILD. SCHOOLS THAT WORK CLOSELY WITH PARENTS OFTEN HAVE HIGH STUDENT ACHIEVEMENT AND QUALITY PROGRAMS. TEN SCHOOLS IN HILLSBOROUGH COUNTY PILOTED THE PROGRAM DURING THE 2011-12 SCHOOL YEAR AND NOW MORE THAN 400 SCHOOLS WILL BE MEMBERS OF THE SUCCESS PARTNERS NETWORK. THE CAPSTONE OF SUCCESS PARTNERS IS A PROPRIETARY ON-LINE LEARNING MANAGEMENT SYSTEM, THE TEACHING AND LEARNING EXCHANGE, THAT INCLUDES A PARENT-SCHOOL PARTNERSHIP PLAN, DESIGNED TO GIVE TEACHERS, FAMILIES AND STUDENTS A WAY TO UTILIZE THE FLORIDA STATE STANDARDS. WITH THE PLAN, ALL PARTIES AGREE TO SUPPORT ONE ANOTHER FOR THE SUCCESS OF THE STUDENT. THE STANDARDS ARE A NATIONAL INITIATIVE OF UNIFORM ACADEMIC BENCHMARKS ADOPTED IN 45 STATES FOR GRADES KINDERGARTEN THROUGH 12 TO ENSURE THAT STUDENTS ARE READY FOR CAREERS AND COLLEGE. THE TEACHING AND LEARNING EXCHANGE ALSO PROVIDES ALL PARTICIPATING SCHOOLS WITH THE FOLLOWING CUSTOM FUNCTIONS: GRADE BOOK, ATTENDANCE, LESSON AND UNIT PLANS, REPORT CARD, AND PARENT PORTAL.

432212
08-27-14

Name of the organization STEP UP FOR STUDENTS, INC.	Employer identification number 59-3649371
--------------------------------------------------------	----------------------------------------------

FORM 990, PART VI, SECTION B, LINE 12C:

STEP UP FOR STUDENTS ENSURES THAT THE CONFLICT OF INTEREST POLICY IS ADHERED TO WITH THE FOLLOWING ACTIVITIES 1) REGULAR EDUCATION WITH THE BOARD OF DIRECTORS, OFFICERS AND KEY STAFF. EACH YEAR, THE POLICY IS REVIEWED WITH THE BOARD OF DIRECTORS AND THE EXECUTIVE TEAM. EACH ACKNOWLEDGE THEIR UNDERSTANDING AND COMPLIANCE BY SIGNING AN ANNUAL COMPLIANCE STATEMENT. 2) THE CFO REVIEWS EACH CONTRACT THE ORGANIZATION ENTERS. 3) FINANCE STAFF AND THE PRESIDENT REVIEW ALL PAYMENTS AS THEY ARE MADE FOR POSSIBLE CONFLICTS.

FORM 990, PART VI, SECTION B, LINE 15:

THE COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS REVIEWS COMPARABLE COMPENSATION AND BENEFITS DATA OF SIMILAR ORGANIZATIONS. DURING FISCAL YEAR 2011, AN INDEPENDENT COMPENSATION CONSULTING FIRM CONDUCTED A FULL COMPARATIVE STUDY FOR EACH INDIVIDUAL EXECUTIVE POSITION AND ALL NON EXECUTIVE JOB GRADES. THE COMMITTEE USES THIS INFORMATION, COMBINED WITH THE PERFORMANCE OF THE PRESIDENT, TO RECOMMEND THE PRESIDENT'S COMPENSATION PACKAGE FOR APPROVAL OF THE FULL BOARD. THE FULL BOARD APPROVES THE PACKAGE.

FORM 990, PART VI, SECTION C, LINE 19:

STEP UP FOR STUDENTS MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY AND FINANCIAL STATEMENTS AVAILABLE ON ITS WEBSITE,

WWW.STEPUFORSTUDENTS.ORG. PRINTED COPIES ARE AVAILABLE BY REQUEST FOR THE

43212
08-27-14

Schedule O (Form 990 or 990-EZ) (2014)

Name of the organization STEP UP FOR STUDENTS, INC.	Employer identification number 59-3649371
--------------------------------------------------------	----------------------------------------------

SAME PERIOD OF DISCLOSURE AS SET FORTH IN IRC SECTION 6104(D).

FORM 990, PART IX, LINE 24E, ALL OTHER FUNCTIONAL EXPENSES:

TELEPHONE:

PROGRAM SERVICE EXPENSES	258,056.
MANAGEMENT AND GENERAL EXPENSES	16,821.
FUNDRAISING EXPENSES	28,892.
TOTAL EXPENSES	303,769.

PRINTING AND POSTAGE:

PROGRAM SERVICE EXPENSES	105,962.
MANAGEMENT AND GENERAL EXPENSES	29,624.
FUNDRAISING EXPENSES	43,214.
TOTAL EXPENSES	178,800.

REPAIRS AND MAINTENANCE:

PROGRAM SERVICE EXPENSES	98,600.
MANAGEMENT AND GENERAL EXPENSES	24,510.
FUNDRAISING EXPENSES	22,253.
TOTAL EXPENSES	145,363.

UNCOLLECTIBLE SCHOOL RECEIVABLES:

PROGRAM SERVICE EXPENSES	9,364.
MANAGEMENT AND GENERAL EXPENSES	0.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	9,364.

TOTAL OTHER EXPENSES ON FORM 990, PART IX, LINE 24E, COL A 637,296.

Name of the organization STEP UP FOR STUDENTS, INC.	Employer identification number 59-3649371
--------------------------------------------------------	----------------------------------------------

FORM 990, PART XI, LINE 9, CHANGES IN NET ASSETS:

DONATED SERVICES EXPENSE -1,206,089.

NET ASSETS REPORTED ON THE SCHOLARSHIP ORGANIZATION NETWORK -4,995,766.

DISSOLVED 06/30/14 AND ALL ASSETS MOVED TO STEP UP FOR STUDENTS.

TOTAL TO FORM 990, PART XI, LINE 9 -6,201,855.

FORM 990, PART XI, LINE 9 - OTHER CHANGES IN NET ASSETS

THE SCHOLARSHIP ORGANIZATION NETWORK L3C, LLC (THE SCHOLARSHIP ORGANIZATION NETWORK) WAS A WHOLLY OWNED SUBSIDIARY THAT COMMENCED OPERATIONS IN MARCH 2011 AND FILED A SEPARATE FORM 1120. THE SCHOLARSHIP ORGANIZATION NETWORK EVALUATED SCHOLARSHIP ELIGIBILITY FOR THE SCHOLARSHIPS THAT STEP UP FOR STUDENTS AWARDED. ON JUNE 30, 2014, THE SCHOLARSHIP ORGANIZATION NETWORK WAS DISSOLVED AND ITS ASSETS (\$-4,995,766) WERE ABSORBED BY STEP UP FOR STUDENTS. STEP UP FOR STUDENTS NOW INCLUDES THE APPLICATION FEE REVENUE AS PROGRAM SERVICE REVENUE.

FORM 990, PART XII, LINE 2C:

THIS PROCESS HAS NOT CHANGED SINCE THE PRIOR YEAR.

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

Name of the organization: **STEP UP FOR STUDENTS, INC.** Employer identification number: **59-3649371**

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
THE ALABAMA OPPORTUNITY SCHOLARSHIP FUND 49 3813722, 2101 MAGNOLIA AVE S, STE 425, BIRMINGHAM, AL 35205	SCHOLARSHIP FUNDING	ALABAMA	12,327,592.	11,550,200.	STEP UP FOR STUDENTS

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

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 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	

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

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	1a	
b Gift, grant, or capital contribution to related organization(s)	1b	
c Gift, grant, or capital contribution from related organization(s)	1c	
d Loans or loan guarantees to or for related organization(s)	1d	
e Loans or loan guarantees by related organization(s)	1e	
f Dividends from related organization(s)	1f	
g Sale of assets to related organization(s)	1g	
h Purchase of assets from related organization(s)	1h	
i Exchange of assets with related organization(s)	1i	
j Lease of facilities, equipment, or other assets to related organization(s)	1j	
k Lease of facilities, equipment, or other assets from related organization(s)	1k	
l Performance of services or membership or fundraising solicitations for related organization(s)	1l	
m Performance of services or membership or fundraising solicitations by related organization(s)	1m	
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	
o Sharing of paid employees with related organization(s)	1o	
p Reimbursement paid to related organization(s) for expenses	1p	
q Reimbursement paid by related organization(s) for expenses	1q	
r Other transfer of cash or property to related organization(s)	1r	
s Other transfer of cash or property from related organization(s)	1s	

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.

(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 VII Supplemental Information

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

Lined area for supplemental information.

Step Up For Students, Inc. and Subsidiary

Consolidated Financial Report
June 30, 2015

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Independent Auditor's Report

To the Board of Directors
Step Up For Students, Inc.
Jacksonville, Florida

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Step Up For Students, Inc. and its subsidiary, which comprise the consolidated statement of financial position as of June 30, 2015, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Step Up For Students, Inc. and its subsidiary as of June 30, 2015, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

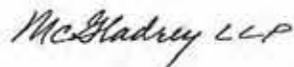
We have previously audited Step Up For Students, Inc. and its subsidiary's 2014 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated December 10, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2014, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Other Matters – Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidating statement of financial position and consolidating statement of activities is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. The accompanying schedule of expenditures of state financial assistance, as required by State of Florida Chapter 10.650, *Rules of the Auditor General*, is also presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated 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 7, 2015, on our consideration of Step Up For Students, Inc. and its subsidiary'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 Step Up For Students, Inc. and its subsidiary's internal control over financial reporting and compliance.



Orlando, Florida
October 7, 2015

Step Up For Students, Inc. and Subsidiary

Consolidated Statement of Financial Position

June 30, 2015

(With Summarized Comparative Information for June 30, 2014)

	2015	2014
Assets		
Current Assets		
Cash and cash equivalents	\$ 31,401,777	\$ 61,423,816
Pledges receivable, less allowance for uncollectible pledges of \$26,000,000 and \$15,500,000 in 2015 and 2014, respectively	406,593,606	295,341,685
Accounts and grants receivable	1,281,027	1,006,090
Prepaid expenses and other assets	228,985	176,983
Funds held in trust for students	8,963,824	-
Assets held for sale	-	580,450
Total current assets	448,469,219	358,529,024
Restricted Certificate of Deposit	225,000	-
Property and Equipment, Net	661,702	483,014
Total assets	\$ 449,355,921	\$ 359,012,038
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 168,057	\$ 172,057
Accrued expenses	1,040,957	1,037,322
Deferred revenue	138,318	102,501
Current portion of long-term debt	-	59,905
Funds held in trust for students liability	8,963,824	-
Total current liabilities	10,311,156	1,371,785
Long-Term Debt, Less Current Portion	-	662,463
Total liabilities	10,311,156	2,034,248
Commitments and Contingencies (Note 7)		
Net Assets		
Unrestricted	3,020,239	2,768,500
Temporarily restricted	436,024,526	354,209,290
Total net assets	439,044,765	356,977,790
Total liabilities and net assets	\$ 449,355,921	\$ 359,012,038

See Notes to Consolidated Financial Statements.

Step Up For Students, Inc. and Subsidiary

Consolidated Statement of Activities

Year Ended June 30, 2015

(With Summarized Comparative Information for June 30, 2014)

	2015			Total 2014
	Unrestricted	Temporarily Restricted	Total	
Revenues and Support				
Contributions and grants:				
Florida Tax Credit Scholarship Program	\$ 9,973,650	\$ 433,254,625	\$ 443,228,275	\$ 313,927,539
Alabama Opportunity Scholarship Program	644,110	10,632,332	11,276,442	17,854,344
Grants and other contributions	1,291,076	1,755,673	3,046,749	1,155,470
Scholarship application and service fees	1,479,255	-	1,479,255	2,164,141
Other revenue	13,165	8,223	21,388	17,432
Net assets released from restrictions	363,835,617	(363,835,617)	-	-
Total revenues and support	377,236,873	81,815,236	459,052,109	335,118,926
Expenses				
Program services:				
Florida Tax Credit Scholarship Program	352,766,475	-	352,766,475	279,900,047
Alabama Opportunity Scholarship Program	15,328,999	-	15,328,999	3,144,246
School Development and Student Learning	1,546,726	-	1,546,726	1,215,243
Personal Learning Scholarship Accounts Program	1,469,172	-	1,469,172	-
Communications, Policy and Public Affairs	1,300,738	-	1,300,738	1,342,109
Family and Community Affairs	879,367	-	879,367	624,432
Total program services	373,291,477	-	373,291,477	286,226,077
Supporting services:				
General and administrative	2,145,430	-	2,145,430	1,486,182
Development and fundraising	1,548,227	-	1,548,227	1,390,091
Total supporting services	3,693,657	-	3,693,657	2,876,273
Total expenses	376,985,134	-	376,985,134	289,102,350
Change in net assets	251,739	81,815,236	82,066,975	46,016,576
Net Assets				
Beginning	2,768,500	354,209,290	356,977,790	310,961,214
Ending	\$ 3,020,239	\$ 436,024,526	\$ 439,044,765	\$ 356,977,790

See Notes to Consolidated Financial Statements.

Step Up For Students, Inc. and Subsidiary

Consolidated Statement of Functional Expenses

Year Ended June 30, 2015

(With Summarized Comparative Information for June 30, 2014)

	2015							2014			Total 2014 Expenses
	Program Services						Supporting Services				
	Florida Tax Credit Scholarship Program	Alabama Opportunity Scholarship Program	School Development and Student Learning	Personal Learning Scholarship Accounts Program	Communications, Policy and Public Affairs	Family and Community Affairs	Total Program Services	General and Administrative	Development and Fundraising	Total Expenses	
Scholarships and grants	\$ 247,578,490	\$ 14,879,343	\$ -	\$ -	\$ -	\$ -	\$ 262,257,833	\$ -	\$ -	\$ 262,257,833	\$ 277,103,445
Salaries and wages	2,174,453	339,909	1,026,210	609,702	915,625	389,542	5,169,321	1,078,728	910,201	7,116,250	5,714,631
Payroll taxes and employee benefits	615,898	47,634	218,498	39,075	165,447	74,425	1,149,723	176,231	199,434	1,528,446	1,163,313
Recruiting and advertising	648,970	21,640	18,832	610,181	37,983	84,225	1,387,231	50,973	34,259	1,472,663	1,184,958
Temporary labor	503,117	21,994	-	52,229	442	23,878	601,570	-	147	601,717	643,534
Contract services	27,912	94,675	40	244,193	42,742	93,295	472,523	88,500	12,801	654,824	162,828
Professional fees	3,033	-	478	46,190	43	5	50,347	495,615	28	645,790	434,600
Travel, lodging and meals	47,948	43,488	94,128	4,114	98,049	156,420	403,789	38,444	79,378	621,605	400,167
Rent	297,429	27,713	31,929	5,237	2,340	323	364,899	106,628	1,688	478,203	439,119
Bank charges and fees	343,868	-	-	11,434	-	-	355,302	445	-	355,747	295,950
Other costs	38,889	26,781	16,215	2,387	34,788	30,095	159,129	34,612	157,680	350,718	318,629
Telephone	184,399	11,093	24,489	3,628	21,876	12,070	258,055	18,821	28,892	303,768	240,153
Depreciation and impairment loss	113,854	492	24,089	35,751	17,979	4,097	195,932	14,268	21,903	232,103	258,009
Insurance	82,731	612	27,899	2,942	17,442	6,278	137,671	26,971	25,701	190,543	61,625
Printing and postage	8,248	6,161	21,800	4,760	81,325	9,667	128,881	28,824	43,214	178,796	254,728
Repairs and maintenance	45,468	4,084	25,747	1,473	19,701	6,625	98,599	24,619	22,253	145,362	140,428
Office expenses	44,812	8,102	16,848	-	16,348	9,203	94,871	11,402	9,628	115,201	140,702
Interest	695	-	7,590	8	8,109	3,669	20,085	6,604	1,210	28,209	40,111
Write-off of school receivables	9,394	-	-	-	-	-	9,394	-	-	9,394	166,378
Total	\$ 352,768,475	\$ 15,328,999	\$ 1,546,729	\$ 1,469,172	\$ 1,300,738	\$ 479,367	\$ 373,291,477	\$ 2,146,430	\$ 1,544,227	\$ 378,885,134	\$ 289,102,350

See Notes to Consolidated Financial Statements.

Step Up For Students, Inc. and Subsidiary

Consolidated Statement of Cash Flows

Year Ended June 30, 2015

(With Summarized Comparative Information for June 30, 2014)

	2015	2014
Cash Flows From Operating Activities		
Change in net assets	\$ 82,066,975	\$ 46,016,576
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation and impairment loss	232,103	258,669
Provision for uncollectible pledges	22,082,500	10,205,040
Write-off of school receivables	9,364	166,376
Gain on sale of assets held for sale	(2,905)	-
Change in operating assets and liabilities:		
(Increase) decrease in assets:		
Pledges receivable	(133,334,421)	(33,825,925)
Accounts and grants receivable	(284,301)	(305,064)
Prepaid expenses and other assets	(52,002)	(17,236)
Funds held in trust for students	(8,963,824)	-
Increase (decrease) in liabilities:		
Accounts payable	(4,000)	77,579
Accrued expenses	3,635	330,240
Deferred revenue	35,817	102,501
Funds held in trust for students liability	8,963,824	-
Net cash (used in) provided by operating activities	(29,247,235)	23,008,756
Cash Flows From Investing Activities		
Increase in restricted certificate of deposit	(225,000)	-
Proceeds from sale of assets held for sale	583,355	-
Purchases of property and equipment	(410,791)	(234,386)
Net cash used in investing activities	(52,436)	(234,386)
Cash Flows From Financing Activities		
Principal payments on long-term debt	(722,368)	(52,551)
Net cash used in financing activities	(722,368)	(52,551)
Net (decrease) increase in cash and cash equivalents	(30,022,039)	22,721,819
Cash and Cash Equivalents		
Beginning	61,423,816	38,701,997
Ending	\$ 31,401,777	\$ 61,423,816
Supplemental Disclosures of Cash Flows Information		
Cash paid during the year for interest	\$ 30,786	\$ 41,086

See Notes to Consolidated Financial Statements.

Step Up For Students, Inc. and Subsidiary

Notes to Consolidated Financial Statements

(With Summarized Comparative Information as of or for Year Ended June 30, 2014)

Note 1. Nature of Organization and Significant Accounting Policies

Nature of organization: The primary mission of Step Up For Students, Inc. and its subsidiary (collectively, the Organization) is to provide legislatively authorized K-12 scholarships and related support to give disadvantaged families the freedom to choose the best learning options for their children. The Organization is dedicated to helping alleviate the enormous educational challenges faced by children who live in or near poverty.

Step Up For Students, Inc. (Step Up For Students) is a not-for-profit organization incorporated on February 18, 2000. Through the Florida Tax Credit Scholarship program, Step Up For Students served 69,671 and 59,822 students in 1,533 and 1,429 private schools across Florida during the 2014 – 2015 and 2013 – 2014 school years, respectively.

Additionally, Step Up For Students administers the Florida Personal Learning Scholarships Accounts (PLSA) Program. The PLSA was created to provide the option for parents to better meet the individual educational needs of an eligible child. The PLSA provides eligible students a scholarship that can be used to purchase approved services or products. During the year ended June 30, 2015, Step Up For Students administered the program for 1,575 eligible children.

The Alabama Opportunity Scholarship Fund, LLC (Alabama Opportunity Scholarship Fund) is a not-for-profit limited liability company established on October 4, 2013 whose sole member is Step Up For Students. The Alabama Opportunity Scholarship Fund was formed to help implement the Alabama Accountability Act of 2013. Through the Alabama Opportunity Scholarship Fund K-12 scholarship program, approximately 2,800 and 900 children received scholarships to attend private schools for the 2014 – 2015 and 2013 – 2014 school years, respectively.

The following is a summary of the programs operated by the Organization:

- **Florida Tax Credit Scholarship Program:** Step Up For Students, Inc. is approved under Florida Statute 1002.395 to serve as a Scholarship Funding Organization (SFO). Since July 1, 2011, Step Up For Students has been the predominate Florida SFO. As an SFO, Step Up For Students can solicit and receive corporate contributions that are entitled to a state tax credit against 100% of corporate income tax, insurance premium tax, and direct-pay sales tax liabilities, 90% of alcoholic beverage tax liabilities, and 50% of oil and gas severance tax liabilities. Those contributions, in turn, must be spent to provide scholarships to low income Florida school children in compliance with the Florida Tax Credit Scholarship Program. For the 2014 – 2015 school year and the 2013 – 2014 school year, qualified students received a maximum scholarship of \$5,272 and \$4,880, respectively, to attend a private school that have been approved by the State of Florida or \$500 for transportation to an out-of-district public school. Scholarships are expensed when a student attends a qualified school. Step Up For Students is allowed to use up to 3% of the contributions collected to administer the scholarship program.

Step Up For Students, Inc. and Subsidiary

Notes to Consolidated Financial Statements

(With Summarized Comparative Information as of or for Year Ended June 30, 2014)

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

- Alabama Opportunity Scholarship Program: The Alabama Opportunity Scholarship Fund was established to operate under standards prescribed in the Alabama Accountability Act of 2013 and is approved under the Alabama Department of Revenue to serve as a Scholarship Granting Organization (SGO). In accordance with the Alabama Accountability Act of 2013 and the Administrative Rulings by the Alabama Department of Revenue, the Alabama Opportunity Scholarship Fund must use at least 95% of revenue from credit eligible scholarship donations and all interest and investment income attributable to these scholarship funds for educational scholarships. Therefore, the Alabama Opportunity Scholarship Fund may use no more than 5% of the amount of its scholarship donations for purposes other than making scholarship grants. As an SGO, the Alabama Opportunity Scholarship Fund can solicit and receive corporate and individual donations that entitle the donors to certain tax credits administered by the Alabama Department of Revenue.
- School Development and Student Learning: This program oversees the process development intended to assist schools and families in establishing and maintaining collaborative partnerships that ensure the academic, social and emotional success of every child; while at the same time, upholding the belief that the ultimate responsibility for the education of the child resides with the parent.
- Personal Learning Scholarship Accounts Program: In June 2014, legislation creating scholarships for special needs children was signed into law in Florida. This scholarship is for Florida students in kindergarten through 12th grade with one of the following disabilities: Autism, Muscular Dystrophy, Cerebral palsy, Down syndrome, Prader-Willi syndrome, Spina bifida, Williams syndrome or Intellectual Disability (severe cognitive impairment). Also, kindergarten students deemed "high risk" because of developmental delays may be eligible. The students need either an Individual Education Plan (IEP) from a Florida school district or a formal diagnosis from a licensed physician or psychologist to qualify. Students can participate in this scholarship as part of home education; however, they cannot be enrolled in a public school or be receiving any other state-sponsored scholarship, including the McKay Scholarship or the Florida Tax Credit Scholarship. A Personal Learning Scholarship Account is established for each child that is awarded a special needs scholarship. Parents use this money to personalize the education of their children with unique abilities by directing money towards a combination of programs and state approved providers. These include schools, therapists, specialists, curriculum and technology and college savings accounts. Step Up For Students began administering this program in July 2014.

During the year ended June 30, 2015, Step Up For Students, per the provisions of state statute, did not receive an administrative fee for administering the program on behalf of the State of Florida. During the year ended June 30, 2015, these activities were funded by private grants and contributions received by Step Up For Students to inform the public about the program, establish systems and administer the program and amounted to approximately \$716,000. Beginning in July 2015, legislation was passed to provide for an administrative fee of 3% of funded scholarships from the State of Florida to cover the administration of the program.

The State of Florida funded approximately \$15.9 million in scholarships for eligible children and Step Up For Students distributed approximately \$7.0 million, leaving a balance of approximately \$8.9 million, which is recorded in the accompanying consolidated statement of financial position as both an asset and liability. Step Up For Students is acting as an agent for this program, therefore, there are no revenues and expenses reported on the accompanying statement of activities for scholarship funds received and distributed from the State of Florida.

Step Up For Students, Inc. and Subsidiary

Notes to Consolidated Financial Statements

(With Summarized Comparative Information as of or for Year Ended June 30, 2014)

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

- **Communications, Policy and Public Affairs:** This program takes the message of the scholarship program to constituency groups, community and political leaders, and local, state and national news publications. It publishes a newsletter with a circulation of approximately 37,000, four times a year, creates monthly student spotlights, issues press releases on topics of special concern, and writes commentary for various publications. The group also analyzes demographic, achievement and participation data and trends in the program and school choice movement.
- **Family and Community Affairs:** This program is responsible for building community partnerships which enhance the overall scholarship experience for students and their families. The group helps train choice advocates on how to describe and defend the scholarship program through research, media/public relations, accountability, legislative/political, program implementation and community leader influence.

A summary of the Organization's significant accounting policies follows:

Principles of consolidation: The consolidated financial statements include the accounts of Step Up For Students and its wholly-owned subsidiary, the Alabama Opportunity Scholarship Fund, LLC. All significant intercompany transactions have been eliminated in consolidation.

Comparative financial statements: The consolidated financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's consolidated financial statements for the year ended June 30, 2014, from which the summarized information was derived.

Use of estimates: The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 revenues and support, and expenses during the reporting period. Actual results could differ from those estimates.

Basis of presentation: The accompanying consolidated financial statements have been prepared on the accrual basis of accounting.

A not-for-profit organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

- **Unrestricted net assets** – Net assets that are not subject to donor-imposed stipulations, but may be designated for specific purposes by action of the Board of Directors.
- **Temporarily restricted net assets** – Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statement of activities as net assets released from restrictions.

Step Up For Students, Inc. and Subsidiary

Notes to Consolidated Financial Statements

(With Summarized Comparative Information as of or for Year Ended June 30, 2014)

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

- **Permanently restricted net assets** – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. The Organization does not have any permanently restricted net assets.

Fair value of financial instruments: The Organization's financial instruments consist of cash and cash equivalents, pledges receivable, accounts and grants receivable, accounts payable, accrued expenses and deferred revenue. The fair values of the Organization's financial instruments approximate their fair values because of the short-term nature of these instruments.

Cash and cash equivalents: For purposes of the statement of cash flows, the Organization considers all short-term securities purchased with an original maturity of three months or less to be cash equivalents. Cash and cash equivalents excludes funds held in trust for students.

The Organization maintains their cash accounts at two commercial banks, which are insured by the Federal Deposit Insurance Corporation (FDIC). From time to time, balances may exceed amounts insured by the FDIC. The Organization has not experienced any losses on such accounts. To help reduce any potential losses, excess balances are swept into a money market fund which is invested in U.S. Government Obligations.

Pledges receivable, contributions and grants: Contributions and grants are recorded in the period received at fair value as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions. Contributions and grants that are restricted by the donor are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Unconditional promises to give (pledges) are recognized as support in the period received at fair value. Conditional promises to give are recognized when the conditions on which they depend are substantially met. The Organization uses the allowance method to determine uncollectible pledges receivable. The allowance is established based upon management's analysis of specific pledges and other economic factors. The Organization has received promises to give from corporations for the Florida Tax Credit Scholarship Program and from corporations and individuals for the Alabama Opportunity Scholarship Program.

Pledges, which become uncollectible or for which an allowance is established in the year of the pledge, are written off against contributions. Pledges which become uncollectible in subsequent years are charged to the allowance for uncollectible pledges.

Contributed services are recognized and reported at fair value in the period received, if the services received create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by contribution. There were no contributed services for the year ended June 30, 2015. The estimated fair value of contributed services was \$4,000 for the year ended June 30, 2014, which is included in grants and other contributions in the accompanying consolidated statement of activities.

Accounts and grants receivable: Accounts and grants receivable are stated at net realizable value. The Organization uses the allowance method to determine uncollectible accounts receivable. The allowance is established based upon management's analysis of specific accounts and other economic factors. In the opinion of management, no allowance for uncollectible accounts was considered necessary at June 30, 2015 and 2014.

Step Up For Students, Inc. and Subsidiary

Notes to Consolidated Financial Statements

(With Summarized Comparative Information as of or for Year Ended June 30, 2014)

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

Restricted certificate of deposit: Restricted certificate of deposit held by the Organization represents funds required to be set aside by the lessor relating to a new office lease signed by the Organization in 2015 for collateral and is carried at amortized cost.

Property and equipment: Property and equipment are recorded at cost when purchased or at fair value at the date of gift, if contributed. Depreciation of property and equipment is computed using the straight-line method of accounting over the estimated useful lives of the depreciable assets. Routine maintenance and repair costs are charged to expense as incurred, while major replacements and improvements are capitalized as additions to the related assets. When assets are sold or retired, the related cost and accumulated depreciation are removed from the accounts and gains or losses from dispositions are credited or charged to income.

Impairment of long-lived assets: The carrying value of property and equipment is reviewed for impairment whenever events or changes in circumstances indicate such value may not be recoverable. Recoverability of assets or asset groups to be held and used is measured by a comparison of the carrying amount of an asset or asset group to future net cash flows expected to be generated by the asset or asset group. If such assets or asset groups are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets or asset group. Assets or asset groups to be disposed of are reported at the lower of the carrying amount or fair value less cost to sell. No impairment of the Organization's long-lived assets or asset groups have been recognized during the years ended June 30, 2015 and 2014.

Assets held for sale: Assets held for sale are reported at the lower of the carrying amount or fair value less cost to sell. Assets held for sale represented land and a building located in Tampa, Florida. Assets held for sale were sold in March 2015. During the year ended June 30, 2014, Step Up For Students recorded an impairment loss of \$30,550 on the assets held for sale, which is included in the accompanying consolidated statement of functional expenses.

Funds held in trust for students and funds held in trust for students liability: Funds held in trust for students and funds held in trust for students liability represents funds received for the Personal Learning Scholarship Accounts Program. A personal learning scholarship account is established for each child that is awarded a special needs scholarship. As parents use these funds in accordance with State of Florida guidelines, the asset and liability are reduced accordingly.

Scholarship application and service fees: Revenue from scholarship application and service fees is recognized at the time the application is processed. The Organization refunds the scholarship application and service fees to families that do not use the scholarship within 12 months of their scholarship award. Scholarship application and service fees received and not processed are recorded as deferred revenue in the accompanying statement of financial position. Effective for the 2016 – 2017 application school year, the Organization is no longer charging these fees.

Functional expenses: The costs of providing the various programs and supporting services have been summarized on a functional basis in the consolidated statement of activities and in the consolidated statement of functional expenses. Accordingly, certain costs have been allocated among the various programs and supporting services benefited.

Step Up For Students, Inc. and Subsidiary

Notes to Consolidated Financial Statements

(With Summarized Comparative Information as of or for Year Ended June 30, 2014)

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

Income taxes: Step Up For Students is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and from state income taxes under similar provisions of the Florida Statutes. Accordingly, no provision for federal and state income taxes has been recorded in the accompanying consolidated financial statements. Step Up For Students has made an election under Section 501(h) of the Internal Revenue Code, which permits certain eligible 501(c)(3) organizations to make limited expenditures to influence legislation. Step Up For Students would be subject to an excise tax if it spends more than the amounts permitted. Such limits have not been exceeded.

The Alabama Opportunity Scholarship Fund is a disregarded entity for federal and state income tax purposes and therefore, reports all federal and state tax information through Step Up For Students. Accordingly, no provision for federal and state income taxes has been recorded in the accompanying consolidated financial statements.

The Organization follows accounting standards relating to accounting for uncertainty in income taxes. Management assessed whether there were any uncertain tax positions which may give rise to income tax liabilities and determined that there were no such matters requiring recognition in the accompanying consolidated financial statements. Generally, the Organization is no longer subject to U.S. federal or state income tax examinations by tax authorities for years before June 30, 2012.

Recent accounting pronouncements: The Financial Accounting Standards Board has issued certain new or modifications to, or interpretations of, existing accounting guidance. The Organization has considered the new un-adopted guidance and does not believe that any other new or modified guidance will have a material impact on the Organization's reported financial position or activities in the near term.

Reclassifications: Certain amounts in the 2014 consolidated financial statements have been reclassified in order to conform with the 2015 presentation relating to the 2014 summarized comparative information. These reclassifications had no impact on total assets, total liabilities, total net assets, or changes in net assets previously reported.

Subsequent events: Management has assessed subsequent events through October 7, 2015, the date the consolidated financial statements were available to be issued.

Note 2. Tax Credit Scholarship Programs and Scholarships Awarded

Florida Tax Credit Scholarship Program and Scholarships Awarded - Florida Statutes permit Scholarship Funding Organizations participating in the Florida Tax Credit Scholarship Program to use up to 3% of eligible contributions received for administrative expenses. Scholarship Funding Organizations must expend for annual or partial-year scholarships an amount equal to or greater than 75% of the net eligible contributions remaining after administrative expenses during the year in which such contributions are collected. No more than 25% of such net eligible contributions may be carried forward for expenditure to the following year. During the year ended June 30, 2015, Step Up For Students collected \$332,564,866 of eligible contributions and earned \$8,223 of interest on the investment of these collected funds. Step Up For Students claimed an administrative allowance of \$9,973,650 and expended \$347,578,490 for scholarships during the year ended June 30, 2015. During the year ended June 30, 2014, Step Up For Students collected \$290,306,654 of eligible contributions and earned \$8,239 of interest on the investment of these collected funds. Step Up For Students claimed an administrative allowance of \$8,709,200 and expended \$275,053,677 for scholarships during the year ended June 30, 2014.

Step Up For Students, Inc. and Subsidiary

Notes to Consolidated Financial Statements

(With Summarized Comparative Information as of or for Year Ended June 30, 2014)

Note 2. Tax Credit Scholarship Programs and Scholarships Awarded (Continued)

Scholarships under the Florida Tax Credit Scholarship Program are awarded annually to qualified students. To qualify for a scholarship, a student and the parents or guardian of that student must meet economic need requirements, enroll in an eligible private school and comply with certain other responsibilities for program participation. Scholarships for the 2014 – 2015 and 2013 – 2014 school years could not exceed \$5,272 and \$4,880, respectively. The scholarship checks are made payable to the student's parent or guardian and the private school. The checks are mailed to the schools in quarterly installments. Before the mailing, the schools verify the students' attendance and that the students' parents or guardians have complied with their responsibilities under the program. Both the parents or guardians and schools endorse the checks before they are deposited into the schools' bank accounts.

Alabama Opportunity Scholarship Program and Scholarships Awarded – The Alabama Accountability Act of 2013 and the Administrative Rulings by the Alabama Department of Revenue permit Scholarship Granting Organizations participating in the Alabama Tax Credit Scholarship Program to use up to 5% of eligible contributions received for administrative expenses. Scholarship Granting Organizations must expend for scholarships an amount equal to or greater than 95% of the net eligible contributions remaining after administrative expenses. During the year ended June 30, 2015, the Alabama Opportunity Scholarship Fund collected \$10,687,929 of eligible contributions. The Alabama Opportunity Scholarship Fund claimed an administrative allowance of \$644,110 and expended \$14,679,343 for scholarships during the year ended June 30, 2015. During the year ended June 30, 2014, the Alabama Opportunity Scholarship Fund collected \$17,854,344 of eligible contributions and earned \$1,762 of interest on the investment of these collected funds. The Alabama Opportunity Scholarship Fund claimed an administrative allowance of \$765,847 and expended \$2,012,768 for scholarships during the year ended June 30, 2014.

Scholarships under the Alabama Tax Credit Scholarship Program are awarded annually to qualified students. To qualify for a scholarship, a student and the parents or guardian of that student must meet economic need requirements, enroll in an eligible private school and comply with certain other responsibilities for program participation.

Note 3. Property and Equipment

Property and equipment consisted of the following at June 30:

	2015	2014
Furniture and equipment	\$ 912,592	\$ 790,154
Software	831,847	543,494
Leasehold improvements	11,082	11,082
	1,755,521	1,344,730
Less accumulated depreciation	(1,093,819)	(861,716)
	<u>\$ 661,702</u>	<u>\$ 483,014</u>

Depreciation expense for the years ended June 30, 2015 and 2014, was \$232,103 and \$228,119, respectively.

Step Up For Students, Inc. and Subsidiary

**Notes to Consolidated Financial Statements
(With Summarized Comparative Information as of or for Year Ended June 30, 2014)**

Note 4. Line of Credit

Step Up For Students had a \$20,000,000 line of credit from a bank bearing interest at the one-month LIBOR interest rate plus 2%. Interest on the line of credit was payable monthly and matured on April 27, 2015. The line of credit was collateralized by substantially all the assets of Step Up For Students. There were no outstanding balances on the line of credit at June 30, 2014.

Note 5. Long-Term Debt

Long-term debt consisted of the following at June 30:

	2015	2014
<i>Step Up For Students:</i>		
Mortgage note payable with a bank, due in monthly principal and interest payments of \$7,506. The mortgage note bears interest at a fixed rate of 4.28%, with a balloon payment due on June 30, 2016. The mortgage note was paid-off in March 2015 when the mortgaged property was sold.	\$ -	\$ 722,368
Less current portion	-	(59,905)
	<u>\$ -</u>	<u>\$ 662,463</u>

Note 6. Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes at June 30:

	2015	2014
Florida Tax Credit Scholarship Program	\$ 424,620,690	\$ 338,936,332
Alabama Opportunity Scholarship Program	11,403,836	15,076,958
Communications, Policy and Public Affairs	-	186,441
Family and Community Affairs	-	9,559
	<u>\$ 436,024,526</u>	<u>\$ 354,209,290</u>

Net assets were released from donor restrictions by incurring expenses satisfying the purpose specified by donors as follows:

	2015	2014
Florida Tax Credit Scholarship Program	\$ 347,578,490	\$ 275,070,996
Alabama Opportunity Scholarship Program	15,345,454	2,583,301
Personal Learning Scholarship Accounts Program	715,673	-
Communications, Policy and Public Affairs	186,441	41,119
Family and Community Affairs	9,559	30,078
	<u>\$ 363,835,617</u>	<u>\$ 277,725,494</u>

Step Up For Students, Inc. and Subsidiary

Notes to Consolidated Financial Statements

(With Summarized Comparative Information as of or for Year Ended June 30, 2014)

Note 7. Commitments and Contingencies

Commitments: The Organization leases certain office equipment and office space under operating leases which expire at various dates through July 2020. Rent expense for the years ended June 30, 2015 and 2014, was \$476,303 and \$439,118, respectively.

Minimum future annual lease payments under operating leases are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2016	\$ 687,381
2017	709,189
2018	701,735
2019	718,219
2020	512,889
Thereafter	18,240
	<u>\$ 3,347,653</u>

Litigation: The State of Florida is subject to two lawsuits that essentially challenge the constitutionality of the legislatively authorized K-12 scholarship programs and related support. The Organization has not been named as a defendant in any of these lawsuits. The attorney general of the State of Florida is defending these cases. One of the two lawsuits was dismissed by the trial court, however, the plaintiffs have appealed. If the cases are successful, the mission and the funding of scholarships will be in doubt as currently provided by state law. Management is of the opinion that none of these cases have merit based on existing case law and actions the affected legislatures can take to ensure constitutional compliance. In addition, legal counsel has represented that no tax credit scholarship program has been held unconstitutional by a State Supreme Court or the U.S. Supreme Court.

Note 8. Major Donors

Step Up For Students: Contributions from two major donors accounted for approximately 34.7% of contributions and grants – Florida Tax Credit Scholarship Program during the year ended June 30, 2015. At June 30, 2015, 38.2% of pledges receivable are due from these major donors. No single donor accounted for more than 10% of contributions and grants – Florida Tax Credit Scholarship Program during the year ended June 30, 2014.

Alabama Opportunity Scholarship Fund: Contributions from one major donor accounted for approximately 88.7% of contributions and grants – Alabama Opportunity Scholarship Program during the year ended June 30, 2015. Contributions from two major donors accounted for approximately 81.4% of contributions and grants – Alabama Opportunity Scholarship Program during the year ended June 30, 2014.

Note 9. Retirement Plan

The Organization has a defined contribution 401(k) Savings Plan (the Plan). All employees who meet certain age and service requirements are eligible to participate in the Plan. The Plan provides for salary reduction contributions from employees up to the federal tax limit according to the Internal Revenue Code. In addition, there could be additional retirement benefits from discretionary employer contributions. Contributions to this Plan for the years ended June 30, 2015 and 2014, were \$261,388 and \$194,655, respectively, which is included in payroll taxes and employee benefits in the accompanying consolidated statement of functional expenses.

Step Up For Students, Inc. and Subsidiary

Notes to Consolidated Financial Statements

(With Summarized Comparative Information as of or for Year Ended June 30, 2014)

Note 10. Fair Value Measurements

The Organization follows accounting standards relating to fair value measurements which define fair value, establish a framework for measuring fair value in accordance with accounting principles generally accepted in the United States of America, and expand disclosures about fair value measurements. 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. The accounting standards relating to fair value measurements establish a three-level valuation hierarchy for disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs.

Level inputs, as defined by this guidance, are as follows: Level 1 – Inputs are unadjusted, quoted prices for identical assets or liabilities in active markets at the measurement date; Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability through corroboration with market data at the measurement date; and Level 3 – Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date.

Long-lived assets are measured at fair value on a nonrecurring basis based upon inputs that are derived principally from, or corroborated by comparable market data by correlation or other means only when there is evidence of impairment. The amounts below represent only assets measured at fair value on a nonrecurring basis at June 30:

	Total Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Impairment Loss
<i>Step Up For Students:</i>					
June 30, 2015					
Assets held for sale	\$ -	\$ -	\$ -	\$ -	\$ -
June 30, 2014					
Assets held for sale	\$ 580,450	\$ -	\$ -	\$ 580,450	\$ 285,982

At June 30, 2015 and 2014, the Organization had no assets or liabilities measured at fair value on a recurring basis.

Note 11. Subsequent Events

In September 2015, Step Up For Students entered into a \$20,000,000 line of credit agreement from a bank bearing interest at the one-month LIBOR interest rate plus 2%. Interest on the line of credit is payable monthly and matures on March 31, 2016. The line of credit is collateralized by substantially all the assets of Step Up For Students.

Step Up For Students, Inc. and Subsidiary

Consolidating Statement of Financial Position
June 30, 2015

	Step Up For Students	Alabama Opportunity Scholarship Fund	Eliminations	Consolidated
Assets				
Current Assets				
Cash and cash equivalents	\$ 20,630,436	\$ 10,771,341	\$ -	\$ 31,401,777
Pledges receivable, net	406,005,093	588,513	-	406,593,606
Accounts and grants receivable	1,097,297	183,730	-	1,281,027
Prepaid expenses and other assets	228,985	-	-	228,985
Funds held in trust for students	8,963,824	-	-	8,963,824
Due from related party	42,405	-	(42,405)	-
Total current assets	436,968,040	11,543,584	(42,405)	448,469,219
Restricted Certificate of Deposit	225,000	-	-	225,000
Property and Equipment, Net	655,086	6,616	-	661,702
Total assets	\$ 437,848,126	\$ 11,550,200	\$ (42,405)	\$ 449,355,921
Liabilities and Net Assets				
Current Liabilities				
Accounts payable	\$ 153,890	\$ 14,167	\$ -	\$ 168,057
Accrued expenses	957,781	83,176	-	1,040,957
Deferred revenue	138,318	-	-	138,318
Funds held in trust for students liability	8,963,824	-	-	8,963,824
Due to related party	-	42,405	(42,405)	-
Total current liabilities	10,213,813	139,748	(42,405)	10,311,156
Net Assets				
Unrestricted	3,013,623	6,616	-	3,020,239
Temporarily restricted	424,620,690	11,403,836	-	436,024,526
Total net assets	427,634,313	11,410,452	-	439,044,765
Total liabilities and net assets	\$ 437,848,126	\$ 11,550,200	\$ (42,405)	\$ 449,355,921

Step Up For Students, Inc. and Subsidiary

Consolidating Statement of Activities
Year Ended June 30, 2015

	Step Up For Students			Alabama Opportunity Scholarship Fund			Consolidated
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total	
Revenues and Support							
Contributions and grants:							
Florida Tax Credit Scholarship Program	\$ 9,973,650	\$ 433,254,625	\$ 443,228,275	\$ -	\$ -	\$ -	\$ 443,228,275
Alabama Opportunity Scholarship Program	-	-	-	644,110	10,632,332	11,276,442	11,276,442
Grants and other contributions	1,281,326	715,673	1,996,999	9,750	1,040,000	1,049,750	3,046,749
Scholarship application and service fees	1,477,655	-	1,477,655	1,400	-	1,400	1,479,255
Other revenue	13,165	8,223	21,388	-	-	-	21,388
Net assets released from restrictions	348,490,183	(348,490,183)	-	15,345,454	(15,345,454)	-	-
Total revenues and support	361,236,159	85,488,358	446,724,517	16,000,714	(3,673,122)	12,327,592	459,052,109
Expenses							
Program services:							
Florida Tax Credit Scholarship Program	352,766,475	-	352,766,475	-	-	-	352,766,475
Alabama Opportunity Scholarship Program	-	-	-	15,328,999	-	15,328,999	15,328,999
School Development and Student Learning	1,546,726	-	1,546,726	-	-	-	1,546,726
Personal Learning Scholarship Accounts Program	1,469,172	-	1,469,172	-	-	-	1,469,172
Communications, Policy and Public Affairs	1,202,267	-	1,202,267	98,451	-	98,451	1,300,738
Family and Community Affairs	514,906	-	514,906	364,461	-	364,461	879,367
Total program services	357,499,566	-	357,499,566	15,791,911	-	15,791,911	373,291,477
Supporting services:							
General and administrative	1,867,881	-	1,867,881	277,549	-	277,549	2,145,430
Development and fundraising	1,548,227	-	1,548,227	-	-	-	1,548,227
Total supporting services	3,416,108	-	3,416,108	277,549	-	277,549	3,693,657
Total expenses	360,915,674	-	360,915,674	16,069,460	-	16,069,460	376,985,134
Change in net assets	320,485	85,488,358	85,808,843	(88,746)	(3,673,122)	(3,741,868)	82,066,975
Net Assets							
Beginning	2,693,136	339,132,332	341,825,470	75,362	15,076,956	15,152,320	356,977,790
Ending	\$ 3,013,623	\$ 424,620,690	\$ 427,634,313	\$ 6,616	\$ 11,403,836	\$ 11,410,452	\$ 439,044,765

Step Up For Students, Inc. and Subsidiary

Schedule of Expenditures of State Financial Assistance
Year Ended June 30, 2015

<u>Grantor/Program Title</u>	<u>State CSFA Number</u>	<u>Contract/ Grant Number</u>	<u>State Expenditures</u>
State Financial Assistance			
Florida Department of Education and Commissioner of Education: Personal Learning Scholarship Accounts Program	48.113	92X-90025-5Q001	<u>\$ 6,963,693</u>
Total Expenditures of State Financial Assistance			<u><u>\$ 6,963,693</u></u>

See Notes to Schedule of Expenditures of State Financial Assistance.

Step Up For Students, Inc. and Subsidiary

**Notes to Schedule of Expenditures of State Financial Assistance
Year Ended June 30, 2015**

Note 1. Basis of Presentation

The accompanying schedule of expenditures of state financial assistance (the Schedule) includes the state financial assistance project activity of Step Up For Students, Inc. and its subsidiary (the Organization) under programs of the State of Florida for the year ended June 30, 2015. The information in this Schedule is presented in accordance with the requirements of the State of Florida Chapter 10.650, *Rules of the Auditor General*. Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Organization.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are recognized on the accrual basis of accounting. Such expenditures are reported following the cost principles established by the State of Florida Department of Financial Services, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers (contract or grant number) are presented where available.

Step Up For Students
Number of Students Who Completed Applications
2015 - 2016

County	3 year old	Kinder- garten	First	Second	Third	Fourth	Fifth	Sixth	Seventh	Eighth	Ninth	Tenth	Eleventh	Twelfth	Grand Total
Leon	0	125	91	86	79	70	78	76	69	45	48	36	34	22	859
Levy	0	26	26	29	26	27	24	16	18	19	13	19	3	4	250
Liberty	0	1	0	0	0	0	0	0	0	0	0	0	0	0	1
Madison	0	3	2	0	2	3	0	3	1	0	0	1	1	0	16
Manatee	0	110	111	102	81	72	66	82	65	48	48	34	24	27	870
Marion	1	256	258	233	226	222	206	205	159	152	139	116	81	61	2,315
Martin	0	46	37	46	39	43	29	58	21	21	17	16	13	6	392
Monroe	0	21	20	17	17	13	10	17	15	15	5	6	4	5	165
Nassau	0	37	24	24	21	27	29	15	12	23	4	8	11	6	241
Okaloosa	0	80	65	61	52	43	32	38	25	30	23	13	10	5	477
Okeechobee	0	39	32	31	24	21	24	14	8	10	8	4	4	1	220
Orange	3	1,513	1,314	1,309	1,190	1,099	932	939	825	745	657	483	338	306	11,653
Osceola	0	504	399	392	425	391	392	354	301	306	224	172	180	122	4,162
Out of State	0	0	1	1	0	2	0	0	1	1	0	0	0	0	6
Palm Beach	0	467	429	412	402	391	331	332	303	280	234	155	123	111	3,970
Pasco	1	218	190	206	167	176	121	144	121	93	97	66	58	49	1,707
Pinellas	1	475	451	428	414	416	383	387	320	316	262	193	144	122	4,312
Polk	1	416	392	345	408	357	303	319	290	255	232	173	145	105	3,741
Putnam	0	44	46	49	49	31	36	36	23	24	15	6	13	3	375
Santa Rosa	0	32	38	33	29	16	25	22	22	16	8	7	10	3	261
Sarasota	0	89	114	98	94	77	69	73	66	58	40	26	30	19	853
Seminole	1	218	184	205	178	152	154	134	119	102	83	74	42	56	1,702
St. Johns	0	55	54	58	55	42	36	30	28	27	19	13	19	8	444
St. Lucie	0	288	221	203	217	214	183	167	155	136	132	76	57	50	2,099
Sumter	0	10	10	8	9	13	19	11	13	16	8	11	7	7	142
Suwannee	0	26	36	33	34	31	34	32	37	35	22	21	21	11	373
Taylor	0	24	22	21	18	25	16	25	11	9	4	4	6	0	185
Thomas	0	0	1	0	0	0	0	0	0	0	0	0	0	0	1
Union	0	3	5	12	6	8	4	4	3	2	3	1	2	0	53
Volusia	0	497	458	443	393	346	341	299	251	256	208	136	140	98	3,866
Wakulla	0	19	11	10	7	12	11	8	16	7	15	9	10	2	137
Walton	0	14	8	10	13	7	13	7	3	4	4	2	4	1	90
Washington	0	18	19	17	14	23	12	10	5	5	5	8	5	8	149
White	0	0	0	0	0	1	0	0	0	1	0	0	0	0	2
Worth	0	0	0	0	0	0	0	0	1	0	0	0	0	0	1
Grand Total	26	16,041	13,777	12,756	11,777	10,747	9,345	9,316	7,930	7,087	6,385	4,757	3,799	3,104	116,847

Step Up For Students
Number of Students Who Completed Applications
2015 - 2016

County	3 year old	Kinder- garten	First	Second	Third	Fourth	Fifth	Sixth	Seventh	Eighth	Ninth	Tenth	Eleventh	Twelfth	Grand Total
Alachua	1	99	108	86	94	56	67	65	67	45	41	34	18	20	801
Baker	0	3	2	8	7	10	3	10	3	14	3	2	3	1	69
Baldwin	0	0	0	0	1	0	0	0	0	0	0	0	0	0	1
Bay	0	25	22	24	16	18	23	17	18	17	7	10	2	6	205
Bradford	0	27	30	27	33	28	17	27	20	26	23	11	12	7	288
Brevard	0	324	349	300	298	310	258	217	212	187	142	137	95	85	2,914
Broward	2	1,728	1,333	1,203	1,121	1,040	872	896	756	660	694	512	418	297	11,532
Calhoun	0	2	0	1	0	0	1	0	1	0	0	0	0	0	5
Camden	0	0	0	0	1	0	0	0	0	1	0	1	0	0	3
Charlotte	0	72	54	54	56	50	44	50	38	32	22	21	9	6	508
Chatham	0	0	0	0	1	0	0	1	0	0	0	0	0	0	2
Citrus	1	70	70	70	55	45	40	61	47	39	37	29	33	14	611
Clay	0	80	64	75	69	76	56	49	70	56	43	38	25	27	728
Clayton	0	0	0	0	0	0	0	1	0	0	0	0	0	0	1
Collier	0	76	71	69	60	58	42	47	44	35	27	28	23	15	595
Columbia	1	41	47	38	37	52	37	39	32	38	31	31	22	16	462
Dade	4	5,111	4,063	3,504	2,881	2,452	2,027	1,886	1,581	1,304	1,263	970	779	720	28,545
Decatur	0	0	0	0	0	0	0	0	0	0	1	0	0	0	1
DeSoto	0	14	13	15	20	10	11	8	14	10	13	5	3	4	140
Dixie	0	3	6	4	4	5	6	8	9	8	2	5	5	5	70
Duval	3	1,014	946	856	868	815	759	826	663	606	615	426	332	291	9,020
Escambia	1	215	219	209	202	167	155	169	127	130	99	65	44	36	1,838
Flagler	0	64	55	69	78	57	48	46	31	35	29	30	17	15	574
Franklin	0	6	5	1	5	5	4	3	4	3	2	3	3	1	45
Gadsden	0	34	34	31	37	36	40	38	40	47	33	29	35	19	453
Gilchrist	0	4	9	5	7	9	3	9	11	4	3	2	4	4	74
Glades	0	3	2	8	4	2	3	4	1	2	1	3	1	1	35
Glynn	0	0	0	0	1	0	0	0	0	0	0	0	0	0	1
Gulf	0	6	3	8	7	6	4	2	2	0	0	0	0	0	38
Gwinnett	0	0	0	1	0	1	0	0	1	1	0	0	0	0	4
Hamilton	0	6	8	14	4	9	10	11	6	7	8	4	3	5	95
Hardee	0	3	1	0	0	2	2	1	0	1	0	0	0	0	10
Hendry	0	23	30	24	24	23	22	25	28	17	17	12	6	8	259
Hernando	0	102	97	93	108	106	89	96	72	61	53	37	26	17	957
Highlands	0	65	64	58	56	43	42	32	25	13	16	5	4	2	425
Hillsborough	3	637	563	553	545	507	437	491	414	362	333	242	170	141	5,398
Holmes	0	1	3	3	3	4	3	2	3	3	2	1	0	1	29
Indian River	0	45	46	39	35	35	27	32	27	26	17	13	11	13	366
Jackson	0	11	17	17	15	12	12	11	7	5	4	4	2	2	119
Jefferson	1	10	8	13	5	9	9	7	9	8	8	3	9	4	103
Lafayette	0	3	5	5	9	4	5	8	6	4	3	1	0	2	55
Lake	1	223	210	200	178	175	143	157	123	132	116	84	73	48	1,863
Laurens	0	0	0	1	0	0	0	0	0	0	0	1	0	0	2
Lee	0	217	151	148	143	139	111	107	111	91	100	69	73	53	1,513

Step Up For Students
Annual Report for the Year Ending June 30, 2016

- Student Data Information on Applications, Application Approval and Scholarship Funding
- Scholarship Monies Collected, Distributed for Scholarships and Year End Balances

Step Up For Students, Inc. and Subsidiary

Schedule of Findings and Questioned Costs
Year Ended June 30, 2015

I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	_____ Yes	_____ X No
Significant deficiency(ies) identified?	_____ Yes	_____ X None Reported
Noncompliance material to financial statements noted?	_____ Yes	_____ X No

State Financial Assistance

Internal control over major programs:

Material weakness(es) identified?	_____ Yes	_____ X No
Significant deficiency(ies) identified?	_____ Yes	_____ X None Reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 10.654(1)(h)(1)(f), *Rules of the Auditor General*? _____ Yes **X** No

Identification of major programs:

CSFA Number(s)
48.113

Name of State Financial Assistance Project
Personal Learning Scholarship Accounts Program

Dollar threshold used to distinguish between type A and type B state financial assistance projects: \$ 208,911

II. Financial Statement Findings

No matters were reported.

III. Findings and Questioned Costs for State Financial Assistance

No matters were reported.

IV. Other Reporting

1. No Summary Schedule of Prior Audit Findings is presented because there was no state financial assistance received by the Step Up For Students, Inc. and its subsidiary during the year ended June 30, 2014.
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, 2015 and there were no matters required to be reported in these letters.

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 over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, 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 material weaknesses or significant deficiencies. 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.

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.

McGladrey LLP

Orlando, Florida
October 7, 2015



**Report on Compliance for Each Major State Financial Assistance Project; and
Report on Internal Control Over Compliance required by State of Florida
Chapter 10.650, Rules of the Auditor General**

Independent Auditor's Report

To the Board of Directors
Step Up For Students, Inc.
Jacksonville, Florida

Report on Compliance for Each Major State Financial Assistance Project

We have audited Step Up For Students, Inc. and its subsidiary's (the Organization) compliance 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, 2015. 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 circumstances.

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, 2015.

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.

McHadrup LLP

Orlando, Florida
October 7, 2015



**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***

Independent Auditor's Report

To the Board of Directors
Step Up For Students, Inc.
Jacksonville, Florida

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 consolidated financial statements of Step Up For Students, Inc. and its subsidiary (the Organization), which comprise the consolidated statement of financial position as of June 30, 2015, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated October 7, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated 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 consolidated 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a 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 material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control 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 consolidated 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*.

Step Up For Students
Number of Students Who Were Approved
2015 - 2016

County	Kinder- garten	First	Second	Third	Fourth	Fifth	Sixth	Seventh	Eighth	Ninth	Tenth	Eleventh	Twelfth	Grand Total
Alachua	67	86	66	76	44	60	49	49	32	33	26	12	18	618
Baker	3	2	8	7	7	2	7	3	9	3	1	3	1	56
Bay	17	17	21	12	10	20	12	14	15	5	9	2	5	159
Bradford	20	25	18	27	22	12	25	16	20	17	10	11	6	229
Brevard	217	274	240	253	243	213	182	168	152	111	105	79	68	2,305
Broward	1,117	1,039	924	878	781	666	665	604	502	456	382	296	210	8,520
Charlotte	60	39	39	49	39	41	36	29	25	18	17	6	5	403
Chatham	0	0	0	1	0	0	1	0	0	0	0	0	0	2
Citrus	55	58	54	47	38	38	49	37	36	31	21	27	12	503
Clay	57	44	56	46	54	43	39	52	43	29	29	22	22	536
Collier	59	65	55	47	48	36	36	35	27	14	20	16	15	473
Columbia	34	34	32	31	39	29	23	28	29	27	22	17	14	359
Dade	4,044	3,548	3,101	2,488	2,117	1,755	1,552	1,365	1,129	994	807	638	609	24,147
DeSoto	13	12	14	16	9	8	7	10	8	11	4	2	4	118
Dixie	2	5	4	3	5	6	6	8	6	2	4	3	5	59
Duval	684	697	657	671	617	566	626	502	461	443	326	239	230	6,719
Escambia	140	165	162	153	134	120	132	107	106	82	53	29	33	1,416
Flagler	39	43	53	64	40	36	33	24	26	23	24	14	12	431
Franklin	5	4	1	4	3	2	2	4	3	1	2	3	1	35
Gadsden	22	23	23	30	27	32	28	29	35	22	22	28	15	336
Gilchrist	3	6	4	5	7	2	6	8	2	3	2	4	4	56
Glades	2	1	8	4	1	2	4	1	2	1	3	1	1	31
Gulf	5	2	7	6	4	4	2	1	0	0	0	0	0	31
Hamilton	4	7	12	3	7	9	9	4	2	5	4	3	3	72
Hardee	1	1	0	0	1	2	1	0	1	0	0	0	0	7
Hendry	13	23	19	19	16	17	21	24	13	14	9	6	5	199
Hernando	72	77	81	88	88	70	78	57	54	41	31	21	13	771
Highlands	48	47	47	45	35	31	27	18	11	12	4	4	1	330
Hillsborough	416	431	412	430	392	355	406	337	286	247	198	145	119	4,174
Holmes	1	3	3	3	3	2	1	1	3	2	1	0	1	24
Indian River	30	33	31	27	24	21	21	20	18	13	8	9	5	260
Jackson	8	12	13	14	11	10	10	7	4	3	3	1	1	97
Jefferson	8	7	10	5	7	6	5	8	8	6	2	5	4	81
Lafayette	2	4	5	5	3	5	7	6	4	3	1	0	2	47
Lake	133	148	164	135	135	112	111	97	98	86	68	58	37	1,382
Lee	153	110	116	115	102	80	83	80	68	67	46	49	28	1,097
Leon	72	57	64	50	52	61	52	45	26	34	27	21	18	579
Levy	17	18	28	20	21	19	12	15	13	12	16	2	3	196
Madison	2	2	0	2	3	0	3	1	0	0	0	1	0	14
Manatee	86	90	81	72	61	63	59	53	36	33	30	18	21	703
Marion	173	192	190	185	186	174	157	131	122	101	91	62	48	1,812

Step Up For Students
Number of Students Who Were Approved
2015 - 2016

County	Kinder-garten	First	Second	Third	Fourth	Fifth	Sixth	Seventh	Eighth	Ninth	Tenth	Eleventh	Twelfth	Grand Total
Martin	30	28	39	29	36	20	48	18	18	12	13	11	5	307
Monroe	16	14	13	16	10	8	10	12	12	4	5	4	2	126
Nassau	26	15	23	15	23	24	10	12	17	2	5	8	6	186
Okaloosa	58	50	50	41	34	27	26	20	28	17	11	6	2	370
Okeechobee	21	27	23	19	12	19	10	6	7	6	2	3	0	155
Orange	1,045	1,031	1,049	982	897	752	726	671	584	511	380	262	253	9,143
Osceola	346	313	316	332	314	308	277	247	251	175	136	140	101	3,256
Palm Beach	298	319	323	338	297	250	241	244	217	176	122	91	77	2,993
Pasco	144	144	158	130	131	99	111	92	74	64	52	49	35	1,283
Pinellas	324	339	342	334	347	296	293	247	241	200	151	105	86	3,305
Polk	255	296	273	323	263	227	244	225	197	167	136	107	89	2,802
Putnam	35	41	43	40	27	27	30	17	18	11	5	11	1	306
Santa Rosa	15	31	27	22	11	20	14	21	13	7	5	9	3	198
Sarasota	62	83	77	75	69	58	65	51	53	33	22	26	15	689
Seminole	146	134	161	136	119	110	98	91	76	63	51	29	45	1,259
St. Johns	40	43	43	40	33	29	25	22	26	10	12	15	6	344
St. Lucie	184	160	149	163	145	143	113	117	106	90	58	45	40	1,513
Sumter	8	6	7	5	10	15	8	9	11	8	9	6	6	108
Suwannee	17	26	26	33	25	25	27	24	24	18	18	16	7	286
Taylor	17	16	18	9	21	12	22	7	8	3	4	5	0	142
Union	3	5	7	5	8	3	2	3	1	1	0	1	0	39
Volusia	347	376	376	325	269	268	246	208	199	170	109	108	75	3,076
Wakulla	17	9	8	6	8	7	5	13	7	8	6	9	2	105
Walton	9	7	8	10	5	11	6	3	2	3	1	3	1	69
Washington	17	15	15	12	18	10	9	3	5	5	6	5	8	128
Grand Total	11,384	10,979	10,397	9,576	8,568	7,498	7,251	6,381	5,630	4,769	3,747	2,931	2,464	91,575

Step Up For Students
Number of Students Who Received Scholarship Funding
2015 - 2016

County	Kinder-garten	First	Second	Third	Fourth	Fifth	Sixth	Seventh	Eighth	Ninth	Tenth	Eleventh	Twelfth	Grand Total
Alachua	64	73	60	70	39	52	41	39	26	28	16	10	14	532
Baker	3	2	8	6	7	1	7	3	9	3	1	2	1	53
Bay	16	16	21	10	10	17	9	9	11	2	6	2	3	132
Bradford	18	23	14	24	21	11	24	15	18	12	8	10	6	204
Brevard	190	244	217	225	221	192	155	144	125	83	76	66	48	1,986
Broward	941	911	795	752	660	555	553	495	410	321	292	206	149	7,040
Charlotte	52	33	32	47	36	34	31	25	23	11	12	4	4	344
Chatham	0	0	0	1	0	0	1	0	0	0	0	0	0	2
Citrus	48	53	50	43	33	34	41	35	32	19	15	27	6	436
Clay	50	39	52	44	49	38	34	42	39	23	24	17	15	466
Collier	55	62	49	41	40	33	32	26	21	7	12	9	12	399
Columbia	32	30	28	28	36	24	20	24	25	25	19	16	10	317
Dade	3,582	3,118	2,742	2,179	1,865	1,572	1,335	1,181	954	729	629	485	459	20,830
DeSoto	13	8	11	11	7	6	6	6	7	6	3	2	1	87
Dixie	2	4	3	3	5	6	5	8	4	2	3	3	4	52
Duval	601	629	578	582	525	487	520	428	378	360	243	178	173	5,682
Escambia	130	155	147	137	117	108	103	94	85	55	38	24	25	1,218
Flagler	33	34	46	53	36	30	28	17	25	16	20	11	9	358
Franklin	5	4	1	4	2	2	2	4	3	1	2	3	1	34
Gadsden	20	22	22	28	24	29	24	24	30	17	14	24	11	289
Gilchrist	3	6	3	4	7	1	4	8	2	1	2	2	3	46
Glades	1	1	7	4	0	2	4	0	2	1	3	0	1	26
Gulf	5	2	7	6	4	4	2	1	0	0	0	0	0	31
Hamilton	4	7	11	2	6	7	9	4	2	3	4	3	3	65
Hardee	1	1	0	0	1	1	1	0	1	0	0	0	0	6
Hendry	11	23	17	17	13	15	19	23	11	9	6	3	1	168
Hernando	59	67	75	78	78	60	69	51	48	35	25	14	10	669
Highlands	44	44	43	44	32	28	19	17	9	6	3	2	1	292
Hillsborough	350	379	361	370	336	294	326	290	251	183	154	122	85	3,501
Holmes	0	3	3	3	3	1	1	0	3	2	1	0	1	21
Indian River	27	31	28	24	22	19	17	19	15	10	7	8	4	231
Jackson	6	11	13	12	11	9	8	5	4	3	0	1	1	84
Jefferson	8	6	8	5	5	6	4	7	5	6	2	4	4	70

Step Up For Students
Number of Students Who Received Scholarship Funding
2015 - 2016

County	Kinder-garten	First	Second	Third	Fourth	Fifth	Sixth	Seventh	Eighth	Ninth	Tenth	Eleventh	Twelfth	Grand Total
Lafayette	2	2	5	3	3	3	5	6	2	3	1	0	0	35
Lake	115	132	147	117	113	91	100	80	83	68	49	48	32	1,175
Lee	132	100	98	106	89	73	71	72	54	46	38	38	23	940
Leon	62	50	54	45	42	52	40	37	21	25	21	16	12	477
Levy	16	17	27	18	20	17	11	14	12	9	10	1	3	175
Madison	2	2	0	2	2	0	3	1	0	0	0	1	0	13
Manatee	76	81	74	66	52	57	52	49	32	28	23	13	18	621
Marion	149	173	168	167	168	157	140	118	103	86	75	57	37	1,598
Martin	28	28	35	27	33	19	40	18	17	11	11	8	3	278
Monroe	15	14	13	15	9	6	10	12	11	3	4	2	2	116
Nassau	24	15	19	15	20	23	9	12	15	2	4	6	4	168
Okaloosa	51	46	47	38	31	24	25	20	27	13	6	5	1	334
Okeechobee	20	25	22	17	9	19	8	6	4	5	1	3	0	139
Orange	901	919	908	872	784	647	626	571	494	375	280	202	171	7,750
Osceola	300	283	286	298	275	277	251	220	222	143	109	113	65	2,842
Palm Beach	250	265	279	282	257	211	198	202	179	124	91	70	51	2,459
Pasco	127	126	138	114	121	89	99	74	63	50	41	35	21	1,098
Pinellas	284	310	310	308	301	276	252	215	214	144	126	81	63	2,884
Polk	218	261	235	282	228	194	213	181	159	129	102	82	67	2,351
Putnam	34	39	37	37	24	26	25	16	15	8	5	8	1	275
Santa Rosa	12	26	25	19	9	18	13	18	11	6	5	5	1	168
Sarasota	61	68	69	65	58	56	58	42	43	22	17	21	12	592
Seminole	117	112	147	121	100	92	78	80	57	45	40	21	29	1,039
St. Johns	39	38	39	32	30	21	19	18	22	8	10	12	5	293
St. Lucie	165	143	134	146	125	122	98	96	89	61	47	40	26	1,292
Sumter	7	5	7	4	8	12	6	9	10	5	8	6	4	91
Suwannee	15	25	23	31	25	21	26	23	24	15	16	12	6	262
Taylor	15	16	17	9	19	10	19	6	6	2	3	3	0	125
Union	3	5	7	5	6	3	2	2	0	1	0	1	0	35
Volusia	312	344	331	279	242	238	206	178	175	130	83	88	57	2,663
Wakulla	17	8	8	5	8	7	5	11	6	7	4	8	1	95
Walton	8	6	6	9	4	9	4	2	2	2	0	2	1	55
Washington	17	15	14	12	15	10	8	3	5	4	3	5	5	116
Grand Total	9,968	9,740	9,181	8,423	7,481	6,558	6,174	5,456	4,755	3,559	2,873	2,271	1,786	78,225

Step Up For Students
SCHOLARSHIP CASH FLOW

	Fiscal 2016												Fiscal 2016
	July	August	September	October	November	December	January	February	March	April	May	June	Total
Opening Cash & Cash Equivalents	\$17,505,722	\$53,885,959	\$88,077,071	\$14,677,782	\$49,997,850	\$92,606,151	\$76,640,588	\$118,174,607	\$42,854,434	\$79,315,608	\$102,540,901	\$19,509,645	\$17,505,722
Gross Donations	\$37,355,911	\$35,176,908	\$34,120,889	\$35,719,379	\$43,117,833	\$90,457,587	\$43,018,003	\$30,051,167	\$37,424,433	\$23,518,936	\$21,036,926	\$23,391,233	\$454,389,284
Florida admin allowance	(\$1,120,677)	(\$1,055,310)	(\$977,774)	(\$1,117,434)	(\$1,076,170)	(\$903,270)	(\$1,087,374)	(\$1,047,745)	(\$1,422,999)	(\$1,128,426)	(\$1,138,641)	(\$1,555,859)	(\$13,631,679)
Net Donations	\$36,235,234	\$34,121,679	\$33,143,115	\$34,601,945	\$42,041,663	\$89,554,317	\$41,930,628	\$29,003,422	\$36,001,434	\$22,390,510	\$19,898,285	\$21,835,374	\$440,757,606
Scholarship Payments			(\$106,188,884)			(\$105,886,410)		(\$104,704,695)			(\$103,657,419)		(\$420,437,408)
Payments Received from Schools	\$145,003	\$69,434	(\$353,520)	\$718,123	\$566,638	\$366,530	(\$396,610)	\$381,100	\$459,740	\$834,784	\$727,876	(\$52,652)	\$3,466,447
Balance at end of month	\$53,885,959	\$88,077,071	\$14,677,782	\$49,997,850	\$92,606,151	\$76,640,588	\$118,174,607	\$42,854,434	\$79,315,608	\$102,540,901	\$19,509,645	\$41,292,367	\$41,292,367

Step Up For Students
Detailed Accounting of Administrative Funds

A detailed accounting of how the organization spent its administrative funds is contained on page 5 of the statutorily required audit financial statements. A copy of this audited schedule follows. This detailed accounting also includes the expenditure from scholarship application and service fees.

Step Up For Students, Inc. and Subsidiary

Consolidated Statement of Functional Expenses

Year Ended June 30, 2015

(With Summarized Comparative Information for June 30, 2014)

	2015						Total Program Services	Supporting Services		Total Expenses	Total 2014 Expenses
	Florida Tax Credit Scholarship Program	Alabama Opportunity Scholarship Program	School Development and Student Learning	Personal Learning Scholarship Accounts Program	Communications, Policy and Public Affairs	Family and Community Affairs		General and Administrative	Development and Fundraising		
Scholarships and grants	\$ 347,578,490	\$ 14,879,343	\$ -	\$ -	\$ -	\$ -	\$ 362,237,833	\$ -	\$ -	\$ 362,237,833	\$ 277,103,445
Salaries and wages	2,174,453	339,909	1,025,710	408,702	815,405	318,942	6,109,321	1,028,728	910,201	7,116,250	5,754,631
Payroll taxes and employee benefits	615,898	47,434	218,458	39,075	165,447	74,425	1,149,733	179,281	189,434	1,528,448	1,363,313
Recruiting and advertising	846,870	21,540	19,832	910,181	27,883	54,225	1,387,231	59,973	34,259	1,472,463	1,384,958
Temporary labor	603,117	21,904	-	52,229	442	23,278	801,570	-	147	801,717	543,334
Contact services	27,812	94,075	46	244,103	42,742	93,285	472,523	69,508	12,801	554,830	162,808
Professional fees	3,833	-	478	46,190	43	5	50,347	495,415	28	545,790	434,660
Travel, lodging and meals	47,948	43,498	94,138	4,114	58,849	185,420	403,703	38,444	79,378	521,685	400,167
Rent	297,438	27,713	31,928	5,237	2,340	323	384,969	108,828	1,884	478,303	436,118
Bank charges and fees	343,868	-	-	11,434	-	-	355,202	445	-	355,747	296,556
Other costs	38,880	26,781	16,215	2,387	24,799	39,265	168,128	34,912	167,980	350,718	318,529
Telephone	184,399	11,093	24,490	3,528	21,878	12,670	258,058	16,821	28,892	303,769	240,153
Depreciation and impairment loss	113,564	492	24,589	35,751	17,979	4,887	195,932	14,268	21,903	232,103	258,650
Insurance	62,731	812	27,868	2,642	17,442	8,378	127,821	28,971	25,701	190,543	81,525
Fueling and postage	8,248	8,161	21,800	4,760	81,325	9,967	105,961	29,824	43,214	178,799	254,728
Repairs and maintenance	45,688	4,854	20,747	1,474	19,701	6,628	98,999	24,910	22,253	145,352	140,428
Office expenses	44,812	8,162	15,846	-	18,848	5,303	94,871	11,492	8,828	115,301	140,702
Interest	693	-	7,590	8	8,100	3,899	20,885	6,804	1,220	28,209	40,111
Write-off of school receivables	9,394	-	-	-	-	-	9,394	-	-	9,394	189,376
Total	\$ 352,798,479	\$ 15,328,699	\$ 1,546,728	\$ 1,469,172	\$ 1,306,738	\$ 870,387	\$ 375,291,477	\$ 2,146,430	\$ 1,648,227	\$ 379,995,134	\$ 289,102,050

See Notes to Consolidated Financial Statements.

Report No. 2017-031
October 2016

STATE OF FLORIDA AUDITOR GENERAL

Operational Audit

STEP UP FOR STUDENTS, INC.



Sherrill F. Norman, CPA
Auditor General

President and Board of Directors

During the period March 2015 through February 2016, Mr. Doug Tuthill served as President for Step Up For Students, Inc., and the following individuals served as Members of the Board of Directors:

John Kirtley, Chair
Julio Fuentes
Allison Hertog
Patricia Levesque to April 23, 2015^a
Alfred "Al" Lawson, Jr.
Richard Outram
Paul Sherman
Curtis Stokes

^a Board member position remained vacant from April 24, 2015, through February 29, 2016.

The team leader was Donald D. Hemmingway, 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.

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STEP UP FOR STUDENTS, INC.

SUMMARY

This operational audit of Step Up For Students, Inc. (Step Up) 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 Step Up's compliance with applicable laws and rules, and included follow-up on the findings noted in our report No. 2016-072. Our audit disclosed the following:

Finding 1: Although State Board of Education rules require Step Up 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, Step Up did not obtain the required written statements from the parents of 17,654 first-time FTC Program students.

Related Information

Section 11.45(2)(k), Florida Statutes, requires our audit to include a determination of Step Up's compliance with certain FTC Program provisions. Our audit procedures and tests of selected Step Up records and accounts found that, except as noted in Finding 1, Step Up 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 Step Up 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, Step Up served 3,358 students and approved the payment of PLSA Program scholarship awards totaling \$22,391,090 for those students. In addition, our tests of Step Up records found that the PLSA Program scholarship payments selected for audit were eligible PLSA Program disbursements.

BACKGROUND

Step Up For Students, Inc., (Step Up) is a nonprofit scholarship funding organization (SFO), incorporated on February 18, 2000, and operating pursuant to State law.² Step Up's stated mission is to help public education fulfill the promise of equal opportunity by empowering parents to pursue and engage in the best learning options for their children. Step Up For Students is a state-approved nonprofit scholarship funding organization 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 Step Up is

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.

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

the Board of Directors (Board), composed of seven to ten members who each serve a 3-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 President is responsible for the 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 annually verify the eligibility of the SFOs, and the FDOE recognized Step Up as an eligible SFO for the 2014-15 and 2015-16 fiscal years. Table 1 shows Step Up's FTC Program activity from March 2015 through February 2016.

**Table 1
Step Up FTC Program Activities**

For the Period March 2015 through February 2016

Contributions collected	\$418 million
Total scholarships paid	\$404 million
Number of students awarded scholarships	91,218
Number of private schools paid	1,666

Source: Step Up 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 or \$500 for transportation to out-of-district public schools or to lab schools.

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;
- 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;

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).

- 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, Step Up qualified to participate in the PLSA program. According to Step Up accounting records for the period March 2015 through February 2016, Step Up received \$43,372,548 in PLSA Program funds from the FDOE and \$29,846 from another SFO, served 3,358 students, and approved the payment of PLSA Program scholarship awards reimbursements totaling \$22,391,090 for those students. The scholarship award amounts ranged from \$9,095 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.

The FTC Program scholarship application informs the parent to notify the public school district of the parent's decision to use the scholarship for the child to attend an eligible private school. However, Step Up had not established procedures to obtain the required written statements from parents to confirm that the parents notified the student's school district.

For the 2014-15 and 2015-16 school years, Step Up records identified 9,399 and 8,255 first-time FTC Program students, respectively, (17,654 total students) who attended a Florida public school in the prior school year. However, our discussions with Step Up personnel disclosed that Step Up did not obtain the required written statements from the parents. Without the written statements, Step Up did not comply with the 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.

Recommendation: Step Up 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.

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

RELATED INFORMATION

As described in the **OBJECTIVES, SCOPE, AND METHODOLOGY** section of this report, we performed procedures to determine Step Up's compliance with various statutory provisions related to the Florida Tax Credit Program. Except as noted above, our audit procedures and tests of selected Step Up records and accounts found that Step Up 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) Program⁹ scholarship disbursements during the period March 2015 through February 2016, and examined documentation for selected scholarship payments to determine whether the payments were eligible PLSA Program disbursements. Our procedures disclosed that, during the period March 2015 through February 2016, Step Up approved, for the benefit of 3,358 students, PLSA Program scholarship award payments totaling \$22,391,090. In addition, our tests of Step Up records found that the PLSA Program scholarship payments selected for audit were eligible PLSA Program disbursements.

PRIOR AUDIT FOLLOW-UP

Step Up had taken corrective actions for the findings included in our report No. 2016-072.

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 law¹⁰ 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 the Florida Personal Learning Scholarship Accounts (PLSA) Programs.¹¹

We conducted this operational audit from March 2016 through July 2016 in accordance with 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 Step Up focused on selected administrative activities and management's performance related to the FTC and PLSA Programs, including Step Up's compliance with applicable laws and rules. The overall objectives of this operational audit were to:

⁹ Effective July 1, 2016, Chapter 2016-2, Laws of Florida, changed the PLSA Program name to the Gardiner Scholarship Program.

¹⁰ Sections 11.45(2)(k) and 1002.385(14)(a), Florida Statutes.

¹¹ Section 1002.385, Florida Statutes (2015), and Section 1002.395, Florida Statutes.

- 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 Step Up management has corrected, or was in the process of correcting, the deficiencies and noncompliance noted in the prior audit report No. 2016-072.

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 Step Up 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 Step Up policies and procedures applicable to the FTC and PLSA Programs and interviewed Step Up personnel to gain an understanding of Step Up's scholarship-related operations and evaluate the adequacy of the operations.
- Obtained an understanding of Step Up'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 ten Step Up bank accounts used for FTC and PLSA Program moneys during 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 Step Up periodically reviewed banking agreements for sufficiency of the safeguards provided.
- Assessed the sufficiency of Step Up's controls for electronic transfers and transmitting funds via the Automated Clearing House to students for the PLSA Program.
- Examined Step Up records as of March, June, September, and December 2015 to determine whether funds invested (approximately \$113 million as of February 29, 2016) complied with Step Up's investment policy and Section 17.57(2), Florida Statutes.
- Examined documentation to determine whether Step Up obtained required level 2 background screenings and verified that there were no bankruptcies associated with the three Step Up owners or operators as required by Section 1002.395(6), Florida Statutes.
- Examined documentation for 60 students, selected from the population of 91,218 students who received FTC Program scholarship awards during the audit period, to determine whether Step Up documented student program eligibility as required by Section 1002.395(6)(j)3., Florida Statutes.
- From the population of FTC Program scholarship payments totaling \$404 million made during the audit period, examined Step Up documentation for scholarship payments totaling approximately \$287,000 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)(b), Florida Statutes.
- From the population of 465 eligible private schools paid a total of \$253 million from FTC Program moneys, examined documentation for 5 schools that collectively received \$11 million during the 2014-15 fiscal year to determine whether Step Up adequately monitored the performance of agreed-upon procedures for applicable private schools pursuant to Section 1002.395(8)(e), Florida Statutes.
- Examined Step Up documentation to determine whether the FTC Program reports required to be filed on March 15, 2015, August 15, 2015, October 15, 2015, and January 15, 2016, and the PLSA Program reports required to be submitted on April 30, 2015, June 30, 2015, October 31, 2015, and January 31, 2016, were timely submitted to the Florida Department of Education (FDOE) and contained the information required by Sections 1002.395(9)(m) and 1002.385(9)(d), Florida Statutes, and State Board of Education Rules 6A-6.0960(2)(b) and 6A-6.0961(6), Florida Administrative Code (FAC), respectively.
- Examined Step Up records for the 2014-15 fiscal year to determine whether Step Up complied with carryforward limitations on unexpended FTC Program moneys pursuant to Section 1002.395(6)(j)2., Florida Statutes.

- Determined whether Step Up 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 Step Up's records to determine whether Step Up 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.
- Confirmed with the surety that the surety bond Step Up obtained pursuant to its 2016-17 fiscal year renewal application submitted to the FDOE in September 2015 was still maintained as of May 2016 and was in the amount required by Section 1002.395(6)(p), Florida Statutes.
- Examined Step Up's financial audit report for the 2013-14 fiscal year to determine whether Step Up was eligible, pursuant to Section 1002.395(6)(j)1., Florida Statutes, to use FTC Program moneys for administrative expenses for the 2014-15 fiscal year, and to verify that such expenses did not exceed 3 percent of eligible contributions received during the 2014-15 fiscal year. From the population of administrative expenses totaling \$10 million and eligible to be charged to the FTC Program for the 2014-15 fiscal year, examined Step Up documentation for 25 expenses totaling \$1.2 million to determine whether the expenses were not prohibited pursuant to Section 1002.395(6)(j)1., Florida Statutes, and were reasonable and necessary to operate the FTC Program.
- Determined whether Step Up charged an application fee for FTC scholarship program applicants and that any application fees charged were immediately refunded, pursuant to Section 1002.395(6)(j)(1), Florida Statutes, to the person who paid the fee if the student was not enrolled in a participating school within 12 months. Specifically, from the 4,435 applications, with fees totaling \$146,185, that had no scholarships awarded during the audit period, we selected and examined documentation related to 30 applications with fees totaling \$1,003 to determine whether the fees were immediately refunded to the person who paid the application fee.
- Examined documentation for selected accounts receivable to determine whether Step Up's collection efforts complied with established policies and procedures and good business practices.
- Examined Step Up records supporting the population of 3,358 students who received PLSA Program scholarships by Step Up during the audit period, as well as documentation for 60 selected students to verify the number of students served and to determine whether Step Up 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 disbursements totaling \$22,391,090 made during the audit period, examined documentation for 60 scholarship payments totaling approximately \$165,000 to determine whether the payments were eligible PLSA Program disbursements and were not reduced for administrative expenses.
- Determined whether Step Up 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 Step Up'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 231 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 Step Up 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 6, 2016

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

Re: Response to Preliminary and Tentative Findings

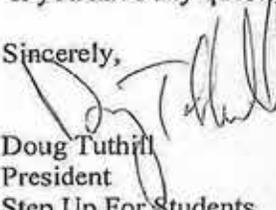
Dear Ms. Norman,

Enclosed is our response to the preliminary and tentative audit findings and recommendations that we received on September 15, 2016.

Your staff's professionalism and expertise, as always, are greatly appreciated. Our deep commitment to integrity and continuous improvement are strengthened by measures and processes that result from their recommendations.

If you have any questions regarding our responses, please do not hesitate to let us know.

Sincerely,


Doug Tuthill
President
Step Up For Students

c: Board members

Step Up For Students Response To Preliminary and Tentative Findings

Finding 1: Parental Written Statements

State Board of Education (SBE) rules^[1] 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.

The FTC Program scholarship application informs the parent to notify the public school district of the parent's decision to use the scholarship for the child to attend an eligible private school. However, Step Up had not established procedures to obtain the required written statements from parents to confirm that the parents notified the student's school district.

For the 2014-15 and 2015-16 school years, Step Up records identified 9,399 and 8,255 first-time FTC Program students, respectively, (17,654 total students) who attended a Florida public school in the prior school year. However, our discussions with Step Up personnel disclosed that Step Up did not obtain the required written statements from the parents. Without the written statements, Step Up did not comply with the 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.

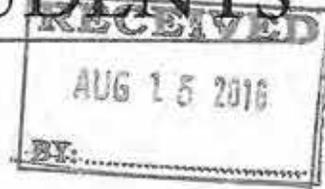
Recommendation: Step Up should establish procedures to obtain and maintain the required written statements from parents of first-time FTC Program students previously enrolled in a Florida public school to evidence that the parent informed the student's school district that the child will be attending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

Step Up has implemented enhanced procedures to ensure that we comply with State Board of Education rules, and will collect the required written statements from parents, beginning with the 2016-17 school year. In addition, we have strengthened our review processes to include an annual review of SBE rules changes. We also think there may be opportunities for the state to reassess the current approach, and we plan to work with the department to examine the impact of the current rule on scholarship parents and public schools.

^[1] SBE Rule 6A-6.0960(2)(a), Florida Administrative Code.



STEP UP FOR STUDENTS



August 9, 2016

Attn: Laura Harrison
Florida Department of Education
Office of Independent Education and Parental Choice
325 West Gaines Street, Suite 1044
Tallahassee, FL 32399-0400

Dear Ms. Harrison,

In connection with an audit of the financial statements of the Step Up For Students, Inc. as of June 30, 2016 and the year then ended, our independent auditors, RSM US LLP, wish to confirm the following information relating to Personal Learning Scholarship Accounts Program cash payments made to Step Up For Students, Inc. during the fiscal year ended June 30, 2016:

Personal Learning Scholarship Accounts Program Cash Payments from 7/1/2015- 6/30/2016:	\$ 51,032,545
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Please complete the above requested information and sign in the space provided below. Once completed, please fax or email a copy of your reply to Mark Christmas or mark.christmas@rsmus.com and **ALSO** mail the original directly to RSM US LLP, Attn: Mark Christmas, 4887 Belfort Rd, Suite 210, Jacksonville, FL 32256. A stamped, addressed envelope is enclosed for your convenience.

Thank you for your cooperation.

Very yours truly,


Joe Pfountz, CFO
Step Up For Students, Inc.

According to our records, the above information is in agreement with our records, with the exception(s) listed below:

Name and Title: Laura Harrison - Scholarship Director
Company: Florida Department of Education
Signature: Laura Harrison
Date: August 16, 2016

Step Up For Students, Inc. and Subsidiary

Consolidated Financial Report
June 30, 2016

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RSM US LLP

Independent Auditor's Report

To the Board of Directors
Step Up For Students, Inc.
Jacksonville, Florida

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Step Up For Students, Inc. and its subsidiary, which comprise the consolidated statement of financial position as of June 30, 2016, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Step Up For Students, Inc. and its subsidiary as of June 30, 2016, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Step Up For Students, Inc. and its subsidiary's 2015 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated October 7, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2015, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Other Matters – Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidating statement of financial position and consolidating statement of activities is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. The accompanying schedule of expenditures of state financial assistance, as required by State of Florida Chapter 10.650, *Rules of the Auditor General*, is also presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated 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 14, 2016, on our consideration of Step Up For Students, Inc. and its subsidiary'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 Step Up For Students, Inc. and its subsidiary's internal control over financial reporting and compliance.

RSM US LLP

Orlando, Florida
October 14, 2016

Step Up For Students, Inc. and Subsidiary

Consolidated Statement of Financial Position

June 30, 2016

(With Summarized Comparative Information for June 30, 2015)

	2016	2015
Assets		
Current Assets		
Cash and cash equivalents	\$ 49,756,813	\$ 31,401,777
Pledges receivable, less allowance for uncollectible pledges of \$26,000,000 in 2016 and 2015	464,498,513	406,593,606
Accounts and grants receivable, less allowance for uncollectible accounts of \$237,719 in 2016	980,432	1,281,027
Prepaid expenses and other assets	490,048	228,985
Funds held in trust for students	26,730,180	8,963,824
Total current assets	542,455,986	448,469,219
Restricted Certificate of Deposit	225,000	225,000
Property and Equipment, Net	563,536	661,702
Total assets	\$ 543,244,522	\$ 449,355,921
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 427,734	\$ 168,057
Accrued expenses	1,182,798	1,040,957
Deferred revenue	-	138,318
Funds held in trust for students liability	26,730,180	8,963,824
Total current liabilities	28,340,712	10,311,156
Commitments and Contingencies (Note 6)		
Net Assets		
Unrestricted	3,924,578	3,020,239
Temporarily restricted	510,979,232	436,024,526
Total net assets	514,903,810	439,044,765
Total liabilities and net assets	\$ 543,244,522	\$ 449,355,921

See notes to consolidated financial statements.

Step Up For Students, Inc. and Subsidiary

Consolidated Statement of Activities

Year Ended June 30, 2016

(With Summarized Comparative Information for June 30, 2015)

	2016			Total 2015
	Unrestricted	Temporarily Restricted	Total	
Revenues and Support				
Contributions and grants:				
Florida Tax Credit Scholarship Program	\$ 13,631,679	\$ 497,323,526	\$ 510,955,205	\$ 443,228,275
Alabama Opportunity Scholarship Program	317,551	7,021,345	7,338,896	11,276,442
Grants and other contributions	878,197	1,151,882	2,030,079	3,046,749
Personal Learning Scholarship Accounts Program	1,450,758	-	1,450,758	-
Scholarship application and service fees	136,114	-	136,114	1,479,255
Other revenue	97,442	-	97,442	21,388
Net assets released from restrictions	430,542,047	(430,542,047)	-	-
Total revenues and support	447,053,788	74,954,706	522,008,494	459,052,109
Expenses				
Program services:				
Florida Tax Credit Scholarship Program	422,648,470	-	422,648,470	352,766,475
Alabama Opportunity Scholarship Program	12,184,450	-	12,184,450	15,328,999
Communications, Policy and Public Affairs	2,168,294	-	2,168,294	1,300,738
School Development and Student Learning	1,676,271	-	1,676,271	1,546,726
Personal Learning Scholarship Accounts Program	1,652,036	-	1,652,036	1,469,172
Family and Community Affairs	728,638	-	728,638	879,367
Total program services	441,058,159	-	441,058,159	373,291,477
Supporting services:				
General and administrative	3,307,989	-	3,307,989	2,145,430
Development and fundraising	1,783,301	-	1,783,301	1,548,227
Total supporting services	5,091,290	-	5,091,290	3,693,657
Total expenses	446,149,449	-	446,149,449	376,985,134
Change in net assets	904,339	74,954,706	75,859,045	82,066,975
Net Assets				
Beginning	3,020,239	436,024,526	439,044,765	356,977,790
Ending	\$ 3,924,578	\$ 510,979,232	\$ 514,903,810	\$ 439,044,765

See notes to consolidated financial statements.

Step Up For Students, Inc. and Subsidiary

Consolidated Statement of Functional Expenses

Year Ended June 30, 2016

(With Summarized Comparative Information for June 30, 2015)

	2016							Supporting S	
	Program Services						Total		General and Administrative
	Florida Tax Credit Scholarship Program	Alabama Opportunity Scholarship Program	Communications, Policy and Public Affairs	School Development and Student Learning	Personal Learning Scholarship Accounts Program	Family and Community Affairs			
Scholarships and grants	\$ 417,696,212	\$ 11,757,389	\$ -	\$ -	\$ -	\$ 500	\$ 429,454,101	\$ 25,100	
Salaries and wages	2,376,345	153,036	1,420,327	1,121,608	804,023	326,458	6,201,797	1,897,981	
Payroll taxes and employee benefits	604,663	17,978	252,306	221,362	227,160	87,984	1,411,453	301,171	
Rent	230,280	34,268	45,138	58,507	48,786	24,434	441,413	217,369	
Recruiting and advertising	228,256	10,191	61,067	5,325	201,822	7,339	514,000	40,350	
Travel, lodging and meals	41,766	36,984	65,859	72,438	4,193	144,229	365,469	104,475	
Temporary labor	533,276	10,464	-	-	8,443	-	552,183	-	
Contract services	149	127,898	82,558	5,025	57,059	53,389	326,078	107,406	
Other costs	22,951	19,737	51,315	30,869	9,938	37,997	172,807	80,895	
Depreciation	77,279	540	24,847	18,909	112,331	6,318	240,224	32,585	
Bank charges and fees	223,187	-	-	-	-	-	223,187	67,023	
Telephone	145,600	6,582	26,184	26,546	16,118	11,662	232,692	24,888	
Professional fees	-	-	1,252	-	15,123	-	16,375	271,551	
Write-off of school receivables	252,363	-	-	-	-	-	252,363	-	
Insurance	83,441	1,270	29,906	24,946	27,359	10,651	177,573	33,279	
Office expenses	58,786	1,632	37,062	54,867	3,959	6,703	163,009	30,168	
Printing and postage	20,198	4,657	51,960	22,636	2,788	4,415	106,654	31,753	
Repairs and maintenance	53,718	1,824	18,513	13,233	14,066	6,559	107,913	41,995	
Loss on disposal of property and equipment	-	-	-	-	98,868	-	98,868	-	
Interest	-	-	-	-	-	-	-	-	
Total	\$ 422,648,470	\$ 12,184,450	\$ 2,168,294	\$ 1,676,271	\$ 1,652,036	\$ 728,638	\$ 441,058,159	\$ 3,307,989	

See notes to consolidated financial statements.

Step Up For Students, Inc. and Subsidiary

Consolidated Statement of Cash Flows

Year Ended June 30, 2016

(With Summarized Comparative Information for June 30, 2015)

	2016	2015
Cash Flows From Operating Activities		
Change in net assets	\$ 75,859,045	\$ 82,066,975
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	292,866	232,103
Provision for uncollectible pledges	4,374,074	22,082,500
Write-off of school receivables	252,363	9,364
Loss on disposal of property and equipment	98,868	-
Gain on sale of assets held for sale	-	(2,905)
Change in operating assets and liabilities:		
(Increase) decrease in assets:		
Pledges receivable	(62,278,981)	(133,334,421)
Accounts and grants receivable	48,232	(284,301)
Prepaid expenses and other assets	(261,063)	(52,002)
Funds held in trust for students	(17,766,356)	(8,963,824)
Increase (decrease) in liabilities:		
Accounts payable	259,677	(4,000)
Accrued expenses	141,841	3,635
Deferred revenue	(138,318)	35,817
Funds held in trust for students liability	17,766,356	8,963,824
Net cash provided by (used in) operating activities	18,648,604	(29,247,235)
Cash Flows From Investing Activities		
Increase in restricted certificate of deposit	-	(225,000)
Proceeds from sale of assets held for sale	-	583,355
Purchases of property and equipment	(293,568)	(410,791)
Net cash used in investing activities	(293,568)	(52,436)
Cash Flows From Financing Activities		
Principal payments on long-term debt	-	(722,368)
Net cash used in financing activities	-	(722,368)
Net increase (decrease) in cash and cash equivalents	18,355,036	(30,022,039)
Cash and Cash Equivalents		
Beginning	31,401,777	61,423,816
Ending	\$ 49,756,813	\$ 31,401,777
Supplemental disclosure of cash flows information		
Cash paid during the year for interest	\$ -	\$ 30,786

See notes to consolidated financial statements.

Step Up For Students, Inc. and Subsidiary

Notes to Consolidated Financial Statements

(With Summarized Comparative Information as of or for Year Ended June 30, 2015)

Note 1. Nature of Organization and Significant Accounting Policies

Nature of organization: The primary mission of Step Up For Students, Inc. and its subsidiary (collectively, the Organization) is to empower parents to pursue and engage in the most appropriate learning options for their children, with an emphasis on families who lack the financial resources to access these options. By pursuing this mission, the Organization helps public education fulfill the promise of equal opportunity.

Step Up For Students, Inc. (Step Up For Students) is a not-for-profit organization incorporated on February 18, 2000. Through the Florida Tax Credit Scholarship program, Step Up For Students served 77,692 and 69,671 students in 1,596 and 1,533 private schools across Florida during the 2015 – 2016 and 2014 – 2015 school years, respectively.

Additionally, Step Up For Students administers the Florida Personal Learning Scholarships Accounts (PLSA) Program. The PLSA was created to provide the option for parents to better meet the individual educational needs of an eligible child. The PLSA provides eligible students a scholarship that can be used to purchase approved services or products. During the years ended June 30, 2016 and 2015, Step Up For Students administered the program on behalf of the State of Florida for 4,916 and 1,575 eligible children, respectively.

The Alabama Opportunity Scholarship Fund, LLC (Alabama Opportunity Scholarship Fund) is a not-for-profit limited liability company established on October 4, 2013, whose sole member is Step Up For Students. The Alabama Opportunity Scholarship Fund was formed to help implement the Alabama Accountability Act of 2013. Through the Alabama Opportunity Scholarship Fund K-12 scholarship program, approximately 2,130 and 2,800 children received scholarships to attend private schools for the 2015 – 2016 and 2014 – 2015 school years, respectively.

The following is a summary of the programs operated by the Organization:

- **Florida Tax Credit Scholarship Program:** Step Up For Students, Inc. is approved under Florida Statute 1002.395 to serve as a Scholarship Funding Organization (SFO). Since July 1, 2011, Step Up For Students has been the predominate Florida SFO. As an SFO, Step Up For Students can solicit and receive corporate contributions that are entitled to a state tax credit against 100% of corporate income tax, insurance premium tax, and direct-pay sales tax liabilities, 90% of alcoholic beverage tax liabilities, and 50% of oil and gas severance tax liabilities. Those contributions, in turn, must be spent to provide scholarships to low income Florida school children in compliance with the Florida Tax Credit Scholarship Program. For the 2015 – 2016 school year and the 2014 – 2015 school year, qualified students received a maximum scholarship of \$5,677 and \$5,272, respectively, to attend a private school that have been approved by the State of Florida or \$500 for transportation to an out-of-district public school. Scholarships are expensed when a student attends a qualified school. Step Up For Students is allowed to use up to 3% of the contributions collected to administer the scholarship program.

Step Up For Students, Inc. and Subsidiary

Notes to Consolidated Financial Statements

(With Summarized Comparative Information as of or for Year Ended June 30, 2015)

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

- **Alabama Opportunity Scholarship Program:** The Alabama Opportunity Scholarship Fund was established to operate under standards prescribed in the Alabama Accountability Act of 2013 and is approved under the Alabama Department of Revenue to serve as a Scholarship Granting Organization (SGO). In accordance with the Alabama Accountability Act of 2013 and the Administrative Rulings by the Alabama Department of Revenue, the Alabama Opportunity Scholarship Fund must use at least 95% of revenue from credit eligible scholarship donations and all interest and investment income attributable to these scholarship funds for educational scholarships. Therefore, the Alabama Opportunity Scholarship Fund may use no more than 5% of the amount of its scholarship donations for purposes other than making scholarship grants. As an SGO, the Alabama Opportunity Scholarship Fund can solicit and receive corporate and individual donations that entitle the donors to certain tax credits administered by the Alabama Department of Revenue.
- **School Development and Student Learning:** This program oversees the process development intended to assist schools and families in establishing and maintaining collaborative partnerships that ensure the academic, social and emotional success of every child; while at the same time, upholding the belief that the ultimate responsibility for the education of the child resides with the parent.
- **Personal Learning Scholarship Accounts Program:** In June 2014, legislation creating scholarships for special needs children was signed into law in Florida. This scholarship is for Florida students in kindergarten through 12th grade with one of the following disabilities: Autism, Muscular Dystrophy, Cerebral palsy, Down syndrome, Prader-Willi syndrome, Spina bifida, Williams syndrome or Intellectual Disability (severe cognitive impairment). Also, kindergarten students deemed "high risk" because of developmental delays may be eligible. The students need either an Individual Education Plan (IEP) from a Florida school district or a formal diagnosis from a licensed physician or psychologist to qualify. Students can participate in this scholarship as part of home education; however, they cannot be enrolled in a public school or be receiving any other state-sponsored scholarship, including the McKay Scholarship or the Florida Tax Credit Scholarship. A Personal Learning Scholarship Account is established for each child that is awarded a special needs scholarship. Parents use this money to personalize the education of their children with unique abilities by directing money towards a combination of programs and state approved providers. These include schools, therapists, specialists, curriculum and technology and college savings accounts. Step Up For Students began administering this program in July 2014.

During the year ended June 30, 2015, Step Up For Students, per the provisions of state statute, did not receive an administrative fee for administering the program on behalf of the State of Florida. During the year ended June 30, 2015, these activities were funded by private grants and contributions received by Step Up For Students to inform the public about the program, establish systems and administer the program. These activities amounted to approximately \$716,000. Beginning in July 2015, legislation was passed to provide for an administrative fee of 3% of funded scholarships from the State of Florida to cover the administration of the program. During the year ended June 30, 2016, Step Up For Students received an administrative fee for administering the program on behalf of the State of Florida in the amount of approximately \$1,451,000.

During the years ended June 30, 2016 and 2015, Step Up For Students distributed approximately \$29.1 million and \$7.0 million, leaving a balance of approximately \$26.7 million and \$9.0 million, respectively, which is recorded in the accompanying consolidated statement of financial position as both an asset and liability. Step Up For Students is acting as an agent for this program, therefore, there are no revenues and expenses reported on the accompanying statement of activities for scholarship funds received and distributed from the State of Florida.

Step Up For Students, Inc. and Subsidiary

Notes to Consolidated Financial Statements

(With Summarized Comparative Information as of or for Year Ended June 30, 2015)

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

- **Communications, Policy and Public Affairs:** This program takes the message of the scholarship program to constituency groups, community and political leaders, and local, state and national news publications. It publishes a newsletter with a circulation in excess of 50,000, four times a year, creates monthly student spotlights, issues press releases on topics of special concern, and writes commentary for various publications. The group also analyzes demographic, achievement and participation data and trends in the program and school choice movement.
- **Family and Community Affairs:** This program is responsible for building community partnerships which enhance the overall scholarship experience for students and their families. The group helps train choice advocates on how to describe and defend the scholarship program through research, media/public relations, accountability, legislative/political, program implementation and community leader influence.

A summary of the Organization's significant accounting policies follows:

Principles of consolidation: The consolidated financial statements include the accounts of Step Up For Students and its wholly owned subsidiary, the Alabama Opportunity Scholarship Fund, LLC. All significant intercompany transactions have been eliminated in consolidation.

Comparative financial statements: The consolidated financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's consolidated financial statements for the year ended June 30, 2015, from which the summarized information was derived.

Use of estimates: The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 revenues and support, and expenses during the reporting period. Actual results could differ from those estimates.

Basis of presentation: The accompanying consolidated financial statements have been prepared on the accrual basis of accounting.

A not-for-profit organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted net assets: Net assets that are not subject to donor-imposed stipulations, but may be designated for specific purposes by action of the Board of Directors.

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

Permanently restricted net assets: Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. The Organization does not have any permanently restricted net assets.

Step Up For Students, Inc. and Subsidiary

Notes to Consolidated Financial Statements

(With Summarized Comparative Information as of or for Year Ended June 30, 2015)

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

Cash and cash equivalents: For purposes of the statement of cash flows, the Organization considers all short-term securities purchased with an original maturity of three months or less to be cash equivalents. Cash and cash equivalents excludes funds held in trust for students.

The Organization maintains their cash accounts at two commercial banks, which are insured by the Federal Deposit Insurance Corporation (FDIC). Balances exceed amounts insured by the FDIC and the Organization has not experienced any losses on such accounts. To help reduce any potential losses, excess balances are swept into a money market fund which is invested in U.S. Government Obligations.

Pledges receivable, contributions and grants: Contributions and grants are recorded in the period received at fair value as unrestricted or temporarily restricted support depending on the existence or nature of any donor restrictions. Contributions and grants that are restricted by the donor are reported as increases in temporarily restricted net assets depending on the nature of the restrictions. When time restrictions expire or purpose restrictions are fulfilled, temporarily restricted net assets are reclassified to unrestricted net assets.

Unconditional promises to give (pledges) are recognized as support in the period received at fair value. Conditional promises to give are recognized when the conditions on which they depend are substantially met. The Organization uses the allowance method to determine uncollectible pledges receivable. The allowance is established based upon management's analysis of specific pledges and other economic factors. The Organization has received promises to give from corporations for the Florida Tax Credit Scholarship Program and from corporations and individuals for the Alabama Opportunity Scholarship Program.

Pledges, which become uncollectible or for which an allowance is established in the year of the pledge, are written off against contribution revenue. Pledges which become uncollectible in subsequent years are charged to the allowance for uncollectible pledges.

Contributed services are recognized and reported at fair value in the period received, if the services received create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by contribution. There were no contributed services for the years ended June 30, 2016 and 2015.

Accounts and grants receivable: Accounts and grants receivable are stated at net realizable value. The Organization uses the allowance method to determine uncollectible accounts receivable. The allowance is established based upon management's analysis of specific accounts and other economic factors. In the opinion of management, an allowance for uncollectible accounts of \$237,719 was considered necessary at June 30, 2016 and no allowance for uncollectible accounts was considered necessary at June 30, 2015.

Restricted certificate of deposit: Restricted certificate of deposit held by the Organization represents funds required to be set aside by the lessor relating an office lease signed by the Organization in 2015 for collateral and is carried at amortized cost.

Step Up For Students, Inc. and Subsidiary

Notes to Consolidated Financial Statements

(With Summarized Comparative Information as of or for Year Ended June 30, 2015)

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

Property and equipment: Property and equipment are recorded at cost when purchased or at fair value at the date of gift, if contributed. Depreciation of property and equipment is computed using the straight-line method of accounting over the estimated useful lives of the depreciable assets. Routine maintenance and repair costs are charged to expense as incurred, while major replacements and improvements are capitalized as additions to the related assets. When assets are sold or retired, the related cost and accumulated depreciation are removed from the accounts and gains or losses from dispositions are credited or charged to income.

Impairment of long-lived assets: The carrying value of property and equipment is reviewed for impairment whenever events or changes in circumstances indicate such value may not be recoverable. Recoverability of assets or asset groups to be held and used is measured by a comparison of the carrying amount of an asset or asset group to future net cash flows expected to be generated by the asset or asset group. If such assets or asset groups are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets or asset group. Assets or asset groups to be disposed of are reported at the lower of the carrying amount or fair value less cost to sell. No impairment of the Organization's long-lived assets or asset groups have been recognized during the years ended June 30, 2016 and 2015.

Funds held in trust for students and funds held in trust for students liability: Funds held in trust for students and funds held in trust for students liability represents funds received for the Personal Learning Scholarship Accounts Program. A personal learning scholarship account is established for each child that is awarded a special needs scholarship. As parents use these funds in accordance with State of Florida guidelines, the asset and liability are reduced accordingly.

Scholarship application and service fees: Revenue from scholarship application and service fees is recognized at the time the application is processed. The Organization refunds the scholarship application and service fees to families that do not use the scholarship within 12 months of their scholarship award. Scholarship application and service fees received and not processed are recorded as deferred revenue in the accompanying statement of financial position. Effective for the 2016 – 2017 application school year, the Organization is no longer charging these fees.

Functional expenses: The costs of providing the various programs and supporting services have been summarized on a functional basis in the consolidated statement of activities and in the consolidated statement of functional expenses. Accordingly, certain costs have been allocated among the various programs and supporting services benefited.

Income taxes: Step Up For Students is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and from state income taxes under similar provisions of the Florida Statutes. Accordingly, no provision for federal and state income taxes has been recorded in the accompanying consolidated financial statements. Step Up For Students has made an election under Section 501(h) of the Internal Revenue Code, which permits certain eligible 501(c)(3) organizations to make limited expenditures to influence legislation. Step Up For Students would be subject to an excise tax if it spends more than the amounts permitted. Such limits have not been exceeded.

The Alabama Opportunity Scholarship Fund is a disregarded entity for federal and state income tax purposes and therefore, reports all federal and state tax information through Step Up For Students. Accordingly, no provision for federal and state income taxes has been recorded in the accompanying consolidated financial statements.

Step Up For Students, Inc. and Subsidiary

Notes to Consolidated Financial Statements

(With Summarized Comparative Information as of or for Year Ended June 30, 2015)

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

The Organization follows accounting standards relating to accounting for uncertainty in income taxes. Management assessed whether there were any uncertain tax positions which may give rise to income tax liabilities and determined that there were no such matters requiring recognition in the accompanying consolidated financial statements. Generally, the Organization is no longer subject to U.S. federal or state income tax examinations by tax authorities for years before June 30, 2013.

Recent accounting pronouncements: In February 2016, the Financial Accounting Standards Board (FASB) issued its new lease accounting guidance in Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)*. Under the new guidance, lessees will be required to recognize the following for all leases (with the exception of short-term leases) at the commencement date: (1) A lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis; and (2) A right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. Lessees will no longer be provided with a source of off-balance sheet financing. Lessees must apply a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. Nonpublic entities should apply the amendments for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. Early application is permitted. The Organization has not evaluated the impact this ASU will have on the Organization's consolidated financial statements.

The FASB has issued ASU No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. ASU 2016-14 amends guidance on the current net asset classification requirements and the information presented in the financial statements and notes about a not-for-profit entity's liquidity, financial performance, and cash flows. ASU 2016-14 replaces the currently required three net asset classes with two net asset classes, *net assets with donor restrictions* and *net assets without donor restrictions*. Other amendments within ASU 2016-14 will improve the usefulness of information provided to donors, grantors, creditors, and other users of a not-for-profit's financial statements. The new guidance is effective for fiscal years beginning after December 15, 2017 and early adoption is permitted. The Organization is currently evaluating the impact of the adoption of ASU 2016-14 on its consolidated financial statements.

The FASB has issued certain new or modifications to, or interpretations of, existing accounting guidance in addition to the ASU's described above. The Organization has considered the new pronouncements and does not believe that any other new or modified guidance will have a material impact on the Organization's reported financial position or activities in the near term.

Subsequent events: Management has assessed subsequent events through October 14, 2016, the date the consolidated financial statements were available to be issued.

Step Up For Students, Inc. and Subsidiary

Notes to Consolidated Financial Statements

(With Summarized Comparative Information as of or for Year Ended June 30, 2015)

Note 2. Tax Credit Scholarship Programs and Scholarships Awarded

Florida Tax Credit Scholarship Program and Scholarships Awarded – Florida Statutes permit Scholarship Funding Organizations participating in the Florida Tax Credit Scholarship Program to use up to 3% of eligible contributions received for administrative expenses. Scholarship Funding Organizations must expend for annual or partial-year scholarships an amount equal to or greater than 75% of the net eligible contributions remaining after administrative expenses during the year in which such contributions are collected. No more than 25% of such net eligible contributions may be carried forward for expenditure to the following year. During the year ended June 30, 2016, Step Up For Students collected \$454,389,285 of eligible contributions. Step Up For Students claimed an administrative allowance of \$13,631,679 and expended \$417,696,212 for scholarships during the year ended June 30, 2016. During the year ended June 30, 2015, Step Up For Students collected \$332,564,866 of eligible contributions and earned \$8,223 of interest on the investment of these collected funds. Step Up For Students claimed an administrative allowance of \$9,973,650 and expended \$347,578,490 for scholarships during the year ended June 30, 2015.

Scholarships under the Florida Tax Credit Scholarship Program are awarded annually to qualified students. To qualify for a scholarship, a student and the parents or guardian of that student must meet economic need requirements, enroll in an eligible private school and comply with certain other responsibilities for program participation. Scholarships for the 2015 – 2016 and 2014 – 2015 school years could not exceed \$5,677 and \$5,272, respectively. The scholarship checks are made payable to the student's parent or guardian and the private school. The checks are mailed to the schools in quarterly installments. Before the mailing, the schools verify the students' attendance and that the students' parents or guardians have complied with their responsibilities under the program. Both the parents or guardians and schools endorse the checks before they are deposited into the schools' bank accounts.

Alabama Opportunity Scholarship Program and Scholarships Awarded – The Alabama Accountability Act of 2013 and the Administrative Rulings by the Alabama Department of Revenue permit Scholarship Granting Organizations participating in the Alabama Tax Credit Scholarship Program to use up to 5% of eligible contributions received for administrative expenses. Scholarship Granting Organizations must expend for scholarships an amount equal to or greater than 95% of the net eligible contributions remaining after administrative expenses. During the year ended June 30, 2016, the Alabama Opportunity Scholarship Fund collected \$5,999,909 of eligible contributions. The Alabama Opportunity Scholarship Fund claimed an administrative allowance of \$317,551 and expended \$11,757,389 for scholarships during the year ended June 30, 2016. During the year ended June 30, 2015, the Alabama Opportunity Scholarship Fund collected \$10,697,929 of eligible contributions. The Alabama Opportunity Scholarship Fund claimed an administrative allowance of \$644,110 and expended \$14,679,343 for scholarships during the year ended June 30, 2015.

Scholarships under the Alabama Tax Credit Scholarship Program are awarded annually to qualified students. To qualify for a scholarship, a student and the parents or guardian of that student must meet economic need requirements, enroll in an eligible private school and comply with certain other responsibilities for program participation.

Step Up For Students, Inc. and Subsidiary

Notes to Consolidated Financial Statements

(With Summarized Comparative Information as of or for Year Ended June 30, 2015)

Note 3. Property and Equipment

Property and equipment consisted of the following at June 30:

	2016	2015
Furniture and equipment	\$ 1,085,511	\$ 912,592
Software	809,491	831,847
Leasehold improvements	55,219	11,082
	<u>1,950,221</u>	<u>1,755,521</u>
Less accumulated depreciation	(1,386,685)	(1,093,819)
	<u>\$ 563,536</u>	<u>\$ 661,702</u>

Depreciation expense for the years ended June 30, 2016 and 2015, was \$292,866 and \$232,103, respectively.

Note 4. Line of Credit

In September 2015, Step Up For Students entered into a \$20,000,000 line of credit agreement from a bank bearing interest at the one-month LIBOR interest rate plus 2%. Interest on the line of credit was payable monthly and matured on June 30, 2016 and was not renewed (see Note 9). The line of credit was collateralized by substantially all the assets of Step Up For Students.

Note 5. Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes at June 30:

	2016	2015
Florida Tax Credit Scholarship Program	\$ 503,986,278	\$ 424,620,690
Alabama Opportunity Scholarship Program	6,293,904	11,403,836
Communications, Policy and Public Affairs	699,050	-
	<u>\$ 510,979,232</u>	<u>\$ 436,024,526</u>

Net assets were released from donor restrictions by incurring expenses satisfying the purpose specified by donors as follows:

	2016	2015
Florida Tax Credit Scholarship Program	\$ 417,957,938	\$ 347,578,490
Alabama Opportunity Scholarship Program	12,561,277	15,345,454
Personal Learning Scholarship Accounts Program	-	715,673
Communications, Policy and Public Affairs	22,832	186,441
Family and Community Affairs	-	9,559
	<u>\$ 430,542,047</u>	<u>\$ 363,835,617</u>

Step Up For Students, Inc. and Subsidiary

Notes to Consolidated Financial Statements

(With Summarized Comparative Information as of or for Year Ended June 30, 2015)

Note 6. Commitments and Contingencies

Commitments: The Organization leases certain office equipment and office space under operating leases which expire at various dates through July 2020. Rent expense for the years ended June 30, 2016 and 2015, was \$668,483 and \$476,303, respectively.

Minimum future annual lease payments under operating leases are as follows:

Years Ending June 30:	Amount
2017	\$ 711,709
2018	702,785
2019	718,219
2020	512,889
2021	18,240
	<u>\$ 2,663,842</u>

Litigation: The State of Florida is subject to a lawsuit that essentially challenges the constitutionality of the legislatively authorized K-12 scholarship programs and related support. The Organization has not been named as a defendant in the lawsuit. The attorney general of the State of Florida is defending the case. The lawsuit was dismissed by the trial court and appellate court, however, the plaintiffs have appealed to the Florida Supreme Court. If the case is successful, the mission and the funding of scholarships will be in doubt as currently provided by state law. Management is of the opinion that this case does not have merit based on existing case law and actions the affected legislatures can take to ensure constitutional compliance. In addition, legal counsel has represented that no tax credit scholarship program has been held unconstitutional by a State Supreme Court or the U.S. Supreme Court.

Note 7. Major Donors

Step Up For Students: Contributions from three major donors accounted for approximately 46.5% of contributions and grants – Florida Tax Credit Scholarship Program during the year ended June 30, 2016. At June 30, 2016, approximately 49.1% of pledges receivable are due from these major donors. Contributions from two major donors accounted for approximately 34.7% of contributions and grants – Florida Tax Credit Scholarship Program during the year ended June 30, 2015. At June 30, 2015, approximately 38.2% of pledges receivable are due from these major donors.

Alabama Opportunity Scholarship Fund: Contributions from three major donors accounted for approximately 61.3% of contributions and grants – Alabama Opportunity Scholarship Program during the year ended June 30, 2016. Contributions from one major donor accounted for approximately 88.7% of contributions and grants – Alabama Opportunity Scholarship Program during the year ended June 30, 2015.

Note 8. Retirement Plan

The Organization has a defined contribution 401(k) Savings Plan (the Plan). All employees who meet certain age and service requirements are eligible to participate in the Plan. The Plan provides for salary reduction contributions from employees up to the federal tax limit according to the Internal Revenue Code. In addition, there could be additional retirement benefits from discretionary employer contributions. Contributions to this Plan for the years ended June 30, 2016 and 2015, were \$350,393 and \$261,388, respectively, which is included in payroll taxes and employee benefits in the accompanying consolidated statement of functional expenses.

Step Up For Students, Inc. and Subsidiary

Notes to Consolidated Financial Statements

(With Summarized Comparative Information as of or for Year Ended June 30, 2015)

Note 9. Subsequent Events

In September 2016, Step Up For Students entered into a \$32,000,000 line of credit agreement with a different bank bearing interest at the one-month LIBOR interest rate plus 5%. Interest on the line of credit is payable monthly and matures on August 31, 2017. The line of credit is collateralized by substantially all the assets of Step Up For Students.

Step Up For Students, Inc. and Subsidiary

Consolidating Statement of Financial Position
June 30, 2016

	Step Up For Students	Alabama Opportunity Scholarship Fund	Eliminations	Consolidated
Assets				
Current Assets				
Cash and cash equivalents	\$ 45,355,473	\$ 4,401,340	\$ -	\$ 49,756,813
Pledges receivable, net	462,571,013	1,927,500	-	464,498,513
Accounts and grants receivable, net	903,307	77,125	-	980,432
Prepaid expenses and other assets	482,323	7,725	-	490,048
Funds held in trust for students	26,730,180	-	-	26,730,180
Due from related party	37,235	-	(37,235)	-
Total current assets	536,079,531	6,413,690	(37,235)	542,455,986
Restricted Certificate of Deposit	225,000	-	-	225,000
Property and Equipment, Net	555,158	8,378	-	563,536
Total assets	\$ 536,859,689	\$ 6,422,068	\$ (37,235)	\$ 543,244,522
Liabilities and Net Assets				
Current Liabilities				
Accounts payable	\$ 419,477	\$ 8,257	\$ -	\$ 427,734
Accrued expenses	1,081,393	101,405	-	1,182,798
Funds held in trust for students liability	26,730,180	-	-	26,730,180
Due to related party	-	37,235	(37,235)	-
Total current liabilities	28,231,050	146,897	(37,235)	28,340,712
Net Assets				
Unrestricted	3,943,311	(18,733)	-	3,924,578
Temporarily restricted	504,685,328	6,293,904	-	510,979,232
Total net assets	508,628,639	6,275,171	-	514,903,810
Total liabilities and net assets	\$ 536,859,689	\$ 6,422,068	\$ (37,235)	\$ 543,244,522

Step Up For Students, Inc. and Subsidiary

**Consolidating Statement of Activities
Year Ended June 30, 2016**

	Step Up For Students			Alabama Opportunity Schola	
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted
Revenues and Support					
Contributions and grants:					
Florida Tax Credit Scholarship Program	\$ 13,631,679	\$497,323,526	\$ 510,955,205	\$ -	\$ -
Alabama Opportunity Scholarship Program	-	-	-	317,551	7,021,345
Grants and other contributions	878,167	721,882	1,600,049	30	430,000
Personal Learning Scholarship Accounts Program	1,450,758	-	1,450,758	-	-
Scholarship application and service fees	136,114	-	136,114	-	-
Other revenue	94,442	-	94,442	3,000	-
Net assets released from restrictions	417,980,770	(417,980,770)	-	12,561,277	(12,561,277)
Total revenues and support	434,171,930	80,064,638	514,236,568	12,881,858	(5,109,932)
Expenses					
Program services:					
Florida Tax Credit Scholarship Program	422,648,470	-	422,648,470	-	-
Alabama Opportunity Scholarship Program	645	-	645	12,183,805	-
Communications, Policy and Public Affairs	1,966,523	-	1,966,523	201,771	-
School Development and Student Learning	1,676,271	-	1,676,271	-	-
Personal Learning Scholarship Accounts Program	1,652,036	-	1,652,036	-	-
Family and Community Affairs	514,685	-	514,685	213,953	-
Total program services	428,458,630	-	428,458,630	12,599,529	-
Supporting services:					
General and administrative	3,096,202	-	3,096,202	211,787	-
Development and fundraising	1,687,410	-	1,687,410	95,891	-
Total supporting services	4,783,612	-	4,783,612	307,678	-
Total expenses	433,242,242	-	433,242,242	12,907,207	-
Change in net assets	929,688	80,064,638	80,994,326	(25,349)	(5,109,932)
Net Assets					
Beginning	3,013,623	424,620,690	427,634,313	6,616	11,403,836
Ending	\$ 3,943,311	\$504,685,328	\$ 508,628,639	\$ (18,733)	\$ 6,293,904

Step Up For Students, Inc. and Subsidiary

**Schedule of Expenditures of State Financial Assistance
Year Ended June 30, 2016**

Grantor/Program Title	State CSFA Number	Contract/ Grant Number	State Expenditures
State Financial Assistance			
Florida Department of Education and Commissioner of Education: Personal Learning Scholarship Accounts Program	48.113	92X-90025-6Q001	<u>\$ 29,104,767</u>
Total expenditures of state financial assistance			<u><u>\$ 29,104,767</u></u>

See notes to schedule of expenditures of state financial assistance.

Step Up For Students, Inc. and Subsidiary

**Notes to Schedule of Expenditures of State Financial Assistance
Year Ended June 30, 2016**

Note 1. Basis of Presentation

The accompanying schedule of expenditures of state financial assistance (the Schedule) includes the state financial assistance project activity of Step Up For Students, Inc. and its subsidiary (the Organization) under programs of the State of Florida for the year ended June 30, 2016. The information in this Schedule is presented in accordance with the requirements of the State of Florida Chapter 10.650, *Rules of the Auditor General*. Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Organization.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are recognized on the accrual basis of accounting. Such expenditures are reported following the cost principles established by the State of Florida Department of Financial Services, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers (contract or grant number) are presented where available.

Step Up For Students is acting as an agent for this program, therefore, there are no revenues and expenses reported on the accompanying statement of activities for scholarship funds received and distributed from the State of Florida. The expenditures reported as state financial assistance on the Schedule represent amounts distributed for reimbursement of program-related educational expenditures on behalf of eligible children.

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.

RSM US LLP

Orlando, Florida
October 14, 2016

**Report on Compliance for its Major State Financial Assistance Project and
Report on Internal Control Over Compliance required by State of Florida
Chapter 10.650, Rules of the Auditor General**

Independent Auditor's Report

To the Board of Directors
Step Up For Students, Inc.
Jacksonville, Florida

Report on Compliance for its Major State Financial Assistance Project

We have audited Step Up For Students, Inc. and its subsidiary's (the Organization) compliance 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 state statutes, regulations, and the terms and conditions of its state financial assistance 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 circumstances.

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 of the Organization's compliance.

Opinion on its 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 over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, 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 material weaknesses or significant deficiencies. 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.

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.

RSM US LLP

Orlando, Florida
October 14, 2016

Step Up For Students, Inc. and Subsidiary

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2016**

I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	<u> </u> Yes	<u> X </u> No
Significant deficiency(ies) identified?	<u> </u> Yes	<u> X </u> None Reported
Noncompliance material to financial statements noted?	<u> </u> Yes	<u> X </u> No

State Financial Assistance

Internal control over major programs:

Material weakness(es) identified?	<u> </u> Yes	<u> X </u> No
Significant deficiency(ies) identified?	<u> </u> Yes	<u> X </u> None Reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 10.654(1)(h)(1)(f), *Rules of the Auditor General*? Yes X No

Identification of major programs:

CSFA Number(s)
48.113

Name of State Financial Assistance Project
Personal Learning Scholarship Accounts Program

Dollar threshold used to distinguish between type A and type B state financial assistance projects: \$ 873,143

II. Financial Statement Findings

No matters were reported.

III. Findings and Questioned Costs for State Financial Assistance

No matters were reported.

IV. Other Reporting

1. No Summary Schedule of Prior Audit Findings is presented because there were no prior audit findings related to state financial assistance projects.
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.

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STEP UP FOR STUDENTS, INC.
4655 SALISBURY ROAD, NO. 400
JACKSONVILLE, FL 32256

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE CENTER
OGDEN, UT 84201-0027



FORM 990

Form 990

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

2015 Open to Public Inspection

Department of the Treasury Internal Revenue Service

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 JUL 1, 2015 and ending JUN 30, 2016

Form header section containing organization name (STEP UP FOR STUDENTS, INC.), EIN (59-3649371), address (4655 SALISBURY ROAD, JACKSONVILLE, FL 32256), and principal officer (JOE PFOUNTZ).

Part I Summary

Summary table with columns for Revenue, Expenses, and Net Assets or Fund Balances. Rows include mission statement, governance metrics, and financial data for 2015 and 2014.

Part II Signature Block

Signature block containing declaration of preparer (Theresa A. Burdine, CPA) and officer (Joe Pountz, CFO) with dates and titles.

May the IRS discuss this return with the preparer shown above? (see instructions) [X] 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 [X]

1 Briefly describe the organization's mission: STEP UP FOR STUDENTS EMPOWERS PARENTS TO PURSUE AND ENGAGE IN THE MOST APPROPRIATE LEARNING OPTIONS FOR THEIR CHILDREN, WITH AN EMPHASIS ON FAMILIES WHO LACK THE FINANCIAL RESOURCES TO ACCESS THESE OPTIONS. BY PURSUING THIS MISSION, WE HELP PUBLIC EDUCATION FULFILL THE PROMISE OF

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 [X] 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 [X] 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 \$ 422,648,442. including grants of \$ 417,696,212.) (Revenue \$ 143,160.) FLORIDA TAX CREDIT SCHOLARSHIP PROGRAM: THIS PAST SCHOOL YEAR, 78,664 UNDERPRIVILEGED STUDENTS ATTENDED 1,602 PRIVATE SCHOOLS ON A STEP UP FOR STUDENTS SCHOLARSHIP, AND FOR THE 2016-17 SCHOOL YEAR, WE ANTICIPATE SERVING ROUGHLY 94,500 STUDENTS. THE SCHOLARSHIP PROGRAM WAS CREATED TO HELP ALLEVIATE THE ENORMOUS EDUCATIONAL CHALLENGES FACED BY CHILDREN WHO LIVE IN POVERTY. THE SCHOLARSHIP GIVES PARENTS WITH LIMITED FINANCIAL MEANS THE FREEDOM TO CHOOSE THE SCHOOL THAT BEST MEETS THEIR CHILDREN'S LEARNING NEEDS FROM KINDERGARTEN THROUGH 12TH GRADE. IT IS THE LARGEST SCHOLARSHIP PROGRAM OF THIS NATURE IN THE UNITED STATES.

FOR THE 2015-16 SCHOOL YEAR, APPROVED STUDENTS COULD CHOOSE BETWEEN 4b (Code:) (Expenses \$ 12,184,478. including grants of \$ 11,782,389.) (Revenue \$) THE ALABAMA OPPORTUNITY SCHOLARSHIP FUND (ALOSF) IS A SCHOLARSHIP GRANTING ORGANIZATION FORMED TO IMPLEMENT THE ALABAMA ACCOUNTABILITY ACT. ALOSF AWARDS SCHOLARSHIPS TO ELIGIBLE LOW INCOME STUDENTS WITH PRIORITY GIVEN TO CHILDREN WHO ARE ZONED TO ATTEND A FAILING PUBLIC SCHOOL. THE SCHOLARSHIPS PAY FOR PRIVATE SCHOOL TUITION OR TRANSFER FEES TO A NON-FAILING PUBLIC SCHOOL. THE FIRST SCHOLARSHIPS WERE GRANTED FOR THE SEMESTER STARTING JANUARY 2014. ALOSF HAS AWARDED OVER 5,500 SCHOLARSHIPS OVER 2 1/2 YEARS. AN ADDITIONAL 15,000 STUDENTS APPLIED BUT WERE NOT AWARDED. THE SCHOLARSHIPS ARE FUNDED BY DONATIONS OF INCOME TAX LIABILITY FROM INDIVIDUALS AND CORPORATIONS WHO RECEIVE AN ALABAMA STATE INCOME TAX CREDIT.

4c (Code:) (Expenses \$ 1,652,036. including grants of \$) (Revenue \$) THE PERSONAL LEARNING SCHOLARSHIP ACCOUNT PROGRAM: IN 2015-16, STEP UP ALSO ADMINISTERED A STATEWIDE SCHOLARSHIP AVAILABLE TO SPECIAL-NEEDS STUDENTS WITH ONE OF NINE SPECIFIC DISABILITIES: AUTISM, CEREBRAL PALSY, DOWN SYNDROME, PRADER-WILLI SYNDROME, SPINA BIFIDA, WILLIAMS SYNDROME, INTELLECTUAL DISABILITY (SEVERE COGNITIVE IMPAIRMENT), MUSCULAR DYSTROPHY, OR "HIGH RISK" CHILDREN IN KINDERGARTEN. FOR THE 2015-16 SCHOOL YEAR, THE PROGRAM SERVED 4,609 STUDENTS WHO RECEIVED SCHOLARSHIPS WORTH AN AVERAGE OF \$10,000 EACH. THE PROGRAM EMPOWERS FAMILIES TO CHOOSE THE EDUCATIONAL SERVICES THAT BEST MEET THE NEEDS OF THEIR STUDENT, AND THE MONEY CAN BE FOR SCHOOLS, THERAPISTS, SPECIALISTS, CURRICULUM, TECHNOLOGY -EVEN A COLLEGE SAVINGS ACCOUNT.

4d Other program services (Describe in Schedule O.) (Expenses \$ 4,096,632. including grants of \$ 600.) (Revenue \$)

4e Total program service expenses 440,581,588.

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)? <i>If "Yes," complete Schedule A</i>	X	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
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? <i>If "Yes," complete Schedule C, Part II</i>	X	
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? <i>If "Yes," complete Schedule C, Part III</i>		X
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? <i>If "Yes," complete Schedule D, Part I</i>		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
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? <i>If "Yes," complete Schedule D, Part IV</i>		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>		X
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? <i>If "Yes," complete Schedule D, Part VI</i>	X	
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? <i>If "Yes," complete Schedule D, Part VII</i>		X
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? <i>If "Yes," complete Schedule D, Part VIII</i>		X
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? <i>If "Yes," complete Schedule D, Part IX</i>		X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	X	
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)? <i>If "Yes," complete Schedule D, Part X</i>	X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>		X
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>	X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
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? <i>If "Yes," complete Schedule F, Parts I and IV</i>		X
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? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
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? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
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? <i>If "Yes," complete Schedule G, Part I</i>		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X

Part IV Checklist of Required Schedules (continued)

	Yes	No
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		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? <i>If "Yes," complete Schedule I, Parts I and II</i>		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? <i>If "Yes," complete Schedule I, Parts I and III</i>	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? <i>If "Yes," complete Schedule J</i>	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? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>		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? <i>If "Yes," complete Schedule L, Part I</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? <i>If "Yes," complete Schedule L, Part I</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? <i>If "Yes," complete Schedule L, Part II</i>		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? <i>If "Yes," complete Schedule L, Part III</i>		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? <i>If "Yes," complete Schedule L, Part IV</i>		X
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		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? <i>If "Yes," complete Schedule L, Part IV</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		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? <i>If "Yes," complete Schedule R, Part I</i>	X	
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>		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)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		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? <i>If "Yes," complete Schedule R, Part VI</i>		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

Table with columns for question numbers (1a-14b), Yes/No checkboxes, and numerical responses (e.g., 76, 0, 163). Includes questions about Form 1096, Form W-2G, Form W-3, and various tax compliance requirements.

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.		
1b	Enter the number of voting members included in line 1a, above, who are independent		
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	X	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
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 **FL, AR, GA, CT, AL**
- 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: **JOE PFOUNTZ - 904-352-2246**
4655 SALISBURY RD, SUITE 400, JACKSONVILLE, FL 32256

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 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) JOHN KIRTLEY CHAIRMAN, SUFS/DIRECTOR, ALOSF	2.00	X					0.	0.	0.	
(2) JULIO FUENTES DIRECTOR, SUFS	2.00	X					0.	0.	0.	
(3) ALISON HERTOEG DIRECTOR, SUFS	2.00	X					0.	0.	0.	
(4) ALFRED "AL" LAWSON DIRECTOR, SUFS	2.00	X					0.	0.	0.	
(5) RICHARD OUTRAM DIRECTOR, SUFS	2.00	X					0.	0.	0.	
(6) PAUL SHERMAN DIRECTOR, SUFS	2.00	X					0.	0.	0.	
(7) CURTIS STOKES DIRECTOR, SUFS	2.00	X					0.	0.	0.	
(8) GOVERNOR BOB RILEY CHARIMAN, ALOSF	2.00	X					0.	0.	0.	
(9) MARQUITA DAVIS DIRECTOR, ALOSF	2.00	X					0.	0.	0.	
(10) REVEREND H.K. MATTHEWS DIRECTOR, ALOSF	2.00	X					0.	0.	0.	
(11) JOHN H. COOPER DIRECTOR, ALOSF	2.00	X					0.	0.	0.	
(12) CHAD FINCHER DIRECTOR, ALOSF	2.00	X					0.	0.	0.	
(13) DOUG TUTHILL PRESIDENT, SUFS	40.00			X			216,767.	0.	28,582.	
(14) ANNE WHITE COO, SUFS/DIRECTOR, ALOSF	40.00			X			153,791.	0.	18,548.	
(15) JOE PFOUNTZ TREAS & CFO, SUFS/DIRECTOR ALOSF	40.00			X			74,282.	0.	14,311.	
(16) SCOTT MASSEY CIO, SUFS	40.00				X		140,656.	0.	27,310.	
(17) DEBRA WOERNER VP DEVELOPMENT, SUFS	40.00				X		146,357.	0.	13,589.	

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 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			
(18) ALISSA RANDALL VP MARKETING & EVENTS, SUPS	40.00					X		137,526.	0.	13,147.
(19) JONATHAN EAST VP POLICY & PUBLIC AFFAIRS	40.00					X		129,722.	0.	6,486.
(20) JONATHON BECKHAM DIRECTOR OF SOFTWARE DEVEL	40.00					X		113,000.	0.	25,702.
1b Sub-total								1,112,101.	0.	147,675.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								1,112,101.	0.	147,675.

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 7

	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	3	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	4	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	5	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
NONE		

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 0

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	1 a	Federated campaigns						
	b	Membership dues						
	c	Fundraising events						
	d	Related organizations						
	e	Government grants (contributions)						
	f	All other contributions, gifts, grants, and similar amounts not included above	521,372,137.					
	g	Noncash contributions included in lines 1a-1f: \$						
	h	Total. Add lines 1a-1f		521,372,137.				
Program Service Revenue	2 a	APPLICATION FEES	900099	136,114.	136,114.			
	b							
	c							
	d							
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f		136,114.				
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		90,396.		90,396.		
	4	Income from investment of tax-exempt bond proceeds						
	5	Royalties						
	6 a	Gross rents	(i) Real					
			(ii) Personal					
			b	Less: rental expenses				
			c	Rental income or (loss)				
	d	Net rental income or (loss)						
	7 a	Gross amount from sales of assets other than inventory	(i) Securities					
			(ii) Other					
			b	Less: cost or other basis and sales expenses	98,868.			
			c	Gain or (loss)	-98,868.			
	d	Net gain or (loss)		-98,868.		-98,868.		
	8 a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	a					
			b	Less: direct expenses				
c			Net income or (loss) from fundraising events					
9 a	Gross income from gaming activities. See Part IV, line 19	a						
		b	Less: direct expenses					
		c	Net income or (loss) from gaming activities					
10 a	Gross sales of inventory, less returns and allowances	a						
		b	Less: cost of goods sold					
		c	Net income or (loss) from sales of inventory					
Miscellaneous Revenue			Business Code					
11 a	OTHER INCOME	900099	7,046.	7,046.				
		b						
		c						
		d	All other revenue					
e	Total. Add lines 11a-11d		7,046.					
12	Total revenue. See instructions.		521,506,825.	143,160.	0.	-8,472.		

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	429,479,201.	429,479,201.		
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	506,281.		506,281.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	8,721,638.	6,201,799.	1,453,140.	1,066,699.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	243,088.	193,463.	13,706.	35,919.
9 Other employee benefits	648,858.	475,684.	92,440.	80,734.
10 Payroll taxes	972,584.	742,301.	133,584.	96,699.
11 Fees for services (non-employees):				
a Management				
b Legal	276,402.	4,433.	271,552.	417.
c Accounting				
d Lobbying	11,942.	11,942.		
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)				
12 Advertising and promotion	183,186.	111,200.	40,350.	31,636.
13 Office expenses	210,065.	163,009.	30,168.	16,888.
14 Information technology				
15 Royalties				
16 Occupancy	668,483.	441,413.	217,369.	9,701.
17 Travel	577,965.	365,469.	104,475.	108,021.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	292,866.	240,224.	32,585.	20,057.
23 Insurance	238,837.	177,573.	33,279.	27,985.
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 TEMPORARY LABOR	552,183.	552,183.		
b CONTRACT SERVICES	452,556.	326,078.	107,406.	19,072.
c OTHER COSTS	426,395.	172,807.	80,895.	172,693.
d BANK FEES	290,210.	223,187.	67,023.	
e All other expenses SEE SCH O	895,040.	699,622.	98,636.	96,782.
25 Total functional expenses. Add lines 1 through 24e	445,647,780.	440,581,588.	3,282,889.	1,783,303.
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 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	31,401,777.	1	49,756,813.
	2	Savings and temporary cash investments	225,000.	2	225,000.
	3	Pledges and grants receivable, net	406,593,606.	3	464,498,513.
	4	Accounts receivable, net	1,281,027.	4	980,432.
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	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 instr). Complete Part II of Sch L		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges	228,985.	9	490,048.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 1,950,221.		
	10b	Less: accumulated depreciation	10b 1,386,685.		
	10c		661,702.	10c	563,536.
	11	Investments - publicly traded securities		11	
	12	Investments - other securities. See Part IV, line 11		12	
	13	Investments - program-related. See Part IV, line 11		13	
	14	Intangible assets		14	
15	Other assets. See Part IV, line 11	8,963,824.	15	26,730,180.	
16	Total assets. Add lines 1 through 15 (must equal line 34)	449,355,921.	16	543,244,522.	
Liabilities	17	Accounts payable and accrued expenses	1,209,014.	17	1,610,532.
	18	Grants payable		18	
	19	Deferred revenue	138,318.	19	0.
	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	8,963,824.	25	26,730,180.
	26	Total liabilities. Add lines 17 through 25	10,311,156.	26	28,340,712.
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	3,020,239.	27	3,924,578.
	28	Temporarily restricted net assets	436,024,526.	28	510,979,232.
	29	Permanently restricted net assets		29	
	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	439,044,765.	33	514,903,810.	
34	Total liabilities and net assets/fund balances	449,355,921.	34	543,244,522.	

Form 990 (2015)

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	521,506,825.
2	Total expenses (must equal Part IX, column (A), line 25)	2	445,647,780.
3	Revenue less expenses. Subtract line 2 from line 1	3	75,859,045.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	439,044,765.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	402,801.
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-402,801.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	514,903,810.

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?		X
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		

Form 990 (2015)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

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

Name of the organization **STEP UP FOR STUDENTS, INC.** Employer identification number **59-3649371**

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		
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.")	267,447,702.	310,799,794.	332,392,878.	456,345,377.	521,372,137.	1888357888.
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	267,447,702.	310,799,794.	332,392,878.	456,345,377.	521,372,137.	1888357888.
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)						689,419,659.
6 Public support. Subtract line 5 from line 4.						1198938229.

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	267,447,702.	310,799,794.	332,392,878.	456,345,377.	521,372,137.	1888357888.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	8,058.	13,048.	12,414.	8,223.	90,396.	132,139.
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.)	332,123.		1,518.	12,665.	7,046.	353,352.
11 Total support. Add lines 7 through 10						1888843379.
12 Gross receipts from related activities, etc. (see instructions)					12	1,686,768.

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	63.47 %
15 Public support percentage from 2014 Schedule A, Part II, line 14	15	69.54 %

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

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

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

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

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

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**

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 <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.		
b <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.		
c <input type="checkbox"/> 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.		
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).		

Schedule A (Form 990 or 990-EZ) 2015

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

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			

Schedule A (Form 990 or 990-EZ) 2015

Schedule B

(Form 990, 990-EZ, or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.
▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2015

Name of the organization

STEP UP FOR STUDENTS, INC.

Employer identification number

59-3649371

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(3) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ▶ \$ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2015)

Name of organization STEP UP FOR STUDENTS, INC.	Employer identification number 59-3649371
-----------------------------------------------------------	-----------------------------------------------------

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	<hr/> <hr/> <hr/>	\$ <u>15,000,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	<hr/> <hr/> <hr/>	\$ <u>28,500,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3	<hr/> <hr/> <hr/>	\$ <u>21,000,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
4	<hr/> <hr/> <hr/>	\$ <u>60,000,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
5	<hr/> <hr/> <hr/>	\$ <u>55,000,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
6	<hr/> <hr/> <hr/>	\$ <u>125,000,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization STEP UP FOR STUDENTS, INC.	Employer identification number 59-3649371
--------------------------------------------------------	--------------------------------------------------

Part II Noncash Property (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	

Name of organization STEP UP FOR STUDENTS, INC.	Employer identification number 59-3649371
--------------------------------------------------------	--------------------------------------------------

Part III Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this info. once.) ▶ \$ _____
Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

SCHEDULE C
(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

OMB No. 1545-0047

2015

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

- ▶ **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 **STEP UP FOR STUDENTS, INC.** Employer identification number **59-3649371**

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-

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. Schedule C (Form 990 or 990-EZ) 2015

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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)	8,171.													
b	Total lobbying expenditures to influence a legislative body (direct lobbying)	3,771.													
c	Total lobbying expenditures (add lines 1a and 1b)	11,942.													
d	Other exempt purpose expenditures	445,635,838.													
e	Total exempt purpose expenditures (add lines 1c and 1d)	445,647,780.													
f	Lobbying nontaxable amount. Enter the amount from the following table in both columns.	1,000,000.													
<table border="1"> <thead> <tr> <th>If the amount on line 1e, column (a) or (b) is:</th> <th>The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>		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.		
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	1,000,000.	1,000,000.	1,000,000.	1,000,000.	4,000,000.
b	Lobbying ceiling amount (150% of line 2a, column(e))					6,000,000.
c	Total lobbying expenditures	72,000.	196,409.	55,760.	11,942.	336,111.
d	Grassroots nontaxable amount	250,000.	250,000.	250,000.	250,000.	1,000,000.
e	Grassroots ceiling amount (150% of line 2d, column (e))					1,500,000.
f	Grassroots lobbying expenditures	72,000.	47,300.	55,760.	8,171.	183,231.

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?	1	
2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?	2	
3 Did the organization agree to carry over lobbying and political expenditures from the prior year?	3	

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

THE EXTERNAL AFFAIRS DIRECTOR AND POLICY DIRECTOR FOR STEP UP FOR STUDENTS

PLAYED AN ASSISTING ROLE IN THE LEGISLATIVE ADOPTION OF IMPROVEMENTS TO

THE GARDINER SCHOLARSHIP AND TAX CREDIT SCHOLARSHIP PROGRAMS IN EARLY

2016, ADVISING LEGISLATIVE COMMITTEE STAFF AND LEGISLATORS ON DIFFERENT

POINTS ON THE BILL. STAFFERS IN EXTERNAL AFFAIRS ALSO WORKED WITH GARDINER

Part IV Supplemental Information (continued)

FAMILIES TO PROVIDE PERSONAL TESTIMONY AND CONTACT LAWMAKERS TO EXPRESS

THEIR SUPPORT OF THE BILL IN A LEGISLATIVE GRASSROOTS EFFORT. THESE

LOBBYING EFFORTS ARE FINANCED BY PRIVATE FUNDRAISING AND NOT THROUGH

EITHER THE DIRECT APPROPRIATION OR TAX-CREDITED CONTRIBUTIONS RECEIVED

UNDER EACH PROGRAM, INCLUDING THE 3% ADMINISTRATIVE ALLOWANCE EACH PROGRAM

RECEIVES.

Lined area for supplemental information.

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.

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

OMB No. 1545-0047

2015

Open to Public Inspection

Name of the organization **STEP UP FOR STUDENTS, INC.** Employer identification number **59-3649371**

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.

	(a) Donor advised funds	(b) Funds and other accounts
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? <input type="checkbox"/> Yes <input type="checkbox"/> No		
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? <input type="checkbox"/> Yes <input type="checkbox"/> No		

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

1 Purpose(s) of conservation easements held by the organization (check all that apply). <input type="checkbox"/> Preservation of land for public use (e.g., recreation or education) <input type="checkbox"/> Preservation of a historically important land area <input type="checkbox"/> Protection of natural habitat <input type="checkbox"/> Preservation of a certified historic structure <input type="checkbox"/> Preservation of open space	
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.	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d
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? <input type="checkbox"/> Yes <input type="checkbox"/> No	
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)? <input type="checkbox"/> Yes <input type="checkbox"/> No	
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.

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.	
b 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(i), 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		1,895,002.	1,369,643.	525,359.
e Other		55,219.	17,042.	38,177.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				563,536.

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. (Col. (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. (Col. (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) FUNDS HELD IN TRUST FOR STUDENTS	26,730,180.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	26,730,180.

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.

Table with 5 main rows and sub-rows (a-e) for adjustments. Columns include line numbers and descriptions.

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.

Table with 5 main rows and sub-rows (a-e) for adjustments. Columns include line numbers and descriptions.

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 X, LINE 2:

STEP UP FOR STUDENTS IS EXEMPT FROM FEDERAL INCOME TAXES UNDER SECTION

501(C)(3) OF THE INTERNAL REVENUE CODE AND FROM STATE INCOME TAXES UNDER

SIMILAR PROVISIONS OF THE FLORIDA STATUTES. ACCORDINGLY, NO PROVISION FOR

FEDERAL AND STATE INCOME TAXES HAS BEEN RECORDED IN THE FINANCIAL

STATEMENTS. STEP UP FOR STUDENTS HAS MADE AN ELECTION UNDER SECTION

501(H) OF THE INTERNAL REVENUE CODE, WHICH PERMITS CERTAIN ELIGIBLE

501(C)(3) ORGANIZATIONS TO MAKE LIMITED EXPENDITURES TO INFLUENCE

LEGISLATION. THESE EXPENDITURES ARE FINANCED BY PRIVATE FUNDRAISING AND

NOT THROUGH EITHER THE DIRECT APPROPRIATION OR TAX-CREDITED CONTRIBUTIONS

RECEIVED UNDER EACH PROGRAM, INCLUDING THE 3% ADMINISTRATIVE ALLOWANCE

EACH PROGRAM RECEIVES. STEP UP FOR STUDENTS WOULD BE SUBJECT TO AN EXCISE

Part XIII Supplemental Information (continued)

TAX IF IT SPENDS MORE THAT THE AMOUNTS PERMITTED. SUCH LIMITS HAVE NOT BEEN EXCEEDED.

THE ALABAMA OPPORTUNITY SCHOLARSHIP FUND IS A SINGLE MEMBER LIMITED LIABILITY COMPANY (LLC) WHICH IS WHOLLY-OWNED BY STEP UP FOR STUDENTS. STEP UP FOR STUDENTS IS EXEMPT FROM FEDERAL INCOME TAXES UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE. AS A WHOLLY-OWNED LLC, THE ALABAMA OPPORTUNITY SCHOLARSHIP FUND IS A DISREGARDED ENTITY FOR FEDERAL AND STATE INCOME TAX PURPOSES AND THEREFORE, REPORTS ALL FEDERAL AND STATE INCOME TAX INFORMATION THROUGH ITS PARENT, STEP UP FOR STUDENTS. ACCORDINGLY, NO PROVISION FOR FEDERAL AND STATE INCOME TAXES HAS BEEN RECORDED IN THE CONSOLIDATED FINANCIAL STATEMENTS.

STEP UP FOR STUDENTS FOLLOWS ACCOUNTING STANDARDS RELATING TO ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES. MANAGEMENT ASSESSED WHETHER THERE WERE ANY UNCERTAIN TAX POSITIONS WHICH MAY GIVE RISE TO INCOME TAX LIABILITIES AND DETERMINED THAT THERE WERE NO SUCH MATTERS REQUIRING RECOGNITION IN THE CONSOLIDATED FINANCIAL STATEMENTS. STEP UP FOR STUDENTS FILES INCOME TAX RETURNS IN THE U.S. FEDERAL JURISDICTION. GENERALLY, STEP UP FOR STUDENTS IS NO LONGER SUBJECT TO U.S. FEDERAL OR STATE INCOME TAX EXAMINATIONS BY TAX AUTHORITIES FOR YEARS BEFORE JUNE 30, 2013.

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)
TAX CREDIT SCHOLARSHIP PROGRAM	78644	429,479,200.	0.	

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

PART I, LINE 2:

STEP UP FOR STUDENTS RECEIVES GRANTS TO FUND PROJECTS AND INITIATIVES TO
EMPOWER THE FAMILIES OF OUR STUDENTS. THE GRANT EXPENSES ARE TRACKED BY
PROJECT CODE FOR EASE OF REPORTING TO OUR GRANTORS, IF APPLICABLE.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.

▶ Attach to Form 990.

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

OMB No. 1545-0047

2015

Open to Public Inspection

Name of the organization

STEP UP FOR STUDENTS, INC.

Employer identification number

59-3649371

Part I Questions Regarding Compensation

	Yes	No
1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items. <input type="checkbox"/> First-class or charter travel <input type="checkbox"/> Travel for companions <input type="checkbox"/> Tax indemnification and gross-up payments <input type="checkbox"/> Discretionary spending account <input type="checkbox"/> Housing allowance or residence for personal use <input type="checkbox"/> Payments for business use of personal residence <input type="checkbox"/> Health or social club dues or initiation fees <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)		
b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b	
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked in line 1a?	2	X
3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III. <input checked="" type="checkbox"/> Compensation committee <input checked="" type="checkbox"/> Independent compensation consultant <input checked="" type="checkbox"/> Form 990 of other organizations <input type="checkbox"/> Written employment contract <input checked="" type="checkbox"/> Compensation survey or study <input checked="" type="checkbox"/> Approval by the board or compensation committee		
4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:		
a Receive a severance payment or change-of-control payment?	4a	X
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	X
c Participate in, or receive payment from, an equity-based compensation arrangement? If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.	4c	X
Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.		
5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:		
a The organization?	5a	X
b Any related organization? If "Yes" to line 5a or 5b, describe in Part III.	5b	X
6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:		
a The organization?	6a	X
b Any related organization? If "Yes" on line 6a or 6b, describe in Part III.	6b	X
7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described on lines 5 and 6? If "Yes," describe in Part III	7	X
8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III	8	X
9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9	

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

Schedule J (Form 990) 2015

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organization on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note: The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits
	(i) Base compensation	(ii) Bonus & Incentive compensation	(iii) Other reportable compensation		
(1) DOUG TUTHILL PRESIDENT, SUFS	(i) 216,767.	0.	0.	9,085.	19,497.
	(ii) 0.	0.	0.	0.	0.
(2) ANNE WHITE COO, SUFS/DIRECTOR, ALOSF	(i) 153,791.	0.	0.	7,854.	10,694.
	(ii) 0.	0.	0.	0.	0.
(3) SCOTT MASSEY CIO, SUFS	(i) 140,656.	0.	0.	7,385.	19,925.
	(ii) 0.	0.	0.	0.	0.
(4) DEBRA WOERNER VP DEVELOPMENT, SUFS	(i) 146,357.	0.	0.	7,367.	6,222.
	(ii) 0.	0.	0.	0.	0.
(5) ALISSA RANDALL VP MARKETING & EVENTS, SUFS	(i) 137,526.	0.	0.	6,926.	6,221.
	(ii) 0.	0.	0.	0.	0.
	(i)				
	(ii)				
	(i)				
	(ii)				
	(i)				
	(ii)				
	(i)				
	(ii)				
	(i)				
	(ii)				
	(i)				
	(ii)				
	(i)				
	(ii)				
	(i)				
	(ii)				
	(i)				
	(ii)				
	(i)				
	(ii)				

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

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.
▶ 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.

OMB No. 1545-0047

2015

Open to Public
Inspection

Name of the organization

STEP UP FOR STUDENTS, INC.

Employer identification number

59-3649371

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

OPTIONS FOR THEIR CHILDREN, WITH AN EMPHASIS ON FAMILIES WHO LACK THE
FINANCIAL RESOURCES TO ACCESS THESE OPTIONS. BY PURSUING THIS MISSION,
WE HELP PUBLIC EDUCATION FULFILL THE PROMISE OF EQUAL OPPORTUNITY.

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

EQUAL OPPORTUNITY.

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS:

SCHOLARSHIPS WORTH UP TO \$5,677 FOR PRIVATE SCHOOL TUITION AND FEES OR
UP TO \$500 IN TRANSPORTATION COSTS TO ATTEND AN OUT-OF-DISTRICT PUBLIC
SCHOOL. SINCE ITS CREATION, THE FLORIDA TAX CREDIT SCHOLARSHIP PROGRAM
HAS AWARDED 482,226 SCHOLARSHIPS. FOR 2015-16, THE AVERAGE INCOME FOR
PARTICIPANTS WAS 7.4% ABOVE THE FEDERAL POVERTY GUIDELINES, AND 58% OF
THE STUDENTS WERE FROM SINGLE-PARENT HOUSEHOLDS.

STANDARDIZED TEST SCORES RELEASED IN AUGUST 2015 SHOWED THAT

SCHOLARSHIP STUDENTS WERE ACHIEVING THE SAME GAINS IN READING AND MATH

AS STUDENTS OF ALL INCOME LEVELS NATIONALLY. BY LAW, SCHOLARSHIP

RECIPIENTS EVERY YEAR MUST TAKE A NATIONALLY RECOGNIZED NORM-REFERENCED

TEST APPROVED BY THE STATE AND MOST TAKE THE WELL-REGARDED STANFORD

ACHIEVEMENT TEST. THE RESULTS REPORTED IN 2015 TRACKED CLOSELY WITH

RESULTS IN PRIOR YEARS AND THE RESEARCHER ISSUED TWO KEY FINDINGS:

-STUDENTS WHO CHOSE THE SCHOLARSHIP WERE AMONG THE POOREST AND

LOWEST-PERFORMING STUDENTS FROM THE PUBLIC SCHOOLS THEY LEFT BEHIND.

-THESE SAME STUDENTS ACHIEVED GAINS IN READING AND MATH THAT WERE THE

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.
532211
09-02-15

Schedule O (Form 990 or 990-EZ) (2015)

Name of the organization STEP UP FOR STUDENTS, INC.	Employer identification number 59-3649371
--------------------------------------------------------	----------------------------------------------

SAME AS ALL STUDENTS NATIONALLY, REGARDLESS OF INCOME LEVEL.

FOR THE 10TH TIME, STEP UP FOR STUDENTS WAS AWARDED THE COVETED
FOUR-STAR RATING BY CHARITY NAVIGATOR AND WAS ONE OF ONLY TWO EDUCATION
NONPROFITS IN THE NATION TO SCORE A PERFECT 100.0 ON THE NAVIGATOR'S
SCALE OF FINANCIAL ACCOUNTABILITY AND TRANSPARENCY. IN OTHER PUBLISHED
NATIONAL RANKINGS OF NONPROFITS, STEP UP HAS BEEN RANKED 26TH BY FORBES
AND 67TH BY THE CHRONICLE OF PHILANTHROPY.

FORM 990, PART III, LINE 4D, OTHER PROGRAM SERVICES:

SCHOOL DEVELOPMENT AND STUDENT LEARNING (OSL):

STEP UP FOR STUDENTS IS HELPING STRENGTHEN THE PROGRAM'S PARTNERSHIP
SCHOOLS BY OFFERING FREE PROFESSIONAL DEVELOPMENT THROUGH STEP UP'S
OFFICE OF STUDENT LEARNING. THIS DEPARTMENT'S LARGEST INITIATIVE,
SUCCESS PARTNERS, IS A PROFESSIONAL DEVELOPMENT PROGRAM DESIGNED TO
CREATE CLOSER RELATIONSHIPS BETWEEN PARENTS, TEACHERS AND
ADMINISTRATORS, AND STUDENTS. THE INITIATIVE IS BASED ON THE BENEFITS
OF STRENGTHENING THE FAMILY-SCHOOL PARTNERSHIP FOR THE WELL-BEING OF
THE CHILD. SCHOOLS THAT WORK CLOSELY WITH PARENTS OFTEN HAVE HIGH
STUDENT ACHIEVEMENT AND QUALITY PROGRAMS. TEN SCHOOLS IN HILLSBOROUGH
COUNTY PILOTED THE PROGRAM DURING THE 2011-12 SCHOOL YEAR AND THE
PROGRAM HAS REACHED MORE THAN 400 SCHOOLS IN 2015-16 SCHOOL YEAR. THE
CAPSTONE OF SUCCESS PARTNERS NETWORK IS A PARENT-SCHOOL PARTNERSHIP
PLAN, DESIGNED TO GIVE TEACHERS, FAMILIES AND STUDENTS A WAY TO UTILIZE
THE FLORIDA STATE STANDARDS. WITH THE COMPACT, EACH PARTY AGREES TO
SUPPORT ONE ANOTHER FOR THE SUCCESS OF THE STUDENT. THE STANDARDS ARE A
NATIONAL INITIATIVE OF UNIFORM ACADEMIC BENCHMARKS ADOPTED IN 45 STATES
FOR GRADES KINDERGARTEN THROUGH 12 TO ENSURE THAT STUDENTS ARE READY

Name of the organization

STEP UP FOR STUDENTS, INC.

Employer identification number

59-3649371

FOR CAREERS AND COLLEGE. THE TEACHING AND LEARNING EXCHANGE ALSO

PROVIDES ALL PARTICIPATING SCHOOLS WITH THE FOLLOWING CUSTOM FUNCTIONS:

GRADE BOOK, ATTENDANCE, LESSON AND UNIT PLANS, REPORT CARD, AND PARENT

PORTAL. IN ADDITION, STEP UP FOR STUDENTS HAS DEVELOPED A MASTER

LEADERSHIP ACADEMY WHICH IS FOCUSED ON SUPPORTING SCHOOL LEADERS TO

BECOME DATA DRIVEN DECISION MAKERS IN ALL ASPECTS OF EDUCATIONAL

FUNCTIONS.

RESEARCH ON STUDENT OUTCOMES:

EACH TAX CREDIT SCHOLARSHIP IS INTENDED TO PROVIDE A LOW-INCOME STUDENT

IN FLORIDA WITH A VIABLE LEARNING OPTION THAT CAN MAKE A DIFFERENCE IN

HIS OR HER EDUCATIONAL LIFE. TOWARD THAT OBJECTIVE, STEP UP IS BUILDING

TOOLS TO ASSESS ACADEMIC PROGRESS IN A ROBUST WAY. THE STATE ALREADY

COLLECTS STANDARDIZED TEST SCORES EVERY YEAR FOR ALL STUDENTS IN GRADES

3-10 AND IN ITS MOST RECENT REPORT DETERMINED THAT SCHOLARSHIP STUDENTS

ACHIEVED THE SAME ACADEMIC GAINS IN READING AND MATH AS STUDENTS OF ALL

INCOME LEVELS NATIONALLY. STEP UP IS ATTEMPTING TO GO FURTHER. IT IS

PULLING TOGETHER STUDENT INFORMATION ACROSS 14 YEARS TO CONSTRUCT A

DATA WAREHOUSE FOR ALL TYPES OF ACADEMIC AND DEMOGRAPHIC INFORMATION.

IN 2015-16, STEP UP POLICY ANALYSTS WORKED WITH A PRESTIGIOUS NATIONAL

THINK TANK TO EVALUATE HOW MANY STUDENTS GRADUATED AND ATTENDED

POSTSECONDARY SCHOOLS AND ALSO BEGAN INTERNALLY TO MINE THE DATA FOR A

VARIETY OF ACADEMIC INDICATORS, INCLUDING TEST SCORES, GRADUATION RATES

AND ATTRITION RATES, THE PURPOSE IS TO INFORM SCHOLARSHIP PARENTS,

PARTICIPATING SCHOOLS, THE GENERAL PUBLIC AND POLICYMAKERS ABOUT THE

ACADEMIC PROGRESS OF SCHOLARSHIP STUDENTS AND SHED LIGHT ON PATHWAYS TO

ACADEMIC IMPROVEMENT.

EXPENSES \$ 4,096,632. INCLUDING GRANTS OF \$ 600. REVENUE \$ 0.

Name of the organization

STEP UP FOR STUDENTS, INC.

Employer identification number

59-3649371

FORM 990, PART VI, SECTION B, LINE 11:

FORM 990 IS PREPARED BY THE FUND'S INDEPENDENT AUDITORS AFTER BEING REVIEWED BY MANAGEMENT, THE FULL FORM 990 INFORMATIONAL RETURN IS PROVIDED TO THE BOARD OF DIRECTORS FOR REVIEW AND COMMENT. THE BOARD OF DIRECTORS IS ALSO AFFORDED THE OPPORTUNITY TO ASK QUESTIONS WITH RESPECT TO THE FORM 990 BEFORE THE RETURN IS FILED.

FORM 990, PART VI, SECTION B, LINE 12C:

STEP UP FOR STUDENTS ENSURES THAT THE CONFLICT OF INTEREST POLICY IS ADHERED TO WITH THE FOLLOWING ACTIVITIES 1) REGULAR EDUCATION WITH THE BOARD OF DIRECTORS, OFFICERS AND KEY STAFF. EACH YEAR, THE POLICY IS REVIEWED WITH THE BOARD OF DIRECTORS AND THE EXECUTIVE TEAM. EACH ACKNOWLEDGE THEIR UNDERSTANDING AND COMPLIANCE BY SIGNING AN ANNUAL COMPLIANCE STATEMENT. 2) THE CFO REVIEWS EACH CONTRACT THE ORGANIZATION ENTERS. 3) FINANCE STAFF AND THE PRESIDENT REVIEW ALL PAYMENTS AS THEY ARE MADE FOR POSSIBLE CONFLICTS.

FORM 990, PART VI, SECTION B, LINE 15:

THE COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS REVIEWS COMPARABLE COMPENSATION AND BENEFITS DATA OF SIMILAR ORGANIZATIONS. DURING FISCAL YEAR 2011, AN INDEPENDENT COMPENSATION CONSULTING FIRM CONDUCTED A FULL COMPARATIVE STUDY FOR EACH INDIVIDUAL EXECUTIVE POSITION AND ALL NON-EXECUTIVE JOB GRADES. THE COMMITTEE USES THIS INFORMATION, COMBINED WITH THE PERFORMANCE OF THE PRESIDENT, TO RECOMMEND THE PRESIDENT'S COMPENSATION PACKAGE FOR APPROVAL OF THE FULL BOARD. THE FULL BOARD APPROVES THE PACKAGE.

Name of the organization STEP UP FOR STUDENTS, INC.	Employer identification number 59-3649371
--------------------------------------------------------	----------------------------------------------

FORM 990, PART VI, SECTION C, LINE 19:

STEP UP FOR STUDENTS MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST

POLICY AND FINANCIAL STATEMENTS AVAILABLE ON ITS WEBSITE,

WWW.STEPUFORSTUDENTS.ORG. PRINTED COPIES ARE AVAILABLE BY REQUEST FOR THE

SAME PERIOD OF DISCLOSURE AS SET FORTH IN IRC SECTION 6104(D).

FORM 990, PART IX, LINE 24E, ALL OTHER FUNCTIONAL EXPENSES:

TELEPHONE:

PROGRAM SERVICE EXPENSES	232,692.
MANAGEMENT AND GENERAL EXPENSES	24,888.
FUNDRAISING EXPENSES	31,041.
TOTAL EXPENSES	288,621.

UNCOLLECTIBLE SCHOOL RECEIVABLES:

PROGRAM SERVICE EXPENSES	252,363.
MANAGEMENT AND GENERAL EXPENSES	0.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	252,363.

PRINTING AND POSTAGE:

PROGRAM SERVICE EXPENSES	106,654.
MANAGEMENT AND GENERAL EXPENSES	31,753.
FUNDRAISING EXPENSES	44,099.
TOTAL EXPENSES	182,506.

REPAIRS AND MAINTENANCE:

Name of the organization STEP UP FOR STUDENTS, INC.	Employer identification number 59-3649371
--------------------------------------------------------	----------------------------------------------

PROGRAM SERVICE EXPENSES	107,913.
MANAGEMENT AND GENERAL EXPENSES	41,995.
FUNDRAISING EXPENSES	21,642.
TOTAL EXPENSES	171,550.
TOTAL OTHER EXPENSES ON FORM 990, PART IX, LINE 24E, COL A	895,040.

FORM 990, PART XI, LINE 9, CHANGES IN NET ASSETS:

DONATED SERVICES EXPENSE	-402,801.
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FORM 990, PART XII, LINE 2C:

THIS PROCESS HAS NOT CHANGED SINCE THE PRIOR YEAR.

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.

Name of the organization

STEP UP FOR STUDENTS, INC.

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	End-of-
THE ALABAMA OPPORTUNITY SCHOLARSHIP FUND - 49-3813722, 2101 MAGNOLIA AVE S, STE 425, BIRMINGHAM, AL 35205	SCHOLARSHIP FUNDING	ALABAMA	7,771,926.	€

Part II Identification of Related Tax-Exempt Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had related 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 char status (if sec 501(c)(3))

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

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.

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)
- c** Gift, grant, or capital contribution from related organization(s)
- d** Loans or loan guarantees to or for related organization(s)
- e** Loans or loan guarantees by related organization(s)

- f** Dividends from related organization(s)
- g** Sale of assets to related organization(s)
- h** Purchase of assets from related organization(s)
- i** Exchange of assets with related organization(s)
- j** Lease of facilities, equipment, or other assets to related organization(s)

- k** Lease of facilities, equipment, or other assets from related organization(s)
- l** Performance of services or membership or fundraising solicitations for related organization(s)
- m** Performance of services or membership or fundraising solicitations by related organization(s)
- n** Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)
- o** Sharing of paid employees with related organization(s)

- p** Reimbursement paid to related organization(s) for expenses
- q** Reimbursement paid by related organization(s) for expenses

- r** Other transfer of cash or property to related organization(s)
- s** Other transfer of cash or property from related organization(s)

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 transactions.

	(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	Method
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

Application for Extension of Time To File an Exempt Organization Return

OMB No. 1545-1709

Department of the Treasury
Internal Revenue Service

▶ **File a separate application for each return.**
▶ **Information about Form 8868 and its instructions is at www.irs.gov/form8868.**

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
 - If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).
- Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.*

Electronic filing (e-file). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Type or print	Name of exempt organization or other filer, see instructions.	Enter filer's identifying number
File by the due date for filing your return. See instructions.	STEP UP FOR STUDENTS, INC.	Employer identification number (EIN) or 59-3649371
	Number, street, and room or suite no. If a P.O. box, see instructions. 4655 SALISBURY ROAD, NO. 400	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. JACKSONVILLE, FL 32256	

Enter the Return code for the return that this application is for (file a separate application for each return) 0 1

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

JOE PFOUNTZ

- The books are in the care of ▶ 4655 SALISBURY RD, SUITE 400 - JACKSONVILLE, FL 32256
Telephone No. ▶ 904-352-2246 Fax No. ▶ _____
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until FEBRUARY 15, 2017, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
▶ calendar year _____ or
▶ tax year beginning JUL 1, 2015, and ending JUN 30, 2016

2 If the tax year entered in line 1 is for less than 12 months, check reason: Initial return Final return
 Change in accounting period

3a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	0.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	0.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0.

Caution. If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.



Marva Johnson, *Chair*
John R. Padget, *Vice Chair*
Members
Gary Chartrand
Tom Grady
Rebecca Fishman Lipsey
Michael Olenick
Andy Tuck

December 10, 2016

Step Up For Students
Attn: Doug Tuthill
4655 Salisbury Road, Suite 400
Jacksonville, FL 32256

Dear Mr. Tuthill:

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,

A handwritten signature in black ink that reads "Pam Stewart".
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



State Board of Education

Marva Johnson, *Chair*
John R. Padgett, *Vice Chair*
Members
Gary Chartrand
Rebecca Fishman Lipsey
Michael Olenick
Andy Tuck

Pam Stewart
Commissioner of Education

September 26, 2016

Step Up For Students
Attn: Doug Tuthill
4655 Salisbury Road, Suite 400
Jacksonville, FL 32256

Dear Scholarship Funding Organization Administrator:

On August 31, 2016, the Florida Department of Education received the Participation Renewal Form and documentation for Step Up For Students 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

Step Up For Students
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

Adam Miller, Executive Director

Office of Independent Education & Parental Choice

325 W. Gaines Street, Suite 1044 | Tallahassee, FL 32399-0400 | 850-245-0502

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