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FLORIDA DEPT OF EDUCATION  
2015 AUG 31 AM 10:43



2016 -2017 SFO Renewal Application



August 28, 2015

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 2016-17 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 10,000 students, serving 69,950 of Florida's most economically disadvantaged students. The average household income was only 5 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 Legislature also created an exciting new Personal Learning Scholarship Account program for students with severe special needs. The bill was signed on June 20, 2014, and the department moved quickly to help the state reach its first-year goals in enrollment. Step Up was able to serve 1,693 students that year and is projecting to serve 5,000 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 PLSA, are administered faithfully and transparently. We welcome your questions.

Sincerely,

A handwritten signature in black ink that reads "Doug Tuthill".

Doug Tuthill  
President

---

[www.stepupforstudents.org](http://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, 2015**

**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:**

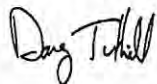
- A signed IEPC SFO-2 form
- A copy of your IRS Determination Letter as a 501(c)(3) not for profit organization
- A copy of your organization's incorporation and registration with the Florida Division of Corporations, Office of the Secretary of State
- Level 2 criminal background screening results for 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 eligibly 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.**



\_\_\_\_\_  
Signature of Principal Officer

**Doug Tuthill**

\_\_\_\_\_  
Please print or type signature name

**August 28, 2015**

\_\_\_\_\_  
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 15<sup>th</sup>.*



IRS 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.

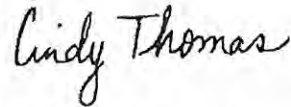
Please refer to our website [www.irs.gov/eo](http://www.irs.gov/eo) for information regarding filing requirements. Specifically, section 6033(j) of the Code provides that failure to file an annual information return for three consecutive years results in revocation of tax-exempt status as of the filing 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

APPROVED  
AND  
FILED

00 FEB 18 AM 10:11

SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

**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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-02/18/00--01020--025  
\*\*\*\*\*78.75 \*\*\*\*\*78.75

*will wait*

Examiner's Initials

*218-00 73*

**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:

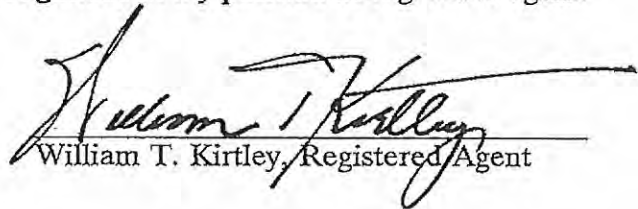
WILLIAM T. KIRTLEY, Esq.  
2940 South Tamiami Trail  
Sarasota, Florida 34239

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



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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, 2015, that its most recent annual report/uniform business report was filed on August 17, 2015, 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 Seventeenth day of August,  
2015*



*Ken DeFina*  
*Secretary of State*

Tracking Number: CC8572480893

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.

<b>Fundraising Cap</b>	<b>\$448M</b>	<b>\$560M</b>	<b>\$699M</b>
------------------------	---------------	---------------	---------------

<i>12 Months ending June 30,</i>			
<b>Operating Revenues</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Florida Tax Credit Administrative Allowance	\$13,357,969	\$15,102,715	\$15,724,182
PLSA Administrative Allowance	\$1,140,000	\$1,334,277	\$1,397,476
Grants	-	-	-
Application & Service Fees	1,015,789	60,700	-
Refund of App & Service Fee	(96,500)	(5,767)	-
Other Income	100,000	100,000	100,000
<b>Total Revenues</b>	<b>\$15,517,258</b>	<b>\$16,591,926</b>	<b>\$17,221,658</b>

<b>Operating Expenses</b>	<b>2016 Operating Budget</b>	<b>2017 Annual Plan</b>	<b>2018 Annual Plan</b>
Salaries, wages and benefits	11,194,172	11,951,024	12,379,810
Occupancy	657,592	689,955	707,978
Insurance	189,234	192,083	201,687
Voice and data	368,304	399,177	412,472
Travel	446,111	467,156	490,514
Cellular Phone	61,141	64,198	67,408
Dues, Fees & Subscriptions	91,517	96,093	101,322
Professional Services	278,007	293,035	308,836
Marketing/Advertising	104,490	93,794	98,483
Contract Services	150,793	158,333	166,250
Equipment	29,585	31,064	61,555
Postage & Delivery	69,353	74,065	77,252
Printing & Reproduction	181,739	190,826	200,367
Conferences & Seminars	84,722	88,958	93,406
Training	4,000	4,200	4,410
Employee Recruitment	42,975	18,874	19,817
Family and Donor Outreach	167,674	186,729	196,065
Bank Fees	396,345	450,612	447,088
Supplies	67,297	70,662	74,195
Depreciation	317,368	350,751	391,680
Other	146,381	221,927	205,810
<b>Total Operating Expenses</b>	<b>15,048,799</b>	<b>16,093,514</b>	<b>16,706,406</b>
<b>Net Income/(Loss)</b>	<b>\$468,458</b>	<b>\$498,412</b>	<b>\$515,252</b>
<b>Net Income % of Revenue</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>

<b>Capital expenditure</b>	<b>\$ 288,080</b>	<b>\$ 288,909</b>	<b>\$ 301,994</b>
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**Step Up For Students  
Operational Cash Flow 2017 Plan**

The financial planning process includes operational cashflow projections. Cash on hand approximates two months' expenses at June 30,2017.

No. of Days Operating Cash on Hand at June 30, 2017	65
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<b>Operating Cash at July 1, 2016</b>	<b>\$3,618,230</b>
<b>Operating Revenue</b>	
Florida Tax Credit Administrative Allowance	15,102,715
PLSA Administrative Allowance	1,334,277
Grants	-
Application & Service Fees from SY 16-17	60,700
Other Income	100,000
<b>Net Cash Received From Revenue</b>	<b>16,597,692</b>
<b>Operating Expenses</b>	
Departmental Operating Expenses	15,776,080
Application & Service Fees Refund from SY 16-17	88,894
Capital Expenditure	288,909
<b>Net Cash For Operating Expenses</b>	<b>16,153,883</b>
<b>Net Cash Inflow/(Outflow)</b>	<b>443,809</b>
<b>Operating Cash At June 30, 2017</b>	<b>\$4,062,039</b>



Step Up For Students  
SCHOLARSHIP CASH FLOW 2017 Plan

Scholarship cash flow is also projected during the planning process. During the 2016 - 2017 school year, Step Up For Students expects 82,000 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 \$20 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.

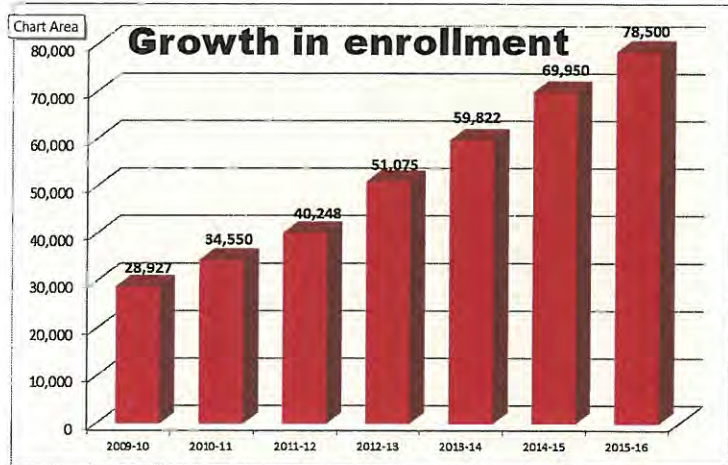
	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	2017 Total
Opening Cash	\$46,316	\$84,404	\$132,107	\$55,089	\$95,762	\$145,461	\$100,085	\$143,738	\$51,296	\$84,385	\$112,352	\$20,087	\$46,316
Cash receipts of tax credit donations	39,027	48,940	45,198	41,692	50,997	80,209	44,765	29,482	33,873	28,594	28,194	32,452	503,424
Florida administrative allowance	(1,171)	(1,468)	(1,356)	(1,251)	(1,530)	(2,406)	(1,343)	(884)	(1,016)	(858)	(846)	(974)	(15,103)
Net Donations	\$37,856	\$47,472	\$43,842	\$40,442	\$49,467	\$77,802	\$43,422	\$28,597	\$32,857	\$27,736	\$27,349	\$31,478	\$488,321
Scholarship Payments	-	-	(121,456)	-	-	(123,782)	-	(121,635)	-	-	(120,204)	-	(487,078)
Payments Received from Schools	231	232	596	231	232	604	231	596	231	231	592	231	4,237
Balance at end of month	\$84,404	\$132,107	\$55,089	\$95,762	\$145,461	\$100,085	\$143,738	\$51,296	\$84,385	\$112,352	\$20,087	\$51,797	\$51,797

**TAX CREDIT SCHOLARSHIP:**

**Step Up’s geographic region and demand for the scholarship**

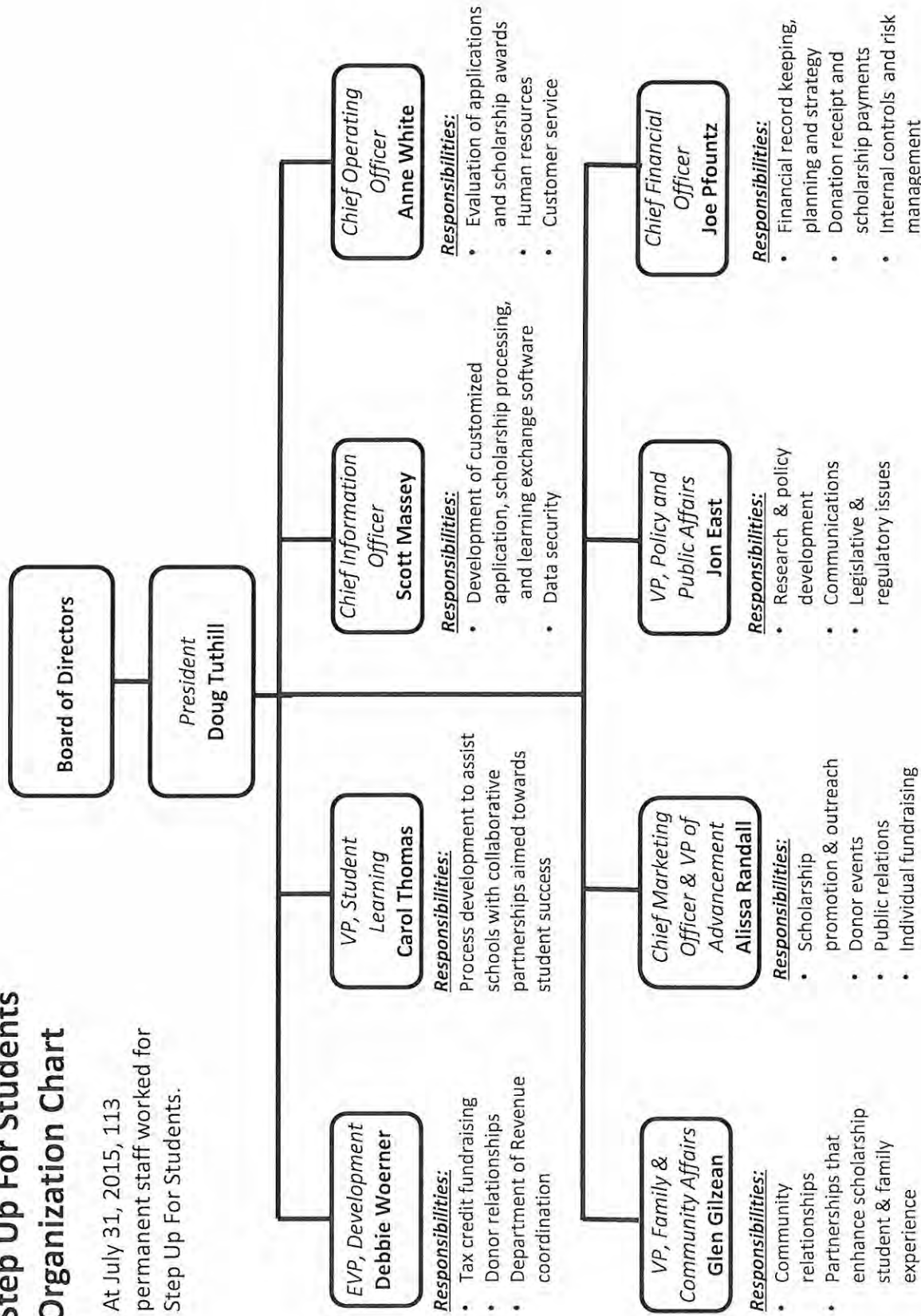
For the 2016-17 school year, Step Up For Students intends to continue serving students throughout all 67 counties in Florida. We also forecast increasing demand.

Since 2010, Step Up has been forced to close applications because the supply of interested students has been greater than the number of scholarships available each year under the statewide tax credit cap. More remarkably, as enrollment increased from 28,927 in 2009-10 to a projected 78,500 in 2015-16, the pace of applications actually grew faster than the available scholarships. Perhaps the best illustration is the application period for the current year, 2015-16. Step Up cut off applications for new students in May – the earliest ever – and still had more than 124,000 students who started the process.



# Step Up For Students Organization Chart

At July 31, 2015, 113 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.

For the Personal Learning Scholarship Account, eligibility is determined by evaluating documents, either an Individualized Educational Plan issued by the school district, or a signed doctor's diagnosis form indicating that the student meets the statutory definition of one of the following disabilities:

## 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 or April. 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 2015-16 school year, the application service fee was \$29 per application (not per student). For the application season for the 2016-17 school year, the application/service fee will be \$14 per application (not per student). The application service fee will be refunded to any family who paid the fee and who do not use a tax credit scholarship award for any of their children during the 2015-16 school year. The application service fee refunds for applicable families will be made within one year of payment.

Families interested in receiving the Personal Learning Scholarship Account will submit an online application. Application start dates and deadlines are established each year. Applications for the 2015-16 school year opened in the spring of 2015. 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 students' 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 PLSA 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 PLSA program.

Policy exceptions must 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 2015-16 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.

### Distribution I

Verification Window	Friday, September 4 – Friday, September 11 at 5 PM
Check Processing	September 12 – September 24
Checks distributed via US Mail	September 25

### Distribution II

Verification Window	Friday, November 13 –Thursday, November 19 at 5 PM
Check Processing	November 20 – December 3
Checks distributed via US Mail	December 4

### Distribution III

Verification Window	Friday, January 29 –Thursday, February 4 at 5 PM
Check Processing	February 5 – February 18
Checks distributed via US Mail	February 19

### Distribution IV

Verification Window	Friday, April 15 –Thursday, April 21 at 5 PM
Check Processing	April 22 – May 5
Checks distributed via US Mail	May 13



## **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 fail 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 1<sup>st</sup> day of August 2015.

Attest

[Signature]  
(Witness)  
[Signature]  
(Witness)  
Vincent Deduca  
(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

**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



Form **8879-EO**

# IRS e-file Signature Authorization for an Exempt Organization

OMB No. 1545-1878

For calendar year 2013, or fiscal year beginning JUL 1, 2013, and ending JUN 30, 2014

# 2013

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/form8879e](http://www.irs.gov/form8879e).

Name of exempt organization

Employer identification number

STEP UP FOR STUDENTS, INC.

59-3649371

Name and title of officer

ANN MACKEY

CFO/TREASURER

### 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.

1a Form 990 check here	▶ <input checked="" type="checkbox"/>	b Total revenue, if any (Form 990, Part VIII, column (A), line 12)	1b <u>333,293,409.</u>
2a Form 990-EZ check here	▶ <input type="checkbox"/>	b Total revenue, if any (Form 990-EZ, line 9)	2b _____
3a Form 1120-POL check here	▶ <input type="checkbox"/>	b Total tax (Form 1120-POL, line 22)	3b _____
4a Form 990-PF check here	▶ <input type="checkbox"/>	b Tax based on investment income (Form 990-PF, Part VI, line 5)	4b _____
5a Form 8868 check here	▶ <input type="checkbox"/>	b Balance Due (Form 8868, Part I, line 3c or Part II, line 8c)	5b _____

### 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 2013 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

I authorize MCGLADREY 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 2013 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 2013 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 ▶ *Ann Mackey* Date ▶ 10.7.2014

### 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 2013 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 ▶ *Jessica Obudise* 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.  
337 SOUTH PLANT AVENUE  
TAMPA, FL 33606

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)

OMB No. 1545-0047

**2013**

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](http://www.irs.gov/form990).

Open to Public Inspection

A For the 2013 calendar year, or tax year beginning **JUL 1, 2013** and ending **JUN 30, 2014**

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization <b>STEP UP FOR STUDENTS, INC.</b>		<b>D</b> Employer identification number <b>59-3649371</b>
	Doing Business As		<b>E</b> Telephone number <b>904-352-2246</b>
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	
	337 SOUTH PLANT AVENUE		
City or town, state or province, country, and ZIP or foreign postal code <b>TAMPA, FL 33606</b>		<b>G</b> Gross receipts \$ <b>333,293,409.</b>	
F Name and address of principal officer: <b>DOUG TUTHILL</b> SAME AS C ABOVE		H(a) Is this a group return for subordinates? ..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
		H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No	
		If "No," attach a list. (see Instructions)	
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		H(c) Group exemption number ▶	
J Website: <b>WWW.STEPUFORSTUDENTS.ORG</b>		L Year of formation: <b>2000</b> M State of legal domicile: <b>FL</b>	
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶			

**Part I Summary**

<b>Activities &amp; Governance</b>	1 Briefly describe the organization's mission or most significant activities: <b>STEP UP FOR STUDENTS PROVIDES LEGISLATIVELY AUTHORIZED K-12 SCHOLARSHIP PROGRAMS AND RELATED</b>		
	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)	<b>3</b>	<b>8</b>
	4 Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>	<b>8</b>
	5 Total number of individuals employed in calendar year 2013 (Part V, line 2a)	<b>5</b>	<b>66</b>
	6 Total number of volunteers (estimate if necessary)	<b>6</b>	<b>1042</b>
	7 a Total unrelated business revenue from Part VIII, column (C), line 12	<b>7a</b>	<b>0.</b>
b Net unrelated business taxable income from Form 990-T, line 34	<b>7b</b>	<b>0.</b>	
<b>Revenue</b>	8 Contributions and grants (Part VIII, line 1h)	Prior Year <b>310,799,794.</b>	Current Year <b>332,392,978.</b>
	9 Program service revenue (Part VIII, line 2g)	<b>0.</b>	<b>70,399.</b>
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	<b>7,252.</b>	<b>10,001.</b>
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	<b>280,121.</b>	<b>820,131.</b>
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<b>311,087,167.</b>	<b>333,293,409.</b>
<b>Expenses</b>	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	<b>207,753,225.</b>	<b>277,103,445.</b>
	14 Benefits paid to or for members (Part IX, column (A), line 4)	<b>0.</b>	<b>0.</b>
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	<b>3,669,990.</b>	<b>4,781,260.</b>
	16 a Professional fundraising fees (Part IX, column (A), line 11e)	<b>200,332.</b>	<b>67,777.</b>
	b Total fundraising expenses (Part IX, column (D), line 25)	<b>1,387,291.</b>	<b>0.</b>
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	<b>1,851,812.</b>	<b>3,362,493.</b>
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	<b>213,475,359.</b>	<b>285,314,975.</b>
19 Revenue less expenses. Subtract line 18 from line 12	<b>97,611,808.</b>	<b>47,978,434.</b>	
<b>Net Assets or Fund Balances</b>	20 Total assets (Part X, line 16)	Beginning of Current Year <b>315,506,923.</b>	End of Year <b>363,784,990.</b>
	21 Total liabilities (Part X, line 26)	<b>1,481,251.</b>	<b>1,811,434.</b>
	22 Net assets or fund balances. Subtract line 21 from line 20	<b>314,025,672.</b>	<b>361,973,556.</b>

**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 <i>Ann Mackey</i>	Date			
	<b>ANN MACKEY, CFO/TREASURER</b> Type or print name and title				
Paid Preparer Use Only	Print/Type preparer's name <b>THERESA A. BURDINE, CPA</b>	Preparer's signature <i>Theresa A. Burdine</i>	Date	Check <input type="checkbox"/> self-employed	PTIN <b>P00362629</b>
	Firm's name <b>MCGLADREY LLP</b>	Firm's EIN <b>42-0714325</b>	Phone no. <b>321-751-6200</b>		
Firm's address <b>7351 OFFICE PARK PL MELBOURNE, FL 32940</b>					

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 ECONOMICALLY 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? [X] Yes [ ] No

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [ ] Yes [X] 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 \$ 276,149,672. including grants of \$ 275,090,677. ) (Revenue \$ 821,218. ) FLORIDA TAX CREDIT SCHOLARSHIP PROGRAM: THIS PAST SCHOOL YEAR, 59,922 UNDERPRIVILEGED STUDENTS ATTENDED 1,429 PRIVATE SCHOOLS ON A STEP UP FOR STUDENTS SCHOLARSHIP, AND FOR THE 2014-15 SCHOOL YEAR, WE ANTICIPATE HAVING ROUGHLY 67,000 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.

(CONTINUED ON SCHEDULE O)

4b (Code: ) (Expenses \$ 2,613,791. including grants of \$ 2,012,768. ) (Revenue \$ 66,899. ) 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 TUITION OR TRANSFER FEES TO A NON-FAILING PUBLIC SCHOOL. THE FIRST SCHOLARSHIPS WERE GRANTED FOR THE SEMESTER STARTING JANUARY 2014, AND SCHOLARSHIPS CONTINUE TO BE AWARDED FOR THE 2014-15 SCHOOL YEAR. NEARLY 12,000 CHILDREN APPLIED FOR ONE OF ABOUT 3,500 SCHOLARSHIP AWARDS. THE SCHOLARSHIPS ARE FUNDED BY CORPORATE AND INDIVIDUAL CONTRIBUTIONS THAT RECEIVE STATE TAX CREDITS FROM ALABAMA.

4c (Code: ) (Expenses \$ 1,215,243. including grants of \$ ) (Revenue \$ ) 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 PROFESSIONAL DEVELOPMENT PROGRAM DESIGNED TO CREATE CLOSER RELATIONSHIPS BETWEEN PARENTS, TEACHERS, 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.

(CONTINUED ON SCHEDULE O)

4d Other program services (Describe in Schedule O.) (Expenses \$ 2,499,796. including grants of \$ ) (Revenue \$ )

4e Total program service expenses 282,478,502.

**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 <b>Section 501(c)(3) organizations.</b> 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 <i>If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?</i>		

**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 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 individuals in the United States 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 <b>Section 501(c)(3) and 501(c)(4) organizations.</b> 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 so, 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 <b>Section 501(c)(3) organizations.</b> 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? <b>Note.</b> 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

		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? <b>Note.</b> 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 Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
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	<b>Organizations that may receive deductible contributions under section 170(c).</b>		
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	<b>Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
9	<b>Sponsoring organizations maintaining donor advised funds.</b>		
9a	Did the organization make any taxable distributions under section 4966?		
9b	Did the organization make a distribution to a donor, donor advisor, or related person?		
10	<b>Section 501(c)(7) organizations.</b> 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	<b>Section 501(c)(12) organizations.</b> 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	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> 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	<b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>		
13a	Is the organization licensed to issue qualified health plans in more than one state? <b>Note.</b> 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		

**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
<b>1a</b> 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.		
<b>1b</b> Enter the number of voting members included in line 1a, above, who are independent		
<b>2</b> 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
<b>3</b> 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
<b>4</b> Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
<b>5</b> Did the organization become aware during the year of a significant diversion of the organization's assets?		X
<b>6</b> Did the organization have members or stockholders?		X
<b>7a</b> 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
<b>7b</b> Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		X
<b>8</b> Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
<b>a</b> The governing body?	X	
<b>b</b> Each committee with authority to act on behalf of the governing body?	X	
<b>9</b> 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
<b>10a</b> Did the organization have local chapters, branches, or affiliates?		X
<b>10b</b> 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?		
<b>11a</b> Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	X	
<b>11b</b> Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
<b>12a</b> Did the organization have a written conflict of interest policy? If "No," go to line 13	X	
<b>12b</b> Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
<b>12c</b> Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	X	
<b>13</b> Did the organization have a written whistleblower policy?	X	
<b>14</b> Did the organization have a written document retention and destruction policy?	X	
<b>15</b> 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?		
<b>a</b> The organization's CEO, Executive Director, or top management official	X	
<b>b</b> Other officers or key employees of the organization	X	
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
<b>16a</b> 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
<b>16b</b> 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, physical address, and telephone number of the person who possesses the books and records of the organization:   
 ANN MACKEY - 904-352-2440  
 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. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation.
  - 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								
(2) JULIO FUENTES DIRECTOR, SUFS	2.00	X					0.	0.	0.	
(3) ALISON HERTOG DIRECTOR, SUFS	2.00	X					0.	0.	0.	
(4) ALFRED "AL" LAWSON DIRECTOR, SUFS	2.00	X					0.	0.	0.	
(5) DEON LONG DIRECTOR, SUFS	2.00	X					0.	0.	0.	
(6) RICHARD OUTRAM DIRECTOR, SUFS	2.00	X					0.	0.	0.	
(7) PAUL SHERMAN DIRECTOR, SUFS	2.00	X					0.	0.	0.	
(8) CURTIS STOKES DIRECTOR, SUFS	2.00	X					0.	0.	0.	
(9) GOVERNOR BOB RILEY CHARIMAN, ALOSF	2.00	X					0.	0.	0.	
(10) MARQUITA DAVIS DIRECTOR, ALOSF	2.00	X					0.	0.	0.	
(11) REVEREND H.K. MATTHEWS DIRECTOR, ALOSF	2.00	X					0.	0.	0.	
(12) JOHN H. COOPER DIRECTOR, ALOSF	2.00	X					0.	0.	0.	
(13) ANN MACKAY TREASURER, SUFS/CFO & DIRECTOR, ALOS	40.00	X	X				0.	0.	0.	
(14) DOUG TUTHILL PRESIDENT/CEO, SUFS	40.00		X				136,243.	0.	11,431.	
(15) ANNE WHITE SECRETARY/VP OPERATIONS, SUFS	1.00		X				212,397.	0.	24,207.	
(16) SCOTT MASSEY CIO, SUFS	40.00		X				0.	124,649.	14,416.	
(17) DEBRA WOERNER VP DEVELOPMENT, SUFS	40.00			X			133,474.	0.	21,050.	
				X			134,959.	0.	11,378.	

**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 CIARAMELLO VP MARKETING & EVENTS, SUFS	40.00					X		117,529.	0.	17,871.
(19) JONATHAN EAST VP POLICY & PUBLIC AFFAIRS, SUFS	40.00					X		122,042.	0.	4,882.
(20) SUSAN KEITH CONTROLLER, SUFS (THRU 1/14)	40.00					X		104,907.	0.	23,188.
<b>1b Sub-total</b>								961,551.	124,649.	128,423.
<b>c Total from continuation sheets to Part VII, Section A</b>								0.	0.	0.
<b>d Total (add lines 1b and 1c)</b>								961,551.	124,649.	128,423.

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		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person		X

**Section B. Independent Contractors**

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

(A) Name and business address	(B) Description of services	(C) Compensation
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	332,392,878.				
	g	Noncash contributions included in lines 1a-1f: \$					
	h	<b>Total.</b> Add lines 1a-1f		332,392,878.			
Program Service Revenue			<b>Business Code</b>				
	2 a	APPLICATION FEES	900099	66,899.	66,899.		
	b	FACE INCOME	900099	3,500.	3,500.		
	c						
	d						
	e						
	f	All other program service revenue					
	g	<b>Total.</b> Add lines 2a-2f		70,399.			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		10,001.		10,001.	
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
	6 a	Gross rents	(i) Real	2,413.			
			(ii) Personal	0.			
				2,413.			
					2,413.		2,413.
	7 a	Gross amount from sales of assets other than inventory	(i) Securities (ii) Other				
	b	Less: cost or other basis and sales expenses					
	c	Gain or (loss)					
	d	Net gain or (loss)					
	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						
		<b>Business Code</b>					
11 a	SON INTERCOMPANY NET	900099	816,200.	816,200.			
b	OTHER INCOME	900099	1,518.	1,518.			
c							
d	All other revenue						
e	<b>Total.</b> Add lines 11a-11d		817,718.				
12	<b>Total revenue.</b> See instructions.		333,293,409.	888,117.	0.	12,414.	

**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 governments and organizations in the United States. See Part IV, line 21				
2 Grants and other assistance to individuals in the United States. See Part IV, line 22	277,103,445.	277,103,445.		
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	412,217.		412,217.	
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	3,667,624.	2,456,011.	412,042.	799,571.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	116,705.	75,196.	14,745.	26,764.
9 Other employee benefits	305,591.	215,189.	10,069.	80,333.
10 Payroll taxes	279,123.	167,396.	53,844.	57,883.
11 Fees for services (non-employees):				
a Management				
b Legal	237,659.	20,886.	216,773.	
c Accounting	38,745.	18,000.	20,745.	
d Lobbying	196,409.	192,053.	4,356.	
e Professional fundraising services. See Part IV, line 17	67,777.			67,777.
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.)	22,618.	21,338.	610.	670.
12 Advertising and promotion	618,943.	569,787.	19,228.	29,928.
13 Office expenses	43,200.	39,290.	1,919.	1,991.
14 Information technology				
15 Royalties				
16 Occupancy	230,064.	178,480.	49,314.	2,270.
17 Travel	350,813.	234,256.	47,034.	69,523.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	34,131.	13,940.	15,624.	4,567.
20 Interest	40,111.	35,212.	2,481.	2,418.
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	228,119.	184,364.	20,997.	22,758.
23 Insurance	38,007.	23,080.	6,346.	8,581.
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 PRINTING AND POSTAGE	245,301.	161,414.	25,479.	58,408.
b OTHER COSTS	219,095.	104,166.	21,393.	93,536.
c SCHOLARSHIP CHECK PRODU	181,974.	181,974.		
d UNCOLLECTIBLE SCHOOL RE	166,376.	166,376.		
e All other expenses SEE SCH O	470,928.	316,649.	93,966.	60,313.
25 Total functional expenses. Add lines 1 through 24e	285,314,975.	282,478,502.	1,449,182.	1,387,291.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

**Part X Balance Sheet**

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

		(A) Beginning of year		(B) End of year	
Assets	1	Cash - non-interest-bearing	37,644,262.	1	61,267,083.
	2	Savings and temporary cash investments		2	
	3	Pledges and grants receivable, net	271,720,800.	3	295,341,685.
	4	Accounts receivable, net	904,772.	4	980,030.
	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	67,770.	9	154,096.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	1,344,730.		
		10a			
	b	Less: accumulated depreciation	861,716.	10c	483,014.
		10b			
	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	3,004.	14	5,502.	
15	Other assets. See Part IV, line 11	4,689,568.	15	5,553,580.	
16	<b>Total assets.</b> Add lines 1 through 15 (must equal line 34)	315,506,923.	16	363,784,990.	
Liabilities	17	Accounts payable and accrued expenses	706,332.	17	1,089,066.
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties	774,919.	23	722,368.
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		25	
	26	<b>Total liabilities.</b> Add lines 17 through 25	1,481,251.	26	1,811,434.
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	4,981,225.	27	7,764,266.
	28	Temporarily restricted net assets	309,044,447.	28	354,209,290.
	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	<b>Total net assets or fund balances</b>	314,025,672.	33	361,973,556.
	34	<b>Total liabilities and net assets/fund balances</b>	315,506,923.	34	363,784,990.

Form 990 (2013)

**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	333,293,409.
2	Total expenses (must equal Part IX, column (A), line 25)	2	285,314,975.
3	Revenue less expenses. Subtract line 2 from line 1	3	47,978,434.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	314,025,672.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	544,475.
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-575,025.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	361,973,556.

**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 (2013)

**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](http://www.irs.gov/form990).

OMB No. 1545-0047

**2013**

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.)
  - 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 that describes the type of supporting organization and complete lines 11e through 11h.
    - a  Type I      b  Type II      c  Type III - Functionally integrated      d  Type III - Non-functionally integrated
  - e  By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
  - f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
  - g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
 

	Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? ..... 11g(i)		
(ii) A family member of a person described in (i) above? ..... 11g(ii)		
(iii) A 35% controlled entity of a person described in (i) or (ii) above? ..... 11g(iii)		
  - h 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 or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of monetary support
			Yes	No	Yes	No	Yes	No	
<b>Total</b>									

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. Schedule A (Form 990 or 990-EZ) 2013

**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) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....	91,526,010.	191,838,536.	267,447,702.	310,799,794.	332,392,878.	1194004920.
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 <b>Total.</b> Add lines 1 through 3 .....	91,526,010.	191,838,536.	267,447,702.	310,799,794.	332,392,878.	1194004920.
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) .....						270,588,908.
6 <b>Public support.</b> Subtract line 5 from line 4.						923,416,012.

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
7 Amounts from line 4 .....	91,526,010.	191,838,536.	267,447,702.	310,799,794.	332,392,878.	1194004920.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources .....	34,822.	14,927.	8,058.	13,048.	12,414.	83,269.
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 IV.) .....	536,393.	343,078.	332,123.		1,518.	1,213,112.
11 <b>Total support.</b> Add lines 7 through 10						1195301301.
12 Gross receipts from related activities, etc. (see instructions) .....					12	70,399.
13 <b>First five years.</b> 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 <b>stop here</b> .....						<input type="checkbox"/>

**Section C. Computation of Public Support Percentage**

14 Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f)) .....	14	77.25 %
15 Public support percentage from 2012 Schedule A, Part II, line 14 .....	15	79.96 %
16a <b>33 1/3% support test - 2013.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization .....	<input checked="" type="checkbox"/>	
b <b>33 1/3% support test - 2012.</b> 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 <b>stop here.</b> The organization qualifies as a publicly supported organization .....	<input type="checkbox"/>	
17a <b>10% -facts-and-circumstances test - 2013.</b> 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 <b>stop here.</b> Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization .....	<input type="checkbox"/>	
b <b>10% -facts-and-circumstances test - 2012.</b> 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 <b>stop here.</b> Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization .....	<input type="checkbox"/>	
18 <b>Private foundation.</b> 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) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(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) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(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 IV.) .....						
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 2013 (line 8, column (f) divided by line 13, column (f)) .....	15	%
16 Public support percentage from 2012 Schedule A, Part III, line 15 .....	16	%

**Section D. Computation of Investment Income Percentage**

17 Investment income percentage for 2013 (line 10c, column (f) divided by line 13, column (f)) .....	17	%
18 Investment income percentage from 2012 Schedule A, Part III, line 17 .....	18	%

19a 33 1/3% support tests - 2013. 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 - 2012. 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 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](http://www.irs.gov/form990).

OMB No. 1545-0047

**2013**

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, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

**Special Rules**

For a section 501(c)(3) organization 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) and received from any one contributor, during the year, a contribution 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 a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to 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 of \$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) (2013)

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/>	\$ 10,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	<hr/> <hr/> <hr/>	\$ 7,945,195.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3	<hr/> <hr/> <hr/>	\$ 15,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
4	<hr/> <hr/> <hr/>	\$ 29,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
5	<hr/> <hr/> <hr/>	\$ 12,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
6	<hr/> <hr/> <hr/>	\$ 20,000,000.	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
7		\$ 25,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
8		\$ 15,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
9		\$ 30,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
10		\$ 10,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
11		\$ 8,460,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
12		\$ 10,000,000.	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 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., individual contributions to section 501(c)(7), (8), or (10) organizations that total more than \$1,000 for the year. 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 information 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

**2013**

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.  
 ▶ See separate instructions. ▶ Information about Schedule C (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://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) or Form 990-EZ, Part V, line 35c (Proxy Tax), 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) 2013

LHA

332041  
11-08-13



**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)	47,300.													
b	Total lobbying expenditures to influence a legislative body (direct lobbying)	149,109.													
c	Total lobbying expenditures (add lines 1a and 1b)	196,409.													
d	Other exempt purpose expenditures	285,118,566.													
e	Total exempt purpose expenditures (add lines 1c and 1d)	285,314,975.													
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 \$7,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$7,000,000</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 \$7,000,000	\$225,000 plus 5% of the excess over \$1,500,000.	Over \$7,000,000	\$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 \$7,000,000	\$225,000 plus 5% of the excess over \$1,500,000.														
Over \$7,000,000	\$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 instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period						
Calendar year (or fiscal year beginning in)	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(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	190,178.	178,207.	72,000.	196,409.	636,794.
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	190,178.	178,207.	72,000.	47,300.	487,685.

**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 to 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, line 2; and Part II-B, line 1. Also, complete this part for any additional information.

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**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.

OMB No. 1545-0047

**2013**  
Open to Public Inspection

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

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 contributions to (during year) .....		
3 Aggregate 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 an 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? .....
- 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)? .....
- 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) Revenues 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 Revenues 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?  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.	9,153.	1,929.
d Equipment		1,333,648.	852,563.	481,085.
e Other				
<b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				483,014.

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.

Table with 3 columns: (a) Description of security or category, (b) Book value, (c) Method of valuation. Rows include Financial derivatives, Closely-held equity interests, and Other (A-H).

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.

Table with 3 columns: (a) Description of investment, (b) Book value, (c) Method of valuation. Rows numbered 1 through 9.

Part IX Other Assets.

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

Table with 2 columns: (a) Description, (b) Book value. Rows numbered 1 through 9.

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.

Table with 2 columns: (a) Description of liability, (b) Book value. Row 1 includes Federal income taxes. Rows numbered 1 through 9.

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 [X]

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.

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

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.

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

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, 2011.

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

**Supplemental Information Regarding Fundraising or Gaming Activities**  
Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.

OMB No. 1545-0047

**2013**

Open To Public Inspection

Department of the Treasury  
Internal Revenue Service

▶ Attach to Form 990 or Form 990-EZ.

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

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

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

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

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

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

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

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col. (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
THE LABRADOR COMPANY - P.O. BOX 10549, TALLAHASSEE, FL	FUNDRAISING		X	145,164,760.	76,751.	145,088,009.
LISA MILLER & ASSOCIATES - 331 N MONROE STREET,	FUNDRAISING		X	18,173,000.	7,422.	18,165,578.
<b>Total</b>				163,337,760.	84,173.	163,253,587.

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

FL, AZ, GA, AR, CT, AL



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

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

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

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

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

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

- 11 Does the organization operate gaming activities with nonmembers?  Yes  No
- 12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?  Yes  No
- 13 Indicate the percentage of gaming activity operated in:
 

<b>13a</b>		%
<b>13b</b>		%

  - a The organization's facility
  - b An outside facility
- 14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ▶ \_\_\_\_\_

Address ▶ \_\_\_\_\_

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

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

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

Name ▶ \_\_\_\_\_

Address ▶ \_\_\_\_\_

16 Gaming manager information:

Name ▶ \_\_\_\_\_

Gaming manager compensation ▶ \$ \_\_\_\_\_

Description of services provided ▶ \_\_\_\_\_

- Director/officer
- Employee
- Independent contractor

17 Mandatory distributions:

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?  Yes  No

b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ \_\_\_\_\_

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

SCHEDULE G, PART I, LINE 2B, LIST OF TEN HIGHEST PAID FUNDRAISERS:

(I) NAME OF FUNDRAISER: THE LABRADOR COMPANY

(I) ADDRESS OF FUNDRAISER: P.O BOX 10549, TALLAHASSEE, FL 32302

(I) NAME OF FUNDRAISER: LISA MILLER & ASSOCIATES

(I) ADDRESS OF FUNDRAISER: 331 N MONROE STREET, TALLAHASSEE, FL 32301

2013

Open to Public Inspection

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.

Attach to Form 990.

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

Department of the Treasury Internal Revenue Service

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 Organizations and Governments in the United States. 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.

Table with columns: (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.

STEP UP FOR STUDENTS, INC.

Schedule I (Form 990) (2013)

Part III Grants and Other Assistance to Individuals in the United States. 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	59826	277,103,445.	0.		

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

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**SCHEDULE J  
(Form 990)**

**Compensation Information**

OMB No. 1545-0047

**2013**

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. ▶ See separate instructions.

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

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

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) and 501(c)(4) 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
1b		
2	X	
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) 2013

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 reported as deferred in prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) DOUG TUTTHILL PRESIDENT/CEO, SUFS	212,397.	0.	0.	8,496.	15,711.	236,604.	0.
(2) SCOTT MASSEY CIO, SUFS	133,474.	0.	0.	5,339.	15,711.	154,524.	0.
(i)	0.	0.	0.	0.	0.	0.	0.
(ii)							
(i)							
(ii)							
(i)							
(ii)							
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(ii)							
(i)							
(ii)							
(i)							
(ii)							

STEP UP FOR STUDENTS, INC.

Schedule J (Form 990) 2013

**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.

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SCHEDULE O  
(Form 990 or 990-EZ)

Supplemental Information to Form 990 or 990-EZ

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

OMB No. 1545-0047

2013

Open to Public  
Inspection

Department of the Treasury  
Internal Revenue Service

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

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 ECONOMICALLY DISADVANTAGED FAMILIES THE FREEDOM TO  
CHOOSE THE BEST LEARNING OPTIONS FOR THEIR CHILDREN.

FORM 990, PART III, LINE 2, NEW PROGRAM SERVICES:

EXPLANATION: ALABAMA OPPORTUNITY SCHOLARSHIP FUND (AOSF) IS A  
SCHOLARSHIP ORGANIZATION THAT AWARDS SCHOLARSHIPS TO ELIGIBLE,  
LOW-INCOME STUDENTS, TO PAY FOR PRIVATE SCHOOL TUITION OR TRANSFER FEES  
TO A NON-FAILING PUBLIC SCHOOL. AOSF EMPOWERS FAMILIES TO CHOOSE THE  
SCHOOL THAT BEST FITS THEIR CHILD'S UNIQUE EDUCATIONAL NEEDS. THIS  
PROGRAM ALLOWS EVERY ALABAMA CHILD AN EQUAL OPPORTUNITY TO QUALITY  
EDUCATION, WHICH CAN ONLY OCCUR WHEN EDUCATORS AND LOCAL COMMUNITIES  
ARE EMPOWERED TO CREATE DIVERSE LEARNING OPTIONS AND ALL PARENTS ARE  
EMPOWERED TO MATCH THEIR CHILDREN TO THE LEARNING OPTION THAT BEST  
MEETS THEIR NEEDS.

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

FOR THE 2013-14 SCHOOL YEAR, APPROVED STUDENTS COULD CHOOSE BETWEEN  
SCHOLARSHIPS WORTH UP TO \$4,880 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 331,612 SCHOLARSHIPS. FOR 2013-14, THE AVERAGE INCOME FOR  
PARTICIPANTS WAS 9% ABOVE THE FEDERAL POVERTY GUIDELINES, AND 54.6% OF  
THE STUDENTS WERE FROM SINGLE-PARENT HOUSEHOLDS.

STANDARDIZED TEST SCORES RELEASED IN AUGUST 2013 SHOWED THAT

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

Schedule O (Form 990 or 990-EZ) (2013)

332211  
09-04-13



Schedule O (Form 990 or 990-EZ) (2013)

Employer identification number  
59-3649371

Name of the organization  
STEP UP FOR STUDENTS, INC.

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 2013 TRACKED CLOSELY WITH RESULTS IN PRIOR YEARS AND THE RESEARCHER ISSUED THREE 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 EIGHTH TIME, STEP UP FOR STUDENTS WAS AWARDED THE COVETED FOUR-STAR RATING BY CHARITY NAVIGATOR AND SCORED 99.92 ON THE NAVIGATOR'S SCALE OF FINANCIAL ACCOUNTABILITY AND TRANSPARENCY - THE FOURTH HIGHEST MARK OF ANY CHARITY IN THE NATION.

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

TEN SCHOOLS IN HILLSBOROUGH COUNTY PILOTED THIS PROGRAM DURING THE 2011-12 SCHOOL YEAR, 17 MORE SCHOOLS CAME ABOARD FOR THE 2012-13 SCHOOL YEAR, AND THE PROGRAM REACHED A TOTAL OF 300 BY THE END OF THE 2013-14 SCHOOL YEAR. THE CAPSTONE OF SUCCESS PARTNERS 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 FOR CAREERS AND COLLEGE.

Schedule O (Form 990 or 990-EZ) (2013)

Name of the organization  
STEP UP FOR STUDENTS, INC.

Employer identification number  
59-3649371

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

RESEARCH ON STUDENT OUTCOMES:

EACH 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 2012-13, 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 2013-14, 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 \$ 2,499,796. 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.

Schedule O (Form 990 or 990-EZ) (2013)

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.STEPUFFORSTUDENTS.ORG. PRINTED COPIES ARE AVAILABLE BY REQUEST FOR THE

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

332212  
09-04-13

Schedule O (Form 990 or 990-EZ) (2013)

Name of the organization  
STEP UP FOR STUDENTS, INC.

Employer identification number  
59-3649371

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

TELEPHONE:

PROGRAM SERVICE EXPENSES	71,061.
MANAGEMENT AND GENERAL EXPENSES	16,212.
FUNDRAISING EXPENSES	33,108.
TOTAL EXPENSES	120,381.

REPAIRS AND MAINTENANCE:

PROGRAM SERVICE EXPENSES	77,284.
MANAGEMENT AND GENERAL EXPENSES	16,861.
FUNDRAISING EXPENSES	24,093.
TOTAL EXPENSES	118,238.

CONTRACT SERVICES:

PROGRAM SERVICE EXPENSES	62,916.
MANAGEMENT AND GENERAL EXPENSES	29,003.
FUNDRAISING EXPENSES	3,112.
TOTAL EXPENSES	95,031.

PARENT TEACHER DEVELOPMENT:

PROGRAM SERVICE EXPENSES	51,596.
MANAGEMENT AND GENERAL EXPENSES	0.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	51,596.

TEMPORARY LABOR:

PROGRAM SERVICE EXPENSES	15,588.
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332212  
09-04-13

Name of the organization

STEP UP FOR STUDENTS, INC.

Employer identification number

59-3649371

MANAGEMENT AND GENERAL EXPENSES	31,890.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	47,478.

BANK FEES:

PROGRAM SERVICE EXPENSES	38,204.
MANAGEMENT AND GENERAL EXPENSES	0.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	38,204.

TOTAL OTHER EXPENSES ON FORM 990, PART IX, LINE 24E, COL A 470,928.

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

PERMANENT IMPAIRMENT ON PROPERTY	-30,550.
DONATED SERVICES EXPENSE	-544,475.
TOTAL TO FORM 990, PART XI, LINE 9	-575,025.

FORM 990, PART XII, LINE 2C:

THIS PROCESS HAS NOT CHANGED SINCE THE PRIOR YEAR.

**SCHEDULE R (Form 990)**  
**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. ▶ See separate instructions.  
▶ Information about Schedule R (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990)

Department of the Treasury  
Internal Revenue Service

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	15,152,320.	15,479,664.	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? Yes/No	(k) Percentage ownership	
							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
THE SCHOLARSHIP ORGANIZATION NETWORK, L3C - 27-3481123, 4655 SALISBURY ROAD, JACKSONVILLE, FL 32256	EVALUATION OF K-12 SCHOLARSHIP APPLICATIONS FOR LOW	VT	STEP UP FOR STUDENTS, INC. C CORP	C CORP	-1,931,308.	200,178.	100.00%		X

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

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) THE SCHOLARSHIP ORGANIZATION NETWORK, L3C	L	1,582,858	FAIR MARKET VALUE
(2) THE SCHOLARSHIP ORGANIZATION NETWORK, L3C	M	706,948	FAIR MARKET VALUE
(3) THE SCHOLARSHIP ORGANIZATION NETWORK, L3C	O	59,710	FAIR MARKET VALUE
(4)			
(5)			
(6)			



Part VI Unrelated Organizations Taxable as a Partnership Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under section 512-514)	(e) All other partners? 50 (b) (6)		(f) Share of total income	(g) Share of end-of-year assets	(h) Dispropor- tionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	

**Part VII** Supplemental Information

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

PART IV, IDENTIFICATION OF RELATED ORGANIZATIONS TAXABLE AS CORP OR TRUST:

NAME OF RELATED ORGANIZATION:

THE SCHOLARSHIP ORGANIZATION NETWORK, L3C

PRIMARY ACTIVITY: EVALUATION OF K-12 SCHOLARSHIP APPLICATIONS FOR LOW

INCOME FAMILIES.

# Step Up For Students, Inc. and Subsidiaries

Consolidated Financial Report  
June 30, 2014

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## Independent Auditor's Report

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

### Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Step Up For Students, Inc. and its subsidiaries, which comprise the consolidated statement of financial position as of June 30, 2014, 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 of 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 financial position of Step Up For Students, Inc. and its subsidiaries as of June 30, 2014, 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 2013 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated October 14, 2013. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2013, 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 supplementary information is 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 December 10, 2014, on our consideration of Step Up For Students, Inc. and its subsidiaries' 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 subsidiaries' internal control over financial reporting and compliance.

*McGladrey LLP*

Orlando, Florida  
December 10, 2014

Step Up For Students, Inc. and Subsidiaries

Consolidated Statement of Financial Position

June 30, 2014

(With Summarized Comparative Information for June 30, 2013)

	2014	2013
<b>Assets</b>		
Current Assets		
Cash and cash equivalents	\$ 61,423,816	\$ 38,701,997
Pledges receivable, less allowance for uncollectible pledges of \$15,500,000 and \$15,000,000 in 2014 and 2013, respectively	295,341,685	271,720,800
Accounts receivable	1,006,090	867,402
Prepaid expenses and other assets	176,983	159,747
Assets held for sale	580,450	611,000
<b>Total current assets</b>	<b>358,529,024</b>	<b>312,060,946</b>
Property and Equipment, Net	483,014	476,747
<b>Total assets</b>	<b>\$ 359,012,038</b>	<b>\$ 312,537,693</b>
<b>Liabilities and Net Assets</b>		
Current Liabilities		
Accounts payable	\$ 172,057	\$ 94,478
Accrued expenses	1,037,322	707,082
Deferred revenue	102,501	-
Current portion of long-term debt	59,905	774,919
<b>Total current liabilities</b>	<b>1,371,785</b>	<b>1,576,479</b>
Long-Term Debt, Less Current Portion	662,463	-
<b>Total liabilities</b>	<b>2,034,248</b>	<b>1,576,479</b>
Commitments and Contingencies (Note 7)		
Net Assets		
Unrestricted	2,768,500	1,916,767
Temporarily restricted	354,209,290	309,044,447
<b>Total net assets</b>	<b>356,977,790</b>	<b>310,961,214</b>
<b>Total liabilities and net assets</b>	<b>\$ 359,012,038</b>	<b>\$ 312,537,693</b>

See Notes to Consolidated Financial Statements.

Step Up For Students, Inc. and Subsidiaries

Consolidated Statement of Activities

Year Ended June 30, 2014

(With Summarized Comparative Information for June 30, 2013)

	2014			Total 2013
	Unrestricted	Temporarily Restricted	Total	
<b>Revenues and Support</b>				
Contributions and grants:				
Florida Tax Credit Scholarship Program	\$ 8,709,200	\$ 305,218,339	\$ 313,927,539	\$ 310,672,626
Alabama Opportunity Scholarship Program	765,847	17,088,497	17,854,344	-
Grants and other contributions	581,970	573,500	1,155,470	153,068
Scholarship application and service fees	2,164,141	-	2,164,141	2,100,577
Other revenue	7,431	10,001	17,432	13,048
Net assets released from restrictions	277,725,494	(277,725,494)	-	-
<b>Total revenues and support</b>	<b>289,954,083</b>	<b>45,164,843</b>	<b>335,118,926</b>	<b>312,939,319</b>
<b>Expenses</b>				
Program services:				
Florida Tax Credit Scholarship Program	279,900,047	-	279,900,047	212,309,290
Alabama Opportunity Scholarship Program	3,144,246	-	3,144,246	-
School Development and Student Learning	1,215,243	-	1,215,243	454,339
Communications, Policy and Public Affairs	1,342,109	-	1,342,109	1,061,044
Family and Community Affairs	624,432	-	624,432	372,660
<b>Total program services</b>	<b>286,226,077</b>	<b>-</b>	<b>286,226,077</b>	<b>214,197,333</b>
Supporting services:				
General and administrative	1,486,182	-	1,486,182	1,043,250
Development and fundraising	1,390,091	-	1,390,091	1,242,172
<b>Total supporting services</b>	<b>2,876,273</b>	<b>-</b>	<b>2,876,273</b>	<b>2,285,422</b>
<b>Total expenses</b>	<b>289,102,350</b>	<b>-</b>	<b>289,102,350</b>	<b>216,482,755</b>
<b>Change in net assets</b>	<b>851,733</b>	<b>45,164,843</b>	<b>46,016,576</b>	<b>96,456,564</b>
<b>Net Assets</b>				
Beginning	1,916,767	309,044,447	310,961,214	214,504,650
Ending	\$ 2,768,500	\$ 354,209,290	\$ 356,977,790	\$ 310,961,214

See Notes to Consolidated Financial Statements.



Step Up For Students, Inc. and Subsidiaries

Consolidated Statement of Functional Expenses

Year Ended June 30, 2014

(With Summarized Comparative Information for June 30, 2013)

	2014										Total 2013 Expenses
	Program Services					Supporting Services					
	Florida Scholarship Program	Alabama Opportunity Scholarship Program	School Development and Student Learning	Communications, Policy and Public Affairs	Family and Community Affairs	Total Program Services	General and Administrative	Development and Fundraising	Total Expenses		
Scholarships and grants	\$ 275,053,677	\$ 2,012,768	\$ -	\$ -	\$ -	\$ 277,066,445	\$ 37,000	\$ -	\$ 277,103,445	\$ 207,753,225	
Salaries and wages	1,869,703	522,282	742,244	812,928	206,545	4,153,702	798,568	802,371	5,754,631	4,389,223	
Payroll taxes and employee benefits	521,891	23,128	151,645	152,845	40,110	889,619	108,714	164,980	1,163,313	878,069	
Temporary labor	496,056	14,854	-	704	-	511,644	31,890	-	543,534	654,762	
Depreciation and impairment loss	171,545	461	21,247	13,456	8,205	214,914	20,997	22,758	258,669	448,890	
Other costs	336,174	30,748	13,254	33,980	21,960	436,116	21,394	93,536	551,046	441,668	
Contract services	-	-	30,485	24,431	8,000	62,916	29,003	70,889	162,808	289,675	
Rent	333,883	11,551	28,817	12,938	345	387,534	49,314	2,270	439,118	271,970	
Professional fees	63,547	20,886	15,560	5,656	90,122	195,771	238,128	670	434,569	244,207	
Telephone	128,915	4,371	22,692	27,063	7,792	190,833	16,212	33,108	240,153	242,849	
Recruiting and advertising	584,888	387,036	17,283	52,564	104,704	1,146,275	19,228	29,928	1,195,431	210,511	
Travel, lodging, meals and entertainment	36,430	54,039	40,675	47,109	105,357	283,610	47,034	69,523	400,167	184,905	
Printing and postage	10,988	33,943	19,069	96,685	11,156	170,841	25,479	58,408	254,728	172,159	
Repairs and maintenance	77,551	5,794	30,513	25,502	5,687	145,047	16,861	24,093	186,001	140,284	
Insurance	28,759	894	7,875	7,143	1,927	46,598	6,346	8,581	61,529	54,521	
Office expenses	19,864	21,061	10,650	13,384	6,069	71,028	17,543	6,558	95,129	47,940	
Interest	-	-	12,038	16,721	6,453	35,212	2,481	-	40,111	44,490	
Parent teacher development	-	400	51,196	-	-	51,596	-	-	51,596	13,407	
Write-off school receivables	166,376	-	-	-	-	166,376	-	-	166,376	-	
<b>Total</b>	<b>\$ 279,900,047</b>	<b>\$ 3,144,246</b>	<b>\$ 1,215,243</b>	<b>\$ 1,342,109</b>	<b>\$ 624,432</b>	<b>\$ 286,226,077</b>	<b>\$ 1,485,182</b>	<b>\$ 1,390,091</b>	<b>\$ 289,102,350</b>	<b>\$ 216,482,755</b>	

See Notes to Consolidated Financial Statements.

Step Up For Students, Inc. and Subsidiaries

Consolidated Statement of Cash Flows  
Year Ended June 30, 2014

(With Summarized Comparative Information for June 30, 2013)

	2014	2013
Cash Flows From Operating Activities		
Change in net assets	\$ 46,016,576	\$ 96,456,564
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and impairment loss	258,669	448,890
Contribution of property and equipment	-	(54,215)
Provision for uncollectible pledges	10,205,040	6,752,595
Write-off of school receivables	166,376	
Change in operating assets and liabilities:		
(Increase) decrease in assets:		
Pledges receivable	(33,825,925)	(84,230,384)
Grants receivable	-	679,000
Accounts receivable	(305,064)	(653,468)
Prepaid expenses and other assets	(17,236)	(78,892)
Increase (decrease) in liabilities:		
Accounts payable	77,579	10,681
Accrued expenses	330,240	340,668
Deferred revenue	102,501	
Grants payable	-	(100,000)
<b>Net cash provided by operating activities</b>	<b>23,008,756</b>	<b>19,571,439</b>
Cash Flows From Investing Activities		
Purchases of property and equipment	(234,386)	(268,140)
<b>Net cash (used in) investing activities</b>	<b>(234,386)</b>	<b>(268,140)</b>
Cash Flows From Financing Activities		
Principal payments on long-term debt	(52,551)	(49,245)
<b>Net cash (used in) financing activities</b>	<b>(52,551)</b>	<b>(49,245)</b>
<b>Net increase in cash and cash equivalents</b>	<b>22,721,819</b>	<b>19,254,054</b>
Cash and Cash Equivalents		
Beginning	38,701,997	19,447,943
Ending	<u>\$ 61,423,816</u>	<u>\$ 38,701,997</u>
Supplemental Disclosures of Cash Flows Information –		
Cash paid during the year for interest	<u>\$ 41,086</u>	<u>\$ 40,938</u>
Supplemental Disclosures of Noncash Investing and Financing Activities –		
Transfer of property and equipment to assets held for sale	<u>\$ -</u>	<u>\$ 866,432</u>

See Notes to Consolidated Financial Statements.

## Step Up For Students, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements

(With Summarized Comparative Information as of or for Year Ended June 30, 2013)

#### Note 1. Nature of Organization and Significant Accounting Policies

Nature of Organization: Step Up For Students, Inc. and its subsidiaries (collectively, the Organization) primary mission is to provide legislatively authorized K-12 scholarships and related support to give economically 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. Step Up For Students' mission is to provide legislatively authorized K-12 scholarships and related support to give economically disadvantaged families the freedom to choose the best learning options for their children in Florida. Step Up For Students provides scholarships to low income families. It served 59,822 students in 1,429 private schools across Florida during the 2013 – 2014 school year and it served 51,075 students in 1,338 private schools across Florida during the 2012 – 2013 school year.

The Scholarship Organization Network L3C, LLC (The Scholarship Organization Network) was a wholly-owned subsidiary that commenced operations in March 2011. 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 net assets and operations were absorbed by Step Up For Students.

The Alabama Opportunity Scholarship Fund, LLC (Alabama Opportunity Scholarship Fund) is a not-for-profit organization established on October 4, 2013. The Alabama Opportunity Scholarship Fund is an Alabama limited liability company whose sole member is Step Up For Students. The Alabama Opportunity Scholarship Fund empowers families to choose the school that best fits their child's unique educational needs by offering K-12 scholarships to low-income parents. Since its inception, 900 children received scholarships and 3,500 low income children are expected to receive scholarships to attend private schools in the 2014 – 2015 school year.

Principles of Consolidation: The consolidated financial statements include the accounts of Step Up For Students and its wholly-owned subsidiaries, The Scholarship Organization Network L3C, LLC and the Alabama Opportunity Scholarship Fund, LLC. All significant intercompany transactions have been eliminated in consolidation.

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 100 percent state tax credit against any of the following tax sources: corporate income tax, insurance premium tax, alcoholic beverage excise tax, direct-pay sales tax, and oil and gas severance tax. 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 2013 – 2014 school year and the 2012 – 2013 school year, qualified students received a maximum scholarship of \$4,880 and \$4,335, 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 Subsidiaries

### Notes to Consolidated Financial Statements (With Summarized Comparative Information as of or for Year Ended June 30, 2013)

#### 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.
- Communications, Policy and Public Affairs: This program takes the message of school choice 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 began in 2003 and is responsible for building community partnerships which enhance the overall scholarship experience for students and their families. The program also serves non-public schools, educators, parents and the community by promoting and defending educational choices for families in Florida. The group helps train choice advocates on how to defend and advance school choice through research, media/public relations, accountability, legislative/political, program implementation and community leader influence.

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

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, 2013, 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.

## Step Up For Students, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (With Summarized Comparative Information as of or for Year Ended June 30, 2013)

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

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.

Cash and Cash Equivalents: For purposes of the statement of cash flows, the Organization considers all short-term securities with an original maturity of three months or less to be cash equivalents.

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 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 based upon management estimates of current economic factors and analysis of specific pledges. Step Up For Students has received promises to give from corporations for the Florida Tax Credit Scholarship Program. During the year ended June 30, 2014, Step Up For Students received contributions and pledges of \$313,927,539, net of a \$10,205,040 provision for uncollectible pledges. During the year ended June 30, 2013, Step Up For Students received contributions and pledges of \$310,672,626, net of a \$6,752,595 provision for uncollectible pledges. The Alabama Opportunity Scholarship Fund has no unconditional promises to give (pledges) at June 30, 2014.

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.

**Step Up For Students, Inc. and Subsidiaries**

**Notes to Consolidated Financial Statements  
(With Summarized Comparative Information as of or for Year Ended June 30, 2013)**

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

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. The estimated fair value of contributed services was \$4,000 and \$25,900 for the years ended June 30, 2014 and 2013, respectively, which is included in contributions and grants in the accompanying consolidated statement of activities.

Accounts Receivable: Accounts receivable are stated at net realizable value. The Organization uses the allowance method to determine uncollectible accounts receivables. The allowance is based upon management estimates of current economic factors and analysis of specific accounts. In the opinion of management, no allowance for uncollectible accounts was considered necessary at June 30, 2014 and 2013.

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, 2014 and 2013.

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 represent land and a building located in Tampa, Florida. During the year ended June 30, 2013, the Board of Directors made the decision to sell the land and building. During the years ended June 30, 2014 and 2013, Step Up For Students recorded an impairment loss of \$30,550 and \$255,432, respectively, on the assets held for sale, which is included in the accompanying consolidated statement of functional expenses.

Scholarship Application and Service Fees: Revenue from non-refundable scholarship application and service fees is recognized at the time the application is submitted for the Alabama Opportunity Scholarship Fund and for Step Up For Students for the 2013 – 2014 school year. During the 2014 Florida legislative session, a provision was added to the Florida Statutes requiring SFOs to refund the scholarship application and service fees to families that do not use the scholarship within 12 months of their scholarship award. Scholarship application fees received for the 2014 – 2015 school year not processed at June 30, 2014, are recorded as deferred revenue in the accompanying statement of financial position.

## Step Up For Students, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (With Summarized Comparative Information as of or for Year Ended June 30, 2013)

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

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 Scholarship Organization Network, the wholly-owned subsidiary of Step Up For Students, files its federal and state income tax returns as a for-profit corporation. The Scholarship Organization Network has incurred net operating losses since inception, therefore, no provision or liability for federal or state income taxes have been recorded in the accompanying consolidated financial statements.

The Alabama Opportunity Scholarship Fund is a limited liability company (LLC) whose sole member is Step Up For Students. 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, 2011.

Fair Value of Financial Instruments: At June 30, 2014 and 2013, the Organization's financial instruments consist of cash and cash equivalents, pledges receivable, accounts receivable, accounts payable, accrued expenses, deferred revenue and long-term debt. The fair values of the Organization's financial instruments excluding long-term debt approximate their fair values because of the short-term nature of these instruments. Long-term debt at fixed rates is not materially different from fair value based upon maturities and similar credit risk comparisons available to the Organization at June 30, 2014 and 2013.

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 2013 consolidated financial statements have been reclassified in order to conform with the 2014 presentation. These reclassifications had no impact on total assets, total liabilities, total net assets, or changes in net assets previously reported.

## Step Up For Students, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements

(With Summarized Comparative Information as of or for Year Ended June 30, 2013)

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

Subsequent Events: Management has assessed subsequent events through December 10, 2014, 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, 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. During the year ended June 30, 2013, Step Up For Students collected \$233,198,837 of eligible contributions and earned \$7,252 of interest on the investment of these collected funds. Step Up For Students claimed an administrative allowance of \$6,995,845 and expended \$207,753,225 for scholarships during the year ended June 30, 2013.

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 2013 – 2014 and 2012 – 2013 school years could not exceed \$4,880 and \$4,335, 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, 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.



Step Up For Students, Inc. and Subsidiaries

Notes to Consolidated Financial Statements  
(With Summarized Comparative Information as of or for Year Ended June 30, 2013)

**Note 3. Property and Equipment**

Property and equipment consisted of the following at June 30, 2014 and 2013:

	2014	2013
Furniture and equipment	\$ 790,154	\$ 645,807
Software	543,494	453,455
Leasehold improvements	11,082	11,082
	<u>1,344,730</u>	<u>1,110,344</u>
Less accumulated depreciation	(861,716)	(633,597)
	<u>\$ 483,014</u>	<u>\$ 476,747</u>

Depreciation expense for the years ended June 30, 2014 and 2013, was \$228,119 and \$193,458, respectively.

**Note 4. Line of Credit**

Step Up For Students has a \$20,000,000 line of credit from a bank bearing interest at the one-month LIBOR interest rate plus 2% (2.15% at June 30, 2014). Interest on the line of credit is payable monthly and matures on April 27, 2015. The line of credit is 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 and 2013.

**Note 5. Long-Term Debt**

Long-term debt consisted of the following at June 30, 2014 and 2013:

	2014	2013
<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. In April 2014, the bank extended the mortgage note to June 30, 2016. The mortgage note is collateralized by real property and personally guaranteed by a board member.	\$ 722,368	\$ 774,919
Less current portion	(59,905)	(774,919)
	<u>\$ 662,463</u>	<u>\$ -</u>

Maturities of long-term debt as of June 30, 2014, are as follows:

Year Ending June 30,	
2015	\$ 59,905
2016	662,463
	<u>\$ 722,368</u>

Step Up For Students, Inc. and Subsidiaries

Notes to Consolidated Financial Statements  
(With Summarized Comparative Information as of or for Year Ended June 30, 2013)

**Note 6. Temporarily Restricted Net Assets**

Temporarily restricted net assets at June 30, 2014 and 2013, are available for the following purposes:

	2014	2013
Florida Tax Credit Scholarship Program	\$ 338,936,332	\$ 308,777,250
Alabama Opportunity Scholarship Program	15,076,958	-
Communications, Policy and Public Affairs	186,441	227,560
Family and Community Affairs	9,559	39,637
	<u>\$ 354,209,290</u>	<u>\$ 309,044,447</u>

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

	2014	2013
Florida Tax Credit Scholarship Program	\$ 275,070,996	\$ 207,756,331
Alabama Opportunity Scholarship Program	2,583,301	-
Communications, Policy and Public Affairs	41,119	51,476
Family and Community Affairs	30,078	26,360
	<u>\$ 277,725,494</u>	<u>\$ 207,834,167</u>

**Note 7. Commitments and Contingencies**

Commitments: The Organization leases certain office equipment and office space under operating leases which expire at various dates through January 2020. Rent expense for the years ended June 30, 2014 and 2013, was \$439,118 and \$271,970, respectively.

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

Year Ending June 30,	Amount
2015	\$ 488,380
2016	498,333
2017	499,000
2018	493,221
2019	504,730
Thereafter	294,426
	<u>\$ 2,778,090</u>

Litigation: The states of Florida and Alabama are subject to four 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 attorneys general in these states are defending these cases. 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.

## Step Up For Students, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (With Summarized Comparative Information as of or for Year Ended June 30, 2013)

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#### Note 8. Major Donor

*Step Up For Students* – No single donor accounted for more than 10% of contributions and grants during the years ended June 30, 2014 and 2013.

*Alabama Opportunity Scholarship Fund* – Contributions from two major donors accounted for approximately 81.4% of contributions and grants 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, 2014 and 2013, were \$194,655 and \$102,780, respectively, which is included in payroll taxes and employee benefits in the accompanying consolidated statement of functional expenses.

#### 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.

**Step Up For Students, Inc. and Subsidiaries**

**Notes to Consolidated Financial Statements  
(With Summarized Comparative Information as of or for Year Ended June 30, 2013)**

**Note 10. Fair Value Measurements (Continued)**

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, 2014 and 2013:

	Total	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>					
<b>June 30, 2014</b>					
Assets held for sale	\$ 866,432	\$ -	\$ -	\$ 580,450	\$ 285,982
<b>June 30, 2013</b>					
Assets held for sale	\$ 866,432	\$ -	\$ -	\$ 611,000	\$ 255,432

At June 30, 2014 and 2013, the Organization had no assets or liabilities measured at fair value on a recurring basis.

**Note 11. Subsequent Events**

In June 2014, legislation creating scholarships for special needs children was signed into law in Florida. Under this law, \$18.4 million is available for scholarships during the 2014 – 2015 school year. This scholarship is for Florida students in kindergarten through 12th grade with one of the following disabilities: Autism, 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 the 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. Applicants are evaluated and the Personal Learning Scholarship Accounts may be administered by any approved Florida SFO. Step Up For Students began administering this program in July 2014. These activities are funded by grants and donations awarded to Step Up For Students to inform the public about the program, establish systems and administer the program for the first program year. The statute does not provide funding to SFOs that administer the program.

Step Up For Students, Inc. and Subsidiaries

Consolidating Statement of Financial Position  
June 30, 2014

	Step Up For Students	Alabama Opportunity Scholarship Fund	Eliminations	Consolidated
<b>Assets</b>				
<b>Current Assets</b>				
Cash and cash equivalents	\$ 45,958,014	\$ 15,465,802	\$ -	\$ 61,423,816
Pledges receivable, net	295,341,685	-	-	295,341,685
Accounts receivable	1,001,457	4,633	-	1,006,090
Prepaid expenses and other assets	176,217	766	-	176,983
Assets held for sale	580,450	-	-	580,450
Due from related parties	168,600	-	(168,600)	-
<b>Total current assets</b>	<b>343,226,423</b>	<b>15,471,201</b>	<b>(168,600)</b>	<b>358,529,024</b>
Property and Equipment, Net	474,551	8,463	-	483,014
<b>Total assets</b>	<b>\$ 343,700,974</b>	<b>\$ 15,479,664</b>	<b>\$ (168,600)</b>	<b>\$ 359,012,038</b>
<b>Liabilities and Net Assets</b>				
<b>Current Liabilities</b>				
Accounts payable	\$ 171,392	\$ 665	\$ -	\$ 172,057
Accrued expenses	879,243	158,079	-	1,037,322
Deferred revenue	102,501	-	-	102,501
Current portion of long-term debt	59,905	-	-	59,905
Due to related parties	-	168,600	(168,600)	-
<b>Total current liabilities</b>	<b>1,213,041</b>	<b>327,344</b>	<b>(168,600)</b>	<b>1,371,785</b>
Long-Term Debt, Less Current Portion	662,463	-	-	662,463
<b>Total liabilities</b>	<b>1,875,504</b>	<b>327,344</b>	<b>(168,600)</b>	<b>2,034,248</b>
<b>Net Assets</b>				
Unrestricted	2,693,138	75,362	-	2,768,500
Temporarily restricted	339,132,332	15,076,958	-	354,209,290
<b>Total net assets</b>	<b>341,825,470</b>	<b>15,152,320</b>	<b>-</b>	<b>356,977,790</b>
<b>Total liabilities and net assets</b>	<b>\$ 343,700,974</b>	<b>\$ 15,479,664</b>	<b>\$ (168,600)</b>	<b>\$ 359,012,038</b>

Step Up For Students, Inc. and Subsidiaries

Consolidating Statement of Activities  
Year Ended June 30, 2014

The  
Scholarship  
Organization  
Network

	Step Up For Students			Eliminations	Total Florida Activities	Alabama Opportunity Scholarship Fund			Total Consolidated
	Unrestricted	Temporarily Restricted	Total			Unrestricted	Temporarily Restricted	Total	
<b>Revenues and Support</b>									
Contributions and grants:									
Florida Tax Credit Scholarship Program	\$ 8,709,200	\$ 305,218,339	\$ 313,927,539	\$ -	\$ 313,927,539	\$ -	\$ -	\$ -	\$ 313,927,539
Alabama Opportunity Scholarship Program	-	-	-	-	-	765,847	17,088,497	17,854,344	17,854,344
Grants and other contributions	581,970	3,500	585,470	-	585,470	-	570,000	570,000	1,155,470
Scholarship application and service fees	823,631	8,239	831,870	(816,200)	2,097,242	66,899	-	66,899	2,164,141
Other revenue	275,142,193	(275,142,193)	-	-	15,670	-	1,762	1,762	17,432
Net assets released from restrictions	285,256,994	30,087,885	315,344,879	(816,200)	316,625,921	2,583,301	(2,583,301)	-	-
<b>Total revenues and support</b>									
						3,416,047	15,076,958	18,493,005	335,118,926
<b>Expenses</b>									
Program services:									
Florida Tax Credit Scholarship Program	277,301,428	-	277,301,428	(394,686)	279,900,047	-	-	-	279,900,047
Alabama Opportunity Scholarship Program	-	-	-	-	-	3,144,246	-	3,144,246	3,144,246
School Development and Student Learning	1,215,243	-	1,215,243	-	1,215,243	-	-	-	1,215,243
Communications, Policy and Public Affairs	1,281,671	-	1,281,671	-	1,281,671	60,438	-	60,438	1,342,109
Family and Community Affairs	624,432	-	624,432	-	624,432	-	-	-	624,432
<b>Total program services</b>									
	280,422,774	-	280,422,774	(394,686)	283,021,393	3,204,684	-	3,204,684	286,226,077
Supporting services:									
General and administrative	1,352,981	-	1,352,981	(421,514)	1,352,981	133,201	-	133,201	1,486,182
Development and fundraising	1,387,291	-	1,387,291	-	1,387,291	2,800	-	2,800	1,390,091
<b>Total supporting services</b>									
	2,740,272	-	2,740,272	(421,514)	2,740,272	136,001	-	136,001	2,876,273
<b>Total expenses</b>									
	283,163,046	-	283,163,046	(816,200)	285,761,665	3,340,685	-	3,340,685	289,102,350
<b>Change in net assets</b>									
	2,093,948	30,087,885	32,181,833	(1,317,577)	30,864,256	75,362	15,076,958	15,152,320	46,016,576
<b>Net Assets</b>									
Beginning	4,981,225	309,044,447	314,025,672	(3,054,458)	310,961,214	-	-	-	310,961,214
Transfer of net assets	(4,382,035)	-	(4,382,035)	4,382,035	-	-	-	-	-
<b>Ending</b>									
	\$ 2,693,138	\$ 339,132,332	\$ 341,825,470	\$ -	\$ 341,825,470	\$ 75,362	\$ 15,076,958	\$ 15,152,320	\$ 356,977,790



**Independent Auditor's Report on Internal Control Over Financial Reporting  
and on Compliance and Other Matters Based on an Audit of Financial  
Statements Performed in Accordance With *Government Auditing Standards***

To the Board of Directors  
Step Up For Students, Inc.  
Tampa, 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 subsidiaries, which comprise the consolidated statement of financial position as of June 30, 2014, 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 December 10, 2014.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the consolidated financial statements, we considered Step Up For Students, Inc. and its subsidiaries' 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 Step Up For Students, Inc. and its subsidiaries' internal control. Accordingly, we do not express an opinion on the effectiveness of Step Up For Students, Inc. and its subsidiaries' 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.

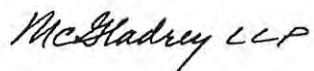
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not 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 Step Up For Students, Inc. and its subsidiaries' 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*.

**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 Step Up For Students, Inc. and its subsidiaries' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Step Up For Students, Inc. and its subsidiaries' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "McGladrey LLP".

Orlando, Florida  
December 10, 2014



## **Step Up For Students**

### **Annual Report for the Year Ending June 30, 2015**

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

FLORIDA TAX CREDIT SCHOLARSHIP 2014-15:

**Enrolled students by grade and county**

County	Kgarten	First	Second	Third	Fourth	Fifth	Sixth	Seventh	Eighth	9th	10th	11th	12th	Total
Alachua	71	63	64	41	48	46	42	25	21	22	14	13	11	481
Baker	2	6	5	6	3	8	3	9	4	3	4	2		55
Bay	9	14	8	12	13	11	9	11	4	6	1	3	2	103
Bradford	28	15	25	17	17	19	16	19	14	12	8	8	4	202
Brevard	244	221	223	238	203	162	146	138	93	75	54	46	38	1,881
Broward	944	787	719	629	551	499	478	365	327	271	198	146	122	6,036
Charlotte	37	39	41	33	41	28	29	22	20	14	5	3	5	317
Citrus	49	42	47	33	37	32	38	26	29	11	30	5	19	398
Clay	41	62	49	44	36	32	40	37	35	25	21	20	11	453
Collier	63	42	40	35	32	30	26	24	19	17	11	10	10	359
Columbia	22	26	26	28	32	14	21	17	18	20	17	9	6	256
Dade	3,670	3,016	2,334	1,900	1,605	1,321	1,186	974	769	570	481	415	314	18,555
DeSoto	6	12	9	9	8	5	5	4	7	4		1		70
Dixie	7	3	5	4	5	4	6	3	3	4	2	6	2	54
Duval	621	581	586	552	516	481	430	394	375	264	200	187	132	5,319
Escambia	142	127	144	104	101	106	89	82	61	37	24	27	22	1,066
Flagler	41	51	57	39	35	30	20	21	21	17	12	11	3	358
Franklin	4	1	3	4	3	3	3	4	1	2	3	1		32
Gadsden	25	20	27	25	27	22	27	34	23	18	26	15	10	299
Gilchrist	6	4	4	8	4	7	5	2	3	2	2	4	1	52
Glades	1	7	4	4	2	5	2	2	1	2		2	1	33
Gulf	3	7	3	3	4	3								23
Hamilton	6	9	4	6	6	9	5	5	5	4	3	4	2	68
Hardee	1	1	1	1	1									5
Hendry	27	19	19	12	11	17	18	11	12	6	5	6	5	168
Hernando	60	68	72	68	52	57	42	41	29	25	13	11	8	546
Highlands	39	39	37	37	26	19	16	7	12	3	4	1		240
Hillsborough	367	344	350	320	263	276	272	241	210	158	117	84	64	3,066
Holmes	1		2	3	1		1	3	2	1		1		15
Indian River	24	23	21	24	17	15	23	11	10	4	8	4	6	190
Jackson	8	12	8	10	6	7	4	2	2	1	1	1		62
Jefferson	3	8	2	4	2	3	4	4	3	2	3	1	2	41
Lafayette	2	4	6	3	3	8	3	3	3			1	1	37
Lake	116	119	101	108	85	71	74	69	62	49	47	27	23	951

**FLORIDA TAX CREDIT SCHOLARSHIP 2014-15:**

**Enrolled students by grade and county**

County	Kgarten	First	Second	Third	Fourth	Fifth	Sixth	Seventh	Eighth	9th	10th	11th	12th	Total
Lee	109	98	112	86	71	73	68	59	42	30	33	21	17	819
Leon	53	60	45	46	54	43	39	31	24	20	17	6	15	453
Levy	20	21	16	24	14	10	12	9	10	8	2	2	5	153
Madison	1		3	4	1	2	1		1	1	1		2	17
Manatee	84	76	56	48	53	53	45	34	26	22	15	11	7	530
Marion	169	164	154	166	143	136	108	110	84	66	59	31	29	1,419
Martin	23	29	29	29	28	27	19	15	12	11	7	4	3	236
Monroe	12	14	14	9	12	9	10	12	7	4	3	3	1	110
Nassau	16	17	19	22	22	11	12	12	6	5	5	5	2	154
Okaloosa	49	46	40	33	28	33	21	28	20	6	4	4		312
Okeechobee	23	18	17	10	19	9	6	8	6	5	2			123
Orange	950	920	892	769	672	591	583	505	452	296	220	190	130	7,170
Osceola	293	273	276	253	254	220	217	186	154	99	110	68	61	2,464
Palm Beach	254	274	260	238	203	184	183	161	136	78	66	50	43	2,130
Pasco	138	141	132	120	82	94	85	67	49	43	36	19	15	1,021
Pinellas	313	325	290	318	265	227	211	225	158	113	82	58	49	2,634
Polk	252	230	258	225	202	176	191	147	137	88	66	58	41	2,071
Putnam	38	39	30	26	22	25	17	21	8	8	10	1	10	255
Santa Rosa	26	16	21	9	17	14	17	11	8	4	5	1	1	150
Sarasota	68	67	67	57	49	52	44	45	20	14	17	16	9	525
Seminole	119	135	115	96	103	78	66	71	50	39	25	22	18	937
St. Johns	41	47	35	36	25	26	23	21	12	13	12	6	6	303
St. Lucie	150	119	116	122	94	83	80	70	55	33	31	23	13	989
Sumter	7	5	7	8	11	6	6	6	5	4	2	6	1	76
Suwannee	28	23	24	22	23	22	28	26	15	18	13	9	12	263
Taylor	12	14	6	15	11	10	5	4	3	3	2			85
Union	5	5	5	4	4	3	1	1	2		1			31
Volusia	343	353	305	249	244	199	184	197	165	84	86	55	45	2,509
Wakulla	6	7	6	10	6	5	8	5	9	5	8		1	76
Walton	6	7	8	7	11	2	2	2	5		3	1	4	58
Washington	11	16	14	14	12	9	4	3	2	2	3	5		95
<b>Grand Total</b>	<b>10,309</b>	<b>9,351</b>	<b>8,418</b>	<b>7,439</b>	<b>6,551</b>	<b>5,782</b>	<b>5,379</b>	<b>4,704</b>	<b>3,881</b>	<b>2,771</b>	<b>2,260</b>	<b>1,750</b>	<b>1,364</b>	<b>69,959</b>

**FLORIDA TAX CREDIT SCHOLARSHIP 2014-15:**

**Enrolled students by grade and county — 100 percent scholarships**

County	Kgarten	First	Second	Third	Fourth	Fifth	Sixth	Seventh	Eighth	9th	10th	11th	12th	Total
Alachua	69	61	62	40	46	46	40	25	21	21	14	13	11	469
Baker	2	6	5	6	2	7	3	8	4	3	4	2	0	52
Bay	9	14	8	12	13	11	9	9	4	5	0	3	2	99
Bradford	27	15	25	16	16	17	15	18	13	12	8	8	4	194
Brevard	244	216	215	231	197	156	141	134	89	71	53	45	38	1,830
Broward	936	767	699	612	537	483	465	356	321	266	196	140	118	5,896
Charlotte	37	37	40	33	41	26	29	22	20	14	5	3	5	312
Citrus	49	41	44	32	37	30	38	23	26	11	28	4	17	380
Clay	41	61	48	43	36	30	38	35	35	25	19	20	9	440
Collier	63	41	39	35	30	29	26	23	19	17	11	9	10	352
Columbia	22	26	25	28	31	14	21	17	18	20	17	9	6	254
Dade	3,664	2,990	2,301	1,873	1,575	1,305	1,163	957	757	559	470	407	307	18,328
DeSoto	6	12	9	9	8	5	5	4	7	4	0	0	0	69
Dixie	7	3	5	4	5	4	6	3	3	4	2	6	2	54
Duval	616	573	583	538	505	468	422	386	368	257	194	183	129	5,222
Escambia	138	125	142	103	98	104	89	80	59	37	23	25	21	1,044
Flagler	40	47	56	38	35	27	20	19	19	17	12	11	3	344
Franklin	4	1	3	4	3	3	3	4	1	2	3	1	0	32
Gadsden	25	20	27	24	27	22	27	33	22	18	26	14	10	295
Gilchrist	6	4	4	8	4	6	5	2	3	1	1	4	0	48
Glades	1	7	4	4	2	5	2	2	1	2	0	2	1	33
Gulf	3	7	3	3	4	3	0	0	0	0	0	0	0	23
Hamilton	6	9	4	6	6	9	5	5	5	4	3	4	2	68
Hardee	1	1	1	1	1	0	0	0	0	0	0	0	0	5
Hendry	27	19	19	11	11	17	18	11	12	6	5	5	4	165
Hernando	60	68	69	66	52	56	41	41	28	22	12	11	8	534
Highlands	38	39	36	36	26	19	15	7	12	3	4	1	0	236
Hillsborough	362	343	339	309	258	270	267	235	205	155	109	83	63	2,998
Holmes	1	0	2	3	1	0	1	3	2	1	0	1	0	15
Indian River	24	23	20	24	15	15	23	11	10	4	8	4	5	186
Jackson	8	12	8	10	6	7	4	2	2	1	1	1	0	62
Jefferson	3	8	2	4	2	3	4	4	3	2	3	1	2	41
Lafayette	2	4	6	3	3	8	3	3	3	0	0	1	1	37
Lake	114	116	97	106	82	70	71	68	60	49	45	26	22	926

**FLORIDA TAX CREDIT SCHOLARSHIP 2014-15:**

**Enrolled students by grade and county — 100 percent scholarships**

County	Kgarten	First	Second	Third	Fourth	Fifth	Sixth	Seventh	Eighth	9th	10th	11th	12th	Total
Lee	107	97	108	84	71	73	66	57	42	30	32	21	17	805
Leon	54	59	44	45	53	43	38	30	24	20	16	6	15	447
Levy	20	21	16	24	13	10	12	9	10	8	2	2	5	152
Madison	1	0	3	4	1	2	1	0	1	1	1	0	2	17
Manatee	84	76	55	47	53	51	43	33	25	21	15	11	7	521
Marion	168	160	151	162	137	132	106	107	81	64	59	30	27	1,384
Martin	23	29	29	27	28	27	19	15	11	11	7	4	3	233
Monroe	12	14	13	8	11	9	10	12	7	4	3	3	1	107
Nassau	16	15	18	20	21	11	12	11	5	5	4	5	2	145
Okaloosa	49	46	39	31	28	30	21	26	19	6	4	4	0	303
Okechobee	23	18	16	10	18	9	6	8	6	5	1	0	0	120
Orange	943	910	877	754	661	573	570	494	441	292	215	188	128	7,046
Osceola	288	270	271	249	241	214	212	184	151	94	108	67	60	2,409
Palm Beach	252	270	258	234	198	177	180	155	132	78	64	48	42	2,088
Pasco	138	138	128	116	78	94	83	67	48	43	36	18	12	999
Pinellas	313	321	283	310	259	218	207	223	156	111	80	57	48	2,586
Polk	252	226	251	223	198	175	188	143	132	87	66	55	39	2,035
Putnam	37	38	28	24	21	24	16	20	8	8	9	1	10	244
Santa Rosa	25	16	20	9	16	13	15	11	8	3	5	1	1	143
Sarasota	67	66	66	57	49	50	43	44	20	14	16	15	9	516
Seminole	117	132	112	90	101	74	64	66	49	37	25	22	17	906
St. Johns	41	47	34	35	25	26	23	19	11	13	12	6	6	298
St. Lucie	145	118	112	118	90	80	78	70	55	33	31	23	13	966
Sumter	7	5	7	8	11	6	6	8	5	4	2	6	1	76
Suwannee	28	22	23	22	23	22	25	26	15	18	13	8	12	257
Taylor	12	14	5	14	11	9	5	4	3	3	1	0	0	81
Union	5	5	5	4	3	3	1	1	2	0	1	0	0	30
Volusia	340	348	299	242	238	197	175	196	161	82	81	53	42	2,454
Wakulla	6	7	6	9	6	5	7	4	9	5	7	0	1	72
Walton	6	6	8	6	11	2	2	2	4	0	3	1	4	55
Washington	11	16	13	13	12	9	4	3	2	2	3	5	0	93
<b>Grand Total</b>	<b>10,245</b>	<b>9,226</b>	<b>8,248</b>	<b>7,274</b>	<b>6,401</b>	<b>5,643</b>	<b>5,257</b>	<b>4,598</b>	<b>3,795</b>	<b>2,715</b>	<b>2,198</b>	<b>1,707</b>	<b>1,324</b>	<b>68,631</b>

FLORIDA TAX CREDIT SCHOLARSHIP 2014-15:

Enrolled students by grade and county — 75 percent scholarships

County	Kgarten	First	Second	Third	Fourth	Fifth	Sixth	Seventh	Eighth	9th	10th	11th	12th	Total
Alachua	1	1	1	1	1	0	2	0	0	1	0	0	0	8
Baker	0	0	0	0	1	1	0	0	0	0	0	0	0	2
Bay	0	0	0	0	0	0	0	2	0	0	1	0	0	3
Bradford	0	0	0	1	0	2	1	1	1	0	0	0	0	6
Brevard	0	4	6	4	6	4	3	4	2	4	0	1	0	38
Broward	5	13	12	12	12	9	11	5	3	3	2	6	3	96
Charlotte	0	1	1	0	0	1	0	0	0	0	0	0	0	3
Citrus	0	0	2	1	0	1	0	1	1	0	2	1	1	10
Clay	0	1	0	1	0	1	1	0	0	0	2	0	0	6
Collier	0	1	1	0	1	1	0	1	0	0	0	0	0	5
Columbia	0	0	1	0	1	0	0	0	0	0	0	0	0	2
Dade	4	18	25	16	15	8	17	8	5	6	3	4	3	132
DeSoto	0	0	0	0	0	0	0	0	0	0	0	1	0	1
Dixie	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Duval	3	3	2	9	8	9	3	6	2	5	5	4	2	61
Escambia	3	2	1	1	2	0	0	0	1	0	0	0	0	10
Flagler	1	3	1	0	0	3	0	2	2	0	0	0	0	12
Franklin	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Gadsden	0	0	0	0	0	0	0	1	0	0	0	1	0	2
Gilchrist	0	0	0	0	0	1	0	0	0	1	1	0	1	4
Glades	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Gulf	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hamilton	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hardee	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hendry	0	0	0	1	0	0	0	0	0	0	0	1	0	2
Hernando	0	0	2	1	0	0	1	0	0	3	1	0	0	8
Highlands	1	0	1	1	0	0	1	0	0	0	0	0	0	4
Hillsborough	4	1	6	5	1	3	3	6	3	3	4	0	1	40
Holmes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Indian River	0	0	0	0	0	0	0	0	0	0	0	0	1	1
Jackson	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Jefferson	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Lafayette	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Lake	2	1	3	1	2	1	2	1	1	0	1	0	1	16

FLORIDA TAX CREDIT SCHOLARSHIP 2014-15:

Enrolled students by grade and county — 75 percent scholarships

County	Kgarten	First	Second	Third	Fourth	Fifth	Sixth	Seventh	Eighth	9th	10th	11th	12th	Total
Lee	1	0	2	1	0	0	1	0	0	0	1	0	0	6
Leon	0	0	0	0	0	0	1	0	0	0	1	0	0	2
Levy	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Madison	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Manatee	0	0	1	0	0	1	0	1	1	1	0	0	0	5
Marion	1	3	1	2	4	2	1	2	2	2	0	1	0	21
Martin	0	0	0	0	0	0	0	0	1	0	0	0	0	1
Monroe	0	0	1	0	1	0	0	0	0	0	0	0	0	2
Nassau	0	2	1	2	1	0	0	0	1	0	0	0	0	7
Okaloosa	0	0	0	1	0	1	0	2	0	0	0	0	0	4
Okeechobee	0	0	0	0	1	0	0	0	0	0	1	0	0	2
Orange	6	9	9	10	7	11	7	8	7	3	4	1	1	83
Osceola	2	1	2	2	9	3	1	1	2	2	2	1	1	29
Palm Beach	2	2	1	3	4	6	2	5	2	0	1	1	1	30
Pasco	0	3	2	1	1	0	0	0	0	0	0	1	2	10
Pinellas	0	2	5	5	5	7	1	2	2	1	1	0	0	31
Polk	0	2	4	1	4	0	2	2	2	1	0	2	1	21
Putnam	1	1	2	1	1	1	1	1	0	0	0	0	0	9
Santa Rosa	1	0	1	0	0	1	1	0	0	0	0	0	0	4
Sarasota	1	0	1	0	0	2	0	1	0	0	1	1	0	7
Seminole	0	2	1	5	1	3	1	1	1	1	0	0	1	17
St. Johns	0	0	1	0	0	0	0	0	1	0	0	0	0	2
St. Lucie	3	0	1	2	1	1	1	0	0	0	0	0	0	9
Sumter	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Suwannee	0	0	0	0	0	0	1	0	0	0	0	1	0	2
Taylor	0	0	1	1	0	1	0	0	0	0	1	0	0	4
Union	0	0	0	0	1	0	0	0	0	0	0	0	0	1
Volusia	2	3	5	2	5	0	7	0	2	1	3	1	1	32
Wakulla	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Walton	0	1	0	1	0	0	0	0	0	0	0	0	0	2
Washington	0	0	1	1	0	0	0	0	0	0	0	0	0	2
<b>Grand Total</b>	<b>44</b>	<b>80</b>	<b>108</b>	<b>96</b>	<b>96</b>	<b>85</b>	<b>73</b>	<b>64</b>	<b>45</b>	<b>38</b>	<b>38</b>	<b>29</b>	<b>21</b>	<b>817</b>

FLORIDA TAX CREDIT SCHOLARSHIP 2014-15:

Enrolled students by grade and county — 50 percent scholarships

County	Kgarten	First	Second	Third	Fourth	Fifth	Sixth	Seventh	Eighth	9th	10th	11th	12th	Total
Alachua	1	1	1	0	1	0	0	0	0	0	0	0	0	4
Baker	0	0	0	0	0	0	0	1	0	0	0	0	0	1
Bay	0	0	0	0	0	0	0	0	0	1	0	0	0	1
Bradford	1	0	0	0	1	0	0	0	0	0	0	0	0	2
Brevard	0	1	2	3	0	2	2	0	2	0	1	0	0	13
Broward	3	7	8	5	2	7	2	4	3	2	0	0	1	44
Charlotte	0	1	0	0	0	1	0	0	0	0	0	0	0	2
Citrus	0	1	1	0	0	1	0	2	2	0	0	0	1	8
Clay	0	0	1	0	0	1	1	2	0	0	0	0	2	7
Collier	0	0	0	0	1	0	0	0	0	0	0	1	0	2
Columbia	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Dade	2	8	8	11	15	8	6	9	7	5	8	4	4	95
DeSoto	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Dixie	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Duval	2	5	1	5	3	4	5	2	5	2	1	0	1	36
Escambia	0	0	1	0	1	2	0	2	1	0	1	2	1	11
Flagler	0	1	0	1	0	0	0	0	0	0	0	0	0	2
Franklin	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Gadsden	0	0	0	1	0	0	0	0	1	0	0	0	0	2
Gilchrist	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Glades	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Gulf	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hamilton	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hardee	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hendry	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hernando	0	0	1	1	0	1	0	0	1	0	0	0	1	1
Highlands	0	0	0	0	0	0	0	0	0	0	0	0	0	4
Hillsborough	1	0	5	6	4	3	2	0	2	0	4	1	0	28
Holmes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Indian River	0	0	1	0	2	0	0	0	0	0	0	0	0	3
Jackson	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Jefferson	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Lafayette	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Lake	0	2	1	1	1	0	1	0	1	0	1	1	0	9



FLORIDA TAX CREDIT SCHOLARSHIP 2014-15:

Enrolled students by grade and county — 50 percent scholarships

County	Kgarten	First	Second	Third	Fourth	Fifth	Sixth	Seventh	Eighth	9th	10th	11th	12th	Total
Lee	1	1	2	1	0	0	1	2	0	0	0	0	0	8
Leon	0	1	1	1	1	0	0	1	0	0	0	0	0	5
Levy	0	0	0	0	1	0	0	0	0	0	0	0	0	1
Madison	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Manatee	0	0	0	1	0	1	2	0	0	0	0	0	0	4
Marion	0	1	2	2	2	2	1	1	1	0	0	0	2	14
Martin	0	0	0	2	0	0	0	0	0	0	0	0	0	2
Monroe	0	0	0	1	0	0	0	0	0	0	0	0	0	1
Nassau	0	0	0	0	0	0	0	1	0	0	1	0	0	2
Okaloosa	0	0	1	1	0	2	0	0	1	0	0	0	0	5
Okeechobee	0	0	1	0	0	0	0	0	0	0	0	0	0	1
Orange	1	1	6	5	4	7	6	3	4	1	1	1	1	41
Osceola	3	2	3	2	4	3	4	1	1	3	0	0	0	26
Palm Beach	0	2	1	1	1	1	1	1	2	0	1	1	0	12
Pasco	0	0	2	3	3	0	2	0	1	0	0	0	1	12
Pinellas	0	2	2	3	1	2	3	0	0	1	1	1	1	17
Polk	0	2	3	1	0	1	1	2	3	0	0	1	1	15
Putnam	0	0	0	1	0	0	0	0	0	0	1	0	0	2
Santa Rosa	0	0	0	0	1	0	1	0	0	1	0	0	0	3
Sarasota	0	1	0	0	0	0	1	0	0	0	0	0	0	2
Seminole	2	1	2	1	1	1	1	4	0	1	0	0	0	14
St. Johns	0	0	0	1	0	0	0	2	0	0	0	0	0	3
St. Lucie	2	1	3	2	3	2	1	0	0	0	0	0	0	14
Sumter	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Suwannee	0	1	1	0	0	0	2	0	0	0	0	0	0	4
Taylor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Union	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Volusia	1	2	1	5	1	2	2	1	2	1	2	1	2	23
Wakulla	0	0	0	1	0	0	1	1	0	0	1	0	0	4
Walton	0	0	0	0	0	0	0	0	1	0	0	0	0	1
Washington	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Grand Total</b>	<b>20</b>	<b>45</b>	<b>62</b>	<b>69</b>	<b>54</b>	<b>54</b>	<b>49</b>	<b>42</b>	<b>41</b>	<b>18</b>	<b>24</b>	<b>14</b>	<b>19</b>	<b>511</b>

**FLORIDA TAX CREDIT SCHOLARSHIP 2014-15:**

**Students who were awarded scholarships by grade and county**

County	Kgarten	First	Second	Third	Fourth	Fifth	Sixth	Seventh	Eighth	9th	10th	11th	12th	Total
Alachua	90	69	72	49	54	52	49	35	32	32	18	15	13	580
Baker	3	8	6	8	5	10	5	9	4	3	4	2		67
Bay	11	16	12	13	15	11	9	11	4	8	3	4	2	119
Bradford	29	16	29	21	18	22	16	19	15	15	8	8	5	221
Brevard	282	249	246	262	224	185	163	162	116	99	71	63	48	2,170
Broward	1,184	931	867	748	675	585	598	472	408	383	270	213	166	7,500
Calhoun		1												1
Charlotte	47	47	43	38	49	31	38	23	23	16	6	3	5	369
Citrus	56	50	48	37	39	35	42	28	32	21	32	7	20	447
Clay	49	71	55	50	40	34	50	41	37	33	25	24	13	522
Cobb	1			1	1		1		1					5
Collier	72	48	43	42	40	33	30	29	25	23	16	16	11	428
Columbia	24	28	29	38	35	15	26	19	19	24	19	10	10	296
Dade	4,286	3,493	2,705	2,219	1,891	1,535	1,477	1,156	915	790	639	526	413	22,045
DeSoto	6	14	9	10	10	7	9	5	10	4	2	1	1	88
Dixie	7	3	5	5	6	4	6	3	4	6	3	6	3	61
Duval	733	691	686	645	587	546	514	462	436	358	253	244	178	6,333
Escambia	160	142	163	119	121	116	104	94	70	48	28	28	24	1,217
Flagler	44	59	65	48	42	35	25	25	27	21	15	13	4	423
Franklin	4	1	3	4	4	4	3	5	2	4	3	1		38
Gadsden	30	29	32	29	33	25	33	36	30	24	31	16	12	360
Gilchrist	6	5	4	8	4	7	5	2	3	3	2	4	1	54
Glades	1	7	4	4	2	5	2	2	1	2		2	1	33
Gulf	4	7	3	3	5	4								26
Hamilton	7	10	4	6	7	11	5	6	8	7	3	6	2	82
Hardee	1	2	1	1	1									6
Hendry	28	22	23	15	11	17	23	13	13	7	6	6	6	190
Hernando	67	75	82	72	61	65	52	45	34	32	17	13	11	626
Highlands	42	46	43	41	31	19	18	12	12	6	4	5	1	280
Hillsborough	437	401	414	385	318	335	331	278	254	217	146	112	91	3,719
Holmes	1	2	3	4	2		2	3	2	1		1		21
Indian River	34	32	25	29	20	17	28	13	11	5	8	5	8	235
Jackson	10	12	9	10	6	7	4	3	2	2	1	1	2	69
Jefferson	5	9	4	4	4	4	4	5	4	2	3	1	2	51
Lafayette	2	5	8	4	5	11	4	3	3			1	2	48
Lake	145	140	129	130	100	85	96	85	73	62	53	34	28	1,160

**FLORIDA TAX CREDIT SCHOLARSHIP 2014-15:**

**Students who were awarded scholarships by grade and county**

County	Kgarten	First	Second	Third	Fourth	Fifth	Sixth	Seventh	Eighth	9th	10th	11th	12th	Total
Lee	127	118	125	96	87	79	83	71	51	35	41	24	23	960
Leon	65	66	56	53	65	50	52	43	26	28	20	16	17	557
Levy	23	23	18	25	17	11	13	9	13	10	4	3	5	174
Madison	1	4	3	4	1	2	3	1	3	2	1		2	27
Manatee	90	82	66	54	60	55	52	35	27	27	18	17	12	595
Marion	194	196	176	185	167	154	129	132	97	81	66	43	38	1,658
Martin	26	32	31	30	30	28	22	17	12	13	9	6	4	260
Monroe	12	14	14	9	12	9	10	13	7	6	4	3	1	114
Nassau	18	18	21	25	22	13	13	12	7	7	6	6	3	171
Okaloosa	55	48	45	36	31	34	26	31	23	9	6	4	1	349
Okeechobee	25	22	17	11	19	9	6	8	7	5	2		1	132
Orange	1,132	1,061	1,028	906	805	677	703	592	549	407	296	242	184	8,582
Osceola	343	308	321	284	293	249	254	220	184	138	138	86	74	2,892
Palm Beach	331	325	302	271	246	218	232	198	173	127	95	68	56	2,642
Pasco	165	156	148	139	104	109	100	78	55	52	48	30	21	1,205
Pinellas	362	361	328	357	296	262	250	253	193	157	103	79	65	3,066
Polk	300	268	301	257	232	212	231	188	171	125	91	84	56	2,516
Putnam	42	42	32	29	26	28	18	24	10	11	11	3	11	287
Santa Rosa	27	17	22	12	18	16	17	12	11	5	7	1	3	168
Sarasota	83	76	70	70	52	60	50	50	26	22	19	20	9	607
Seminole	147	150	129	114	122	91	87	83	64	50	37	28	24	1,126
St. Johns	47	55	46	41	29	32	25	26	16	16	14	7	6	360
St. Lucie	177	129	131	137	108	102	108	84	70	50	41	26	20	1,183
Sumter	8	6	8	9	11	9	7	8	5	6	2	6	2	87
Suwannee	30	24	27	24	23	24	30	29	16	20	17	11	13	288
Taylor	15	17	6	16	13	10	7	10	3	4	2			103
Union	5	5	5	4	4	3	1	1	2		1			31
Volusia	378	403	348	288	285	240	218	222	196	123	109	72	63	2,945
Wakulla	6	11	8	10	7	6	11	6	9	7	8		1	90
Walton	6	9	11	8	12	3	3	7	5	1	5	2	4	76
Washington	12	18	15	15	13	9	5	3	4	3	4	5	1	107
<b>Grand Total</b>	<b>12,160</b>	<b>10,805</b>	<b>9,732</b>	<b>8,621</b>	<b>7,676</b>	<b>6,676</b>	<b>6,538</b>	<b>5,570</b>	<b>4,665</b>	<b>3,805</b>	<b>2,914</b>	<b>2,283</b>	<b>1,803</b>	<b>83,243</b>

**FLORIDA TAX CREDIT SCHOLARSHIP 2014-15:**

**Students who completed applications by grade and county**

County	Kgarten	First	Second	Third	Fourth	Fifth	Sixth	Seventh	Eighth	9th	10th	11th	12th	Total
Alachua	131	99	108	71	73	74	72	50	49	46	28	19	16	836
Baker	4	15	8	11	7	14	8	10	5	3	6	4	2	97
Bay	21	24	23	18	21	13	11	13	7	8	7	5	2	173
Bradford	41	22	37	31	30	27	20	24	17	18	10	12	9	298
Brevard	402	330	337	332	278	245	215	211	162	145	102	86	68	2,913
Broward	1,848	1,302	1,225	1,055	968	833	864	666	614	631	431	321	254	11,012
Calhoun		1		1		1								3
Charlotte	69	65	58	55	60	43	52	30	25	20	9	6	8	500
Citrus	75	64	59	48	51	49	59	41	43	27	35	8	25	584
Clay	84	90	89	71	65	53	66	54	52	53	35	39	15	766
Collier	99	67	63	56	58	48	46	40	29	31	19	18	15	589
Columbia	32	38	43	55	45	26	32	24	27	34	25	14	11	406
Dade	5,483	4,188	3,261	2,699	2,356	1,899	1,891	1,453	1,191	1,145	874	709	587	27,736
DeSoto	9	17	11	11	14	10	13	7	10	5	3	3	1	114
Dixie	9	7	8	6	7	6	6	4	4	7	3	8	3	78
Duval	1,191	1,006	965	887	850	771	765	651	597	536	372	336	232	9,159
Escambia	230	194	217	160	171	162	146	124	91	73	44	39	31	1,682
Flagler	61	76	84	61	57	43	38	35	44	27	19	18	6	569
Franklin	11	2	5	4	5	6	3	6	3	5	4	2	1	57
Gadsden	40	42	48	40	40	39	51	44	43	33	37	23	18	498
Gilchrist	6	8	6	11	6	9	7	2	5	4	3	4	1	72
Glades	2	8	4	4	3	5	2	2	2	2		3	2	39
Gulf	5	7	5	4	6	4	1							32
Hamilton	11	12	6	8	10	13	6	11	10	12	7	6	3	115
Hardee	2	2	1	2	1	2								10
Hendry	34	27	28	20	21	22	30	21	15	12	7	6	6	249
Hernando	108	100	103	98	72	79	71	51	43	40	25	18	11	819
Highlands	64	67	56	57	41	29	24	14	19	8	9	6	4	398
Hillsborough	666	575	544	512	438	433	440	356	342	282	192	149	113	5,042
Holmes	2	2	3	5	3	3	3	3	2	2		1		26
Indian River	57	42	31	45	26	28	36	23	15	10	12	12	9	346
Jackson	14	13	11	14	11	11	9	3	5	3	1	1	2	98
Jefferson	8	10	5	8	7	6	6	7	6	5	7	3	2	80
Lafayette	5	7	9	6	6	11	4	4	3	1		1	2	59
Lake	232	194	191	179	143	129	130	126	114	107	73	54	37	1,709

**FLORIDA TAX CREDIT SCHOLARSHIP 2014-15:**

**Students who completed applications by grade and county**

County	Kgarten	First	Second	Third	Fourth	Fifth	Sixth	Seventh	Eighth	9th	10th	11th	12th	Total
Lee	191	172	170	128	122	111	107	98	79	54	54	38	29	1,353
Leon	124	103	86	90	94	73	80	61	40	47	41	27	28	894
Levy	26	28	26	34	23	15	20	14	19	11	4	3	5	228
Liberty	1		1											3
Madison	5	7	5	6	2	4	4	1	5	3	2	1	3	48
Manatee	124	108	88	72	73	73	72	47	35	34	32	26	18	802
Marion	274	235	222	236	214	210	174	165	128	124	96	70	56	2,204
Martin	40	48	41	38	36	32	26	21	15	13	11	7	4	332
Monroe	20	21	21	15	15	13	12	16	9	6	4	5	1	158
Nassau	30	25	29	31	30	20	16	16	12	8	7	6	3	233
Okaloosa	83	79	55	46	42	52	33	39	31	12	10	5	3	490
Okeechobee	37	26	23	11	24	10	11	13	9	7	3	1	2	177
Orange	1,676	1,483	1,358	1,203	1,082	904	964	783	759	581	414	342	261	11,810
Osceola	527	413	418	385	386	328	343	299	240	214	174	124	100	3,951
Palm Beach	521	457	418	371	346	302	328	273	246	192	131	114	86	3,785
Pasco	229	207	181	181	151	135	136	99	74	67	60	44	29	1,593
Pinellas	563	473	430	447	379	364	345	336	251	234	143	127	86	4,178
Polk	491	362	400	364	338	296	324	250	243	176	134	116	90	3,584
Putnam	59	50	34	35	34	35	23	30	12	15	14	4	16	361
Santa Rosa	42	28	30	20	20	27	22	14	19	5	8	2	6	243
Sarasota	119	101	89	93	70	75	69	54	37	28	21	24	11	791
Seminole	243	224	204	169	171	145	137	111	89	76	59	49	37	1,714
St. Johns	67	69	68	54	46	50	35	33	26	20	19	19	12	518
St. Lucie	271	181	184	184	156	138	141	110	108	84	63	36	38	1,694
Sumter	11	9	10	10	11	11	9	10	7	7	5	6	4	110
Suwannee	40	31	30	32	36	34	39	38	24	20	22	14	18	378
Taylor	19	21	10	21	18	17	11	11	10	4	4	1		147
Union	5	5	7	4	4	4	1	3	2		2		1	38
Volusia	555	515	446	392	375	305	289	293	252	186	157	108	83	3,956
Wakulla	15	14	12	14	10	11	11	6	11	10	8	2	3	127
Walton	12	12	13	9	12	6	7	11	5	2	5	2	4	100
Washington	20	24	17	23	18	12	7	5	7	4	5	5	1	148
<b>Grand Total</b>	<b>17,507</b>	<b>14,255</b>	<b>12,780</b>	<b>11,364</b>	<b>10,291</b>	<b>8,959</b>	<b>8,924</b>	<b>7,372</b>	<b>6,399</b>	<b>5,581</b>	<b>4,111</b>	<b>3,262</b>	<b>2,534</b>	<b>113,312</b>

Step Up For Students  
SCHOLARSHIP CASH FLOW

	Fiscal 2015												Fiscal 2015
	July	August	September	October	November	December	January	February	March	April	May	June	Total
Scholarship cash at beginning of month	\$ 42,313,614	\$ 66,624,748	\$ 96,815,612	\$ 40,648,941	\$ 67,634,877	\$ 15,719,384	\$ 80,723,616	\$ 110,794,571	\$ 38,020,475	\$ 57,592,345	\$ 75,603,586	\$ 1,573,586	\$ 42,313,614
Gross tax credit donations received	24,765,464	31,005,277	30,786,421	27,801,017	37,105,920	66,317,284	30,873,094	15,340,326	19,981,909	18,316,086	13,773,535	16,499,532	332,565,866
Florida administrative allowance (2.999%)	(740,487)	(932,077)	(923,255)	(833,782)	(1,112,807)	(1,562,327)	(1,013,865)	(798,603)	(599,257)	(549,299)	(413,068)	(494,821)	(9,973,650)
Net Donations	24,024,977	30,073,199	29,863,166	26,967,235	35,993,113	64,754,957	29,859,229	14,541,722	19,382,652	17,766,787	13,360,467	16,004,711	322,592,216
Scholarship Payments			(86,089,351)		(89,105,510)			(87,484,996)			(87,678,852)	(210,334)	(350,569,045)
Payments Received from Schools	286,157	117,665	59,513	18,701	1,196,904	232,920	207,045	405,469	143,764	234,494	128,545	137,759	3,168,938
<b>Balance at end of month</b>	<b>\$ 66,624,748</b>	<b>\$ 96,815,612</b>	<b>\$ 40,648,941</b>	<b>\$ 67,634,877</b>	<b>\$ 15,719,384</b>	<b>\$ 80,707,261</b>	<b>\$ 110,789,889</b>	<b>\$ 38,256,765</b>	<b>\$ 57,546,891</b>	<b>\$ 75,593,626</b>	<b>\$ 1,413,746</b>	<b>\$ 17,505,722</b>	<b>\$ 17,505,722</b>

**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 Subsidiaries

Consolidated Statement of Functional Expenses  
 Year Ended June 30, 2014  
 (With Summarized Comparative Information for June 30, 2013)

	2014										2013	
	Florida Tax Credit Scholarship Program	Alabama Scholarship Program	School Development and Student Learning	Program Services Communications, Policy and Public Affairs	Family and Community Affairs	Total Program Services	Supporting Services General and Administrative	Development and Fundraising	Total Expenses	Total Expenses	Total Expenses	
Scholarships and grants	\$ 275,053,677	\$ 2,012,768	\$ -	\$ -	\$ -	\$ 277,066,445	\$ 37,000	\$ -	\$ 277,103,445	\$ 207,753,225		
Salaries and wages	1,869,703	522,282	742,244	812,928	206,545	4,153,702	798,558	802,371	5,754,631	4,389,223		
Payroll taxes and employee benefits	521,891	23,128	151,645	152,845	40,110	889,619	108,714	164,980	1,163,313	878,069		
Temporary labor	496,056	14,884	-	704	-	511,644	31,890	-	543,534	654,762		
Depreciation and impairment loss	171,545	461	21,247	13,456	8,205	214,914	20,997	22,758	258,669	448,890		
Other costs	336,174	30,748	13,254	33,980	21,960	436,116	21,394	93,536	551,046	441,668		
Contract services	-	-	30,485	24,431	8,000	62,916	29,003	2,270	93,189	289,675		
Rent	333,893	11,551	28,817	12,938	345	387,534	49,314	2,270	439,118	271,970		
Professional fees	63,547	20,886	15,560	5,656	90,122	195,771	238,128	670	434,569	244,207		
Telephone	128,916	4,371	22,692	27,063	7,792	190,833	16,212	33,108	240,153	242,849		
Recruiting and advertising	584,688	387,036	17,283	52,564	104,704	1,146,275	19,228	29,928	1,195,431	210,511		
Travel, lodging, meals and entertainment	38,430	54,039	40,675	47,109	105,357	283,610	47,034	69,523	400,167	184,905		
Printing and postage	10,988	33,943	19,069	95,685	11,156	170,841	25,479	58,408	254,728	172,159		
Repairs and maintenance	77,551	5,794	30,513	25,502	5,687	145,047	16,861	24,093	186,001	140,284		
Insurance	28,759	894	7,875	7,143	1,927	46,598	6,346	8,581	61,525	54,521		
Office expenses	19,864	21,061	10,650	13,384	6,069	71,028	17,543	6,558	95,129	47,940		
Interest	-	-	12,038	16,721	6,453	35,212	2,481	2,418	40,111	44,490		
Parent/teacher development	-	400	51,196	-	-	51,596	-	-	51,596	13,407		
Write-off school receivables	166,376	-	-	-	-	166,376	-	-	166,376	-		
Total	\$ 279,900,047	\$ 3,144,246	\$ 1,215,243	\$ 1,342,109	\$ 624,432	\$ 286,226,077	\$ 1,486,182	\$ 1,390,091	\$ 289,102,350	\$ 216,482,755		

See Notes to Consolidated Financial Statements.





An initiative of the Florida Tax Credit Scholarship



October 29, 2015

The Florida Department of Education  
Commissioner of Education  
325 West Gaines Street, Suite 1044  
Tallahassee, FL 32399-0400

Dear Commissioner of Education:

We have reviewed the participation requirement outlined in the Participation Renewal Form, section 1002.395, Florida Statutes, and Rule 6A-6.0960, Florida Administrative code and have included the following requested documentation.

- The organization's completed IRS Form 990 for the year ending June 2015.
- The statutorily required audit for the year ending June 2015

Please let us know if there is anything else we need to provide in order for our renewal to move forward.

Sincerely,

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

Susan Dugan  
Controller  
Step Up for Students



**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

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

# IRS e-file Signature Authorization for an Exempt Organization

For calendar year 2014, or fiscal year beginning JUL 1, 2014, and ending JUN 30, 2015

# 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](http://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.

1a	Form 990 check here	<input checked="" type="checkbox"/>	b	Total revenue, if any (Form 990, Part VIII, column (A), line 12)	1b	457,846,020.
2a	Form 990-EZ check here	<input type="checkbox"/>	b	Total revenue, if any (Form 990-EZ, line 9)	2b	
3a	Form 1120-POL check here	<input type="checkbox"/>	b	Total tax (Form 1120-POL, line 22)	3b	
4a	Form 990-PF check here	<input type="checkbox"/>	b	Tax based on investment income (Form 990-PF, Part VI, line 5)	4b	
5a	Form 8868 check here	<input type="checkbox"/>	b	Balance Due (Form 8868, Part I, line 3c or Part II, line 8c)	5b	

### 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

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**

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)

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](http://www.irs.gov/form990)

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

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

**Part I Summary**

<b>Activities &amp; Governance</b>	<b>1</b> Briefly describe the organization's mission or most significant activities: <b>STEP UP FOR STUDENTS PROVIDES LEGISLATIVELY AUTHORIZED K-12 SCHOLARSHIP PROGRAMS AND RELATED</b>	
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.	
	<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	<b>3</b> 7
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b> 7
	<b>5</b> Total number of individuals employed in calendar year 2014 (Part V, line 2a)	<b>5</b> 127
	<b>6</b> Total number of volunteers (estimate if necessary)	<b>6</b> 480
	<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12	<b>7a</b> 0.
<b>b</b> Net unrelated business taxable income from Form 990-T, line 34	<b>7b</b> 0.	
<b>Revenue</b>	<b>8</b> Contributions and grants (Part VIII, line 1h)	Prior Year: 332,392,878. Current Year: 456,345,377.
	<b>9</b> Program service revenue (Part VIII, line 2g)	70,399. 1,480,255.
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	10,001. 11,128.
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	820,131. 9,260.
	<b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	333,293,409. 457,846,020.
	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)	277,103,445. 362,257,833.
<b>Expenses</b>	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)	0. 0.
	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	4,781,260. 8,588,936.
	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)	67,777. 0.
	<b>b</b> Total fundraising expenses (Part IX, column (D), line 25)	1,547,727.
	<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	3,362,493. 4,932,276.
	<b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	285,314,975. 375,779,045.
<b>19</b> Revenue less expenses. Subtract line 18 from line 12	47,978,434. 82,066,975.	
<b>Net Assets or Fund Balances</b>	<b>20</b> Total assets (Part X, line 16)	Beginning of Current Year: 363,784,990. End of Year: 449,355,921.
	<b>21</b> Total liabilities (Part X, line 26)	1,811,434. 10,311,156.
	<b>22</b> Net assets or fund balances. Subtract line 21 from line 20	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.

<b>Sign Here</b>	Signature of officer	Date			
	<b>JOE PFOUNTZ, CFO</b> Type or print name and title				
<b>Paid Preparer Use Only</b>	Print/Type preparer's name <b>THERESA A. BURDINE, CPA</b>	Preparer's signature <i>Theresa A. Burdine</i>	Date <b>10/27/15</b>	Check if self-employed <input type="checkbox"/>	PTIN <b>P00362629</b>
	Firm's name <b>MCGLADREY LLP</b>	Firm's EIN <b>42-0714325</b>	Phone no. <b>321-751-6200</b>		
Firm's address <b>7351 OFFICE PARK PL MELBOURNE, FL 32940</b>					

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? [ ] 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 \$ 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 \$ 14,679,343. ) (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 BIFIDA, 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 <b>Section 501(c)(3) organizations.</b> 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? <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	<b>Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.</b> 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	<b>Section 501(c)(3) organizations.</b> 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? .....	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

Main form table with columns for line numbers, descriptions, and Yes/No boxes. Includes sections for backup withholding, employee reporting, foreign accounts, prohibited transactions, and charitable contributions.

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 [X]

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members of the governing body at the end of the tax year; 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?; 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?; 4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?; 5 Did the organization become aware during the year of a significant diversion of the organization's assets?; 6 Did the organization have members or stockholders?; 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?; 7b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?; 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: a The governing body? b Each committee with authority to act on behalf of the governing body?; 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.

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

Table with 3 columns: Question, Yes, No. Rows include: 10a Did the organization have local chapters, branches, or affiliates?; 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?; 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; 12b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?; 12c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done; 13 Did the organization have a written whistleblower policy?; 14 Did the organization have a written document retention and destruction policy?; 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; 15b Other officers or key employees of the organization; 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?; 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

Table with 2 columns: Question, Answer. Rows include: 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. [X] Own website [ ] Another's website [X] 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 HERTOZ 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 MACKAY (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 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) JONATHAN EAST VP POLICY & PUBLIC AFFAIRS	40.00					X	125,943.	0.	6,297.	
(19) JONATHON BECKHAM DIRECTOR OF SOFTWARE DEVEL	40.00					X	105,524.	0.	25,100.	
<b>1b Sub-total</b>							1,050,251.	69,260.	138,054.	
<b>c Total from continuation sheets to Part VII, Section A</b>							0.	0.	0.	
<b>d Total (add lines 1b and 1c)</b>							1,050,251.	69,260.	138,054.	

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 10

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

**Section B. Independent Contractors**

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

(A) Name and business address	(B) Description of services	(C) Compensation
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)	(B)	(C)	(D)	
				Total revenue	Related or exempt function revenue	Unrelated business revenue	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	<b>Total.</b> 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	Business Code	900099	1,000.	1,000.		
	c							
	d							
	e							
	f	All other program service revenue						
	g	<b>Total.</b> 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				
		Less: rental expenses						
		Rental income or (loss)						
		Net rental income or (loss)						
7 a		Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
		Less: cost or other basis and sales expenses			583,355.			
		Gain or (loss)			580,450.			
		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					
		Less: direct expenses	b					
		Net income or (loss) from fundraising events						
9 a		Gross income from gaming activities. See Part IV, line 19	a					
	Less: direct expenses	b						
	Net income or (loss) from gaming activities							
10 a	Gross sales of inventory, less returns and allowances	a						
	Less: cost of goods sold	b						
	Net income or (loss) from sales of inventory							
Miscellaneous Revenue				Business Code				
11 a	OTHER INCOME	Business Code	900099	9,260.	9,260.			
b								
c								
d	All other revenue							
e	<b>Total.</b> Add lines 11a-11d			9,260.				
12	<b>Total revenue.</b> 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 <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

**Part X Balance Sheet**

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

		(A) Beginning of year		(B) End of year	
Assets	1	Cash - non-interest-bearing	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	<b>Total assets.</b> 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	<b>Total liabilities.</b> 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	<b>Total net assets or fund balances</b>	361,973,556.	33	439,044,765.	
34	<b>Total liabilities and net assets/fund balances</b>	363,784,990.	34	449,355,921.	

**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
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** (2014)



**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](http://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 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.)
- 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 or IRC section (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		
<b>Total</b>						

**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
<b>1</b> 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.
<b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
<b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>4 Total.</b> Add lines 1 through 3	191,838,536.	267,447,702.	310,799,794.	332,392,878.	456,345,377.	1558824287.
<b>5</b> 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.
<b>6 Public support.</b> 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
<b>7</b> Amounts from line 4	191,838,536.	267,447,702.	310,799,794.	332,392,878.	456,345,377.	1558824287.
<b>8</b> 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.
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on						
<b>10</b> 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.
<b>11 Total support.</b> Add lines 7 through 10						1559570341.
<b>12</b> Gross receipts from related activities, etc. (see instructions)					12	1,550,654.
<b>13 First five years.</b> 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**

<b>14</b> Public support percentage for 2014 (line 6, column (f) divided by line 11, column (f))	<b>14</b>	69.54 %
<b>15</b> Public support percentage from 2013 Schedule A, Part II, line 14	<b>15</b>	77.25 %
<b>16a 33 1/3% support test - 2014.</b> 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>b 33 1/3% support test - 2013.</b> 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"/>	
<b>17a 10% -facts-and-circumstances test - 2014.</b> 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>b 10% -facts-and-circumstances test - 2013.</b> 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"/>	
<b>18 Private foundation.</b> 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 .....						
<b>8 Public support</b> (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**

**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
<b>1</b> Are all of the organization's supported organizations listed by name in the organization's governing documents? If "No" describe in <b>Part VI</b> how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.		
<b>2</b> 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 <b>Part VI</b> how the organization determined that the supported organization was described in section 509(a)(1) or (2).		
<b>3a</b> Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? If "Yes," answer (b) and (c) below.		
<b>b</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 <b>Part VI</b> when and how the organization made the determination.		
<b>c</b> Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? If "Yes," explain in <b>Part VI</b> what controls the organization put in place to ensure such use.		
<b>4a</b> 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>b</b> Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? If "Yes," describe in <b>Part VI</b> how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.		
<b>c</b> 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 <b>Part VI</b> 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.		
<b>5a</b> 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 <b>Part VI</b> , 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>b</b> <b>Type I or Type II only.</b> Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
<b>c</b> <b>Substitutions only.</b> Was the substitution the result of an event beyond the organization's control?		
<b>6</b> 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 <b>Part VI</b> .		
<b>7</b> 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).		
<b>8</b> 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).		
<b>9a</b> 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 <b>Part VI</b> .		
<b>b</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 <b>Part VI</b> .		
<b>c</b> 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 <b>Part VI</b> .		
<b>10a</b> 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>b</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
<b>11</b> Has the organization accepted a gift or contribution from any of the following persons?		
<b>a</b> 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>b</b> A family member of a person described in (a) above?		
<b>c</b> 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
<b>1</b> 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.		
<b>2</b> 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
<b>1</b> 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
<b>1</b> 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?		
<b>2</b> 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).		
<b>3</b> 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**

<b>1</b> Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions):		
<b>a</b> <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.		
<b>b</b> <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.		
<b>c</b> <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).		
<b>2</b> Activities Test. Answer (a) and (b) below.		
<b>a</b> 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>b</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.		
<b>3</b> Parent of Supported Organizations. Answer (a) and (b) below.		
<b>a</b> 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>b</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	<b>Adjusted Net Income</b> (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	<b>Total</b> (add lines 1a, 1b, and 1c)	1d	
e	<b>Discount</b> 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	<b>Minimum Asset Amount</b> (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	<b>Distributable Amount.</b> 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).		

**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 <b>Total annual distributions.</b> 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 <b>Total</b> 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 <b>Excess distributions carryover to 2015.</b> Add lines 3j and 4c.			
8 Breakdown of line 7:			
a			
b			
c			
d Excess from 2013			
e Excess from 2014			

Schedule A (Form 990 or 990-EZ) 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](http://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
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**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
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**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 <b>STEP UP FOR STUDENTS, INC.</b>	Employer identification number <b>59-3649371</b>
---	---

**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](http://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)).

For each "Yes," response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.

	(a)		(b)
	Yes	No	Amount
<b>1</b> 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:			
<b>a</b> Volunteers?			
<b>b</b> Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?			
<b>c</b> Media advertisements?			
<b>d</b> Mailings to members, legislators, or the public?			
<b>e</b> Publications, or published or broadcast statements?			
<b>f</b> Grants to other organizations for lobbying purposes?			
<b>g</b> Direct contact with legislators, their staffs, government officials, or a legislative body?			
<b>h</b> Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?			
<b>i</b> Other activities?			
<b>j</b> Total. Add lines 1c through 1i			
<b>2a</b> Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
<b>b</b> If "Yes," enter the amount of any tax incurred under section 4912			
<b>c</b> If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
<b>d</b> 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
<b>1</b> Were substantially all (90% or more) dues received nondeductible by members?		
<b>2</b> Did the organization make only in-house lobbying expenditures of \$2,000 or less?		
<b>3</b> 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."

<b>1</b> Dues, assessments and similar amounts from members	<b>1</b>	
<b>2</b> Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
<b>a</b> Current year	<b>2a</b>	
<b>b</b> Carryover from last year	<b>2b</b>	
<b>c</b> Total	<b>2c</b>	
<b>3</b> Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	<b>3</b>	
<b>4</b> 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?	<b>4</b>	
<b>5</b> Taxable amount of lobbying and political expenditures (see instructions)	<b>5</b>	

**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.

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**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](http://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.

- 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	
- 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
- Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ .....
- Number of states where property subject to conservation easement is located ▶ .....
- Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? .....
- Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ .....
- Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ .....
- 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)? .....
- 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.

- 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.
- 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 .....	▶ \$	_____
- 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:

Table with 2 columns: Description, Amount. Rows: 1c Beginning balance, 1d Additions during the year, 1e Distributions during the year, 1f Ending balance.

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.

Table with 6 columns: (a) Current year, (b) Prior year, (c) Two years back, (d) Three years back, (e) Four years back. Rows: 1a-1g Balance and expense items.

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 %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

Table with 2 columns: Yes, No. Rows: 3a(i) unrelated organizations, 3a(ii) related organizations, 3b

- (i) unrelated organizations, (ii) related organizations, b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

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.

Table with 5 columns: Description of property, (a) Cost or other basis (investment), (b) Cost or other basis (other), (c) Accumulated depreciation, (d) Book value. Rows: 1a Land, b Buildings, c Leasehold improvements, d Equipment, e Other, Total.

**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)		
<b>Total.</b> (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)		
<b>Total.</b> (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)	
<b>Total.</b> (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)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.)	8,963,824.

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.

**SCHEDULE I**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

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

▶ Attach to Form 990.

▶ Information about Schedule I (Form 990) and its instructions is at [www.irs.gov/form990](http://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** 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. Schedule I (Form 990) (2014)

**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.

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**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](http://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 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? **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? **4c** X
- 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? **5a** X
- b** Any related organization? **5b** X
- 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? **6a** X
- b** Any related organization? **6b** X
- 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 **7** X

**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 **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**

	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)	59,260.	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 MACKEY (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)							
	(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](http://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
--	--

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
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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

432212  
08-27-14

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

**SCHEDULE R**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Related Organizations and Unrelated Partnerships**

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.**  
▶ **Attach to Form 990.**

▶ **Information about Schedule R (Form 990) and its instructions is at [www.irs.gov/form990](http://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 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

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

Schedule R (Form 990) 2014



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

**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 VI Unrelated Organizations Taxable as a Partnership** Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) <small>Are all partners sec. 501(c)(3) orgs.?</small>		(f) Share of total income	(g) Share of end-of-year assets	(h) <small>Dispropor- tionate allocations?</small>		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) <small>General or managing partner?</small>		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	

**Part VII Supplemental Information**

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

Lined area for providing 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
<b>Assets</b>		
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
<b>Total current assets</b>	<b>448,469,219</b>	<b>358,529,024</b>
Restricted Certificate of Deposit	225,000	-
Property and Equipment, Net	661,702	483,014
<b>Total assets</b>	<b>\$ 449,355,921</b>	<b>\$ 359,012,038</b>
<b>Liabilities and Net Assets</b>		
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	-
<b>Total current liabilities</b>	<b>10,311,156</b>	<b>1,371,785</b>
Long-Term Debt, Less Current Portion	-	662,463
<b>Total liabilities</b>	<b>10,311,156</b>	<b>2,034,248</b>
Commitments and Contingencies (Note 7)		
Net Assets		
Unrestricted	3,020,239	2,768,500
Temporarily restricted	436,024,526	354,209,290
<b>Total net assets</b>	<b>439,044,765</b>	<b>356,977,790</b>
<b>Total liabilities and net assets</b>	<b>\$ 449,355,921</b>	<b>\$ 359,012,038</b>

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	
<b>Revenues and Support</b>				
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)	-	-
<b>Total revenues and support</b>	<b>377,236,873</b>	<b>81,815,236</b>	<b>459,052,109</b>	<b>335,118,926</b>
<b>Expenses</b>				
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
<b>Total program services</b>	<b>373,291,477</b>	<b>-</b>	<b>373,291,477</b>	<b>286,226,077</b>
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
<b>Total supporting services</b>	<b>3,693,657</b>	<b>-</b>	<b>3,693,657</b>	<b>2,876,273</b>
<b>Total expenses</b>	<b>376,985,134</b>	<b>-</b>	<b>376,985,134</b>	<b>289,102,350</b>
<b>Change in net assets</b>	<b>251,739</b>	<b>81,815,236</b>	<b>82,066,975</b>	<b>46,016,576</b>
<b>Net Assets</b>				
Beginning	2,768,500	354,209,290	356,977,790	310,961,214
Ending	<b>\$ 3,020,239</b>	<b>\$ 436,024,526</b>	<b>\$ 439,044,765</b>	<b>\$ 356,977,790</b>

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										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	\$ 347,578,490	\$ 14,679,343	\$ -	\$ -	\$ -	\$ -	\$ 362,257,833	\$ -	\$ -	\$ -	\$ 362,257,833	\$ 277,103,445
Salaries and wages	2,174,453	359,909	1,026,210	406,702	815,405	386,642	5,169,321	1,036,728	910,201	-	7,116,250	5,754,631
Payroll taxes and employee benefits	615,896	47,434	218,456	38,075	155,447	74,425	1,149,733	179,281	199,434	-	1,528,448	1,163,313
Recruiting and advertising	646,870	21,540	16,832	610,181	37,583	54,225	1,387,231	50,973	34,259	-	1,472,463	1,184,956
Temporary labor	503,117	21,904	-	52,229	442	23,878	601,570	-	147	-	601,717	543,534
Contract services	27,612	64,675	46	244,163	42,742	93,285	472,523	69,506	12,801	-	554,830	162,808
Professional fees	3,633	-	476	46,190	43	5	50,347	495,415	28	-	545,790	434,569
Travel, lodging and meals	47,946	43,496	94,138	4,114	58,649	155,420	403,763	38,444	79,378	-	521,585	400,167
Rent	297,438	27,713	31,929	5,237	2,349	323	364,989	109,626	1,688	-	476,303	439,118
Bank charges and fees	343,868	-	-	11,434	-	-	355,302	445	-	-	355,747	296,588
Other costs	36,880	28,781	16,215	2,387	34,798	39,065	158,126	34,612	157,980	-	350,718	316,529
Telephone	184,399	11,093	24,490	3,528	21,876	12,670	288,056	16,821	28,892	-	303,769	240,153
Depreciation and impairment loss	113,554	492	24,089	35,751	17,979	4,067	195,932	14,268	21,903	-	232,103	258,669
Insurance	82,731	612	27,866	2,942	17,442	6,278	137,871	26,971	25,701	-	190,543	61,525
Printing and postage	9,248	9,161	21,800	4,760	51,325	9,667	105,961	29,624	43,214	-	178,799	254,728
Repairs and maintenance	45,469	4,684	20,747	1,473	19,701	6,525	98,589	24,510	22,253	-	145,362	140,428
Office expenses	44,812	8,162	15,846	-	16,848	9,203	94,871	11,402	9,028	-	115,301	140,702
Interest	695	-	7,586	6	8,109	3,689	20,085	6,804	1,320	-	28,209	40,111
Write-off of school receivables	9,364	-	-	-	-	-	9,364	-	-	-	9,364	166,376
<b>Total</b>	<b>\$ 352,766,475</b>	<b>\$ 15,328,999</b>	<b>\$ 1,546,726</b>	<b>\$ 1,469,172</b>	<b>\$ 1,300,738</b>	<b>\$ 879,367</b>	<b>\$ 373,291,477</b>	<b>\$ 2,145,430</b>	<b>\$ 1,548,227</b>	<b>\$ -</b>	<b>\$ 376,985,134</b>	<b>\$ 289,102,350</b>

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	-
<b>Net cash (used in) provided by operating activities</b>	<b>(29,247,235)</b>	<b>23,008,756</b>
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)
<b>Net cash used in investing activities</b>	<b>(52,436)</b>	<b>(234,386)</b>
Cash Flows From Financing Activities		
Principal payments on long-term debt	(722,368)	(52,551)
<b>Net cash used in financing activities</b>	<b>(722,368)</b>	<b>(52,551)</b>
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(30,022,039)</b>	<b>22,721,819</b>
Cash and Cash Equivalents		
Beginning	61,423,816	38,701,997
Ending	<b>\$ 31,401,777</b>	<b>\$ 61,423,816</b>
Supplemental Disclosures of Cash Flows Information		
Cash paid during the year for interest	<b>\$ 30,786</b>	<b>\$ 41,086</b>

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)

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#### 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)

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#### 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)**

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**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)

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#### 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)

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#### 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)
	\$ 661,702	\$ 483,014

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)

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#### 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:

Year Ending June 30,	Amount
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
<b>Assets</b>				
<b>Current Assets</b>				
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)	-
<b>Total current assets</b>	<b>436,968,040</b>	<b>11,543,584</b>	<b>(42,405)</b>	<b>448,469,219</b>
Restricted Certificate of Deposit	225,000	-	-	225,000
Property and Equipment, Net	655,086	6,616	-	661,702
<b>Total assets</b>	<b>\$ 437,848,126</b>	<b>\$ 11,550,200</b>	<b>\$ (42,405)</b>	<b>\$ 449,355,921</b>
<b>Liabilities and Net Assets</b>				
<b>Current Liabilities</b>				
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)	-
<b>Total current liabilities</b>	<b>10,213,813</b>	<b>139,748</b>	<b>(42,405)</b>	<b>10,311,156</b>
<b>Net Assets</b>				
Unrestricted	3,013,623	6,616	-	3,020,239
Temporarily restricted	424,620,690	11,403,836	-	436,024,526
<b>Total net assets</b>	<b>427,634,313</b>	<b>11,410,452</b>	<b>-</b>	<b>439,044,765</b>
<b>Total liabilities and net assets</b>	<b>\$ 437,848,126</b>	<b>\$ 11,550,200</b>	<b>\$ (42,405)</b>	<b>\$ 449,355,921</b>

Step Up For Students, Inc. and Subsidiary

Consolidating Statement of Activities  
Year Ended June 30, 2015

	Step Up For Students			Alabama Opportunity Scholarship Fund		
	Unrestricted	Temporarily		Unrestricted	Temporarily	
		Restricted	Total		Restricted	Total
<b>Revenues and Support</b>						
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	11,276,442	11,276,442
Grants and other contributions	1,281,326	715,673	1,996,999	9,750	1,049,750	3,046,749
Scholarship application and service fees	1,477,855	-	1,477,855	1,400	1,400	1,479,255
Other revenue	13,165	8,223	21,388	-	-	21,388
Net assets released from restrictions	348,490,163	(348,490,163)	-	15,345,454	(15,345,454)	-
<b>Total revenues and support</b>	<b>361,236,159</b>	<b>85,488,358</b>	<b>446,724,517</b>	<b>16,000,714</b>	<b>(3,673,122)</b>	<b>12,327,592</b>
<b>Expenses</b>						
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	1,202,287	-	1,202,287	98,451	98,451	1,300,738
Family and Community Affairs	514,906	-	514,906	364,461	364,461	879,367
<b>Total program services</b>	<b>357,499,566</b>	<b>-</b>	<b>357,499,566</b>	<b>15,791,911</b>	<b>15,791,911</b>	<b>373,291,477</b>
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
<b>Total supporting services</b>	<b>3,416,108</b>	<b>-</b>	<b>3,416,108</b>	<b>277,549</b>	<b>277,549</b>	<b>3,693,657</b>
<b>Total expenses</b>	<b>360,915,674</b>	<b>-</b>	<b>360,915,674</b>	<b>16,069,460</b>	<b>16,069,460</b>	<b>376,985,134</b>
<b>Change in net assets</b>	<b>320,485</b>	<b>85,488,358</b>	<b>85,808,843</b>	<b>(68,746)</b>	<b>(3,673,122)</b>	<b>82,066,975</b>
<b>Net Assets</b>						
Beginning	2,693,138	339,192,332	341,825,470	75,362	15,076,958	356,977,790
Ending	\$ 3,013,623	\$ 424,620,690	\$ 427,634,313	\$ 6,616	\$ 11,403,836	\$ 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>
<b>State Financial Assistance</b>			
Florida Department of Education and Commissioner of Education: Personal Learning Scholarship Accounts Program	48.113	92X-90025-5Q001	<u>\$ 6,963,693</u>
<b>Total Expenditures of State Financial Assistance</b>			<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

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#### **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.



**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*.

**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.

*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.

### **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

**Step Up For Students, Inc. and Subsidiary**

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

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**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:

           \$ 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.