



2019 -2020 SFO Renewal Application



August 17, 2018

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 2019-20 under ss. 1002.395, 1002.385, 1002.40, and 1002.411, Florida Statutes, and look forward to answering any questions you may have.

The Florida Tax Credit Scholarship Program grew last year by more than 8,000 students, with Step Up For Students serving over 106,600 of Florida's most economically disadvantaged students. The average household income was only 8.2 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, Step Up was able to serve 9,601 students with unique abilities on the Gardiner Scholarship Program and is projecting to serve over 11,000 students in the current year.

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 the FTC Scholarship Program, Gardiner Scholarship Program, Hope Scholarship Program, and Reading Scholarship Accounts, are administered faithfully and transparently. We welcome your questions.

Sincerely,

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

Doug Tuthill
President

www.stepupforstudents.org

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

**Step Up For Students
Participation Renewal For Scholarship Funding Organization
Table of Contents**

	<u>Page</u>
Signed IEPC SFO-2 Form.....	1
Registration with the Florida Division of Corporations	4
IRS Determination letter as a 501(c)3 and Organization’s Incorporation.....	5
Level 2 Criminal Background Screening Result.....	11
Description of Financial Plan, Including Cash Flow sufficiency.....	12
Geographic Regions Served and Analysis of the Demand and Unmet Need.....	15
Organization Chart.....	16
Criteria and Methodology Used to Evaluate Scholarship Eligibility.....	17
Description of Application Process, Deadlines, and Any Associated Fees.....	31
Deadlines for Attendance Verification and Scholarship Payments.....	33
Conflict of Interest Policy.....	35
Whistleblower Policy.....	38
Surety Bond.....	40
IRS Form 990 for the year ended June 30, 2017. The 2017 report will be Submitted no later than November 30.....	44
Statutorily Required Audit to the Department of Education and Auditor General.....	94
Annual Report on Student Demographics and Scholarship Funds.....	120
Detailed Accounting on Administrative Funds.....	130

**NONPROFIT SCHOLARSHIP FUNDING ORGANIZATION
PARTICIPATION RENEWAL**



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, 2018

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

WHICH SCHOLARSHIP PROGRAM(S) DOES YOUR ORGANIZATION PLAN TO ADMINISTER?

- Florida Tax Credit Scholarship Program
- Gardiner Scholarship Program
- Hope Scholarship Program
- Reading Scholarship Program

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 1002.385, Section 1002.395, Section 1002.40 and Section 1002.411, 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

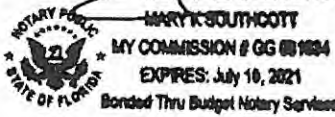
I HEREBY ATTEST THAT AS THE PRINCIPAL OFFICER OF THE ABOVE NAMED SCHOLARSHIP FUNDING ORGANIZATION ALL OF THE DOCUMENTATION SUBMITTED AND INFORMATION PROVIDED AS A RESULT OF THIS FORM IS TRUE AND CORRECT.


Signature of Principal Officer

Doug Tuthill
Please print or type signature name

8/17/18
Date





NOTARIZATION ENCOURAGED

MARY K SOUTHCOTT
MY COMMISSION # GG 1984
EXPIRES: July 16, 2021
Bonded Thru Budget Notary Services

Doug Tuthill, who is personally known to me, signed this document on August 17, 2018 in Duval County, Florida

IEPC SFO-2

EDUCATION FUNDING ONLY

Date Received: _____

Received by: _____

Action: _____

Authorization: _____ Date: _____

SFO Notified: _____ DOR Notified: _____ DART Notified: _____

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



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.

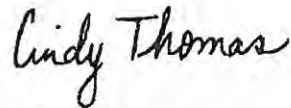
Please refer to our website www.irs.gov/eo for information regarding filing requirements. Specifically, section 6033(j) of the Code provides that failure to file an annual information return for three consecutive years results in revocation of tax-exempt status as of the filing due date of the third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

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, 2018, that its most recent annual report/uniform business report was filed on January 16, 2018, 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 Sixteenth day of January, 2018*



Ken Detjmer
Secretary of State

Tracking Number: CC5142451911

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

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

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

600003139316--2
-02/18/00--01020--025
*****78.75 *****78.75

will wait

Examiner's Initials

2-18-00 T-3

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

ARTICLE I NAME

The name of the corporation shall be:

THE NATIONAL EDUCATION DEVELOPMENT FUND, INCORPORATED

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

00 FEB 18 AM 10:11

APPROVED
AND
FILED

ARTICLE II PRINCIPAL OFFICE

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

601 North Ashley Drive, Suite 500
Tampa, Florida 33602

ARTICLE III PURPOSE(S)

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

ARTICLE IV MANNER OF ELECTION OF DIRECTORS

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

ARTICLE V INITIAL REGISTERED AGENT AND STREET ADDRESS

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

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

ARTICLE VI INCORPORATOR

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

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

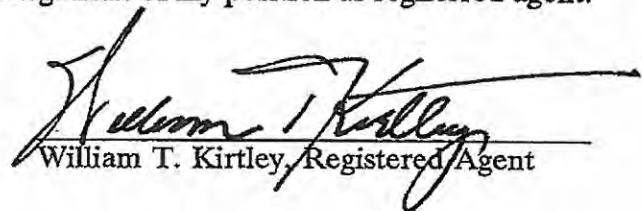
IN WITNESS WHEREOF, these Articles of Incorporation have been executed as of the 16th day of February, 2000.



William T. Kirtley, Incorporator


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

Dated: February 16, 2000



William T. Kirtley, Registered Agent

FLORIDA DEPARTMENT OF STATE
DIVISION OF CORPORATIONS



Home Contact Us E-Filing Services Document Searches Forms Help

[Return to Detail Screen](#)

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.

[Return to Detail Screen](#)

| Home | Contact us | Document Searches | E-Filing Services | Forms | Help |

Copyright © and Privacy Policies
State of Florida, Department of State

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 – 8% and provides for capital investment to support future growth and stability of programs.

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. Additionally, to prepare for the unknown and to account for potential risk, a contingency budget is captured within the budget process, and unforeseen expenditures are managed through this budget item. The contingency is reflected in the 'other' line item, and reflects substantial growth in the three year plan due to planned program growth. Step Up For Students has a track record of accurate financial projections and budgets.

Our revenue sources include administrative allowances from the FTC, Gardiner, Hope and Reading programs. Each program's revenue and expenses are accounted for separately in the general ledger via fund accounting, and separate bank accounts are maintained for each program's scholarship funds. For FTC and Hope, we are reimbursed up to 3% of cash donations to help fund our qualifying related expenditures. For Gardiner and Reading programs we are appropriated 3% of the total amount invoiced to the state for qualifying students of the programs. These administrative allowances are used to fund operating expenses related to administering the programs which includes application and reimbursement processing costs. Additionally, we have planned grant income which provides funding for additional advocacy initiatives that will help to broaden awareness of the program. The last revenue source is included in 'other income', and is related to our philanthropic efforts, where we plan to fundraise non-tax credit donations which can be used on expenditures that further the mission of the organization.

Fundraising Cap	\$874M	\$874M	\$874M
------------------------	---------------	---------------	---------------

<i>12 Months ending June 30,</i>			
Operating Revenues	2019	2020	2021
Florida Tax Credit Administrative Allowance	\$19,950,000	\$20,686,823	\$21,424,188
Gardiner Administrative Allowance	\$3,750,000	\$4,305,600	\$5,166,720
Grants	2,445,773	1,250,000	250,000
Hope Scholarship	735,000	762,146	789,312
Reading	300,000	374,400	449,280
Other Income	1,800,924	2,199,109	3,176,931
Total Revenues	\$28,981,697	\$29,578,078	\$31,256,431

Operating Expenses	2017 Operating Budget	2018 Annual Plan	2019 Annual Plan
Salaries, wages and benefits	18,975,987	19,735,026	20,524,427
Occupancy	790,469	829,992	871,492
Insurance	276,482	290,306	304,821
Voice and data	787,107	810,720	835,042
Travel	581,577	553,974	570,593
Cellular Phone	99,094	102,067	105,129
Dues, Fees & Subscriptions	632,394	651,367	329,907
Professional Services	739,013	761,183	784,019
Marketing/Advertising	379,427	368,164	352,686
Contract Services	1,181,286	1,059,981	1,315,910
Equipment	68,798	70,861	72,987
Postage & Delivery	116,702	120,203	123,809
Printing & Reproduction	180,687	174,337	153,044
Conferences & Seminars	116,847	121,985	125,644
Training	113,748	117,160	67,630
Employee Recruitment	28,000	29,400	30,870
Sponsorship/Tradeshows	154,409	158,099	162,842
Bank Fees	172,289	180,903	189,949
Supplies	120,357	118,141	121,685
Depreciation	655,743	888,025	1,120,308
Other	1,628,187	1,215,140	1,901,371
Total Operating Expenses	27,798,603	28,357,034	30,064,165

Net Income/(Loss)	\$1,183,094	\$1,221,044	\$1,192,266
Net Income % of Revenue	4.1%	4.1%	3.8%

Investment Income	1,074,668	1,074,668	1,074,668
-------------------	-----------	-----------	-----------

Net Income/(Loss)	\$2,257,762	\$2,295,712	\$2,266,934
Net Income % of Revenue	7.8%	7.8%	7.3%

Capital expenditure	\$ 2,136,794	\$ 1,010,089	\$ 795,356
----------------------------	---------------------	---------------------	-------------------

**Step Up For Students
Operational Cash Flow 2020 Plan**

The financial planning process includes operational cashflow projections. Cash on hand is approximately 43 days of expenses at June 30, 2020.

No. of Days Operating Cash on Hand at June 30, 2020	43
Operating Cash at July 1, 2019	\$3,597,474
Operating Revenue	
Tax Credit Allowance	21,448,969
ESA Allowance	4,680,000
Grants	1,250,000
Other Income	2,199,109
Net Cash Received From Revenue	29,578,078
Operating Expenses	
Departmental Operating Expenses (excluding depreciation)	27,469,011
Capital Expenditure	1,010,089
Net Cash For Operating Expenses	28,479,100
Net Cash Inflow/(Outflow)	1,098,977
Operating Cash At June 30, 2020	\$4,696,452

**Step Up For Students
SCHOLARSHIP CASH FLOW 2020 Plan**

Scholarship cash flow is also projected during the planning process. During the 2019 - 2020 school year, Step Up For Students expects 101,858 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 \$40 million line of credit which can be used to bridge any gap between scholarship commitments and available funds.

	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	2020 Total
Opening Cash & Cash Equivalents	\$40,788	\$80,127	\$128,472	\$22,420	\$84,219	\$145,120	\$101,531	\$154,456	\$46,006	\$93,843	\$140,715	\$13,080	\$40,788
Gross Donations	40,410	49,694	58,424	63,563	62,639	122,145	54,415	53,090	49,171	48,175	31,272	42,002	675,000
Florida administrative allowance	(1,212)	(1,491)	(1,753)	(1,907)	(1,879)	(3,664)	(1,632)	(1,593)	(1,475)	(1,445)	(938)	(1,260)	(20,250)
Net Donations	39,198	48,203	56,671	61,656	60,759	118,480	52,783	51,498	47,696	46,730	30,334	40,742	654,750
Scholarship Payments	-	-	(163,356)	-	-	(162,702)	-	(160,571)	-	-	(158,587)	-	(645,216)
Payments Received from Schools	142	142	632	142	142	632	142	624	142	142	617	142	3,641
Balance at end of month	\$80,127	\$128,472	\$22,420	\$84,219	\$145,120	\$101,531	\$154,456	\$46,006	\$93,843	\$140,715	\$13,080	\$53,963	\$53,963

Step Up For Students

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

Step Up For Students intends to continue serving Florida students statewide in any of the 67 counties in 2019-20. Step Up operates statewide and has seen a growing demand for scholarships which has been evidenced by an increasing number of applications each year.

In 2014-15, 120,215 students started applications, and Step Up was only able to award 75,859 students with scholarships before the application season closed due to overwhelming demand. This means that 37 percent of students who tried to apply were unable to be awarded with scholarships. In 2015-16, 125,115 students started applications, and Step Up was able to award 91,575 students with scholarships before the application season closed. This resulted in a 10 percentage point decline from the previous year, where only 27 percent of students that started an application were not awarded a scholarship. In 2016-17, 166,189 students started applications, and Step Up was only able to award 122,013 students with scholarships before the application season closed. This meant that 27 percent of students who tried to apply were unable to receive scholarships.

In 2017-18, 179,388 students started applications, and Step Up was only able to award 121,949 students with scholarships before the application season closed. This resulted in 32 percent of students who started an application and were not awarded with a scholarship.

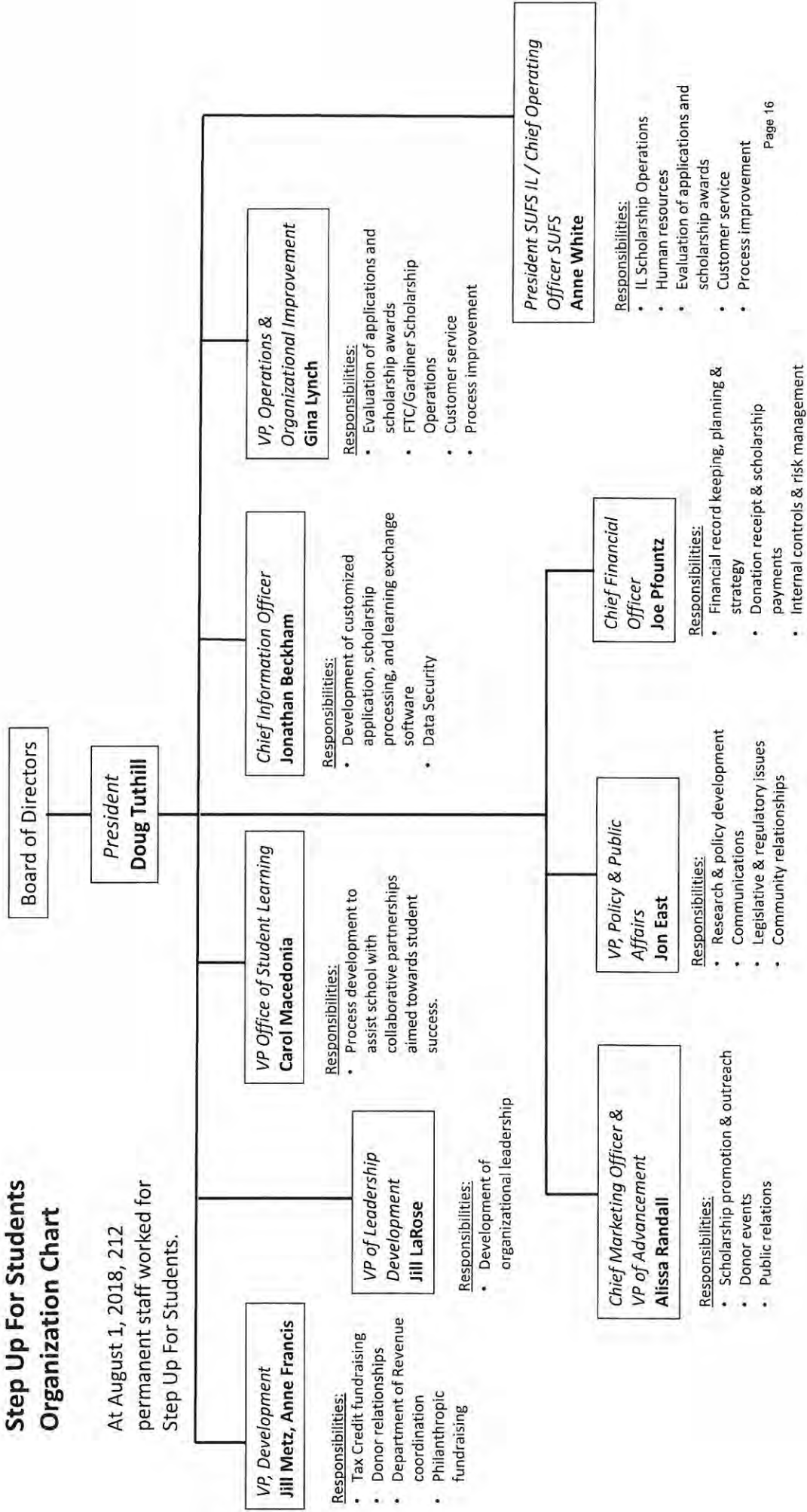
In 2018-19, Step Up is seeing unprecedented demand again. There were 170,063 students who started applications, and Step Up has been able to enroll 100,325 students. There will be a wait list since 41 percent of students who started to apply will not be able to be awarded with a scholarship.

This data continues to demonstrate the unmet needs of eligible students statewide who would like to participate in the tax credit scholarship program.

Step Up for Students will be administering the Hope and Reading scholarship programs during the 2018-19 school year, and the programs will be open to applicants statewide.

Step Up For Students Organization Chart

At August 1, 2018, 212 permanent staff worked for Step Up For Students.



The Florida Tax Credit Scholarship Program is offered for low-income Florida students in grades K-12. Applications are processed in the order they are received, including all supporting documentation. Scholarships are awarded with a priority given to renewal families followed by new families with the greatest financial need.

Students who qualify receive financial assistance toward either private school tuition and fees or transportation to a public school in another county/district.

Eligibility/Priority Criteria:

Age Eligibility:

Students entering Kindergarten must be 5 on or before Sept. 1.

Students entering first grade must be 6 on or before Sept.1.

Income Eligibility:

- If a member of the household receives SNAP (food stamps), TANF, or FDPIR, the student may qualify.
- If the household income is at/or below the income criteria found in the chart below titled "Eligibility Chart", the student may qualify.

Priority:

Scholarships are awarded on a first-come, first-served basis with priority given to renewal families followed by new families with the greatest financial need. Renewal families are given first priority, based on the household income guidelines, as outlined in the Eligibility chart below. Priority is then given to new applicants whose household income levels do not exceed 185 percent of the federal poverty level or who are in foster care or out-of-home care.

Methodology for Evaluating Income Eligibility:

The methodology outlined below was used to evaluate income eligibility for the 2018-19 school year. Income eligibility was calculated based on total gross monthly household income, and may have included one or more of the documents listed as Income Validation Documents on the attached *Acceptable Document Listing*.

For the 2019-20 school year, the methodology used to evaluate income eligibility is still being reviewed in order to take into account the suggestions made by the Auditor General, and any changes have not yet been finalized.

Questions regarding sources of income are listed on the application, and validating documentation varies depending on the income source. Please see the attached *Acceptable Document Listing*.

The members of the family unit are identified on the application, and then the type and amount of income for each member must be documented.

For example:

If an applicant enters an amount under Income Type: Pay Check on the application, s/he is asked to provide pay stubs for each adult in the household who is employed.

Gross income is the full amount of pay before taxes or other deductions. Gross pay will include:

Gross wages or salary

Tips

Commissions

Incentives, bonuses and/or overtime that is regular and recurring

Holiday, vacation, PTO and/or sick pay

Medical, dental and/or vision benefits paid directly to the employee

Per diem pay

Housing allowance

If the employee receives cash payments in lieu of pay stubs, a Statement of Cash Wages (1055-CW) must be filled out and signed by the employer indicating gross monthly income and frequency of pay. The Customer Resolution Specialist will use this to verify total gross monthly pay.

If a salaried applicant presents a pay stub that clearly defines him/her as salaried, and the pay stub indicates the pay period, the gross monthly income may be calculated if the required number of pay stub copies are not included.

If the pay stub shows annual salary:

If the applicant is paid every other week OR weekly;

- Take the gross annual salary and divide by 13.

If the applicant is paid twice a month;

- Take the gross annual salary and divide by 12.

If the applicant is paid monthly;

- Take the gross annual salary and divide by 12.

In addition to pay stubs, there are a number of other income documents that may be submitted, in order to determine the total gross monthly household income. Please see the attached list titled *Acceptable Document Listing*.

If the total of all income for all members of the economic unit are less than or equal to the approved income cap guidelines for a household of that size (see Eligibility chart below), the family is considered to be income eligible. After being determined eligible, the student will then be awarded a scholarship in the priority order outlined in statute.

Children who are in foster care or out-of-home care:

A student who is/was placed at any time in foster care or out-of-home care during the current OR previous state fiscal year may be eligible.

A child in foster care is defined by the following:

“Foster care” means care provided a child in a foster family or boarding home, group home, agency boarding home, child care institution, or any combination thereof, as defined by s. 39.01(30).

A child in out-of-home care placement is defined by the following:

“Out-of-home” means a placement outside of the home of the parents or a parent, as defined by s. 39.01(55).

“Out-of-Home Care” means the placement of a child in licensed and non-licensed settings, arranged and supervised by the department or contracted service provider, outside of the home of the parent, as defined by DCF Rule: 65C-30.001 Definitions. (18).

These students may apply at any time during the school year as long as funds are available, and are directed to call our hotline at 877-735-7837 in order to apply after the application closes.

Required documents:

Kindergarten or 1st grade

Foster care

Birth certificate or passport.

A copy of foster care placement paperwork.

A copy of the current foster care provider license issued by DCF.

Out of home care

Group home

The court order signed by the judge and/or DCF placement paperwork

The administrator or director should complete the application for the student and submit the required paperwork.

Children who are homeless:

A child who is homeless and is entering kindergarten must be 5 on or before Sept. 1.

A child who is homeless and is entering first grade must be 6 on or before Sept. 1.

The family must provide documentation to validate the child's homeless status.* Acceptable documentation includes: A letter/document on letterhead written and signed by the homeless liaison in the public school district to which the child is assigned or by the Owner/Executive Director of the shelter or transitional housing facility of which the family resides.

Documentation must include:

1. Child's name
2. Effective date(s)
3. Signature of the local educational liaison or the director of the homeless shelter.

*There is no income threshold for homeless students to qualify.

Eligibility Chart: If the household income is at or below the following criteria, the student may be eligible for a scholarship:

**FTC Scholarship Income Guidelines
2018-2019 School Year**

<i>Household size</i>	<i>Monthly Maximum Gross Income for a 100% Scholarship</i>	<i>Monthly Maximum Gross Income for a 88% Scholarship</i>	<i>Monthly Maximum Gross Income for a 74% Scholarship</i>	<i>Monthly Maximum Gross Income for a 60% Scholarship</i>	<i>Monthly Maximum Gross Income for a 50% Scholarship</i>
1	\$ 2,024	\$ 2,176	\$ 2,327	\$ 2,479	\$ 2,631
2	\$ 2,744	\$ 2,950	\$ 3,155	\$ 3,361	\$ 3,567
3	\$ 3,464	\$ 3,724	\$ 3,983	\$ 4,243	\$ 4,503
4	\$ 4,184	\$ 4,498	\$ 4,811	\$ 5,125	\$ 5,439
5	\$ 4,904	\$ 5,272	\$ 5,639	\$ 6,007	\$ 6,375
6	\$ 5,624	\$ 6,046	\$ 6,467	\$ 6,889	\$ 7,311
7	\$ 6,344	\$ 6,820	\$ 7,295	\$ 7,771	\$ 8,247
8	\$ 7,064	\$ 7,594	\$ 8,123	\$ 8,653	\$ 9,183
9	\$ 7,784	\$ 8,368	\$ 8,951	\$ 9,535	\$ 10,119
10	\$ 8,504	\$ 9,142	\$ 9,779	\$ 10,417	\$ 11,055
11	\$ 9,224	\$ 9,916	\$ 10,607	\$ 11,299	\$ 11,991
12	\$ 9,944	\$ 10,690	\$ 11,435	\$ 12,181	\$ 12,927
13	\$ 10,664	\$ 11,464	\$ 12,263	\$ 13,063	\$ 13,863
	Each additional member, add +720	Each additional member, add +774	Each additional member, add +828	Each additional member, add +882	Each additional member, add +936

Students must have a birth date of NO LATER THAN September 1, 2013 (K5) or 2012 (1st) to be eligible.

* Guidelines published by the Department of Health & Human Services in National Registry on January 18, 2018

Priority Chart: If the household income is more than the income criteria on the chart below titled 'Priority', the student, while eligible, will be placed on a waiting list until all renewal

families and new families whose income is below the amounts on the 'Priority' chart have received funding.

Number of people in household	Awarded first (185% of Federal Poverty Level or below)
1	\$1,860
2	\$2,504
3	\$3,149
4	\$3,793
5	\$4,437

Gardiner Scholarship

The Gardiner Scholarship is available to students ages 3 to 22 with the following diagnoses: Autism spectrum disorder, Muscular dystrophy, Cerebral palsy, Down syndrome, Phelan McDermid syndrome, Prader-Willi syndrome, Spina bifida, Williams syndrome, Intellectual disability (severe cognitive impairment), rare diseases as defined by the National Organization for Rare Disorders, anaphylaxis, deaf, visually impaired, dual sensory impaired, traumatic brain injured, hospital or homebound as defined by the rules of the State Board of Education and evidenced by reports from local school districts, or three, four or five year-olds who are deemed high-risk due to developmental delays.

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

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

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

Policy exceptions follow the documented exception process.

Scholarship Eligibility Process Flow

Figure A. - Determination of applicant eligibility - FTC

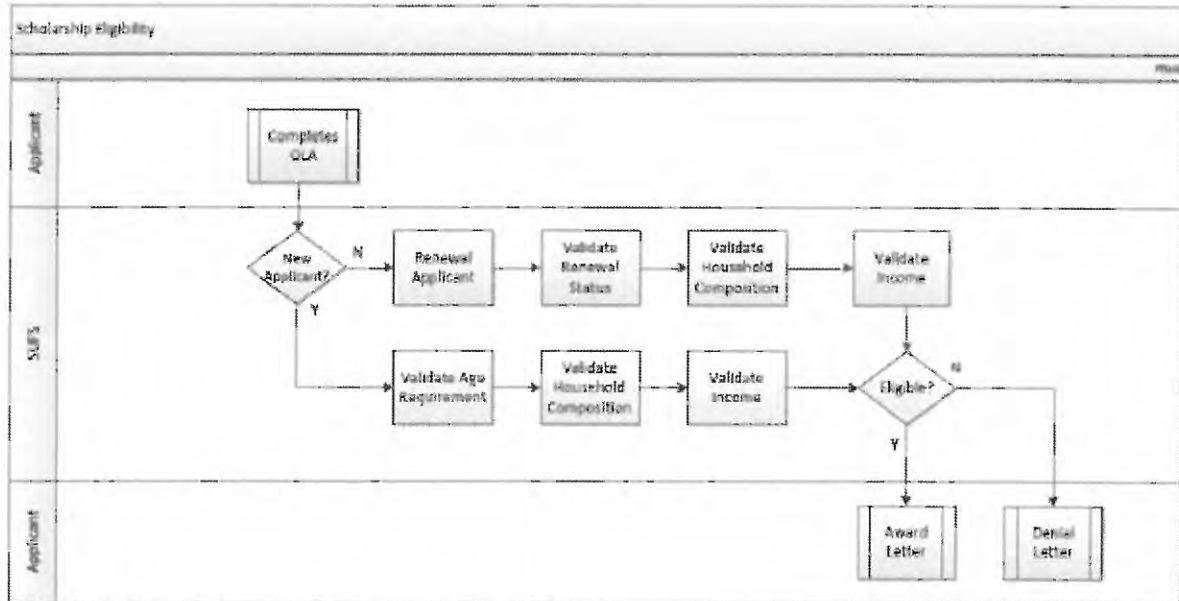
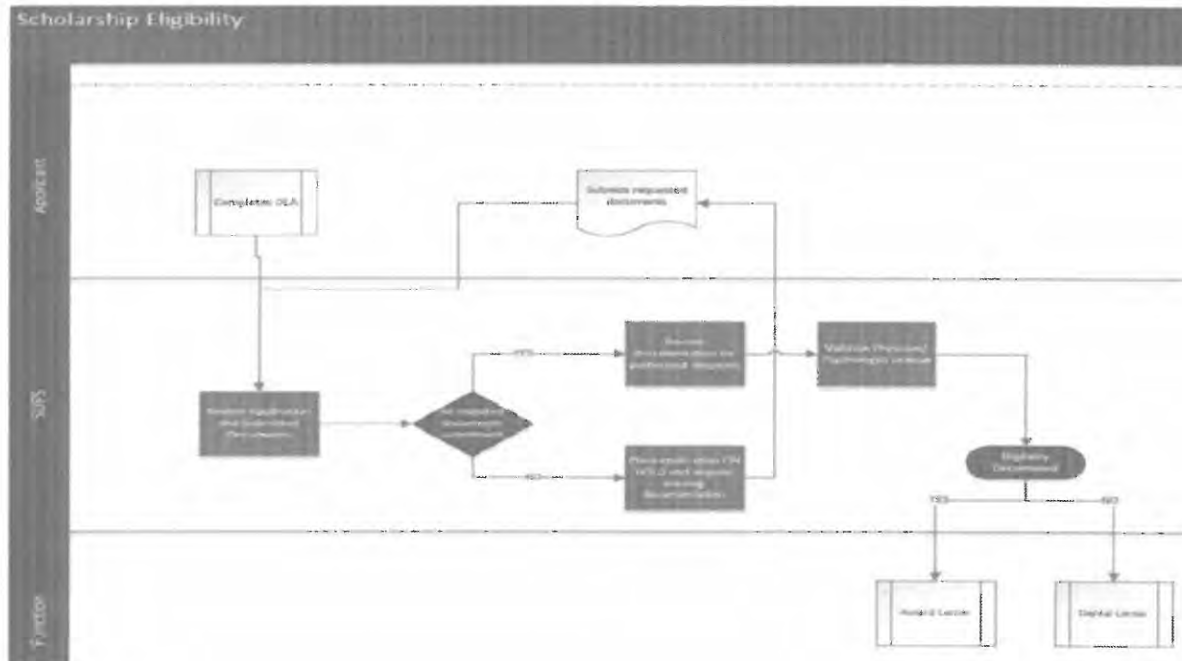


Figure B. - Determination of applicant eligibility – Gardiner



SCHOLARSHIP ELIGIBILITY – FTC ONLY

A student is eligible for a Florida tax credit scholarship if the student meets one or more of the following criteria:

1. The student is on the direct certification list or the student's household income level does not exceed 185 percent of the federal poverty level; or
2. The student is currently placed, or during the previous state fiscal year was placed, in foster care or out-of-home care as defined in s.39.01 or
3. The student's household income level is greater than 185 percent of the federal poverty level but does not exceed 260 percent of the federal poverty level.

The student, who initially receives a scholarship based on eligibility under item 2 above remains eligible until the student graduates from high school or attains the age of 21 years, whichever comes first regardless of the student's household income level. A sibling of a student who is participating in the scholarship program under these rules is eligible for a scholarship if the student resides in the same household as the sibling. Students qualifying under this item, or who are children of members of the military, may apply for a scholarship at any time prior to the end of the school year for which they are applying.

4. Priority must be given to students who received a scholarship from an eligible nonprofit scholarship-funding organization or from the State of Florida during the previous school year or to new applicant whose household income levels do not exceed 185 percent of the federal poverty level or who are in foster care or out-of-home care. Applications will be processed and awarded on a first-come, first-served basis.
5. No scholarship application fee will be charged to any applicant.
6. Prior to granting a scholarship for any school year, the student's eligibility must be documented.

New Student Eligibility – FTC Only

A new student is a student who has never received funding from Step Up For Students (SUFS) or a student who did not receive funding from SUFS in the year immediately prior to the one being applied for.

Validating New Student's Documented Eligibility

New student eligibility verification begins with the applicant completing the On-Line Application (OLA), 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.

Required Validating Documentation

1. A birth certificate or passport showing the student was at least five years old by September 1st, if entering Kindergarten, or at least 6 years old by September 1st if entering 1st grade.

Renewal Student Eligibility – FTC Only

A renewal student is a student who was funded (received a tuition payment equal to or greater than one dollar) by SUFS at an eligible, participating private school in the school year immediately prior to the one being applied for, or has a pending scholarship payment registered in the Scholarship Administration System (SAS) for the school year immediately prior to the one being applied for, or who received a scholarship from the State of Florida during the previous school year.

Validating Renewal Student's Documented Eligibility

Renewal student eligibility begins with the applicant completing the OLA, 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.

Required Validating Documents

1. In the SAS, the operations generalist/specialist verifies the Application Processing Worksheet and that a scholarship payment was made to an eligible, participating private school, in the amount of one dollar or more, on behalf of the student, in the school year immediately prior to the one being applied for, OR
2. The application is presented to the operations generalist/specialist by the SAS as a renewal student.

HOUSEHOLD ELIGIBILITY

To validate if a household meets income eligibility requirements, the Scholarship Funding Organization (SFO) must compare the household size and the total household income to the Income Eligibility Guideline (IEG).

Household Composition (Size)

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.

Validating a Single Economic Unit

Validating 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.

Acceptable Validating Documents

For adult household members:

One of the following, showing the name of the household member and the address;

- Utility bill (water, electric or gas) valid the month of or month prior to date of submission
- SNAP (food stamp) statement valid the month of or month prior to date of submission
- TANF statement valid the month of or month prior to date of submission
- SSI statement valid the month of or month prior to date of submission
- VA statement valid the month of or month prior to date of submission
- Mortgage statement valid the month of or month prior to date of submission
- S8/HUD lease valid the month of or month prior to date of submission
- Residential lease valid the month of or month prior to date of submission
- Deed
- Paystubs valid the month of or month prior to date of submission
- Medical or health care benefits or enrollment statement valid the month of or month prior to date of submission
- Homeowner's or renter's insurance policy or bill valid the month of or month prior to date of submission
- Automobile insurance policy or bill valid the month of or month prior to date of submission

Recording Eligibility – FTC & Gardiner

1. Both new and renewal students eligibility begin with the applicant completing the **On-Line Application (OLA)** and submitting the required validating documentation.
2. The **Scholarship Administration System (SAS)** is the data warehouse system that is used by SUFS to review each application and the submitted documentation. All application eligibility information is maintained and recorded within SAS.
3. Gardiner applicants:
 - a. Renewal parents are required to submit a notarized Sworn Compliance Statement and verification of continued Florida residency each.
 - b. Applicants must re-enroll into the program each year.

Hope Scholarship Program

In 2018, the Florida Legislature created the Hope Scholarship Program to give public school children in Florida relief from bullying and violence. The Hope Scholarship Program gives parents the opportunity to transfer their child to another K-12 public school with available capacity within the school district, receive a scholarship to transport the student to a public school in another school district, or to request a scholarship for the student to attend an eligible private school.

Pursuant to s. 1002.40, F.S., a qualifying incident must have taken place at a public K-12 educational institution, any school-related or school-sponsored program or activity, riding on the school bus or waiting at the school bus stop. Qualifying incidents include battery; harassment; hazing; bullying; kidnapping; physical attack; robbery; sexual offenses, harassment, assault or battery; threat or intimidation; or fighting at school as defined by the Florida Department of Education in accordance with s. 1006.09(6).

Beginning in the 2018-19 school year, once a parent or child submits a report of an incident, the school principal, or his/her designee, will provide a copy of the report to the parent and investigate the incident. Once the investigation is complete, or within 15 days after the incident was reported, whichever occurs first, the principal, or his/her designee, will notify the parent about the Hope Scholarship Program, and provide the Hope Scholarship Notification Form required for Step Up For Students to determine scholarship eligibility.

Criteria used to evaluate eligibility for the Reading Scholarship Accounts:

Step Up For Students will require an application to be submitted by a parent, along with a valid Hope Notification Form (IEPC-HS1) that has been provided by a public school principal, or his/her designee, after a qualifying incident is reported. Step Up For Students will verify that the Hope Notification Form submitted is complete, and that one of the qualifying incident types has been identified on the form.

Methodology used to evaluate eligibility for the Hope Scholarship:

Step Up For Students will make an application available on its website. Parents must complete and submit the application directly to Step Up For Students via a link that will be provided on the website at <https://www.stepupforstudents.org/for-parents/hope/how-the-scholarship-works/>.

Pursuant to Rule 6A-6.0951, F.A.C., the application submitted by the parent must include, at a minimum, the student's name, student's Florida Education Identifier (FLEID), date of birth, gender, race, current public school district, current public school attended, grade level, parent's name, telephone number, mailing address and email address.

A completed Hope Notification Form (IEPC-HS1) must be submitted with the application.

Step Up For Students will confirm that this information, and supporting documentation, has been submitted for each student, will process applications in the order they are received, and will award scholarships on a first-come, first-served basis, pending funding availability.

Application Process Fees and Deadlines:

Step Up For Students anticipates that the online application will become available in Fall 2018. There are no fees to apply, and there is no application deadline established at this time.

Deadlines for Attendance Verification and Scholarship Payments:

Attendance verification will take place quarterly prior to each scholarship payment.

Reading Scholarship Accounts

The Reading Scholarship Accounts program, administered by Step Up For Students, was created to help public school students in third through fifth grade who struggle with reading. The program offers parents access to education savings accounts, worth \$500 each, to pay for tuition and fees related to part-time tutoring, summer and after-school literacy programs, instructional materials and curriculum related to reading or literacy.

Criteria used to evaluate eligibility for the Reading Scholarship Accounts:

Pursuant to s. 1002.411(2), F.S., contingent upon available funds, and on a first-come, first-served basis, each student in grades 3 through 5 who is enrolled in a Florida public school is eligible for a reading scholarship account if the student scored below a Level 3 on the grade 3 or grade 4 statewide, standardized English Language Arts (ELA) assessment in the prior school year.

Eligible students who are classified as English Language Learners, and who are enrolled in a program or receiving services that are specifically designed to meet the instructional needs of English Language Learner students, will receive priority.

Methodology used to evaluate eligibility for the Reading Scholarship Accounts:

Students complete and submit an application directly to Step Up For Students on the website at Readingapp.sufs.org.

Through the application, Step Up For Students collects the student name and demographic data, FLEID, grade level, and test score data required for the student to qualify under the eligibility criteria.

As a part of the application process, student FLEIDs are sent to the Department of Education (DOE) via an automated data exchange to determine if the student FLEID provided on the application matches with the DOE's public school list of students in grade 3, 4, or 5 who scored a level 1 or 2 on the statewide ELA assessment in grades 3 or 4 in the prior year. The automated ping also determines whether or not a student FLEID matches with the DOE list of English Language Learners.

All student FLEIDs that match are sent on a monthly basis to the DOE for a cross-check with other scholarship programs, and then funded on a first-come, first-served basis, with English Language Learners on each monthly file receiving priority for funding.

Application Process:

There are no fees to apply, and there is no application deadline established yet. Step Up For Students anticipates that the online application will remain open until all of the allocated state funds have been expended.

Deadlines for Attendance Verification and Scholarship Payments:

Reading Scholarships are provided to public school students; therefore, the public school district is responsible for handling the attendance records of students. Scholarship payments are made by Step Up For Students on a quarterly basis as reimbursement for qualifying expenditures.

Step Up For Students The Application Process, Deadlines and Associated Fees

FTC and Gardiner:

Families interested in receiving the FTC scholarship 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 receive priority and awards are granted on a first-come, first-served basis. The application process for renewals begins prior to that for new families. Generally, renewing families can apply beginning in October and new families can apply beginning in January. Children in foster, out-of-home care and military families may apply at any time during the year. Following the submission of an online application, families may be required to submit supporting documentation to substantiate eligibility. We operate under the priority mandated in Florida statute 1002.395 and a rolling admissions-style process and establish deadlines for applicants based on historical trends in application volumes and utilization rates, and also 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 will 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. All requests for reinstatement or extension are subject to the availability of funding. There is no application or appeal fee.

Families interested in receiving the Gardiner Scholarship submit an online application once the season opens. Application start dates and deadlines are established each year, with renewals having first priority and students on the wait list from the prior year having second priority. Generally the season opens in January. New applicants can typically apply in March. Applications are processed on a first-come, first-served basis. The application period remains open during the school year, with student placed on a wait list if funding is exhausted.

Following submission of an online application, new families are required to submit supporting documentation to substantiate eligibility, including the student's age, diagnosis and residency in the state of Florida. Once a student is found eligible, parents 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, the DOE will send funds to SUFS for those students that do not appear on any of the programs listed above. The scholarship award is based on a matrix established in the following way; 1) for renewal students the funding calculation remains the same, and defaults to a

matrix that assigns the student to a level three services, unless the student's parent has asked the school district for a revised matrix and it has been changed by the Florida Department of Education; 2) for new students that do not have a matrix level of services, funding defaults to 90% of the 253 level. If the student has a matrix level of services on file with the Florida Department of Education, due to public school enrollment, of 254 or 255, they will be funded at 90% of that matrix level, there are deadlines throughout the year which in turn impact funding amounts. Funding is prorated based on the date the student is found eligible by the SFO. The application must be received on or before August 1 and found eligible on or before September 1st for 100% scholarship. Application must be received on or before October 1st and found eligible on or before November 1st in order to receive 75%. Application must be received on or before January 1st and found eligible on or before February 1st for 50%. Application must be received on or before March 1st and found eligible on or before April 1st for 25%.

If funding is exhausted qualified applicants are placed on a wait list. Wait-listed students can become awarded if and when previously awarded students decline the scholarship and/or additional funding becomes available. Wait-listed students have priority over new students in the following season.

There is no application fee for the Gardiner program.

Policy exceptions must follow the documented exception process.

Reading Scholarship

Application Process:

There are no fees to apply, and there is no application deadline established yet. Step Up For Students anticipates that the online application will remain open until all of the allocated state funds have been expended.

Deadlines for Attendance Verification and Scholarship Payments:

Reading Scholarships are provided to public school students; therefore, the public school district is responsible for handling the attendance records of students. Scholarship payments are made by Step Up For Students on a quarterly basis as reimbursement for qualifying expenditures.

Hope Scholarship:

Application Process Fees and Deadlines:

Step Up For Students anticipates that the online application will become available in Fall 2018. There are no fees to apply, and there is no application deadline established at this time.

Deadlines for Attendance Verification and Scholarship Payments:

Attendance verification will take place quarterly prior to each scholarship payment.

Deadlines for Attendance Verification and Scholarship Payments

For the FTC program, verification windows will occur a minimum of four times during the 2018-19 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.

2018-2019 Payment Distribution Schedule

Distribution I

Verification Window	Monday, August 20 – Friday, August 24 at 5 PM
Check Processing	August 28 – September 20
Checks distributed via US Mail	September 21, 2018

Distribution II

Verification Window	Monday, October 29 – Friday, November 2 at 5 PM
Check Processing	November 6 – December 6
Checks distributed via US Mail	December 7, 2018

Distribution III

Verification Window	Thursday, January 10 – Wednesday, January 16 at 5 PM
Check Processing	January 18 – February 14

Checks distributed via US Mail	February 15, 2019
--------------------------------	-------------------

Distribution IV

Verification Window	Monday March 18 – Monday, March 25 at 5 PM
Check Processing	March 27 – May 9
Checks distributed via US Mail	May 10, 2019

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 1st 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

Continuation Certificate

The Hartford Insurance Group

Surety - License & Permit

The Hartford Fire Insurance Company (hereinafter called the Company)
 hereby continues in force its Bond No. 21BSBHF7433
 in the sum of Twenty-Five Million Dollars (\$25,000,000.00)
 on behalf of Step Up For Students, Inc.
 P.O. Box 54429, Jacksonville, FL 32245
 in favor of A Scholarship Funding Organization on behalf of The State of Florida
 for the (extended) term beginning on August 1, 2018 and ending on August 1, 2019,
 subject to all the covenants and conditions of said Bond, said bond and this and all continuations thereof being one
 continuous contract.

This Continuation is executed upon the express condition that the Company's liability under said Bond and
 this and all continuations thereof shall not be cumulative and shall in no event exceed the sum of
 Twenty-Five Million Dollars (\$25,000,000.00)

IN WITNESS THEREOF, the Company has caused this instrument to be signed by its officers proper for
 the purpose and its corporate seal to be hereto affixed on July 16, 2018

Hartford Fire Insurance Company
 By: 
 Pamela J. Thompson, Attorney in Fact

Attest:

 Vincent DeLuca

POWER OF ATTORNEY

Direct Inquiries/Claims to:

THE HARTFORD
 BOND, T-12
 One Hartford Plaza
 Hartford, Connecticut 06155
Bond.Claims@thehartford.com
 call: 888-266-3488 or fax: 860-757-5835

KNOW ALL PERSONS BY THESE PRESENTS THAT:

Agency Name: BROWN & BROWN OF FLORIDA INC
 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 Pamela J. Thompson

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

Bond No. 21BSBH7433

Naming Step Up For Students, Inc. as Principal,

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

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

In Witness Whereof, and as authorized by a Resolution of the Board of Directors of the Companies on May 6, 2015 the Companies have caused these presents to be signed by its Senior 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.



John Gray

John Gray, Assistant Secretary

M. Ross Fisher

M. Ross Fisher, Senior Vice President

STATE OF CONNECTICUT }
 COUNTY OF HARTFORD } ss. Hartford

On this 5th day of January, 2018, 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 Senior 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.



Kathleen T. Maynard
 Kathleen T. Maynard
 Notary Public
 My Commission Expires July 31, 2021

CERTIFICATE

I, the undersigned, Assistant 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 July 16, 2018.
 Signed and sealed at the City of Hartford.



Kevin Heckman
 Kevin Heckman, Assistant Vice President

Caution: Forms printed from within Adobe Acrobat products may not meet IRS or state taxing agency specifications. When using Acrobat 9.x products and later products, 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

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

2016
Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Do not enter social security numbers on this form as it may be made public.
Information about Form 990 and its instructions is at www.irs.gov/form990.

A For the 2016 calendar year, or tax year beginning **JUL 1, 2016** and ending **JUN 30, 2017**

B Check if applicable:

- Address change
- Name change
- Initial return
- Final return/terminated
- Amended return
- Application pending

C Name of organization: **STEP UP FOR STUDENTS, INC.**

Doing business as

Number and street (or P.O. box if mail is not delivered to street address) Room/suite: **4655 SALISBURY ROAD 400**

City or town, state or province, country, and ZIP or foreign postal code: **JACKSONVILLE, FL 32256**

F Name and address of principal officer: **JOE PFOUNTZ**
SAME AS C ABOVE

D Employer identification number: **59-3649371**

E Telephone number: **904-352-2246**

G Gross receipts \$: **533,642,917.**

H(a) Is this a group return for subordinates? Yes No

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

H(c) Group exemption number

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

J Website: **WWW.STEPUFORSTUDENTS.ORG**

K Form of organization: Corporation Trust Association Other

L Year of formation: **2000** **M** State of legal domicile: **FL**

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: STEP UP FOR STUDENTS EMPOWERS PARENTS TO PURSUE AND ENGAGE IN THE MOST APPROPRIATE LEARNING		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	7
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	7
	5 Total number of individuals employed in calendar year 2016 (Part V, line 2a)	5	224
	6 Total number of volunteers (estimate if necessary)	6	262
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
b Net unrelated business taxable income from Form 990-T, line 34	7b	0.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	521,372,137.	533,245,078.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	136,114.	0.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-8,472.	388,179.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	7,046.	339.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	521,506,825.	533,633,596.
	14 Benefits paid to or for members (Part IX, column (A), line 4)	429,479,201.	548,456,006.
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0.	0.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	11,092,449.	14,110,118.
	b Total fundraising expenses (Part IX, column (D), line 25)	0.	0.
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	2,139,326.	
Net Assets or Fund Balances	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	5,076,130.	5,466,829.
	19 Revenue less expenses. Subtract line 18 from line 12	445,647,780.	568,032,953.
	20 Total assets (Part X, line 16)	75,859,045.	-34,399,357.
	21 Total liabilities (Part X, line 26)		
Net Assets or Fund Balances	22 Net assets or fund balances. Subtract line 21 from line 20	Beginning of Current Year	End of Year
		543,244,522.	518,592,306.
		28,340,712.	37,945,946.
		514,903,810.	480,646,360.

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: *Joseph E. Pountz* Date: **11/15/17**

JOE PFOUNTZ, CFO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name: **HERESA A. BURDINE, CPA** Preparer's signature: *Heresa A. Burdine* Date: **11/15/2017** Check if self-employed: PTIN: **00362629**

Firm's name: **REM US LLP** Firm's EIN: **42-0714325**

Firm's address: **7351 OFFICE PARK PL
MELBOURNE, FL 32940** Phone no. **321-751-6200**

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

Part III Statement of Program Service Accomplishments

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

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

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? [] Yes [X] No If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [] Yes [X] No If "Yes," describe these changes on Schedule O.

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

4a (Code:) (Expenses \$ 541,915,225. including grants of \$ 536,440,936.) (Revenue \$) FLORIDA TAX CREDIT SCHOLARSHIP PROGRAM: THIS PAST SCHOOL YEAR, 97,900 UNDERPRIVILEGED STUDENTS ATTENDED 1,733 PRIVATE SCHOOLS ON A STEP UP FOR STUDENTS SCHOLARSHIP, AND FOR THE 2017-18 SCHOOL YEAR, WE ANTICIPATE SERVING ROUGHLY 104,000 STUDENTS. THE SCHOLARSHIP PROGRAM WAS CREATED TO HELP ALLEVIATE THE ENORMOUS EDUCATIONAL CHALLENGES FACED BY CHILDREN WHO LIVE IN POVERTY. THE SCHOLARSHIP GIVES PARENTS WITH LIMITED FINANCIAL MEANS THE FREEDOM TO CHOOSE THE SCHOOL THAT BEST MEETS THEIR CHILDREN'S LEARNING NEEDS FROM KINDERGARTEN THROUGH 12TH GRADE. IT IS THE LARGEST SCHOLARSHIP PROGRAM OF THIS NATURE IN THE UNITED STATES.

FOR THE 2016-17 SCHOOL YEAR, APPROVED STUDENTS COULD CHOOSE BETWEEN

4b (Code:) (Expenses \$ 12,492,497. including grants of \$ 12,015,070.) (Revenue \$) THE ALABAMA OPPORTUNITY SCHOLARSHIP FUND (ALOSF) IS A SCHOLARSHIP GRANTING ORGANIZATION FORMED TO IMPLEMENT THE ALABAMA ACCOUNTABILITY ACT. ALOSF AWARDS SCHOLARSHIPS TO ELIGIBLE LOW INCOME STUDENTS WITH PRIORITY GIVEN TO CHILDREN WHO ARE ZONED TO ATTEND A FAILING PUBLIC SCHOOL. THE SCHOLARSHIPS PAY FOR PRIVATE SCHOOL TUITION OR TRANSFER FEES TO A NON-FAILING PUBLIC SCHOOL. THE FIRST SCHOLARSHIPS WERE GRANTED FOR THE SEMESTER STARTING JANUARY 2014. ALOSF HAS AWARDED OVER 7,600 SCHOLARSHIPS OVER 3 1/2 YEARS REPRESENTING 45 OF THE 67 COUNTIES IN ALABAMA. AN ADDITIONAL 18,000 STUDENTS APPLIED BUT WERE NOT AWARDED. THE SCHOLARSHIPS ARE FUNDED BY DONATIONS OF INCOME TAX LIABILITY FROM INDIVIDUALS AND CORPORATIONS WHO RECEIVE AN ALABAMA STATE INCOME TAX CREDIT.

4c (Code:) (Expenses \$ 2,678,786. including grants of \$) (Revenue \$) THE GARDINER SCHOLARSHIP ACCOUNT PROGRAM: IN 2016-17, STEP UP ALSO ADMINISTERED A STATEWIDE SCHOLARSHIP AVAILABLE TO SPECIAL-NEEDS STUDENTS WITH ONE OF TEN SPECIFIC DISABILITIES: AUTISM, CEREBRAL PALSY, DOWN SYNDROME, PHELAN-MCDERMID SYNDROME, PRADER-WILLI SYNDROME, SPINA BIFIDA, WILLIAMS SYNDROME, INTELLECTUAL DISABILITY (SEVERE COGNITIVE IMPAIRMENT), MUSCULAR DYSTROPHY, OR "HIGH RISK" CHILDREN IN KINDERGARTEN. FOR THE 2016-17 SCHOOL YEAR, THE PROGRAM SERVED 7,598 STUDENTS WHO RECEIVED SCHOLARSHIPS WORTH AN AVERAGE OF \$10,400 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 \$ 5,112,954. including grants of \$) (Revenue \$)

4e Total program service expenses 562,199,462.

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules (continued)

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

Form 990 (2016)

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 area containing questions 1a through 14b with corresponding Yes/No columns and input fields.

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

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

Section A. Governing Body and Management

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

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

	Yes	No
10a Did the organization have local chapters, branches, or affiliates?		X
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?		
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	X	
b Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a Did the organization have a written conflict of interest policy? If "No," go to line 13	X	
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	X	
13 Did the organization have a written whistleblower policy?	X	
14 Did the organization have a written document retention and destruction policy?	X	
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official	X	
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).		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
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, 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, A	2.00	X					0.	0.	0.	
(2) ALISON HERTOZ DIRECTOR, SUFS	2.00	X					0.	0.	0.	
(3) ALFRED "AL" LAWSON DIRECTOR, SUFS	2.00	X					0.	0.	0.	
(4) RICHARD OUTRAM DIRECTOR, SUFS	2.00	X					0.	0.	0.	
(5) PAUL SHERMAN DIRECTOR, SUFS	2.00	X					0.	0.	0.	
(6) CURTIS STOKES DIRECTOR, SUFS	2.00	X					0.	0.	0.	
(7) TERRY JOVE DIRECTOR, SUFS	2.00	X					0.	0.	0.	
(8) GOVERNOR BOB RILEY CHARIMAN, ALOSF	2.00	X					0.	0.	0.	
(9) THOMAS M. LEE CHAIRMAN, ALOSF	2.00	X					0.	0.	0.	
(10) REVEREND H.K. MATTHEWS DIRECTOR, ALOSF	2.00	X					0.	0.	0.	
(11) JOHN H. COOPER DIRECTOR, ALOSF	2.00	X					0.	0.	0.	
(12) CHAD FINCHER DIRECTOR, ALOSF	2.00	X					0.	0.	0.	
(13) DOUG TUTHILL PRESIDENT, SUFS	40.00			X			263,061.	0.	30,891.	
(14) ANNE WHITE COO, SUFS/DIRECTOR, ALOSF	40.00			X			159,064.	0.	19,895.	
(15) JOE PFOUNTZ TREAS & CFO, SUFS/DIRECTOR	40.00			X			185,863.	0.	20,950.	
(16) SCOTT MASSEY CIO, SUFS	40.00				X		149,709.	0.	28,118.	
(17) ALISSA RANDALL VP MARKETING & EVENTS, SUF	40.00				X		149,397.	0.	13,836.	

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		143,770.	0.	7,503.
(19) CAROL THOMAS VP STUDENT LEARNING	40.00					X		132,759.	0.	20,373.
(20) GINA LYNCH VP OPERATIONS	40.00					X		128,773.	0.	12,520.
1b Sub-total								1,312,396.	0.	154,086.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								1,312,396.	0.	154,086.

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 **15**

	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
EPIC SOFTWARE CORPORATION 1979 MILKY WAY, VERONA, WI 53593	SOFTWARE SERVICES	195,583.
MEENAN P.A., 300 S DUVAL ST, STE 410, TALLAHASSEE, FL 32301	LEGAL SERVICES	120,002.
RSM US LLP 5155 PAYSHERE CIRCLE, CHICAGO, IL 60674	ACCOUNTING SERVICES	117,195.
CUTHBERTSON & ASSOCIATES, 9802 BAYMEADOWS RD, STE 12 #200, JACKSONVILLE, FL 32256	CONSULTING SERVICES	108,185.

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 **4**

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	533,245,078.				
	g Noncash contributions included in lines 1a-1f: \$						
	h Total. Add lines 1a-1f		533,245,078.				
Program Service Revenue	2 a	Business Code					
	b						
	c						
	d						
	e						
	f All other program service revenue						
	g Total. Add lines 2a-2f						
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		397,500.			397,500.	
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
	6 a Gross rents	(i) Real					
		(ii) Personal					
	b Less: rental expenses						
	c Rental income or (loss)						
	d Net rental income or (loss)						
	7 a Gross amount from sales of assets other than inventory	(i) Securities					
		(ii) Other					
		b Less: cost or other basis and sales expenses		9,321.			
	c Gain or (loss)		-9,321.				
	d Net gain or (loss)		-9,321.			-9,321.	
8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	a						
	b Less: direct expenses	b					
	c Net income or (loss) from fundraising events						
9 a Gross income from gaming activities. See Part IV, line 19	a						
	b Less: direct expenses	b					
	c Net income or (loss) from gaming activities						
10 a Gross sales of inventory, less returns and allowances	a						
	b Less: cost of goods sold	b					
	c Net income or (loss) from sales of inventory						
Miscellaneous Revenue		Business Code					
11 a OTHER INCOME		900099	339.			339.	
b							
c							
d All other revenue							
e Total. Add lines 11a-11d			339.				
12 Total revenue. See instructions.			533,633,596.	0.	0.	388,518.	

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	548,456,006.	548,456,006.		
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	679,724.		679,724.	
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	10,668,271.	7,954,846.	1,500,053.	1,213,372.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	328,200.	196,038.	88,900.	43,262.
9 Other employee benefits	1,089,010.	708,574.	272,734.	107,702.
10 Payroll taxes	1,344,913.	1,065,468.	153,978.	125,467.
11 Fees for services (non-employees):				
a Management				
b Legal	147,539.	83,072.	61,177.	3,290.
c Accounting	117,195.		117,195.	
d Lobbying	66,809.	66,809.		
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.)	1,057,489.	901,687.	102,417.	53,385.
12 Advertising and promotion	361,780.	310,601.	17,997.	33,182.
13 Office expenses	560,386.	434,161.	68,703.	57,522.
14 Information technology				
15 Royalties				
16 Occupancy	777,444.	562,254.	142,427.	72,763.
17 Travel	602,975.	367,017.	120,991.	114,967.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	257,002.	191,089.	42,087.	23,826.
23 Insurance	263,040.	193,191.	44,065.	25,784.
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 OTHER COSTS	498,426.	240,215.	72,382.	185,829.
b BANK FEES	240,209.	136,617.	103,431.	161.
c PRINTING AND POSTAGE	224,101.	119,707.	52,030.	52,364.
d REPAIRS AND MAINTENANCE	222,263.	141,939.	53,874.	26,450.
e All other expenses SEE SCH O	70,171.	70,171.		
25 Total functional expenses. Add lines 1 through 24e	568,032,953.	562,199,462.	3,694,165.	2,139,326.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here if following SOP 98-2 (ASC 958-720)

Part X Balance Sheet

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

		(A) Beginning of year		(B) End of year	
Assets	1	Cash - non-interest-bearing	49,756,813.	1	41,903,759.
	2	Savings and temporary cash investments	225,000.	2	225,000.
	3	Pledges and grants receivable, net	464,498,513.	3	436,647,533.
	4	Accounts receivable, net	980,432.	4	1,592,791.
	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	490,048.	9	579,212.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	2,965,136.		
	10b	Less: accumulated depreciation	1,552,144.	10c	1,412,992.
	11	Investments - publicly traded securities		11	
	12	Investments - other securities. See Part IV, line 11		12	
	13	Investments - program-related. See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets. See Part IV, line 11	26,730,180.	15	36,231,019.
16	Total assets. Add lines 1 through 15 (must equal line 34)	543,244,522.	16	518,592,306.	
Liabilities	17	Accounts payable and accrued expenses	1,610,532.	17	1,714,927.
	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	26,730,180.	21	36,231,019.
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		25	
	26	Total liabilities. Add lines 17 through 25	28,340,712.	26	37,945,946.
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
	27	Unrestricted net assets	3,924,578.	27	5,110,194.
	28	Temporarily restricted net assets	510,979,232.	28	475,536,166.
	29	Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
33	Total net assets or fund balances	514,903,810.	33	480,646,360.	
34	Total liabilities and net assets/fund balances	543,244,522.	34	518,592,306.	

Form 990 (2016)

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	533,633,596.
2	Total expenses (must equal Part IX, column (A), line 25)	2	568,032,953.
3	Revenue less expenses. Subtract line 2 from line 1	3	-34,399,357.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	514,903,810.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	141,907.
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	480,646,360.

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 (2016)

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) 2012	(b) 2013	(c) 2014	(d) 2015	(e) 2016	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	310,799,794.	332,392,878.	456,345,377.	521,372,137.	533,245,078.	2154155264.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	310,799,794.	332,392,878.	456,345,377.	521,372,137.	533,245,078.	2154155264.
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)						850,476,828.
6 Public support. Subtract line 5 from line 4.						1303678436.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2012	(b) 2013	(c) 2014	(d) 2015	(e) 2016	(f) Total
7 Amounts from line 4	310,799,794.	332,392,878.	456,345,377.	521,372,137.	533,245,078.	2154155264.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	13,048.	12,414.	8,223.	90,396.	397,500.	521,581.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)		1,518.	12,665.	7,046.	339.	21,568.
11 Total support. Add lines 7 through 10						2154698413.

12 Gross receipts from related activities, etc. (see instructions) 12 1,686,768.

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

Section C. Computation of Public Support Percentage

14 Public support percentage for 2016 (line 6, column (f) divided by line 11, column (f))	14	60.50 %
15 Public support percentage from 2015 Schedule A, Part II, line 14	15	63.47 %

16a **33 1/3% support test - 2016.** 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 X

b **33 1/3% support test - 2015.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization

17a **10% -facts-and-circumstances test - 2016.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization

b **10% -facts-and-circumstances test - 2015.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions

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

(Complete only if you checked the box on line 10 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) 2012	(b) 2013	(c) 2014	(d) 2015	(e) 2016	(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) 2012	(b) 2013	(c) 2014	(d) 2015	(e) 2016	(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 2016 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2015 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2016 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2015 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2016. 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 - 2015. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

Part IV Supporting Organizations

(Complete only if you checked a box in line 12 on Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? If "Yes," answer (b) and (c) below.		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? If "Yes," describe in Part VI when and how the organization made the determination.		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? If "Yes," explain in Part VI what controls the organization put in place to ensure such use.		
4a Was any supported organization not organized in the United States ("foreign supported organization")? If "Yes," and if you checked 12a or 12b in Part I, answer (b) and (c) below.		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? If "Yes," provide detail in Part VI.		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? If "Yes," provide detail in Part VI.		
b Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? If "Yes," provide detail in Part VI.		
c Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? If "Yes," provide detail in Part VI.		
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? If "Yes," answer 10b below.		
b Did the organization have any excess business holdings in the tax year? (Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)		

Part IV Supporting Organizations *(continued)*

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

Section B. Type I Supporting Organizations

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

Section C. Type II Supporting Organizations

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

Section D. All Type III Supporting Organizations

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

Section E. Type III Functionally Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).			
a <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.			
b <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.			
c <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).			
2 Activities Test. Answer (a) and (b) below.		Yes	No
a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.			
b Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.			
3 Parent of Supported Organizations. Answer (a) and (b) below.			
a Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Provide details in Part VI.			
b Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in Part VI the role played by the organization in this regard.			

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

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

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

Schedule A (Form 990 or 990-EZ) 2016

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

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI). See instructions	
7 Total annual distributions. Add lines 1 through 6	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions	
9 Distributable amount for 2016 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-2016	(iii) Distributable Amount for 2016
1 Distributable amount for 2016 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2016 (reasonable cause required- explain in Part VI). See instructions			
3 Excess distributions carryover, if any, to 2016:			
a			
b			
c From 2013			
d From 2014			
e From 2015			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2016 distributable amount			
i Carryover from 2011 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4 Distributions for 2016 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2016 distributable amount			
c Remainder. Subtract lines 4a and 4b from 4			
5 Remaining underdistributions for years prior to 2016, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in Part VI. See instructions			
6 Remaining underdistributions for 2016. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI. See instructions			
7 Excess distributions carryover to 2017. Add lines 3j and 4c			
8 Breakdown of line 7:			
a			
b Excess from 2013			
c Excess from 2014			
d Excess from 2015			
e Excess from 2016			

Schedule A (Form 990 or 990-EZ) 2016

Part VI

Supplemental Information.

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

Lined area for supplemental information.

Schedule B

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

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

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

OMB No. 1545-0047

2016

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. Don't 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 isn't covered by the General Rule and/or the Special Rules doesn't 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 doesn't 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) (2016)

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		\$ 15,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2		\$ 28,500,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3		\$ 21,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
4		\$ 65,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
5		\$ 150,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
6		\$ 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 II Noncash Property (See instructions). Use duplicate copies of Part II if additional space is needed.

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

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

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

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	

SCHEDULE C
(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

OMB No. 1545-0047

2016

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

For Organizations Exempt From Income Tax Under section 501(c) and section 527
 ▶ **Complete if the organization is described below. ▶ Attach to Form 990 or Form 990-EZ.**
 ▶ **Information about Schedule C (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.**

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

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

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

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

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

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

Name of organization <p style="text-align: center;">STEP UP FOR STUDENTS, INC.</p>	Employer identification number <p style="text-align: center;">59-3649371</p>
---	---

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 campaign activity expenditures \$ _____
- 3 Volunteer hours for political campaign activities

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) 2016

LHA
632041 11-10-16

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)	10,454.													
b	Total lobbying expenditures to influence a legislative body (direct lobbying)	56,355.													
c	Total lobbying expenditures (add lines 1a and 1b)	66,809.													
d	Other exempt purpose expenditures	567,966,144.													
e	Total exempt purpose expenditures (add lines 1c and 1d)	568,032,953.													
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) 2013	(b) 2014	(c) 2015	(d) 2016	(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	196,409.	55,760.	11,942.	66,809.	330,920.
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	47,300.	55,760.	8,171.	10,454.	121,685.

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

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

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

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

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

Part IV Supplemental Information

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

SCHEDULE C, PART II-A

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

PLAYED A PROMINENT ROLE IN THE LEGISLATIVE ADOPTION OF IMPROVEMENTS TO THE

GARDINER SCHOLARSHIP AND TAX CREDIT SCHOLARSHIP PROGRAMS IN 2017, ADVISING

LEGISLATIVE COMMITTEE STAFF AND LEGISLATORS ON DIFFERENT POINTS ON THE

BILL. THESE LOBBYING EFFORTS ARE FINANCED BY PRIVATE FUNDRAISING AND NOT

Part IV Supplemental Information (continued)

THROUGH EITHER THE DIRECT APPROPRIATION OR TAX-CREDITED CONTRIBUTIONS

RECEIVED UNDER EACH PROGRAM. STAFFERS IN EXTERNAL AFFAIRS ALSO WORKED WITH

GARDINER FAMILIES AND TAX CREDIT SCHOLARSHIP FAMILIES TO PROVIDE

LEGISLATIVE TESTIMONY AND CONTACT LAWMAKERS TO EXPRESS THEIR SUPPORT OF

THE BILL IN A LEGISLATIVE GRASSROOTS EFFORT.

SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

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

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

OMB No. 1545-0047

2016 Open to Public Inspection

Name of the organization

STEP UP FOR STUDENTS, INC.

Employer identification number

59-3649371

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

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include total number at end of year, aggregate values, and questions about donor information.

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

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include purpose of easements, number of easements, and monitoring details.

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

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

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include questions about reporting art and historical treasures.

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

Schedule D (Form 990) 2016

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

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a Public exhibition
- b Scholarly research
- c Preservation for future generations
- d Loan or exchange programs
- e Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

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

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

	Amount
c Beginning balance	26,730,180.
d Additions during the year	70,232,134.
e Distributions during the year	60,731,295.
f Ending balance	36,231,019.

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? Yes No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII

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

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

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment %
- b Permanent endowment %
- c Temporarily restricted endowment %

The percentages on lines 2a, 2b, and 2c should equal 100%.

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

- (i) unrelated organizations
- (ii) related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

b If "Yes" on line 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" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment		2,906,511.	1,523,264.	1,383,247.
e Other		58,625.	28,880.	29,745.

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.) 1,412,992.

Part VII Investments - Other Securities.

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

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

Part VIII Investments - Program Related.

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

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

Part IX Other Assets.

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

(a) Description	(b) Book value
(1) FUNDS HELD IN TRUST FOR STUDENTS	36,231,019.
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	

Part X Other Liabilities.

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

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

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

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

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

1	Total revenue, gains, and other support per audited financial statements		1
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" on 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 IV, LINE 2B:

IN JUNE 2014, LEGISLATION CREATING SCHOLARSHIPS FOR SPECIAL NEEDS CHILDREN

WAS SIGNED INTO LAW IN FLORIDA. A GARDINER 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,

CIRRICULUM AND TECHNOLOGY AND COLLEGE SAVINGS ACCOUNTS.

DURING THE YEARS ENDED JUNE 30, 2017 AND 2016, STEP UP FOR STUDENTS

DISTRIBUTED APPROXIMATELY \$58.7 MILLION AND \$29.1 MILLION, LEAVING A

BALANCE OF APPROXIMATELY \$36.2 MILLION AND \$26.7 MILLION RESPECTIVELY,

Part XIII Supplemental Information (continued)

WHICH IS RECORDED IN THE ACCOMPANYING CONSOLIDATED STATEMENT OF FINANCIAL

POSITION AS BOTH AN ASSET AND A 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.

PART X, LINE 2:

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

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

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

FEDERAL AND STATE INCOME TAXES HAS BEEN RECORDED IN THE FINANCIAL

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

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

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

LEGISLATION. THESE EXPENDITURES ARE FINANCED BY PRIVATE FUNDRAISING AND

NOT THROUGH EITHER THE DIRECT APPROPRIATION OR TAX-CREDITED CONTRIBUTIONS

RECEIVED UNDER EACH PROGRAM, INCLUDING THE 3% ADMINISTRATIVE ALLOWANCE

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

TAX IF IT SPENDS MORE THAN THE AMOUNTS PERMITTED. SUCH LIMITS HAVE NOT

BEEN EXCEEDED.

THE ALABAMA OPPORTUNITY SCHOLARSHIP FUND IS A SINGLE-MEMBER LIMITED

LIABILITY COMPANY (LLC) WHICH IS WHOLLY-OWNED BY STEP UP FOR STUDENTS.

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

501(C)(3) OF THE INTERNAL REVENUE CODE. AS A WHOLLY-OWNED LLC, THE

ALABAMA OPPORTUNITY SCHOLARSHIP FUND IS A DISREGARDED ENTITY FOR FEDERAL

AND STATE INCOME TAX PURPOSES AND THEREFORE, REPORT ALL FEDERAL AND STATE

TAX INFORMATION THROUGH ITS PARENT, STEP UP FOR STUDENTS. ACCORDINGLY, NO

Part XIII Supplemental Information (continued)

PROVISION FOR FEDERAL AND STATE INCOME TAXES HAS BEEN RECORDED IN THE
ACCOMPANYING 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, 2014.

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

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of noncash assistance
TAX CREDIT SCHOLARSHIP PROGRAM	97900	548,456,006.	0.		

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

PART I, LINE 2:

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

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

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

OMB No. 1545-0047

2016

Open to Public Inspection

Name of the organization

STEP UP FOR STUDENTS, INC.

Employer identification number

59-3649371

Part I Questions Regarding Compensation

		Yes	No
1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.			
<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> 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 (such as, maid, chauffeur, chef)		
b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b		
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a?	2	X	
3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.			
<input checked="" type="checkbox"/> Compensation committee	<input 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 on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:			
a Receive a severance payment or change-of-control payment?	4a	X	
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b		X
c Participate in, or receive payment from, an equity-based compensation arrangement?	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 on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:			
a The organization?	5a		X
b Any related organization?	5b		X
If "Yes" on line 5a or 5b, describe in Part III.			
6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:			
a The organization?	6a		X
b Any related organization?	6b		X
If "Yes" on line 6a or 6b, describe in Part III.			
7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III	7		X
8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III	8		X
9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9		

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

Schedule J (Form 990) 2016

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

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

OMB No. 1545-0047

2016

Open to Public
Inspection

Name of the organization

STEP UP FOR STUDENTS, INC.

Employer identification number

59-3649371

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

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

FORM 990, PART I

A FIRST-OF-ITS-KIND STUDY ON THE LONG-TERM EFFECTS OF THE FLORIDA TAX
CREDIT SCHOLARSHIP PROGRAM FINDS THAT SCHOLARSHIP STUDENTS ARE MORE
LIKELY THAN THEIR PUBLIC SCHOOL PEERS TO ATTEND COLLEGE AND EARN A
DEGREE. THE REPORT BY RESEARCHERS AT THE URBAN INSTITUTE, RELEASED IN
2017, FOUND THAT FLORIDA TAX CREDIT SCHOLARSHIP STUDENTS THAT
PARTICIPATED IN THE PROGRAM FOR FOUR OR MORE YEARS ARE UP TO 43 PERCENT
MORE LIKELY TO ATTEND FLORIDA PUBLIC COLLEGE AND UP TO 29 PERCENT MORE
LIKELY TO EARN AN ASSOCIATES DEGREE. THESE ARE THE MOST SIGNIFICANT
ACADEMIC FINDINGS IN THE PROGRAM'S 16-YEAR HISTORY.

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

EQUAL OPPORTUNITY.

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

SCHOLARSHIPS WORTH UP TO \$5,866 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 579,115 SCHOLARSHIPS. FOR 2016-17, THE AVERAGE INCOME FOR
PARTICIPANTS WAS 4.4% ABOVE THE FEDERAL POVERTY GUIDELINES, AND 55% OF

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

Schedule O (Form 990 or 990-EZ) (2016)

632211 08-25-16

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

THE STUDENTS WERE FROM SINGLE-PARENT HOUSEHOLDS.

STANDARDIZED TEST SCORES RELEASED IN AUGUST 2016 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 2016 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 12TH TIME, STEP UP FOR STUDENTS WAS AWARDED THE COVETED

FOUR-STAR RATING BY CHARITY NAVIGATOR AND SCORED A PERFECT 100.0 ON THE

NAVIGATOR'S SCALE OF FINANCIAL ACCOUNTABILITY AND TRANSPARENCY. IN

OTHER PUBLISHED NATIONAL RANKINGS OF NONPROFITS, STEP UP HAS BEEN

RANKED 24TH BY FORBES AND 48TH BY THE CHRONICLE OF PHILANTHROPY.

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

RESEARCH ON STUDENT OUTCOMES:

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

WORKING-CLASS 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

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

DETERMINED THAT SCHOLARSHIP STUDENTS ACHIEVED THE SAME ACADEMIC GAINS

IN READING AND MATH AS STUDENTS OF ALL INCOME LEVELS NATIONALLY. STEP

UP IS GOING FURTHER. IT HAS COMPLETED THE FIRST STAGE OF A DATA

WAREHOUSE THAT PULLS TOGETHER STUDENT ACADEMIC AND DEMOGRAPHIC

INFORMATION ACROSS 15 YEARS. IN 2016-17, STEP UP POLICY ANALYSTS WORKED

WITH A PRESTIGIOUS NATIONAL THINK TANK TO EVALUATE HOW MANY STUDENTS

GRADUATED AND ATTENDED POSTSECONDARY SCHOOLS AND IS EXPECTING THAT

STUDY TO BE RELEASED BY THE END OF 2017.

EXPENSES \$ 5,112,954. INCLUDING GRANTS OF \$ 0. REVENUE \$ 0.

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

FORM 990 IS PREPARED BY THE FUND'S INDEPENDENT AUDITORS AFTER BEING

REVIEWED BY MANAGEMENT, THE FULL FORM 990 INFORMATIONAL RETURN IS PROVIDED

TO THE BOARD OF DIRECTORS FOR REVIEW AND COMMENT. THE BOARD OF DIRECTORS IS

ALSO AFFORDED THE OPPORTUNITY TO ASK QUESTIONS WITH RESPECT TO THE FORM 990

BEFORE THE RETURN IS FILED.

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

STEP UP FOR STUDENTS ENSURES THAT THE CONFLICT OF INTEREST POLICY IS

ADHERED TO WITH THE FOLLOWING ACTIVITIES 1) REGULAR EDUCATION WITH THE

BOARD OF DIRECTORS, OFFICERS AND KEY STAFF. EACH YEAR, THE POLICY IS

REVIEWED WITH THE BOARD OF DIRECTORS AND THE EXECUTIVE TEAM. EACH

ACKNOWLEDGE THEIR UNDERSTANDING AND COMPLIANCE BY SIGNING AN ANNUAL

COMPLIANCE STATEMENT. 2) THE CFO REVIEWS EACH CONTRACT THE ORGANIZATION

ENTERS. 3) FINANCE STAFF AND THE PRESIDENT REVIEW ALL PAYMENTS AS THEY ARE

MADE FOR POSSIBLE CONFLICTS.

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

632212 08-25-16

Schedule O (Form 990 or 990-EZ) (2016)

Page 87

43

11111115 136733 7726658

2016.05000 STEP UP FOR STUDENTS, INC. 77266581

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

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

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

UNCOLLECTIBLE SCHOOL RECEIVABLES:

PROGRAM SERVICE EXPENSES	70,171.
MANAGEMENT AND GENERAL EXPENSES	0.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	70,171.
TOTAL OTHER EXPENSES ON FORM 990, PART IX, LINE 24E, COL A	70,171.

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.

OMB No. 1545-0047

2016

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	9,366,645.	2,727,779.	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) 2016

Part V Transactions With Related Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

Note: Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

a Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity

b Gift, grant, or capital contribution to related organization(s)

c Gift, grant, or capital contribution from related organization(s)

d Loans or loan guarantees to or for related organization(s)

e Loans or loan guarantees by related organization(s)

f Dividends from related organization(s)

g Sale of assets to related organization(s)

h Purchase of assets from related organization(s)

i Exchange of assets with related organization(s)

j Lease of facilities, equipment, or other assets to related organization(s)

k Lease of facilities, equipment, or other assets from related organization(s)

l Performance of services or membership or fundraising solicitations for related organization(s)

m Performance of services or membership or fundraising solicitations by related organization(s)

n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)

o Sharing of paid employees with related organization(s)

p Reimbursement paid to related organization(s) for expenses

q Reimbursement paid by related organization(s) for expenses

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

s Other transfer of cash or property from related organization(s)

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

	(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved	Yes	No
(1)						
(2)						
(3)						
(4)						
(5)						
(6)						

Step Up For Students, Inc. and Subsidiary

Consolidated Financial Report
June 30, 2017

Contents

Independent auditor's report on the financial statements	1-2
Financial statements	
Consolidated statement of financial position	3
Consolidated statement of activities	4
Consolidated statement of functional expenses	5
Consolidated statement of cash flows	6
Notes to consolidated financial statements	7-15
Supplementary information	
Consolidating statement of financial position	16
Consolidating statement of activities	17
Schedule of expenditures of state financial assistance	18
Notes to schedule of expenditures of state financial assistance	19
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 <i>Government Auditing Standards</i>	20-21
Independent auditor's report on compliance for its major state financial assistance project and report on internal control over compliance required by State of Florida Chapter 10.650, <i>Rules of the Auditor General</i>	22-23
Schedule of findings and questioned costs	24



RSM US LLP

Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Step Up For Students, Inc. and its subsidiary, which comprise the consolidated statement of financial position as of June 30, 2017, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Step Up For Students, Inc. and its subsidiary as of June 30, 2017, 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.

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

Report on Summarized Comparative Information

We have previously audited Step Up For Students, Inc. and its subsidiary's 2016 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated October 14, 2016. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2016, 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 31, 2017, 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 the effectiveness of Step Up For Students, Inc. and subsidiaries' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Step Up For Students, Inc. and its subsidiary's internal control over financial reporting and compliance.

RSM US LLP

Orlando, Florida
October 31, 2017

Step Up For Students, Inc. and Subsidiary

Consolidated Statement of Financial Position

June 30, 2017

(With Summarized Comparative Information for June 30, 2016)

	2017	2016
Assets		
Current Assets		
Cash and cash equivalents	\$ 41,903,759	\$ 49,756,813
Pledges receivable, less allowance for uncollectible pledges of \$18,000,000 and \$26,000,000 in 2017 and 2016, respectively	436,647,533	464,498,513
Accounts and grants receivable, less allowance for uncollectible accounts of \$246,429 and \$237,719 in 2017 and 2016, respectively	1,592,791	980,432
Prepaid expenses and other assets	579,212	490,048
Funds held in trust for students	36,231,019	26,730,180
Total current assets	516,954,314	542,455,986
Restricted Certificate of Deposit	225,000	225,000
Property and Equipment, Net	1,412,992	563,536
Total assets	\$ 518,592,306	\$ 543,244,522
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 140,765	\$ 427,734
Accrued expenses	1,574,162	1,182,798
Funds held in trust for students liability	36,231,019	26,730,180
Total current liabilities	37,945,946	28,340,712
Commitments (Note 6)		
Net Assets		
Unrestricted	5,110,194	3,924,578
Temporarily restricted	475,536,166	510,979,232
Total net assets	480,646,360	514,903,810
Total liabilities and net assets	\$ 518,592,306	\$ 543,244,522

See notes to consolidated financial statements.

Step Up For Students, Inc. and Subsidiary

Consolidated Statement of Activities

Year Ended June 30, 2017

(With Summarized Comparative Information for June 30, 2016)

	2017			Total 2016
	Unrestricted	Temporarily Restricted	Total	
Revenues and Support				
Contributions and grants:				
Florida Tax Credit Scholarship Program	\$ 16,464,543	\$ 504,917,473	\$ 521,382,016	\$ 510,955,205
Alabama Opportunity Scholarship Program	441,843	7,975,013	8,416,856	7,338,896
Gardiner Scholarship Program	2,064,477	-	2,064,477	1,450,758
Grants and other contributions	566,707	956,929	1,523,636	2,030,079
Scholarship application and service fees	-	-	-	136,114
Other revenue	397,839	-	397,839	97,442
Net assets released from restrictions	549,292,481	(549,292,481)	-	-
Total revenues and support	569,227,890	(35,443,066)	533,784,824	522,008,494
Expenses				
Program services:				
Florida Tax Credit Scholarship Program	541,915,225	-	541,915,225	422,648,470
Alabama Opportunity Scholarship Program	12,492,497	-	12,492,497	12,184,450
Communications, Policy and Public Affairs	3,389,070	-	3,389,070	2,168,294
Gardiner Scholarship Program	2,688,107	-	2,688,107	1,652,036
School Development and Student Learning	1,581,306	-	1,581,306	1,676,271
Family and Community Affairs	142,578	-	142,578	728,638
Total program services	562,208,783	-	562,208,783	441,058,159
Supporting services:				
General and administrative	3,694,165	-	3,694,165	3,307,989
Development and fundraising	2,139,326	-	2,139,326	1,783,301
Total supporting services	5,833,491	-	5,833,491	5,091,290
Total expenses	568,042,274	-	568,042,274	446,149,449
Change in net assets	1,185,616	(35,443,066)	(34,257,450)	75,859,045
Net Assets				
Beginning	3,924,578	510,979,232	514,903,810	439,044,765
Ending	\$ 5,110,194	\$ 475,536,166	\$ 480,646,360	\$ 514,903,810

See notes to consolidated financial statements.

Step Up For Students, Inc. and Subsidiary

Consolidated Statement of Functional Expenses
 Year Ended June 30, 2017
 (With Summarized Comparative Information for June 30, 2016)

	2017										Total 2016 Expenses
	Program Services					Supporting Services					
	Florida Tax Credit Scholarship Program	Alabama Opportunity Scholarship Program	Communications, Policy and Public Affairs	Gardner Scholarship Program	School Development and Student Learning	Family and Community Affairs	Total Program Services	General and Administrative	Development and Fundraising	Total Expenses	
Scholarships and grants	\$ 536,440,938	\$ 12,015,070	\$ -	\$ -	\$ -	\$ -	\$ 548,456,006	\$ -	\$ -	\$ 548,456,006	\$ 429,479,201
Salaries and wages	3,026,388	161,585	1,914,731	1,876,975	917,691	57,476	7,954,846	2,179,777	1,213,372	11,347,995	9,166,476
Payroll taxes and employee benefits	837,108	22,514	442,004	407,587	243,311	17,556	1,970,080	515,612	276,431	2,762,123	1,925,976
Rent	268,340	36,878	123,317	76,964	56,755	-	582,254	142,427	72,763	777,444	668,483
Contract services	55,388	145,431	250,692	39,668	106,466	800	598,445	102,417	53,385	754,247	452,556
Travel, lodging and meals	35,447	33,549	137,037	12,499	93,148	55,337	367,017	120,991	114,967	602,975	577,965
Other costs	92,677	16,607	117,260	26,771	51,332	2,577	307,024	72,382	185,829	565,235	426,395
Recruiting and advertising	123,914	37,250	56,108	92,757	1,572	-	310,601	17,997	33,182	351,780	565,985
Telephone	185,044	5,567	46,550	19,844	25,218	3,584	285,807	35,163	35,605	366,575	288,621
Temporary labor	303,242	-	-	-	-	-	303,242	-	-	303,242	552,183
Professional fees	15,759	-	61,276	3,349	2,688	-	83,072	178,372	3,290	264,734	288,343
Insurance	93,340	2,014	42,895	33,941	19,742	1,259	193,191	44,065	25,784	263,040	238,637
Depreciation	88,135	1,068	40,504	42,073	18,641	668	191,089	42,087	23,826	257,002	292,866
Bank charges and fees	136,200	-	282	5	130	-	136,617	103,431	161	240,209	290,210
Printing and postage	15,039	9,149	71,738	3,928	17,830	2,023	119,707	52,030	52,364	224,101	182,506
Repairs and maintenance	68,381	1,622	33,954	24,565	13,417	-	141,939	53,874	26,460	222,263	171,550
Office expenses	61,316	2,793	51,722	17,860	13,365	1,298	148,364	33,540	21,917	203,811	210,065
Write-off of school receivables	68,671	1,500	-	-	-	-	70,171	-	-	70,171	252,363
Loss on disposal of property and equipment	-	-	-	-	-	-	-	-	-	-	98,968
Total	\$ 541,915,225	\$ 12,492,487	\$ 3,389,070	\$ 2,688,107	\$ 1,561,306	\$ 142,578	\$ 562,208,783	\$ 3,694,165	\$ 2,139,326	\$ 568,042,274	\$ 446,149,449

See notes to consolidated financial statements.

Step Up For Students, Inc. and Subsidiary

Consolidated Statement of Cash Flows

Year Ended June 30, 2017

(With Summarized Comparative Information for June 30, 2016)

	2017	2016
Cash Flows From Operating Activities		
Change in net assets	\$ (34,257,450)	\$ 75,859,045
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation	257,002	292,866
Provision for uncollectible pledges	5,207,177	4,374,074
Write-off of school receivables	70,171	252,363
Loss on disposal of property and equipment	9,321	98,868
Change in operating assets and liabilities:		
(Increase) decrease in assets:		
Pledges receivable	22,643,803	(62,278,981)
Accounts and grants receivable	(682,530)	48,232
Prepaid expenses and other assets	(89,164)	(261,063)
Funds held in trust for students	(9,500,839)	(17,766,356)
Increase (decrease) in liabilities:		
Accounts payable	(286,969)	259,677
Accrued expenses	391,364	141,841
Deferred revenue	-	(138,318)
Funds held in trust for students liability	9,500,839	17,766,356
Net cash (used in) provided by operating activities	(6,737,275)	18,648,604
Cash Flows From Investing Activities		
Purchases of property and equipment	(1,115,779)	(293,568)
Net cash used in investing activities	(1,115,779)	(293,568)
Net (decrease) increase in cash and cash equivalents	(7,853,054)	18,355,036
Cash and Cash Equivalents		
Beginning	49,756,813	31,401,777
Ending	\$ 41,903,759	\$ 49,756,813

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, 2016)

Note 1. Nature of Organization and Significant Accounting Policies

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

Step Up For Students, Inc. (Step Up For Students) is a not-for-profit organization incorporated on February 18, 2000. Through the Florida Tax Credit Scholarship program, Step Up For Students served 101,869 and 77,692 students in 1,730 and 1,596 private schools across Florida during the 2016 – 2017 and 2015 – 2016 school years, respectively.

Additionally, Step Up For Students administers the Gardiner Scholarship Program (previously known as the Personal Learning Scholarship Accounts Program). The Gardiner Scholarship Program was created to provide the option for parents to better meet the individual educational needs of an eligible child. The Gardiner Scholarship Program provides eligible students a scholarship that can be used to purchase approved services or products. During the years ended June 30, 2017 and 2016, Step Up For Students administered the program on behalf of the State of Florida for 7,593 and 4,916 eligible children, respectively.

The Alabama Opportunity Scholarship Fund, LLC (Alabama Opportunity Scholarship Fund) is a not-for-profit limited liability company established on October 4, 2013, whose sole member is Step Up For Students. The Alabama Opportunity Scholarship Fund was formed to help implement the Alabama Accountability Act of 2013. Through the Alabama Opportunity Scholarship Fund K-12 scholarship program, approximately 2,141 and 2,130 children received scholarships to attend private schools for the 2016 – 2017 and 2015 – 2016 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 2016 – 2017 school year and the 2015 – 2016 school year, qualified students received a maximum scholarship of \$5,886 and \$5,677, 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, 2016)

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.
- **Gardiner Scholarship 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 Gardiner 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.

Step Up For Students, per the provisions of state statute, receives an administrative fee of 3% of funded scholarships from the State of Florida to cover the administration of the program on behalf of the State of Florida. During the years ended June 30, 2017 and 2016, Step Up For Students received an administrative fee for administering the program on behalf of the State of Florida in the amount of approximately \$2,064,000 and \$1,451,000, respectively.

During the years ended June 30, 2017 and 2016, Step Up For Students distributed approximately \$58.7 million and \$29.1 million, leaving a balance of approximately \$36.2 million and \$26.7 million, respectively, which is recorded in the accompanying consolidated statement of financial position as both an asset and liability. Step Up For Students is acting as an agent for this program, therefore, there are no revenues and expenses reported on the accompanying statement of activities for scholarship funds received and distributed from the State of Florida.

Step Up For Students, Inc. and Subsidiary

Notes to Consolidated Financial Statements

(With Summarized Comparative Information as of or for Year Ended June 30, 2016)

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

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

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

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

Comparative financial statements: The consolidated financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's consolidated financial statements for the year ended June 30, 2016, from which the summarized information was derived.

Use of estimates: The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and support, and expenses during the reporting period. Actual results could differ from those estimates.

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

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

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

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

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

Step Up For Students, Inc. and Subsidiary

Notes to Consolidated Financial Statements

(With Summarized Comparative Information as of or for Year Ended June 30, 2016)

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

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

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

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

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

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

Contributed services are recognized and reported at fair value in the period received, if the services received create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by contribution. There were no contributed services for the years ended June 30, 2017 and 2016.

Accounts and grants receivable: Accounts and grants receivable are stated at net realizable value. The Organization uses the allowance method to determine uncollectible accounts receivable. The allowance is established based upon management's analysis of specific accounts and other economic factors. In the opinion of management, an allowance for uncollectible accounts of \$246,429 and \$237,719 was considered necessary at June 30, 2017 and 2016, respectively.

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

Step Up For Students, Inc. and Subsidiary

Notes to Consolidated Financial Statements (With Summarized Comparative Information as of or for Year Ended June 30, 2016)

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

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

Impairment of long-lived assets: The carrying value of property and equipment is reviewed for impairment whenever events or changes in circumstances indicate such value may not be recoverable. Recoverability of assets or asset groups to be held and used is measured by a comparison of the carrying amount of an asset or asset group to future net cash flows expected to be generated by the asset or asset group. If such assets or asset groups are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets or asset group. Assets or asset groups to be disposed of are reported at the lower of the carrying amount or fair value less cost to sell. No impairment of the Organization's long-lived assets or asset groups have been recognized during the years ended June 30, 2017 and 2016.

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 Gardiner Scholarship Program. A Gardiner Scholarship account is established for each child that is awarded a special needs scholarship. As parents use these funds in accordance with State of Florida guidelines, the asset and liability are reduced accordingly.

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

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

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

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

Step Up For Students, Inc. and Subsidiary

Notes to Consolidated Financial Statements (With Summarized Comparative Information as of or for Year Ended June 30, 2016)

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

The Organization follows accounting standards relating to accounting for uncertainty in income taxes. Management assessed whether there were any uncertain tax positions which may give rise to income tax liabilities and determined that there were no such matters requiring recognition in the accompanying consolidated financial statements. Generally, the Organization is no longer subject to U.S. federal or state income tax examinations by tax authorities for years before June 30, 2014.

Recent accounting pronouncements: In February 2016, the Financial Accounting Standards Board (FASB) issued its new lease accounting guidance in Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)*. Under the new guidance, lessees will be required to recognize the following for all leases (with the exception of short-term leases) at the commencement date: (1) A lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis; and (2) A right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. Lessees will no longer be provided with a source of off-balance sheet financing. Lessees must apply a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. Nonpublic entities should apply the amendments for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. Early application is permitted. The Organization is currently evaluating the impact this ASU will have on the Organization's consolidated financial statements.

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

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

Subsequent events: Management has assessed subsequent events through October 31, 2017, the date the consolidated financial statements were available to be issued.

Step Up For Students, Inc. and Subsidiary

Notes to Consolidated Financial Statements

(With Summarized Comparative Information as of or for Year Ended June 30, 2016)

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, 2017, Step Up For Students collected \$548,818,096 of eligible contributions. Step Up For Students claimed an administrative allowance of \$16,464,543 and expended \$536,440,936 for scholarships during the year ended June 30, 2017. During the year ended June 30, 2016, Step Up For Students collected \$454,389,285 of eligible contributions. Step Up For Students claimed an administrative allowance of \$13,631,679 and expended \$417,696,212 for scholarships during the year ended June 30, 2016.

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 2016 – 2017 and 2015 – 2016 school years could not exceed \$5,886 and \$5,677, 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, 2017, the Alabama Opportunity Scholarship Fund collected \$8,832,356 of eligible contributions. The Alabama Opportunity Scholarship Fund claimed an administrative allowance of \$441,843 and expended \$12,015,070 for scholarships during the year ended June 30, 2017. During the year ended June 30, 2016, the Alabama Opportunity Scholarship Fund collected \$5,999,909 of eligible contributions. The Alabama Opportunity Scholarship Fund claimed an administrative allowance of \$317,551 and expended \$11,757,389 for scholarships during the year ended June 30, 2016.

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

Step Up For Students, Inc. and Subsidiary**Notes to Consolidated Financial Statements****(With Summarized Comparative Information as of or for Year Ended June 30, 2016)****Note 3. Property and Equipment**

Property and equipment consisted of the following at June 30:

	2017	2016
Furniture and equipment	\$ 1,329,889	\$ 1,085,511
Software	1,576,622	809,491
Leasehold improvements	58,625	55,219
	<u>2,965,136</u>	<u>1,950,221</u>
Less accumulated depreciation	(1,552,144)	(1,386,685)
	<u>\$ 1,412,992</u>	<u>\$ 563,536</u>

Depreciation expense for the years ended June 30, 2017 and 2016, was \$257,002 and \$292,866, respectively.

Note 4. Line of Credit

In September 2016, Step Up For Students entered into a \$32,000,000 line of credit agreement with a bank bearing interest at the one-month LIBOR interest rate plus 1.5% (2.56% at June 30, 2017). Interest on the line of credit is payable monthly and matures on August 30, 2018. The line of credit is collateralized by substantially all the assets of Step Up For Students. There was no outstanding balance on the line of credit at June 30, 2017.

Note 5. Temporarily Restricted Net Assets

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

	2017	2016
Florida Tax Credit Scholarship Program	\$ 472,385,063	\$ 503,986,278
Alabama Opportunity Scholarship Program	2,669,334	6,293,904
Communications, Policy and Public Affairs	481,769	699,050
	<u>\$ 475,536,166</u>	<u>\$ 510,979,232</u>

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

	2017	2016
Florida Tax Credit Scholarship Program	\$ 536,518,688	\$ 417,957,938
Alabama Opportunity Scholarship Program	12,546,988	12,561,277
Communications, Policy and Public Affairs	226,805	22,832
	<u>\$ 549,292,481</u>	<u>\$ 430,542,047</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, 2016)**

Note 6. 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, 2017 and 2016, was \$777,444 and \$668,483, respectively.

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

Years Ending June 30:	Amount
2018	\$ 732,535
2019	747,969
2020	532,723
2021	18,240
	<u>\$ 2,031,467</u>

Note 7. Major Donors

Step Up For Students: Contributions from two major donors accounted for approximately 41.2% of contributions and grants – Florida Tax Credit Scholarship Program during the year ended June 30, 2017. At June 30, 2017, approximately 47.4% of pledges receivable are due from these major donors. Contributions from three major donors accounted for approximately 46.5% of contributions and grants – Florida Tax Credit Scholarship Program during the year ended June 30, 2016. At June 30, 2016, approximately 49.1% of pledges receivable are due from these major donors.

Alabama Opportunity Scholarship Fund: Contributions from two major donors accounted for approximately 59.4% of contributions and grants – Alabama Opportunity Scholarship Program during the year ended June 30, 2017. Contributions from three major donors accounted for approximately 61.3% of contributions and grants – Alabama Opportunity Scholarship Program during the year ended June 30, 2016.

Note 8. Retirement Plan

The Organization has a defined contribution 401(k) Savings Plan (the Plan). All employees who meet certain age and service requirements are eligible to participate in the Plan. The Plan provides for salary reduction contributions from employees up to the federal tax limit according to the Internal Revenue Code. In addition, there could be additional retirement benefits from discretionary employer contributions. Contributions to this Plan for the years ended June 30, 2017 and 2016, were \$479,985 and \$350,393, 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

Consolidating Statement of Financial Position
June 30, 2017

	Step Up For Students	Alabama Opportunity Scholarship Fund	Eliminations	Consolidated
Assets				
Current Assets				
Cash and cash equivalents	\$ 41,063,768	\$ 839,991	\$ -	\$ 41,903,759
Pledges receivable, net	435,135,533	1,512,000	-	436,647,533
Accounts and grants receivable, net	1,255,195	337,596	-	1,592,791
Prepaid expenses and other assets	546,806	32,406	-	579,212
Funds held in trust for students	36,231,019	-	-	36,231,019
Due from related party	-	79	(79)	-
Total current assets	514,232,321	2,722,072	(79)	516,954,314
Restricted Certificate of Deposit	225,000	-	-	225,000
Property and Equipment, Net	1,407,285	5,707	-	1,412,992
Total assets	\$ 515,864,606	\$ 2,727,779	\$ (79)	\$ 518,592,306
Liabilities and Net Assets				
Current Liabilities				
Accounts payable	\$ 140,765	\$ -	\$ -	\$ 140,765
Accrued expenses	1,516,786	57,376	-	1,574,162
Funds held in trust for students liability	36,231,019	-	-	36,231,019
Due to related party	79	-	(79)	-
Total current liabilities	37,888,649	57,376	(79)	37,945,946
Net Assets				
Unrestricted	5,109,125	1,069	-	5,110,194
Temporarily restricted	472,866,832	2,669,334	-	475,536,166
Total net assets	477,975,957	2,670,403	-	480,646,360
Total liabilities and net assets	\$ 515,864,606	\$ 2,727,779	\$ (79)	\$ 518,592,306

Step Up For Students, Inc. and Subsidiary

Consolidating Statement of Activities
Year Ended June 30, 2017

	Step Up For Students			Alabama Opportunity Scholarship Fund			Consolidated
	Unrestricted	Temporarily		Unrestricted	Temporarily		
		Restricted	Total		Restricted	Total	
Revenues and Support							
Contributions and grants:							
Florida Tax Credit Scholarship Program	\$ 16,464,543	\$ 504,917,473	\$ 521,382,016	\$ -	\$ -	\$ -	\$ 521,382,016
Alabama Opportunity Scholarship Program	-	-	-	441,843	7,975,013	8,416,856	8,416,856
Gardiner Scholarship Program	2,064,477	-	2,064,477	-	-	-	2,064,477
Grants and other contributions	564,387	9,524	573,911	2,320	947,405	949,725	1,523,636
Other revenue	397,775	-	397,775	64	-	64	397,839
Net assets released from restrictions	536,745,493	(536,745,493)	-	12,546,988	(12,546,988)	-	-
Total revenues and support	556,236,675	(31,818,496)	524,418,179	12,991,215	(3,624,570)	9,366,645	533,784,824
Expenses							
Program services:							
Florida Tax Credit Scholarship Program	541,915,225	-	541,915,225	-	-	-	541,915,225
Alabama Opportunity Scholarship Program	-	-	-	12,492,497	-	12,492,497	12,492,497
Communications, Policy and Public Affairs	3,288,203	-	3,288,203	100,867	-	100,867	3,389,070
Gardiner Scholarship Program	2,688,107	-	2,688,107	-	-	-	2,688,107
School Development and Student Learning	1,581,306	-	1,581,306	-	-	-	1,581,306
Family and Community Affairs	-	-	-	142,578	-	142,578	142,578
Total program services	549,472,841	-	549,472,841	12,735,942	-	12,735,942	562,208,783
Supporting services:							
General and administrative	3,581,075	-	3,581,075	113,090	-	113,090	3,694,165
Development and fundraising	2,016,945	-	2,016,945	122,381	-	122,381	2,139,326
Total supporting services	5,598,020	-	5,598,020	235,471	-	235,471	5,833,491
Total expenses	555,070,861	-	555,070,861	12,971,413	-	12,971,413	568,042,274
Change in net assets	1,165,814	(31,818,496)	(30,652,682)	19,802	(3,624,570)	(3,604,768)	(34,257,450)
Net Assets							
Beginning	3,943,311	504,685,328	508,628,639	(18,733)	6,293,904	6,275,171	514,903,810
Ending	\$ 5,109,125	\$ 472,866,832	\$ 477,975,957	\$ 1,069	\$ 2,669,334	\$ 2,670,403	\$ 480,646,360

Step Up For Students, Inc. and Subsidiary

**Schedule of Expenditures of State Financial Assistance
Year Ended June 30, 2017**

Grantor/Program Title	State CSFA Number	Contract/ Grant Number	State Expenditures
State Financial Assistance			
Florida Department of Education and Commissioner of Education: Gardiner Scholarship Program	48.113	92X-90025-7D001	<u>\$ 60,731,295</u>
Total expenditures of state financial assistance			<u><u>\$ 60,731,295</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, 2017**

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, 2017. The information in this Schedule is presented in accordance with the requirements of the State of Florida Chapter 10.650, *Rules of the Auditor General*. Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Organization.

Note 2. Summary of Significant Accounting Policies

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

Step Up For Students is acting as an agent for this program, therefore, there are no revenues and expenses reported on the accompanying statement of activities for scholarship funds received and distributed from the State of Florida. The expenditures reported as state financial assistance on the Schedule represent amounts distributed for reimbursement of program-related educational expenditures on behalf of eligible children which totaled \$58,666,818 and \$2,064,477 received from the State of Florida which was used to pay administrative expenses for the administration of the program on behalf of the State of Florida.



RSM US LLP

**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, 2017, 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 31, 2017.

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*.

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

Purpose of This Report

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

RSM US LLP

Orlando, Florida
October 31, 2017

Report on Internal Control Over Compliance

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

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

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

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

RSM US LLP

Orlando, Florida
October 31, 2017

Step Up For Students, Inc. and Subsidiary

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2017**

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 program:		
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 program:		Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section 10.654(1)(h)(1)(f), <i>Rules of the Auditor General</i> ?	<u> </u> Yes	<u> X </u> No

Identification of major program:

<u>CSFA Number(s)</u>	<u>Name of State Financial Assistance Project</u>
48.113	Gardiner Scholarship Program

Dollar threshold used to distinguish between type A and type B state financial assistance projects:	<u>\$ 1,821,939</u>
---	---------------------

II. Financial Statement Findings

No matters to report.

III. Findings and Questioned Costs for State Financial Assistance

No matters to report.

IV. Other Reporting

1. No Summary Schedule of Prior Audit Findings is presented because there were no prior audit findings related to state financial assistance projects.
2. No Corrective Action Plan is presented because there were no findings required to be reported under the Florida Single Audit Act.
3. There was no management letter or control deficiency letter issued for the year ended June 30, 2017, and there were no matters required to be reported in these letters.

Step Up For Students

Annual Report for the Year Ending June 30, 2018

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

Step Up For Students
Number of Student Who Completed Applications
2017-2018

County	Kindergarten	First	Second	Third	Fourth	Fifth	Sixth	Seventh	Eighth	Ninth	Tenth	Eleventh	Twelfth	Grand Total
Alachua	248	194	187	175	190	154	149	137	126	100	64	80	56	1860
Baker	22	17	10	17	14	13	9	9	9	3	7	2	3	135
Bay	37	25	18	23	24	25	21	23	16	14	12	9	7	254
Bradford	43	40	32	42	29	27	39	34	25	21	18	9	8	367
Brevard	635	491	405	430	441	370	393	304	282	240	191	167	148	4497
Broward	2272	1864	1650	1627	1628	1465	1548	1255	1090	1019	807	715	558	17498
Calhoun	3	2	2	3	2	3	1	3	4			1		24
Charlotte	96	65	56	68	60	59	58	40	39	29	27	22	16	635
Citrus	100	71	74	85	87	77	71	52	52	51	33	28	19	800
Clay	146	130	115	114	103	83	82	88	69	60	48	42	32	1112
Collier	95	77	84	78	75	70	62	62	57	40	39	32	25	796
Columbia	90	54	54	79	70	56	57	52	45	53	31	23	19	683
Dade	5288	4244	3958	3858	3752	3348	3337	2870	2412	2251	1851	1491	1234	39894
DeSoto	23	17	12	13	12	12	13	10	8	12	7	7	2	148
Dixie	21	7	10	11	17	15	8	10	10	5	10	9	1	134
Duval	1840	1474	1259	1344	1299	1112	1186	995	894	803	613	520	458	13797
Escambia	339	307	252	285	245	222	232	218	153	167	128	102	94	2744
Flagler	110	72	66	67	71	55	57	49	40	49	33	26	27	722
Franklin	11	8	7	8	6	6	5	6	9	3	5	2	3	79
Gadsden	115	86	75	86	69	73	68	59	55	48	38	36	35	843
Gilchrist	6	5	8	6	4	10	11	7	10	12	6	2	3	90
Glades	6	3	3	7	7	4	1	9	4	3	5	1	1	54
Gulf	7	6	4	4	7	5	5	3	4	6	2	1	1	55
Hamilton	28	16	23	15	15	21	17	14	8	13	8	8	7	193
Hardee	10	10	12	7	7	5	12	5	5	8	3	1	5	90
Hendry	54	27	30	29	29	21	26	31	17	20	17	12	16	329
Hernando	153	97	121	120	116	90	95	92	77	61	44	41	31	1138
Highlands	124	87	66	69	80	63	73	51	63	50	47	35	14	822
Hillsborough	1063	868	810	823	743	678	664	533	530	451	374	332	278	8147
Holmes	5	3	3	1	4	2	3	3	4	1			2	31
Indian River	79	71	68	47	62	33	50	39	30	32	17	9	16	553
Jackson	26	23	20	20	15	11	25	15	13	15	5	15	9	212

Step Up For Students
Number of Student Who Completed Applications
2017-2018

County	Kindergarten	First	Second	Third	Fourth	Fifth	Sixth	Seventh	Eighth	Ninth	Tenth	Eleventh	Twelfth	Grand Total
Jefferson	18	15	23	16	21	14	13	8	8	9	4	5	5	159
Lafayette	11	7	2	4	8	3	9	3	5	3	4	4	3	62
Lake	387	323	263	254	228	241	230	208	173	145	126	103	81	2762
Lee	266	240	203	216	190	182	191	150	110	107	79	77	74	2085
Leon	250	221	201	182	172	152	170	128	132	102	74	64	58	1906
Levy	29	31	31	37	18	32	22	28	29	21	7	11	11	307
Liberty	1	1			3	1	1	1	1	1	1			9
Madison	14	14	10	11	8	8	13	7	10	5	4	3	3	110
Manatee	143	121	109	138	127	95	124	105	82	77	59	44	43	1267
Marion	395	333	320	270	280	266	267	210	184	172	127	119	116	3059
Martin	63	54	47	47	44	41	47	30	45	27	29	21	13	508
Monroe	33	28	28	19	23	27	23	11	15	19	15	7	13	261
Nassau	56	46	39	35	39	51	44	27	24	20	18	16	8	423
Okaloosa	104	110	81	84	81	75	63	51	40	44	37	35	20	825
Okeechobee	43	30	34	26	31	30	21	23	15	13	11	9	10	296
Orange	2513	1997	1721	1844	1724	1666	1628	1312	1157	1114	879	711	612	18878
Osceola	742	638	561	531	577	494	501	415	348	378	252	222	198	5857
Palm Beach	759	676	579	616	534	510	534	378	360	352	285	229	205	6017
Pasco	293	239	239	208	221	206	208	163	119	134	105	90	69	2294
Pinellas	839	681	590	581	612	514	507	432	379	344	284	245	219	6227
Polk	750	650	546	561	528	444	445	348	353	329	240	219	167	5580
Putnam	93	76	61	55	51	51	53	41	40	46	40	22	18	647
Santa Rosa	57	52	45	40	43	31	35	27	31	31	19	12	24	447
Sarasota	142	109	98	102	106	87	101	73	77	70	48	34	33	1080
Seminole	389	327	272	249	291	245	262	210	193	193	117	115	77	2940
St. Johns	111	77	82	75	55	68	72	69	51	53	30	28	25	796
St. Lucie	422	309	271	283	269	238	233	213	186	181	138	101	90	2934
Sumter	23	30	20	20	14	14	19	17	17	11	6	3	7	201
Suwannee	71	62	42	50	56	47	54	46	28	19	29	19	25	548
Taylor	17	19	18	16	19	14	21	11	19	8	9	7	7	185
Union	11	7	7	3	9	6	7	4	7	3	4	4	3	75
Volusia	797	654	539	543	537	516	486	417	366	329	272	237	191	5884

Step Up For Students
Number of Student Who Completed Applications
2017-2018

County	Kindergarten	First	Second	Third	Fourth	Fifth	Sixth	Seventh	Eighth	Ninth	Tenth	Eleventh	Twelfth	Grand Total
Wakulla	20	21	19	16	18	18	13	13	3	10	10	7	3	171
Walton	24	17	10	15	7	9	12	6	5	7	2	1	3	118
Washington	25	21	22	18	13	20	15	9	11	5	9	6	7	181
Grand Total	23006	18697	16627	16726	16237	14606	14822	12272	10782	10022	7863	6606	5569	173835

**Step Up For Students
Number of Students Who Were Approved
2017-18**

County	Kindergarten	First	Second	Third	Fourth	Fifth	Sixth	Seventh	Eighth	Ninth	Tenth	Eleventh	Twelfth	Grand Total
Alachua	161	172	129	139	119	135	126	116	83	94	73	53	42	1442
Baker	12	6	11	10	15	12	12	8	4	7	7	6	4	114
Bay	26	30	31	24	19	22	21	16	16	13	13	9	9	249
Bradford	27	29	24	32	31	27	29	17	15	10	13	9	14	277
Brevard	433	334	348	337	290	294	246	248	230	191	129	131	111	3322
Broward	1639	1433	1238	1324	1267	1148	1096	945	851	740	582	504	444	13211
Calhoun	2	2	1	2	2	2	2	2	2	2	2	1	1	6
Charlotte	60	66	44	42	28	52	43	30	24	31	21	16	22	479
Citrus	85	69	62	51	59	51	61	34	25	37	26	14	16	590
Clay	108	90	70	74	88	61	61	66	56	53	47	32	20	826
Collier	75	58	55	56	62	63	48	47	25	35	16	19	22	581
Columbia	67	72	52	50	55	53	50	34	38	30	21	19	20	561
Dade	3704	3322	2921	3011	2911	2610	2592	2234	1893	1703	1368	1178	968	30415
DeSoto	17	10	15	14	14	14	17	13	10	16	7	4	10	161
Dixie	18	12	5	8	12	11	11	14	4	2	5	3	5	110
Duval	1311	1108	1018	1019	1036	863	903	773	643	603	514	385	367	10543
Escambia	253	263	217	210	201	173	168	145	134	111	100	68	60	2103
Flagler	77	73	57	61	55	55	52	54	45	30	27	16	17	619
Franklin	11	6	5	3	6	1	9	4	5	1	2	4	2	59
Gadsden	86	65	74	71	62	66	47	53	43	42	27	23	15	674
Gilchrist	3	10	5	9	7	6	4	5	4	3	1	2	2	59
Glades	4	8	6	5	5	7	5	2	4	5	3	1	1	56
Gulf	4	4	2	2	3	1	4	1	1	2	2	2	4	29
Hamilton	17	17	15	15	9	18	9	7	8	9	12	3	5	144
Hardee	9	3	4	5	8	5	9	4	3	4	3	3	5	65
Hendry	40	44	20	37	24	18	20	26	21	11	9	14	6	290
Hernando	100	86	77	86	82	75	64	63	58	47	45	28	35	846
Highlands	81	68	68	57	73	50	50	45	37	36	34	20	14	633
Hillsborough	793	673	596	627	586	545	521	429	396	358	268	237	197	6226
Holmes	2	2	2	4	6	3	5	2	2	4	4	1	1	31
Indian River	48	49	42	47	49	54	48	41	40	37	25	25	21	526
Jackson	20	18	9	15	14	9	10	7	10	5	2	3	1	123

**Step Up For Students
Number of Students Who Were Approved
2017-18**

County	Kindergarten	First	Second	Third	Fourth	Fifth	Sixth	Seventh	Eighth	Ninth	Tenth	Eleventh	Twelfth	Grand Total
Jefferson	20	12	18	18	13	12	7	15	10	7	3	4	2	141
Lafayette	4	9	5	7	5	4	4	5	1	5	3	3	1	56
Lake	258	240	215	204	202	157	187	141	128	115	85	75	70	2077
Lee	177	176	166	148	154	125	126	100	111	86	80	58	46	1553
Leon	190	177	132	132	160	130	116	99	94	81	51	51	45	1458
Levy	27	39	23	24	23	21	22	16	17	19	13	9	9	262
Liberty	1		1			1			1		1			5
Madison	14	11	6	8	6	7	5	10	4	7	4	3	6	91
Manatee	104	87	86	87	87	70	71	57	62	49	41	29	24	854
Marion	293	290	251	241	214	184	200	168	169	124	88	98	72	2392
Martin	44	40	44	36	37	27	36	33	26	23	17	12	9	384
Monroe	18	23	20	14	21	18	18	11	13	13	22	6	7	204
Nassau	41	38	32	18	29	19	24	21	22	23	15	7	8	297
Okaloosa	68	62	64	72	55	56	57	42	47	42	30	27	21	643
Okechobee	19	28	18	26	13	13	15	9	16	17	10	9	10	203
Orange	1684	1574	1439	1378	1370	1217	1239	1003	960	763	672	560	479	14338
Osceola	568	481	445	414	438	396	359	328	285	254	182	176	151	4477
Palm Beach	554	487	462	435	430	407	381	318	265	245	207	174	150	4515
Pasco	233	197	191	164	176	152	127	113	114	102	69	63	55	1756
Pinellas	583	521	464	462	451	421	406	354	289	259	209	168	161	4748
Polk	489	464	429	429	410	358	375	274	264	236	182	173	152	4235
Putnam	52	52	38	58	37	42	40	34	29	25	22	21	19	469
Santa Rosa	40	38	38	40	39	29	32	27	17	18	18	21	8	365
Sarasota	100	95	92	63	65	72	59	47	49	38	45	31	25	781
Seminole	275	242	233	267	215	202	212	183	149	125	123	87	87	2400
St. Johns	60	61	52	69	60	47	40	37	27	34	24	22	20	553
St. Lucie	241	233	214	219	185	175	181	148	148	128	96	63	67	2098
Sumter	18	27	12	16	12	10	14	14	11	10	7	1	4	156
Suwannee	47	49	34	32	46	29	38	37	23	16	16	8	12	387
Taylor	16	7	12	17	13	11	11	7	10	6	7	1	4	122
Union	10	7	6	6	5	4	1	3	2	3	3	4	2	53
Volusia	561	501	445	423	428	391	375	360	284	254	215	163	146	4546

Step Up For Students
Number of Students Who Were Approved
2017-18

County	Kindergarten	First	Second	Third	Fourth	Fifth	Sixth	Seventh	Eighth	Ninth	Tenth	Eleventh	Twelfth	Grand Total
Wakulla	17	19	10	18	16	12	8	13	6	10	4	3	4	140
Walton	17	14	9	12	8	13	9	10	8	4	2	7	4	117
Washington	14	20	16	10	14	11	9	9	6	1	5	2	4	121
Grand Total	16150	14521	12945	13012	12635	11345	11145	9528	8393	7412	5968	4972	4341	132367

Step Up For Students
Number of Students Who Received Scholarship Funding
2017-18

County	Kindergarten	First	Second	Third	Fourth	Fifth	Sixth	Seventh	Eighth	Ninth	Tenth	Eleventh	Twelfth	Grand Total
Alachua	95	95	92	102	73	84	57	63	47	40	30	33	24	835
Baker	6	8	3	10	12	10	10	7	11	11	6	4	2	100
Bay	17	22	16	26	23	14	14	18	9	6	6	1	8	180
Bradford	18	17	21	21	15	20	21	14	15	17	17	11	5	212
Brevard	297	278	249	267	250	242	248	214	178	130	113	90	80	2,636
Broward	1,245	1,220	1,034	996	939	829	806	668	597	539	426	362	323	9,984
Calhoun	1	1	1	1	1	1	1	1	1	1	1	1	1	3
Charlotte	46	44	50	39	51	48	36	49	37	15	16	13	13	457
Citrus	63	69	53	65	62	52	50	44	41	41	25	19	13	597
Clay	65	47	55	53	64	53	57	45	47	34	32	20	24	596
Collier	44	46	58	57	58	41	34	34	29	26	19	16	12	474
Columbia	44	48	40	50	42	43	59	38	33	29	23	24	16	489
DeSoto	12	13	16	9	16	18	8	6	8	6	6	7	3	128
Dixie	3	6	4	9	5	6	7	6	7	8	4	2	4	71
Duval	843	784	769	762	745	723	701	641	584	439	377	325	238	7,931
Escambia	203	209	200	206	196	172	166	154	124	95	68	74	47	1,914
Flagler	59	50	44	41	50	57	50	36	34	16	22	15	19	493
Franklin	5	4	7	4	4	3	2	1	3	3	2	1	1	36
Gadsden	25	31	31	42	50	40	35	31	24	35	32	35	20	431
Gilchrist	8	5	4	7	6	5	6	4	4	8	6	3	4	69
Glades	1	3	2	3	6	2	1	2	4	4	1		2	27
Gulf	4	6	5	4	9	5	3	3	2	2				41
Hamilton	9	7	6	14	11	4	7	11	12	2	8	2	5	98
Hardee	6	8	4	4	7	4	4							37
Hendry	16	25	19	22	19	20	23	24	20	18	8	8	2	224
Hernando	74	100	84	95	76	94	88	79	77	53	37	34	29	920
Highlands	69	67	65	72	65	60	60	44	30	22	11	12	4	581
Hillsborough	489	520	441	511	480	476	480	387	346	325	292	191	166	5,104
Holmes	3	3	1	2	3	2	2	2	2	2	5	1	1	27
Indian River	34	39	39	43	42	38	40	33	16	18	10	11	5	368
Jackson	24	12	12	16	19	17	14	15	12	6	1	4		152
Jefferson	6	4	8	8	9	4	10	2	5	8	5	4	5	78
Lafayette	4	4	3	4	11		2	8	4	7	2	1	3	53
Lake	186	165	174	168	170	140	166	145	125	95	88	79	47	1,748
Lee	141	142	143	126	107	118	102	80	71	68	57	54	25	1,234
Leon	88	82	72	70	60	53	53	53	45	36	22	24	22	680
Levy	22	25	17	19	26	25	26	16	10	17	9	3	6	221
Liberty			1	1	1	1	1	1	1	1	1	1	1	5

Step Up For Students
Number of Students Who Received Scholarship Funding
2017-18

County	Kindergarten	First	Second	Third	Fourth	Fifth	Sixth	Seventh	Eighth	Ninth	Tenth	Eleventh	Twelfth	Grand Total
Madison	1	3	4	3	3	2	1	3	1	1				18
Manatee	100	98	92	83	83	91	82	63	58	56	42	37	25	854
Marion	210	222	183	183	199	199	194	199	180	167	103	79	84	2,078
Martin	30	44	38	28	33	33	32	38	34	33	11	11	14	358
Miami-Dade	4,173	3,561	2,944	2,799	2,541	2,185	1,767	1,514	1,311	1,012	846	724	630	26,007
Monroe	11	17	23	16	10	14	10	8	7	7	2	3	1	123
Nassau	28	30	29	23	19	24	22	26	26	15	10	6	4	243
Okaloosa	68	59	76	56	60	52	33	24	24	28	11	13	5	492
Okeechobee	19	16	24	21	16	18	15	15	15	8	3	5	3	164
Orange	1,295	1,181	1,034	1,062	1,039	958	913	799	646	483	389	342	260	10,401
Osceola	368	351	355	400	351	351	367	331	316	238	199	175	133	3,935
Palm Beach	381	334	304	301	337	330	323	266	236	176	134	120	111	3,353
Pasco	184	152	162	159	153	145	130	118	108	93	75	67	42	1,588
Pinellas	372	401	326	372	399	375	389	330	301	195	195	139	141	3,935
Polk	396	418	361	401	394	332	348	309	277	194	188	163	145	3,926
Putnam	39	46	49	50	50	43	42	19	19	17	16	12	14	400
Santa Rosa	44	46	37	40	40	29	38	36	36	23	22	19	14	394
Sarasota	85	65	80	84	58	69	76	47	59	30	36	36	13	721
Seminole	159	182	145	163	155	133	109	96	95	63	64	64	55	1,465
St. Johns	71	73	55	58	54	40	41	34	34	25	24	15	13	511
St. Lucie	269	239	183	192	190	179	169	143	111	100	74	56	39	1,944
Sumter	13	7	7	13	4	12	12	11	11	11	8	7	6	119
Suwannee	39	44	33	41	41	41	35	39	33	33	33	35	17	448
Taylor	18	20	20	22	17	11	21	13	13	15	6	9	5	180
Union	6	4	2	5	7	8	6	3	3	2	1	3	1	51
Volusia	386	364	333	365	339	306	288	263	217	165	138	127	94	3,385
Wakulla	10	5	14	9	8	5	12	9	9	7	5	11	4	105
Walton	4	8	6	9	3	6	6	9	9	2	1	4	2	60
Washington	23	24	16	17	14	19	13	9	9	7	4	4	1	157
Grand Total	13,077	12,222	10,778	10,923	10,391	9,525	8,937	7,718	6,747	5,230	4,397	3,677	3,027	106,649

Step Up For Students
SCHOLARSHIP CASH FLOW

	Fiscal 2018												Total
	July	August	September	October	November	December	January	February	March	April	May	June	
Opening Cash & Cash Equivalents	\$36,186,235	\$71,769,612	\$114,588,370	\$9,349,846	\$60,433,795	\$117,034,189	\$68,170,951	\$116,748,292	\$719,755	\$43,299,796	\$89,445,804	(\$28,290,681)	\$36,186,235
Gross Donations	\$36,067,556	\$43,701,015	\$52,106,356	\$58,470,442	\$57,795,779	\$117,301,888	\$49,572,452	\$48,247,402	\$44,328,181	\$47,892,474	\$22,056,279	\$32,735,925	\$610,275,750
Florida admin allowance	(\$1,082,027)	(\$1,024,242)	(\$1,563,191)	(\$1,754,113)	(\$1,733,873)	(\$1,688,584)	(\$1,487,174)	(\$2,628,369)	(\$1,870,252)	(\$1,832,569)	(\$661,774)	(\$935,852)	(\$18,262,020)
Net Donations	\$34,985,529	\$42,676,773	\$50,543,165	\$56,716,329	\$56,061,905	\$115,613,304	\$48,085,279	\$45,619,033	\$42,457,930	\$46,059,905	\$21,394,505	\$31,800,073	\$592,013,730
Scholarship Payments			(\$156,042,955)	(\$4,435,264)		(\$165,050,479)		(\$162,272,944)			(\$159,705,903)	(\$1,428,814)	(\$648,936,360)
Payments Received from Schools	\$597,847	\$141,985	\$261,266	(\$1,197,116)	\$538,488	\$573,937	\$492,062	\$625,375	\$122,112	\$86,102	\$574,914	\$122,112	\$2,939,084
Line of Credit											\$20,000,000		\$20,000,000
Balance at end of month	\$71,769,612	\$114,588,370	\$9,349,846	\$60,433,795	\$117,034,189	\$68,170,951	\$116,748,292	\$719,755	\$43,299,796	\$89,445,804	(\$28,290,681)	\$2,202,690	\$2,202,690

Additional Information:

An additional 20MM line of credit was available to cover all obligations. \$23MM in donations came in the first week of June and based on historical data it takes 30 days for 90% of checks to clear. May 31st bank balance was \$16.9MM. Cash is monitored all year long and leading up to and after distributions cash is managed closely to ensure all obligations are covered.

Step Up For Students
Detailed Accounting of Administrative Funds

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

Step Up For Students, Inc. and Subsidiary

Consolidated Statement of Functional Expenses

Year Ended June 30, 2017

(With Summarized Comparative Information for June 30, 2016)

	2017										2016
	Program Services					Supporting Services					Total
	Florida Tax Credit Scholarship Program	Alabama Opportunity Scholarship Program	Alabama Communications, Policy and Public Affairs	Guardian Scholarship Program	School Development and Student Learning	Family and Community Affairs	Total Program Services	General and Administrative	Development and Fundraising	Total Expenses	Total 2016 Expenses
Scholarships and grants	\$ 536,140,936	\$ 12,015,070	\$ -	\$ -	\$ -	\$ -	\$ 548,156,006	\$ -	\$ -	\$ 548,156,006	\$ 429,479,201
Salaries and wages	3,126,388	161,585	1,914,731	1,878,975	917,691	57,476	7,954,846	2,179,777	1,215,372	11,347,995	9,166,476
Payroll taxes and employee benefits	837,108	22,514	442,044	407,587	243,311	17,656	1,970,060	515,612	276,431	2,762,123	1,925,976
Rent	368,340	36,876	128,317	76,964	56,755	-	667,252	142,427	72,763	882,442	668,483
Contract services	55,388	145,431	250,632	39,698	106,466	800	598,445	102,417	53,385	754,247	452,556
Travel, lodging and meals	35,447	33,549	137,037	12,499	93,148	55,357	367,617	120,391	114,567	602,575	577,985
Other costs	92,577	16,507	117,269	26,771	51,332	2,577	307,024	72,302	186,829	566,235	426,395
Researching and advertising	123,314	37,250	55,108	92,757	1,572	-	310,001	17,987	33,182	361,170	565,905
Telephone	185,044	5,367	48,550	19,644	25,218	3,594	265,607	35,183	35,605	336,405	263,621
Temporary labor	303,242	-	-	-	-	-	303,242	-	-	303,242	552,183
Professional fees	15,759	-	61,276	3,249	2,664	-	83,072	178,372	3,290	264,734	288,343
Insurance	83,340	2,014	42,895	33,841	13,742	1,253	183,181	44,665	25,784	253,630	238,837
Depreciation	86,135	1,068	40,594	42,073	18,641	608	191,089	42,087	23,826	257,002	252,866
Bank charges and fees	135,200	-	282	5	136	-	136,617	163,431	161	240,209	230,210
Printing and postage	16,039	9,149	71,738	3,828	17,638	2,023	119,707	52,000	52,354	224,101	162,506
Repairs and maintenance	66,391	1,622	33,954	24,565	13,417	-	141,339	53,674	26,450	222,263	171,550
Office expenses	61,316	2,799	51,722	17,880	13,385	1,258	148,354	33,540	21,917	203,811	210,065
Wine/beer of school receptions	68,671	1,500	-	-	-	-	70,171	-	-	70,171	263,363
Loss on disposal of property and equipment	-	-	-	-	-	-	-	-	-	-	59,656
Total	\$ 541,515,225	\$ 12,432,497	\$ 3,309,076	\$ 2,688,107	\$ 1,581,306	\$ 142,578	\$ 952,208,783	\$ 3,694,165	\$ 2,135,326	\$ 586,042,274	\$ 446,149,449

See notes to consolidated financial statements.

Gardiner Reimbursement Process:

Gardiner Scholarship Program funds must be used to meet the individual educational needs of the eligible student. A parent, student, or provider of any services may not bill an insurance company, Medicaid, or any other agency for the same services that are paid for using Gardiner Scholarship funds.

The following categories of items and services are approved uses for the Gardiner Scholarship funds.

- Instructional Materials
- Curriculum
- Specialized Services
- Eligible Private School Tuition and Fees
- Home Education Program Tuition and Fees
- Eligible Postsecondary Tuition or Program
- Full-Time Private Tutoring
- Part-Time Tutoring Services
- FLDOE Approved Online Courses
- FLDOE Approved Online Providers
- Florida Virtual School
- Standardized Testing Fees
- Stanley G. Tate Florida Prepaid College Program
- Florida 529 College Savings Program
- Contracted Public School Services
- Specialized Summer Education Program Fees
- Specialized After-School Education Programs
- Transition Services Provided by Job Coaches
- Annual Educational Evaluation Fees
- Tuition and Fees Associated with Programs Offered by Approved VPK Program Providers
- Tuition and Fees Associated with Programs Offered by Approved School Readiness Providers
- Horse Therapy
- Music and Art Therapy
- Tuition or Fees for Nationally or Internationally Recognized Training Programs for Children with Neurological Disorders or Brain Damage

To assist Gardiner student's parents with choosing approved items within these categories, Step Up For Students has developed a list of pre-approved items and services. (A detailed list of pre-approved items and services, is available at www.stepupforstudents.org). If an item or service is not on the pre-approved list, parents may submit a pre-authorization to be reviewed prior to purchasing an item or service to ensure the item or service is an allowable expense under the Gardiner Scholarship program.

Once an item or service has been purchased, a parent may submit a request for reimbursement or payment directly to the provider via a secure Step Up For Students system available to parents, called the Scholarship Administration System (SAS).

Parents log into the system, 1) complete a digitized request for reimbursement that includes the pre-authorization approval number, if applicable, 2) direct the payment to the parent or the provider, 3)

submit documentation of the purchase, 4) submit documentation of the method of payment for the item or service. Requests for reimbursement for tutoring, must include documentation of the tutor's credentials to verify eligibility to participate in the program. (For a detailed listing of the documentation required for each category, please see the Parent Handbook available at www.stepupforstudents.org.)

Providers of specialized services and eligible private schools have an option to submit invoices directly to Step Up For Students for services rendered to Gardiner Scholarship students via a secure login to the SAS. These providers must provide the name of the student, the student's unique Gardiner Scholarship identification number, the date of the service and the amount charged for the service. The parent of the student is notified of the invoice via email from Step Up For Students and must, through their secure login to the SAS, approve the student's attendance for the time period for which is being requested and the amount of the payment indicated on the invoice. Upon parent approval, the invoice is paid.

Step Up For Students developed a Gardiner purchasing platform for Gardiner Scholarship recipients called MyScholarShop (MSS). This platform allows the parents of Gardiner students to purchase items online, directly from a variety of pre-approved vendor catalogs without out-of-pocket expense. Parents have access to MSS via their secure login to the SAS. Once inside the MSS system the parent may choose the vendor/s and the item/s they want to purchase, placing them in their shopping cart. The system validates available funding in the student's Gardiner account, approves the purchase and the vendor ships directly to the parent. [Need the payment process from SUFS to the Vendor from Scott.]

As reimbursements are approved, they are converted to invoices and bundled into one file which is sent to the financial accounting system, (Epicor). A member of the Gardiner accounting management team reviews the file for any variance which requires resolution prior to a payment being generated.

Twice weekly, on Monday and Wednesday a reviewed, approved ACH payment files are processed, one file for payment to the student's parent/guardian, and one for payment to specialized service providers.

The Program Accounting Manager uploads the file to the bank ftp site and the General Accounting Manager enters control totals in the bank site. The Gardiner Supervisor sends an email notification of payment to operations and finance managers.

Step Up For Students, Inc. and Subsidiary

Consolidated Financial Report
June 30, 2018

Contents

Independent auditor's report on the financial statements	1-2
<hr/>	
Financial statements	
Consolidated statement of financial position	3
Consolidated statement of activities	4
Consolidated statement of functional expenses	5
Consolidated statement of cash flows	6
Notes to consolidated financial statements	7-16
<hr/>	
Supplementary information	
Consolidating statement of financial position	17
Consolidating statement of activities	18
Schedule of expenditures of state financial assistance	19
Notes to schedule of expenditures of state financial assistance	20
<hr/>	
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 <i>Government Auditing Standards</i>	21-22
<hr/>	
Independent auditor's report on compliance for its major state financial assistance project and report on internal control over compliance required by State of Florida Chapter 10.650, <i>Rules of the Auditor General</i>	23-24
<hr/>	
Schedule of findings and questioned costs	25
<hr/>	



RSM US LLP

Independent Auditor's Report

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

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, 2018, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Step Up For Students, Inc. and its subsidiary as of June 30, 2018, 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.

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

Report on Summarized Comparative Information

We have previously audited Step Up For Students, Inc. and its subsidiary's 2017 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated October 31, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2017, 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 30, 2018, 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 solely 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 the effectiveness of Step Up For Students, Inc. and its subsidiary's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Step Up For Students, Inc. and its subsidiary's internal control over financial reporting and compliance.

RSM US LLP

Orlando, Florida
October 30, 2018

Step Up For Students, Inc. and Subsidiary

Consolidated Statement of Financial Position

June 30, 2018

(With Summarized Comparative Information for June 30, 2017)

	2018	2017
Assets		
Current Assets		
Cash and cash equivalents	\$ 19,085,583	\$ 41,903,759
Pledges receivable, less allowance for uncollectible pledges of \$20,000,000 and \$18,000,000 in 2018 and 2017, respectively	502,820,023	436,647,533
Accounts and grants receivable, less allowance for uncollectible accounts of \$102,760 and \$246,429 in 2018 and 2017, respectively	5,137,782	1,592,791
Prepaid expenses and other assets	701,402	579,212
Funds held in trust for students	58,467,378	36,231,019
Total current assets	586,212,168	516,954,314
Restricted Certificate of Deposit	196,000	225,000
Property and Equipment, Net	2,986,165	1,412,992
Total assets	\$ 589,394,333	\$ 518,592,306
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 289,742	\$ 140,765
Accrued expenses	1,946,954	1,574,162
Line of credit	14,986,632	-
Funds held in trust for students liability	58,467,378	36,231,019
Total current liabilities	75,690,706	37,945,946
Commitments (Note 6)		
Net Assets		
Unrestricted	8,115,532	5,110,194
Temporarily restricted	505,588,095	475,536,166
Total net assets	513,703,627	480,646,360
Total liabilities and net assets	\$ 589,394,333	\$ 518,592,306

See notes to consolidated financial statements.

Step Up For Students, Inc. and Subsidiary

Consolidated Statement of Activities

Year Ended June 30, 2018

(With Summarized Comparative Information for June 30, 2017)

	2018			Total 2017
	Unrestricted	Temporarily Restricted	Total	
Revenues and Support				
Contributions and grants:				
Florida Tax Credit Scholarship Program, net	\$ 18,342,797	\$ 660,768,271	\$ 679,111,068	\$ 521,382,016
Alabama Opportunity Scholarship Program	1,126,045	19,883,701	21,009,746	8,416,856
Grants and other contributions	818,075	2,276,740	3,094,815	1,523,636
Gardiner Scholarship Program	2,834,231	-	2,834,231	2,064,477
Other revenue	1,260,909	-	1,260,909	397,839
Scholarship service contract revenue	718,720	-	718,720	-
Net assets released from restrictions	652,876,783	(652,876,783)	-	-
Total revenues and support	677,977,560	30,051,929	708,029,489	533,784,824
Expenses				
Program services:				
Florida Tax Credit Scholarship Program	648,283,010	-	648,283,010	541,915,225
Alabama Opportunity Scholarship Program	9,926,404	-	9,926,404	12,492,497
Communications, Policy and Public Affairs	3,565,575	-	3,565,575	3,389,070
Gardiner Scholarship Program	3,418,161	-	3,418,161	2,688,107
School Development and Student Learning	1,893,947	-	1,893,947	1,581,306
Scholarship Service Contract	766,733	-	766,733	-
Advocacy and Civic Engagement	472,526	-	472,526	142,578
Hope Scholarship	151,511	-	151,511	-
Reading Scholarship	126,091	-	126,091	-
Total program services	668,603,958	-	668,603,958	562,208,783
Supporting services:				
General and administrative	3,918,934	-	3,918,934	3,694,165
Development and fundraising	2,449,330	-	2,449,330	2,139,326
Total supporting services	6,368,264	-	6,368,264	5,833,491
Total expenses	674,972,222	-	674,972,222	568,042,274
Change in net assets	3,005,338	30,051,929	33,057,267	(34,257,450)
Net Assets				
Beginning	5,110,194	475,536,166	480,646,360	514,903,810
Ending	\$ 8,115,532	\$ 505,588,095	\$ 513,703,627	\$ 480,646,360

See notes to consolidated financial statements.

Step Up For Students, Inc. and Subsidiary

Consolidated Statement of Functional Expenses
 Year Ended June 30, 2018
 (With Summarized Comparative Information for June 30, 2017)

	2018												2017	
	Program Services						Supporting Services						Total	Total
	Florida	Alabama	Communications, Policy and Public Affairs	Gardner Scholarship Program	School Development and Student Learning	Scholarship Service Contract	Advocacy and Civic Engagement	Hope Scholarship	Reading Scholarship	Total Program Services	General and Administrative	Development and Fundraising		
Scholarships and grants	\$ 641,591,249	\$ 9,387,814	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 650,979,063	\$ -	\$ -	\$ 650,979,063	\$ 548,456,006
Salaries and wages	3,473,065	192,936	1,882,016	2,223,420	1,153,054	327,360	251,036	79,346	64,523	9,646,756	1,837,486	1,259,360	12,743,602	11,347,995
Payroll taxes and employee benefits	1,086,399	24,122	512,362	351,495	312,828	57,679	57,606	23,139	18,691	2,454,321	466,962	304,540	3,225,823	2,762,123
Contract services	296,959	106,315	376,049	88,401	107,735	292,360	17,417	12,339	10,904	1,308,479	397,109	141,946	1,847,534	754,247
Other costs	240,215	27,839	146,073	155,821	43,166	357	21,067	2,716	1,291	638,535	126,535	183,520	950,590	565,235
Rent	246,562	34,938	98,659	111,720	68,379	-	17,153	4,129	3,481	585,021	143,085	81,433	809,539	777,444
Recruiting and advertising	189,519	46,076	118,354	172,532	908	8,645	1,980	18,945	18,862	575,821	10,380	75,757	661,958	361,780
Travel, lodging and meals	38,580	66,815	123,760	17,290	79,214	27,156	65,434	3,005	1,551	422,905	100,816	92,634	616,355	602,975
Professional fees	8,806	-	42,406	-	1,671	20,028	409	219	184	73,723	367,318	66,362	507,403	264,734
Bank charges, fees and interest	308,006	-	183	-	127	-	31	8	6	308,361	122,775	152	431,288	240,209
Repairs and maintenance	120,387	809	51,308	69,068	29,690	-	7,618	2,169	1,828	282,877	83,224	42,706	408,807	222,263
Telephone	188,418	7,486	39,442	49,165	25,824	625	5,974	761	642	318,347	32,124	34,321	384,792	356,575
Depreciation	106,144	970	42,472	100,897	29,386	-	7,863	1,777	1,499	291,028	57,942	35,663	384,633	257,002
Printing and postage	16,870	10,004	72,123	7,656	12,036	70	9,298	516	470	129,043	96,787	83,056	308,886	224,101
Insurance	80,852	2,251	32,353	54,101	22,385	-	6,950	1,354	1,142	201,388	44,514	28,110	274,012	263,040
Temporary labor	124,645	-	-	-	-	32,050	-	-	-	156,695	10,715	-	167,410	303,242
Office expenses	39,613	18,019	28,015	6,595	7,554	403	2,670	1,088	917	104,874	19,162	19,770	143,805	203,811
Write-off of school receivables	126,721	-	-	-	-	-	-	-	-	126,721	-	-	126,721	70,171
Loss on disposal of property and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	9,321
Total	\$ 648,283,010	\$ 9,926,404	\$ 3,585,575	\$ 3,418,161	\$ 1,893,947	\$ 766,733	\$ 472,526	\$ 151,511	\$ 126,091	\$ 668,603,958	\$ 3,918,934	\$ 2,449,330	\$ 674,972,222	\$ 568,042,274

See notes to consolidated financial statements.

Step Up For Students, Inc. and Subsidiary

Consolidated Statement of Cash Flows

Year Ended June 30, 2018

(With Summarized Comparative Information for June 30, 2017)

	2018	2017
Cash Flows From Operating Activities		
Change in net assets	\$ 33,057,267	\$ (34,257,450)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	384,633	257,002
Provision for uncollectible pledges	19,450,366	5,207,177
Write-off of school receivables	126,721	70,171
Loss on disposal of property and equipment	-	9,321
Change in operating assets and liabilities:		
(Increase) decrease in assets:		
Pledges receivable	(85,622,856)	22,643,803
Accounts and grants receivable	(3,671,712)	(682,530)
Prepaid expenses and other assets	(122,190)	(89,164)
Funds held in trust for students	(22,236,359)	(9,500,839)
Increase (decrease) in liabilities:		
Accounts payable	148,977	(286,969)
Accrued expenses	372,792	391,364
Funds held in trust for students liability	22,236,359	9,500,839
Net cash used in operating activities	(35,876,002)	(6,737,275)
Cash Flows From Investing Activities		
Purchases of property and equipment	(1,957,806)	(1,115,779)
Decrease in restricted certificate of deposit	29,000	-
Net cash used in investing activities	(1,928,806)	(1,115,779)
Cash Flows From Financing Activities		
Borrowings on line of credit	20,000,000	-
Repayments on line of credit	(5,013,368)	-
Net cash provided by financing activities	14,986,632	-
Net decrease in cash and cash equivalents	(22,818,176)	(7,853,054)
Cash and Cash Equivalents		
Beginning	41,903,759	49,756,813
Ending	\$ 19,085,583	\$ 41,903,759
Supplemental Disclosure of Cash Flow Information:		
Cash paid during the year for interest	\$ 13,368	\$ -

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, 2017)

Note 1. Nature of Organization and Significant Accounting Policies

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

Step Up For Students, Inc. (Step Up For Students) is a not-for-profit organization incorporated on February 18, 2000. Through the Florida Tax Credit Scholarship program, Step Up For Students served 106,548 and 101,869 students in 1,818 and 1,730 private schools across Florida during the 2017 – 2018 and 2016 – 2017 school years, respectively.

Additionally, Step Up For Students administers the Gardiner Scholarship Program. The Gardiner Scholarship Program was created to provide the option for parents to better meet the individual educational needs of an eligible child. The Gardiner Scholarship Program provides eligible students a scholarship that can be used to purchase approved services or products. During the years ended June 30, 2018 and 2017, Step Up For Students administered the program on behalf of the State of Florida for 9,601 and 7,593 eligible children, respectively.

The Alabama Opportunity Scholarship Fund, LLC (Alabama Opportunity Scholarship Fund) is a not-for-profit limited liability company established on October 4, 2013, whose sole member is Step Up For Students. The Alabama Opportunity Scholarship Fund was formed to help implement the Alabama Accountability Act of 2013. Through the Alabama Opportunity Scholarship Fund K-12 scholarship program, approximately 1,590 and 2,141 children received scholarships to attend private schools for the 2017 – 2018 and 2016 – 2017 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 2017 – 2018 school year and the 2016 – 2017 school year, qualified students received a maximum scholarship of \$6,920 and \$5,886 respectively, to attend a private school that have been approved by the State of Florida or \$750 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, 2017)

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.
- **Gardiner Scholarship 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, Intellectual Disability (severe cognitive impairment), Phelan McDermid Syndrome, rare diseases as defined by the National Organization for Rare Disorders, Anaphylaxis, deaf, visually impaired, dual sensory impaired, traumatic brain injured, hospital or home bound. 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 Gardiner 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, per the provisions of state statute, receives an administrative fee of 3% of funded scholarships from the State of Florida to cover the administration of the program on behalf of the State of Florida. During the years ended June 30, 2018 and 2017, Step Up For Students received an administrative fee for administering the program on behalf of the State of Florida in the amount of approximately \$2,834,000 and \$2,064,000, respectively.

During the years ended June 30, 2018 and 2017, Step Up For Students distributed approximately \$77.2 million and \$58.7 million, leaving a balance of approximately \$58.5 million and \$36.2 million, respectively, which is recorded in the accompanying consolidated statement of financial position as both an asset and liability. Step Up For Students is acting as an agent for this program, therefore, there are no revenues and expenses reported on the accompanying statement of activities for scholarship funds received and distributed from the State of Florida.

Step Up For Students, Inc. and Subsidiary

Notes to Consolidated Financial Statements

(With Summarized Comparative Information as of or for Year Ended June 30, 2017)

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

- **Communications, Policy and Public Affairs:** This program takes the message of the scholarship program to constituency groups, community and political leaders, and local, state and national news publications. It publishes a newsletter with a circulation in excess of 50,000, four times a year, creates monthly student spotlights, issues press releases on topics of special concern, and writes commentary for various publications. The group also analyzes demographic, achievement and participation data and trends in the program and school choice movement.
- **Advocacy and Civic Engagement:** This program, through the Florida Parent Network, organizes parents and supporters who believe children should be educated based on how they learn, rather than where they live. This includes parents who utilize scholarships as well as charter, magnet, home and virtual schools. The Florida Parent Network educates, informs and trains parents to be advocates and supporters for the protections and expansion of choice opportunities. Advocacy and civic engagement provides these services to parents of children participating in programs administered by the Organization and to parents utilizing other choice options under contract service agreements with choice advocacy groups.
- **Scholarship Service Contract:** Step Up For Students has contracted with Empower Illinois, an approved 501(c)(3), Scholarship Granting Organization (SGO) in the State of Illinois, that administers the Illinois Invest in Kids Scholarship program, a tax credit scholarship program. Effective November 2017, Step Up For Students has provided scholarship administration services for Empower Illinois, both in-house and through a third-party partner. Empower Illinois can solicit and receive corporate and individual contributions that are entitled to a 75% state tax credit of corporate and individual state income tax. Those contributions, in turn must be spent to provide scholarships to low income Illinois school children in compliance with the Invest in Kids Act. For the 2018 – 2019 school year, qualified students received scholarships of up to \$12,973, or for Individuals with Disabilities Education Act students, up to \$25,946, to attend a participating private school within the State of Illinois. Scholarships are expended when a student attends a participating school. Empower Illinois is allowed to use up to 5% of the contributions collected to administer this program, and Step Up For Students is compensated for its work by Empower Illinois via those administrative funds.
- **Hope Scholarship:** The Hope Scholarship was established by Florida Statute 1002.40, which was created in 2018 to provide the option of private-school scholarships to students in public schools who have experienced acts of bullying and intimidation. Step Up For Students, as an approved Scholarship Funding Organization (SFO), is authorized to administer Hope Scholarships. The Hope law provides that automobile buyers may redirect up to \$105 of their state taxes on each purchase toward an authorized SFO. Those contributions must be used to provide tuition scholarships to participating private schools or a \$750 transportation scholarship to a public school in another district. The maximum tuition scholarships for 2018-19 are \$6,519 for elementary grades, \$6,815 for middle school and \$7,111 for high school. Step Up is allowed to use up to 3% of the contributions to administer the scholarship. The Hope Scholarship program is in effect for the 2018 – 2019 school year.

Step Up For Students, Inc. and Subsidiary

Notes to Consolidated Financial Statements (With Summarized Comparative Information as of or for Year Ended June 30, 2017)

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

- **Reading Scholarship:** The Reading Scholarship was established by Florida Statute 1002.411, which was created in 2018 to provide academic support for public elementary school students who struggle in reading. Step Up For Students, as an approved Scholarship Funding Organization (SFO), is authorized to administer the program. The scholarship is available to students in third- through fifth-grade who have scored a Level 1 or 2 on the English Language Arts section of the Florida Standards Assessment (FSA). Each scholarship is worth \$500, which the parent can use to pay for tuition and fees related to part-time tutoring, summer and after-school literacy programs, instructional materials and more. The funding is from direct state appropriation (a total of \$9.7 million for 2018-19). Step Up For Students is provided an amount equal to 3% of each scholarship to administer the program. The Reading Scholarship program is in effect for the 2018 – 2019 school year.

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, 2017, 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 (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and support, and expenses during the reporting period. Actual results could differ from those estimates.

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

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

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

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

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

Step Up For Students, Inc. and Subsidiary

Notes to Consolidated Financial Statements

(With Summarized Comparative Information as of or for Year Ended June 30, 2017)

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

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

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

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

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

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

Contributed services are recognized and reported at fair value in the period received, if the services received create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by contribution. There were no contributed services for the years ended June 30, 2018 and 2017.

Accounts and grants receivable: Accounts and grants receivable are stated at net realizable value. The Organization uses the allowance method to determine uncollectible accounts receivable. The allowance is established based upon management's analysis of specific accounts and other economic factors. In the opinion of management, an allowance for uncollectible accounts of \$102,760 and \$246,429 was considered necessary at June 30, 2018 and 2017, respectively.

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

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.

Step Up For Students, Inc. and Subsidiary

Notes to Consolidated Financial Statements

(With Summarized Comparative Information as of or for Year Ended June 30, 2017)

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

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, 2018 and 2017.

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 Gardiner Scholarship Program. A Gardiner 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.

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

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

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

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, 2015.

Step Up For Students, Inc. and Subsidiary

Notes to Consolidated Financial Statements

(With Summarized Comparative Information as of or for Year Ended June 30, 2017)

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

Recent accounting pronouncements: In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The update will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective and permits the use of either a full retrospective or retrospective with cumulative effect transition method. The updated standard will become effective for annual reporting periods beginning after December 15, 2018. The Organization has not yet selected a transition method and is currently evaluating the impact this ASU will have on its consolidated financial statements.

In February 2016, the FASB issued its new lease accounting guidance in Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)*. Under the new guidance, lessees will be required to recognize the following for all leases (with the exception of short-term leases) at the commencement date: (1) A lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis; and (2) A right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. Lessees will no longer be provided with a source of off-balance sheet financing. Lessees must apply a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. Nonpublic entities should apply the amendments for fiscal years beginning after December 15, 2019. The Organization is currently evaluating the impact this ASU will have on its consolidated financial statements.

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

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

Subsequent events: Management has assessed subsequent events through October 30, 2018, the date the consolidated financial statements were available to be issued.

Step Up For Students, Inc. and Subsidiary

Notes to Consolidated Financial Statements

(With Summarized Comparative Information as of or for Year Ended June 30, 2017)

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, 2018, Step Up For Students collected \$611,426,578 of eligible contributions. Step Up For Students claimed an administrative allowance of \$18,342,797 and expended \$641,591,249 for scholarships during the year ended June 30, 2018. During the year ended June 30, 2017, Step Up For Students collected \$548,818,096 of eligible contributions. Step Up For Students claimed an administrative allowance of \$16,464,543 and expended \$536,440,936 for scholarships during the year ended June 30, 2017.

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 2017 – 2018 and 2016 – 2017 school years could not exceed \$6,920 and \$5,886, 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, 2018, the Alabama Opportunity Scholarship Fund collected \$22,521,746 of eligible contributions. The Alabama Opportunity Scholarship Fund claimed an administrative allowance of \$1,126,045 and expended \$9,387,814 for scholarships during the year ended June 30, 2018. During the year ended June 30, 2017, the Alabama Opportunity Scholarship Fund collected \$8,832,356 of eligible contributions. The Alabama Opportunity Scholarship Fund claimed an administrative allowance of \$441,843 and expended \$12,015,070 for scholarships during the year ended June 30, 2017.

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

Step Up For Students, Inc. and Subsidiary

**Notes to Consolidated Financial Statements
(With Summarized Comparative Information as of or for Year Ended June 30, 2017)**

Note 3. Property and Equipment

Property and equipment consisted of the following at June 30:

	2018	2017
Furniture and equipment	\$ 1,505,601	\$ 1,329,889
Software	3,358,716	1,576,622
Leasehold improvements	58,625	58,625
	<u>4,922,942</u>	<u>2,965,136</u>
Less accumulated depreciation	(1,936,777)	(1,552,144)
	<u>\$ 2,986,165</u>	<u>\$ 1,412,992</u>

Depreciation expense for the years ended June 30, 2018 and 2017, was \$384,633 and \$257,002, respectively.

Note 4. Line of Credit

Step Up For Students has a \$40,000,000 line of credit agreement with a bank bearing interest at the one-month LIBOR interest rate plus 1.5% (3.5% at June 30, 2018). Interest on the line of credit is payable monthly and matures on April 30, 2019. The line of credit is collateralized by substantially all the assets of Step Up For Students. The line of credit had an outstanding balance of \$14,986,632 at June 30, 2018. There was no outstanding balance on the line of credit at June 30, 2017.

Note 5. Temporarily Restricted Net Assets

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

	2018	2017
Florida Tax Credit Scholarship Program	\$ 491,496,263	\$ 472,385,063
Alabama Opportunity Scholarship Program	12,937,978	2,669,334
Communications, Policy and Public Affairs	1,153,854	481,769
	<u>\$ 505,588,095</u>	<u>\$ 475,536,166</u>

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

	2018	2017
Florida Tax Credit Scholarship Program	\$ 641,657,071	\$ 536,518,688
Alabama Opportunity Scholarship Program	9,910,152	12,546,988
Communications, Policy and Public Affairs	1,309,560	226,805
	<u>\$ 652,876,783</u>	<u>\$ 549,292,481</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, 2017)

Note 6. Commitments

The Organization leases certain office equipment and office space under operating leases which expire at various dates through August 2021. Rent expense for the years ended June 30, 2018 and 2017, was \$809,539 and \$777,444, respectively.

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

Years ending June 30:	
2019	\$ 764,093
2020	546,328
2021	3,896
2022	649
	<u>\$ 1,314,966</u>

Note 7. Major Donors

Step Up For Students: Contributions from two major donors accounted for approximately 32.0% of contributions and grants – Florida Tax Credit Scholarship Program during the year ended June 30, 2018. At June 30, 2018, approximately 34.4% of pledges receivable are due from these major donors. Contributions from two major donors accounted for approximately 41.2% of contributions and grants – Florida Tax Credit Scholarship Program during the year ended June 30, 2017. At June 30, 2017, approximately 47.4% of pledges receivable are due from these major donors.

Alabama Opportunity Scholarship Fund: Contributions from one major donor accounted for approximately 14.3% of contributions and grants – Alabama Opportunity Scholarship Program during the year ended June 30, 2018. Contributions from two major donors accounted for approximately 59.4% of contributions and grants – Alabama Opportunity Scholarship Program during the year ended June 30, 2017.

Note 8. Retirement Plan

The Organization has a defined contribution 401(k) Savings Plan (the Plan). All employees who meet certain age and service requirements are eligible to participate in the Plan. The Plan provides for salary reduction contributions from employees up to the federal tax limit according to the Internal Revenue Code. In addition, there could be additional retirement benefits from discretionary employer contributions. Contributions to this Plan for the years ended June 30, 2018 and 2017, were \$658,683 and \$479,985, 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

**Consolidating Statement of Financial Position
June 30, 2018**

	Step Up For Students	Alabama Opportunity Scholarship Fund	Eliminations	Consolidated
Assets				
Current Assets				
Cash and cash equivalents	\$ 5,500,130	\$ 13,585,453	\$ -	\$ 19,085,583
Pledges receivable, net	502,820,023	-	-	502,820,023
Accounts and grants receivable, net	5,050,724	87,058	-	5,137,782
Prepaid expenses and other assets	673,794	27,608	-	701,402
Funds held in trust for students	58,467,378	-	-	58,467,378
Total current assets	572,512,049	13,700,119	-	586,212,168
Restricted Certificate of Deposit	196,000	-	-	196,000
Property and Equipment, Net	2,982,883	3,282	-	2,986,165
Total assets	\$ 575,690,932	\$ 13,703,401	\$ -	\$ 589,394,333
Liabilities and Net Assets				
Current Liabilities				
Accounts payable	\$ 272,771	\$ 16,971	\$ -	\$ 289,742
Accrued expenses	1,875,664	71,290	-	1,946,954
Line of credit	14,986,632	-	-	14,986,632
Funds held in trust for students liability	58,467,378	-	-	58,467,378
Total current liabilities	75,602,445	88,261	-	75,690,706
Net Assets				
Unrestricted	7,438,370	677,162	-	8,115,532
Temporarily restricted	492,650,117	12,937,978	-	505,588,095
Total net assets	500,088,487	13,615,140	-	513,703,627
Total liabilities and net assets	\$ 575,690,932	\$ 13,703,401	\$ -	\$ 589,394,333

Step Up For Students, Inc. and Subsidiary

Consolidating Statement of Activities
Year Ended June 30, 2018

	Step Up For Students			Alabama Opportunity Scholarship Fund			
	Unrestricted	Temporarily Restricted		Unrestricted	Temporarily Restricted		Total
		Restricted	Total		Restricted	Total	
Revenues and Support							
Contributions and grants:							
Florida Tax Credit Scholarship Program, net	\$ 18,342,797	\$ 660,768,271	\$ 679,111,068	\$ -	\$ -	\$ -	\$ 679,111,068
Alabama Opportunity Scholarship Program	-	-	-	1,126,045	19,883,701	21,009,746	21,009,746
Grants and other contributions	817,220	1,981,645	2,798,865	855	295,095	295,950	3,094,815
Gardiner Scholarship Program	2,834,231	-	2,834,231	-	-	-	2,834,231
Other revenue	1,260,909	-	1,260,909	-	-	-	1,260,909
Scholarship service contract revenue	718,720	-	718,720	-	-	-	718,720
Net assets released from restrictions	642,966,631	(642,966,631)	-	9,910,152	(9,910,152)	-	-
Total revenues and support	666,940,508	19,783,285	686,723,793	11,037,052	10,268,644	21,305,696	708,029,489
Expenses							
Program services:							
Florida Tax Credit Scholarship Program	648,283,010	-	648,283,010	-	-	-	648,283,010
Alabama Opportunity Scholarship Program	-	-	-	9,926,404	-	9,926,404	9,926,404
Communications, Policy and Public Affairs	3,565,575	-	3,565,575	-	-	-	3,565,575
Gardiner Scholarship Program	3,418,161	-	3,418,161	-	-	-	3,418,161
School Development and Student Learning	1,893,947	-	1,893,947	-	-	-	1,893,947
Scholarship Service Contract	766,733	-	766,733	-	-	-	766,733
Advocacy and Civic Engagement	409,439	-	409,439	63,087	-	63,087	472,526
Hope Scholarship	151,511	-	151,511	-	-	-	151,511
Reading Scholarship	126,091	-	126,091	-	-	-	126,091
Total program services	658,614,467	-	658,614,467	9,989,491	-	9,989,491	668,603,958
Supporting services:							
General and administrative	3,685,512	-	3,685,512	233,422	-	233,422	3,918,934
Development and fundraising	2,311,284	-	2,311,284	138,046	-	138,046	2,449,330
Total supporting services	5,996,796	-	5,996,796	371,468	-	371,468	6,368,264
Total expenses	664,611,263	-	664,611,263	10,360,959	-	10,360,959	674,972,222
Change in net assets	2,329,245	19,783,285	22,112,530	676,093	10,268,644	10,944,737	33,057,267
Net Assets							
Beginning	5,109,125	472,866,832	477,975,957	1,059	2,669,334	2,670,403	480,646,360
Ending	\$ 7,438,370	\$ 492,650,117	\$ 500,088,487	\$ 677,162	\$ 12,937,978	\$ 13,615,140	\$ 513,703,627

Step Up For Students, Inc. and Subsidiary

**Schedule of Expenditures of State Financial Assistance
Year Ended June 30, 2018**

Grantor/Program Title	State CSFA Number	Contract/ Grant Number	State Expenditures
State Financial Assistance			
Florida Department of Education and Commissioner of Education: Gardiner Scholarship Program	48.113	92X-90025-8D001	<u>\$ 80,008,601</u>
Total expenditures of state financial assistance			<u><u>\$ 80,008,601</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, 2018

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, 2018. The information in this Schedule is presented in accordance with the requirements of the State of Florida Chapter 10.650, *Rules of the Auditor General*. Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Organization.

Note 2. Summary of Significant Accounting Policies

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

Step Up For Students is acting as an agent for this program, therefore, there are no revenues and expenses reported on the accompanying statement of activities for scholarship funds received and distributed from the State of Florida. The expenditures reported as state financial assistance on the Schedule represent amounts distributed for reimbursement of program-related educational expenditures on behalf of eligible children which totaled \$77,174,370 and \$2,834,231 received from the State of Florida which was used to pay administrative expenses for the administration of the program on behalf of the State of Florida.



RSM US LLP

**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.

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, 2018, 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 30, 2018.

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.

RSM US LLP

Orlando, Florida
October 30, 2018



RSM US LLP

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

Independent Auditor's Report

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

Report on Compliance for its Major State Financial Assistance Project

We have audited Step Up For Students, Inc. and its subsidiary's (the Organization) compliance with the types of compliance requirements described in the Department of Financial Services' State Projects Compliance Supplement that could have a direct and material effect on the Organization's major state financial assistance project for the year ended June 30, 2018. The Organization's major state financial assistance project is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with state statutes, regulations, and the terms and conditions of its state financial assistance applicable to its state financial assistance project.

Auditor's Responsibility

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

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

Opinion on its Major State Financial Assistance Project

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major state financial assistance project for the year ended June 30, 2018.

Report on Internal Control Over Compliance

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

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

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

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

RSM US LLP

Orlando, Florida
October 30, 2018

Step Up For Students, Inc. and Subsidiary

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2018**

I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

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

State Financial Assistance

Internal control over major program:

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

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

<u>CSFA Number(s)</u>	<u>Name of State Financial Assistance Project</u>
48.113	Gardiner Scholarship Program

Dollar threshold used to distinguish between type A and type B state financial assistance projects: \$ 2,400,258

II. Financial Statement Findings

No matters to report.

III. Findings and Questioned Costs for State Financial Assistance

No matters to report.

IV. Other Reporting

1. No Summary Schedule of Prior Audit Findings is presented because there were no prior audit findings related to state financial assistance projects.
2. No Corrective Action Plan is presented because there were no findings required to be reported under the Florida Single Audit Act.
3. There was no management letter or control deficiency letter issued for the year ended June 30, 2018, and there were no matters required to be reported in these letters.

Caution: Forms printed from within Adobe Acrobat products may not meet IRS or state taxing agency specifications. When using Acrobat 9.x products and later products, select "None" in the "Page Scaling" selection box in the Adobe "Print" dialog.

PUBLIC DISCLOSURE COPY

IRS e-file Signature Authorization for an Exempt Organization

For calendar year 2017, or fiscal year beginning JUL 1, 2017, and ending JUN 30, 2018

2017

Department of the Treasury Internal Revenue Service

Do not send to the IRS. Keep for your records. Go to www.irs.gov/Form8879EO for the latest information.

Name of exempt organization

Employer identification number

STEP UP FOR STUDENTS, INC.

59-3649371

Name and title of officer

JOE PFOUNTZ

CFO

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

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

Table with 5 rows (1a-5a) and 3 columns: Form type, Total revenue/tax/balance due, and amount. Row 1a is checked with amount 707,661,184.

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 2017 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the organization's electronic return and, if applicable, the organization's consent to electronic funds withdrawal.

Officer's PIN: check one box only

[X] I authorize REM US LLP

ERO firm name

to enter my PIN 49371

Enter five numbers, but do not enter all zeros

as my signature on the organization's tax year 2017 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 2017 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: Joseph P Pountz

Date: 10/31/18

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.

50888994016

Do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2017 electronically filed return for the organization indicated above. I confirm that I am submitting this return in accordance with the requirements of Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature

Date

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

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

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



FORM 990

Form **990**

Return of Organization Exempt From Income Tax

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

OMB No. 1545-0047

2017
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.
Go to www.irs.gov/Form990 for instructions and the latest information.

A For the 2017 calendar year, or tax year beginning **JUL 1, 2017** and ending **JUN 30, 2018**

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization STEP UP FOR STUDENTS, INC.		D Employer identification number 59-3649371
	Doing business as FLORIDA PARENT NETWORK		E Telephone number 904-352-2246
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	G Gross receipts \$ 707,661,184.
	4655 SALISBURY ROAD	400	
City or town, state or province, country, and ZIP or foreign postal code JACKSONVILLE, FL 32256		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "No," attach a list. (see instructions)	
F Name and address of principal officer: JOE PFOUNTZ SAME AS C ABOVE		H(c) Group exemption number	
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			
J Website: WWW.STEPUFORSTUDENTS.ORG			
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other		L Year of formation: 2000	M State of legal domicile: FL

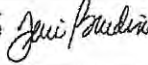
Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: STEP UP FOR STUDENTS EMPOWERS PARENTS TO PURSUE AND ENGAGE IN THE MOST APPROPRIATE LEARNING	
	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)	8
	4 Number of independent voting members of the governing body (Part VI, line 1b)	8
	5 Total number of individuals employed in calendar year 2017 (Part V, line 2a)	232
	6 Total number of volunteers (estimate if necessary)	1067
	7a Total unrelated business revenue from Part VIII, column (C), line 12	0.
7b Net unrelated business taxable income from Form 990-T, line 34	0.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year: 533,245,078. Current Year: 705,681,555.
	9 Program service revenue (Part VIII, line 2g)	0. 976,220.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	388,179. 999,419.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	339. 3,990.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	533,633,596. 707,661,184.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	548,456,006. 650,979,063.
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0. 0.
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	14,110,118. 15,927,052.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0. 0.
	b Total fundraising expenses (Part IX, column (D), line 25)	2,449,330.
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	5,466,829. 7,697,802.
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	568,032,953. 674,603,917.	
19 Revenue less expenses. Subtract line 18 from line 12	-34,399,357. 33,057,267.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year: 518,592,306. End of Year: 589,394,333.
	21 Total liabilities (Part X, line 26)	37,945,946. 75,690,706.
	22 Net assets or fund balances. Subtract line 21 from line 20	480,646,360. 513,703,627.

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		Date: 10/31/18
	JOE PFOUNTZ, CFO	Type or print name and title

Paid Preparer	Print/Type preparer's name HERESA A. BURDINE, CPA	Preparer's signature 	Date 10/31/2018	Check if self-employed <input type="checkbox"/>	PIN 00362629
Use Only	Firm's name RSM US LLP	Firm's EIN 42-0714325	Firm's address 7351 OFFICE PARK PL MELBOURNE, FL 32940	Phone no. 321-751-6200	

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

Part III Statement of Program Service Accomplishments

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

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

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? [X] Yes [] No If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [] Yes [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 \$ 648,098,857. including grants of \$ 641,591,249.) (Revenue \$) FLORIDA TAX CREDIT SCHOLARSHIP PROGRAM: THIS PAST SCHOOL YEAR, 106,548 UNDERPRIVILEGED STUDENTS ATTENDED 1,818 PRIVATE SCHOOLS ON A STEP UP FOR STUDENTS 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. FOR THE 2018-19 SCHOOL YEAR, APPROVED STUDENTS COULD CHOOSE BETWEEN SCHOLARSHIPS WORTH UP TO \$7,111 FOR PRIVATE SCHOOL TUITION AND FEES OR

4b (Code:) (Expenses \$ 9,926,404. including grants of \$ 9,387,814.) (Revenue \$) ALABAMA OPPORTUNITY SCHOLARSHIP PROGRAM: THE ALABAMA OPPORTUNITY SCHOLARSHIP FUND (ALOSF) IS A SCHOLARSHIP GRANTING ORGANIZATION FORMED TO IMPLEMENT THE ALABAMA ACCOUNTABILITY ACT. ALOSF AWARDS SCHOLARSHIPS TO ELIGIBLE LOW-INCOME STUDENTS WITH PRIORITY GIVEN TO CHILDREN WHO ARE ZONED TO ATTEND A FAILING PUBLIC SCHOOL. THE SCHOLARSHIPS PAY FOR PRIVATE SCHOOL TUITION OR TRANSFER FEES TO A NON-FAILING PUBLIC SCHOOL. THE FIRST SCHOLARSHIPS WERE GRANTED FOR THE SEMESTER STARTING JANUARY 2014. ALOSF HAS AWARDED NEARLY 9,300 SCHOLARSHIPS OVER 4 YEARS REPRESENTING 45 OF THE 67 COUNTIES IN ALABAMA. THE SCHOLARSHIPS ARE FUNDED BY DONATIONS OF INCOME TAX LIABILITY FROM INDIVIDUALS AND CORPORATIONS WHO RECEIVE AN ALABAMA STATE INCOME TAX CREDIT.

4c (Code:) (Expenses \$ 3,565,575. including grants of \$) (Revenue \$) RESEARCH ON STUDENT OUTCOME: EACH TAX CREDIT SCHOLARSHIP IS INTENDED TO PROVIDE A LOW-INCOME OR WORKING-CLASS 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 GOING FURTHER. IT HAS COMPLETED A DATA WAREHOUSE THAT PULLS TOGETHER STUDENT ACADEMIC AND DEMOGRAPHIC INFORMATION ACROSS 16 YEARS. FURTHER, STEP UP HAS INVITED RESEARCH ORGANIZATIONS TO MINE STUDENT

4d Other program services (Describe in Schedule O.) (Expenses \$ 6,644,817. including grants of \$) (Revenue \$ 980,210.)

4e Total program service expenses 668,235,653.

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules (continued)

	Yes	No
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		X
b <i>If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?</i>		
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		X
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	X	
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		X
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i>		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	X	
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>		X
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	X	
b <i>If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2</i>		X
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19?	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 question numbers (1a-14b), Yes/No checkboxes, and numerical input fields. Includes questions about Form 1096, Form W-2G, Form W-3, Form 990-T, Form 8886-T, Form 8282, Form 8899, Form 1098-C, Form 4966, Form 501(c)(7), Form 501(c)(12), Form 4947(a)(1), and Form 501(c)(29).

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

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

Section A. Governing Body and Management

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

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

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

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed: **AK, AR, CA, CO, CT, FL, DC, GA, HI, IL, KS, KY**
- 18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
 Own website Another's website Upon request Other (explain in Schedule O)
- 19** Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20** State the name, address, and telephone number of the person who possesses the organization's books and records: **JOE PFOUNTZ - 904-352-2246**
4655 SALISBURY RD, SUITE 400, JACKSONVILLE, FL 32256

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

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

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

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

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

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) JOHN KIRTLEY CHAIRMAN, SUFS/DIRECTOR, A	2.00	X						0.	0.	0.
(2) ALISON HERTOZ DIRECTOR, SUFS	2.00	X						0.	0.	0.
(3) ALFRED "AL" LAWSON DIRECTOR, SUFS	2.00	X						0.	0.	0.
(4) RICHARD OUTRAM DIRECTOR, SUFS	2.00	X						0.	0.	0.
(5) PAUL SHERMAN DIRECTOR, SUFS	2.00	X						0.	0.	0.
(6) CURTIS STOKES DIRECTOR, SUFS	2.00	X						0.	0.	0.
(7) TERRY JOVE DIRECTOR, SUFS	2.00	X						0.	0.	0.
(8) JOHN LEGG DIRECTOR, SUFS	2.00	X						0.	0.	0.
(9) DOUG TUTHILL PRESIDENT, SUFS	40.00			X				282,023.	0.	26,153.
(10) ANNE WHITE COO, SUFS	40.00			X				160,343.	0.	21,015.
(11) JOE PFOUNTZ TREAS & CFO, SUFS	40.00			X				188,881.	0.	21,321.
(12) SCOTT MASSEY CIO, SUFS	40.00				X			152,702.	0.	29,364.
(13) ALISSA RANDALL VP MARKETING & EVENTS, SUFS	40.00				X			152,272.	0.	14,786.
(14) JONATHAN BECKHAM VP INNOVATION	40.00				X			134,623.	0.	28,516.
(15) CAROL THOMAS VP STUDENT LEARNING	40.00				X			136,959.	0.	21,532.
(16) GINA LYNCH VP OPERATIONS	40.00				X			131,460.	0.	19,721.

Part VIII Statement of Revenue

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

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514	
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d				
	e Government grants (contributions)	1e				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	705,681,555.			
	g Noncash contributions included in lines 1a-1f: \$					
	h Total. Add lines 1a-1f		705,681,555.			
Program Service Revenue	2 a SERVICE CONTRACT	Business Code 561000	718,720.	718,720.		
	b ADVOCACY & CIVIC ENGAG	900099	257,500.	257,500.		
	c					
	d					
	e					
	f All other program service revenue					
	g Total. Add lines 2a-2f		976,220.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		999,419.		999,419.	
	4 Income from investment of tax-exempt bond proceeds					
	5 Royalties					
	6 a Gross rents	(i) Real				
		(ii) Personal				
		b Less: rental expenses				
		c Rental income or (loss)				
	d Net rental income or (loss)					
	7 a Gross amount from sales of assets other than inventory	(i) Securities				
		(ii) Other				
		b Less: cost or other basis and sales expenses				
		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					
Miscellaneous Revenue		Business Code				
11 a OTHER INCOME	900099	3,990.	3,990.			
	b					
	c					
	d All other revenue					
	e Total. Add lines 11a-11d		3,990.			
12 Total revenue. See instructions.		707,661,184.	980,210.	0.	999,419.	

Part IX Statement of Functional Expenses

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21				
2 Grants and other assistance to domestic individuals. See Part IV, line 22	650,979,063.	650,979,063.		
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	631,246.		631,246.	
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	12,075,312.	9,609,712.	1,206,240.	1,259,360.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	493,779.	268,799.	111,114.	113,866.
9 Other employee benefits	1,160,815.	860,719.	178,331.	121,765.
10 Payroll taxes	1,565,900.	1,319,474.	177,517.	68,909.
11 Fees for services (non-employees):				
a Management				
b Legal	314,822.	37,722.	210,738.	66,362.
c Accounting	156,580.		156,580.	
d Lobbying	115,003.	115,003.		
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.)	2,050,945.	1,501,175.	407,824.	141,946.
12 Advertising and promotion	293,653.	207,516.	10,380.	75,757.
13 Office expenses	528,598.	423,221.	51,286.	54,091.
14 Information technology				
15 Royalties				
16 Occupancy	809,539.	585,021.	143,085.	81,433.
17 Travel	616,355.	422,905.	100,816.	92,634.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	384,633.	291,028.	57,942.	35,663.
23 Insurance	274,012.	201,388.	44,514.	28,110.
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 OTHER COSTS	877,960.	565,905.	128,535.	183,520.
b BANK FEES	431,287.	308,361.	122,775.	151.
c REPAIRS AND MAINTENANCE	408,807.	282,877.	83,224.	42,706.
d PRINTING AND POSTAGE	308,887.	129,043.	96,787.	83,057.
e All other expenses	126,721.	126,721.		
25 Total functional expenses. Add lines 1 through 24e	674,603,917.	668,235,653.	3,918,934.	2,449,330.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here if following SOP 98-2 (ASC 958-720)

Part X Balance Sheet

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

		(A) Beginning of year		(B) End of year	
Assets	1	Cash - non-interest-bearing	41,903,759.	1	19,085,583.
	2	Savings and temporary cash investments	225,000.	2	196,000.
	3	Pledges and grants receivable, net	436,647,533.	3	502,820,023.
	4	Accounts receivable, net	1,592,791.	4	5,137,782.
	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	579,212.	9	701,402.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	4,922,942.		
		10a			
	b	Less: accumulated depreciation	1,936,777.	10c	2,986,165.
		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		14		
15	Other assets. See Part IV, line 11	36,231,019.	15	58,467,378.	
16	Total assets. Add lines 1 through 15 (must equal line 34)	518,592,306.	16	589,394,333.	
Liabilities	17	Accounts payable and accrued expenses	1,714,927.	17	2,236,696.
	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	36,231,019.	21	58,467,378.
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	14,986,632.
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		25	
	26	Total liabilities. Add lines 17 through 25	37,945,946.	26	75,690,706.
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	5,110,194.	27	8,115,532.
	28	Temporarily restricted net assets	475,536,166.	28	505,588,095.
	29	Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
33	Total net assets or fund balances	480,646,360.	33	513,703,627.	
34	Total liabilities and net assets/fund balances	518,592,306.	34	589,394,333.	

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	707,661,184.
2	Total expenses (must equal Part IX, column (A), line 25)	2	674,603,917.
3	Revenue less expenses. Subtract line 2 from line 1	3	33,057,267.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	480,646,360.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	513,703,627.

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?		X
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			
b	Were the organization's financial statements audited by an independent accountant?	X	
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			
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?	X	
If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.			
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** (2017)

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) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	332,392,878.	456,345,377.	521,372,137.	533,245,078.	705,681,555.	2549037025.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	332,392,878.	456,345,377.	521,372,137.	533,245,078.	705,681,555.	2549037025.
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)						1039324727.
6 Public support. Subtract line 5 from line 4.						1509712298.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(f) Total
7 Amounts from line 4	332,392,878.	456,345,377.	521,372,137.	533,245,078.	705,681,555.	2549037025.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources	12,414.	8,223.	90,396.	397,500.	999,419.	1,507,952.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)	1,518.	12,665.	7,046.	339.	3,990.	25,558.
11 Total support. Add lines 7 through 10						2550570535.

12 Gross receipts from related activities, etc. (see instructions) **12** 2,662,988.

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

Section C. Computation of Public Support Percentage

14 Public support percentage for 2017 (line 6, column (f) divided by line 11, column (f)) **14** 59.19 %

15 Public support percentage from 2016 Schedule A, Part II, line 14 **15** 60.50 %

16a 33 1/3% support test - 2017. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization

b 33 1/3% support test - 2016. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization

17a 10% -facts-and-circumstances test - 2017. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization

b 10% -facts-and-circumstances test - 2016. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization

18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions

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

(Complete only if you checked the box on line 10 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) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(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) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(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 2017 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2016 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2017 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2016 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2017. 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 - 2016. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

Part IV Supporting Organizations

(Complete only if you checked a box in line 12 on Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? If "Yes," answer (b) and (c) below.		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? If "Yes," describe in Part VI when and how the organization made the determination.		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? If "Yes," explain in Part VI what controls the organization put in place to ensure such use.		
4a Was any supported organization not organized in the United States ("foreign supported organization")? If "Yes," and if you checked 12a or 12b in Part I, answer (b) and (c) below.		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI , including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? If "Yes," provide detail in Part VI .		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? If "Yes," provide detail in Part VI .		
b Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? If "Yes," provide detail in Part VI .		
c Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? If "Yes," provide detail in Part VI .		
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? If "Yes," answer 10b below.		
b Did the organization have any excess business holdings in the tax year? (Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)		

Part IV Supporting Organizations (continued)

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

Section B. Type I Supporting Organizations

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

Section C. Type II Supporting Organizations

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

Section D. All Type III Supporting Organizations

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

Section E. Type III Functionally Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).		
a <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.		
b <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.		
c <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).		
2 Activities Test. Answer (a) and (b) below.		
a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.		
b Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.		
3 Parent of Supported Organizations. Answer (a) and (b) below.		
a Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Provide details in Part VI.		
b Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in Part VI the role played by the organization in this regard.		

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

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

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

Schedule A (Form 990 or 990-EZ) 2017

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

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI). See instructions.	
7 Total annual distributions. Add lines 1 through 6.	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.	
9 Distributable amount for 2017 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-2017	(iii) Distributable Amount for 2017
1 Distributable amount for 2017 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2017 (reasonable cause required- explain in Part VI). See instructions.			
3 Excess distributions carryover, if any, to 2017			
a			
b From 2013			
c From 2014			
d From 2015			
e From 2016			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2017 distributable amount			
i Carryover from 2012 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4 Distributions for 2017 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2017 distributable amount			
c Remainder. Subtract lines 4a and 4b from 4.			
5 Remaining underdistributions for years prior to 2017, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in Part VI. See instructions.			
6 Remaining underdistributions for 2017. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI. See instructions.			
7 Excess distributions carryover to 2018. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a Excess from 2013			
b Excess from 2014			
c Excess from 2015			
d Excess from 2016			
e Excess from 2017			

Schedule A (Form 990 or 990-EZ) 2017

Part VI

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

SCHEDULE A, PART II, LINE 10, EXPLANATION FOR OTHER INCOME:

OTHER INCOME

2013 AMOUNT: \$ 1,518.

2014 AMOUNT: \$ 12,665.

2015 AMOUNT: \$ 7,046.

2016 AMOUNT: \$ 339.

2017 AMOUNT: \$ 3,990.

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.
- ▶ Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2017

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. Don't 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 isn't covered by the General Rule and/or the Special Rules doesn't 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 doesn't 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) (2017)

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		\$ 18,500,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2		\$ 29,500,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3		\$ 22,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
4		\$ 65,720,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
5		\$ 150,450,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
6		\$ 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		\$ 17,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
8		\$ 20,000,000.	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		\$ 75,000,000.	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.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

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

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

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

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

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

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	

SCHEDULE C
(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

OMB No. 1545-0047

2017

Open to Public Inspection

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.**

▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

Department of the Treasury
Internal Revenue Service

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

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

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

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

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

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

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

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

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

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) 2017

LHA

732041 11-09-17

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)	18,858.													
b	Total lobbying expenditures to influence a legislative body (direct lobbying)	96,145.													
c	Total lobbying expenditures (add lines 1a and 1b)	115,003.													
d	Other exempt purpose expenditures	674,488,914.													
e	Total exempt purpose expenditures (add lines 1c and 1d)	674,603,917.													
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) 2014	(b) 2015	(c) 2016	(d) 2017	(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	55,760.	11,942.	66,809.	115,003.	249,514.
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	55,760.	8,171.	10,454.	18,858.	93,243.

Schedule C (Form 990 or 990-EZ) 2017

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

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

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

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

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

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

Part IV Supplemental Information

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

SCHEDULE C, PART II-A

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

PLAYED A PROMINENT ROLE IN 2018 IN THE LEGISLATIVE ADOPTION OF

IMPROVEMENTS TO THE GARDINER SCHOLARSHIP AND TAX CREDIT SCHOLARSHIP

PROGRAMS AND THE CREATION OF TWO NEW SCHOLARSHIPS, ONE FOR ELEMENTARY

STUDENTS WHO STRUGGLE IN READING AND ONE FOR STUDENTS WHO ARE VICTIMS OF

Part IV Supplemental Information *(continued)*

BULLYING. THE TWO DIRECTORS ADVISED LEGISLATIVE COMMITTEE STAFF AND
 LEGISLATORS ON DIFFERENT POINTS ON THE BILL. THEY ALSO WORKED WITH THE
 DIRECTOR OF ADVOCACY AND CIVIC ENGAGEMENT TO CONNECT GARDINER FAMILIES AND
 TAX CREDIT SCHOLARSHIP FAMILIES WITH LAWMAKERS TO SUPPORT FOR THE BILLS.
 THESE LOBBYING EFFORTS ARE FINANCED BY PRIVATE FUNDRAISING AND NOT THROUGH
 EITHER THE DIRECT APPROPRIATION OR TAX-CREDITED CONTRIBUTIONS RECEIVED
 UNDER EACH PROGRAM.

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2017

Open to Public Inspection

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

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

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?	<input type="checkbox"/> Yes <input type="checkbox"/> No	

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

- 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 7/25/06, 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, handling of violations, and enforcing conservation easements during the year ▶ _____
- Amount of expenses incurred in monitoring, inspecting, handling of violations, 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" on 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 on 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 on Form 990, Part VIII, line 1	▶ \$ _____
b Assets included in Form 990, Part X	▶ \$ _____

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

Schedule D (Form 990) 2017

732051 10-09-17

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

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a Public exhibition
- b Scholarly research
- c Preservation for future generations
- d Loan or exchange programs
- e Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

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

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

	Amount
c Beginning balance	36,231,019.
d Additions during the year	99,410,729.
e Distributions during the year	77,174,370.
f Ending balance	58,467,378.

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? Yes No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII

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

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

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment %
 - b Permanent endowment %
 - c Temporarily restricted endowment %
- The percentages on lines 2a, 2b, and 2c should equal 100%.

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

- (i) unrelated organizations
- (ii) related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

b If "Yes" on line 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" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements		58,625.	36,408.	22,217.
d Equipment		4,864,317.	1,900,369.	2,963,948.
e Other				

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.) 2,986,165.

Part VII Investments - Other Securities.

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

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

Part VIII Investments - Program Related.

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

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

Part IX Other Assets.

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

(a) Description	(b) Book value
(1) FUNDS HELD IN TRUST FOR STUDENTS	58,467,378.
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	58,467,378.

Part X Other Liabilities.

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

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

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

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

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

1	Total revenue, gains, and other support per audited financial statements	1	708,029,489.
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	368,305.
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII.)	2d	
e	Add lines 2a through 2d	2e	368,305.
3	Subtract line 2e from line 1	3	707,661,184.
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	0.
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)	5	707,661,184.

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

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

1	Total expenses and losses per audited financial statements	1	674,972,222.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	368,305.
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII.)	2d	
e	Add lines 2a through 2d	2e	368,305.
3	Subtract line 2e from line 1	3	674,603,917.
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	0.
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)	5	674,603,917.

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 IV, LINE 2B:

IN JUNE 2014, LEGISLATION CREATING SCHOLARSHIPS FOR SPECIAL NEEDS CHILDREN

WAS SIGNED INTO LAW IN FLORIDA. A GARDINER 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,

CIRRICULUM AND TECHNOLOGY AND COLLEGE SAVINGS ACCOUNTS.

DURING THE YEARS ENDED JUNE 30, 2018 AND 2017, STEP UP FOR STUDENTS

DISTRIBUTED APPROXIMATELY \$77.1 MILLION AND \$60.7 MILLION, LEAVING A

BALANCE OF APPROXIMATELY \$58.4 MILLION AND \$36.2 MILLION RESPECTIVELY.

Part XIII Supplemental Information (continued)

WHICH IS RECORDED IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS
BOTH AN ASSET AND A LIABILITY. STEP UP FOR STUDENTS IS ACTING AS AN AGENT
FOR THIS PROGRAM, THEREFORE, THERE ARE NO REVENUES AND EXPENSES REPORTED
ON THE STATEMENT OF ACTIVITIES FOR SCHOLARSHIP FUNDS RECEIVED AND
DISTRIBUTED FROM THE STATE OF FLORIDA.

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.

THE ALABAMA OPPORTUNITY SCHOLARSHIP FUND IS A DISREGARDED ENTITY FOR
FEDERAL AND STATE INCOME TAX PURPOSES AND THEREFORE, REPORTS ALL FEDERAL
AND STATE TAX INFORMATION THROUGH STEP UP FOR STUDENTS. ACCORDINGLY, NO
PROVISION FOR FEDERAL AND STATE INCOME TAXES HAS BEEN RECORDED IN THE
ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS.

STEP UP FOR STUDENTS 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

Part XIII Supplemental Information (continued)

THE CONSOLIDATED FINANCIAL STATEMENTS. 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, 2015.

Multiple horizontal lines for supplemental information.

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

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of noncash assistance
FLORIDA TAX CREDIT SCHOLARSHIP PROGRAM	106548	641,591,249.	0.		
ALABAMA OPPORTUNITY SCHOLARSHIP	1590	9,387,814.	0.		

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

PART I, LINE 2:

STEP UP FOR STUDENTS RECEIVES GRANTS TO FUND PROJECTS AND INITIATIVES TO

EMPOWER THE FAMILIES OF OUR STUDENTS. THE GRANT EXPENSES ARE TRACKED BY

PROJECT CODE FOR EASE OF REPORTING TO OUR GRANTORS, IF APPLICABLE.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

▶ Attach to Form 990.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2017

Open to Public Inspection

Name of the organization

STEP UP FOR STUDENTS, INC.

Employer identification number

59-3649371

Part I Questions Regarding Compensation

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

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

Schedule J (Form 990) 2017

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.

▶ Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2017

Open to Public
Inspection

Name of the organization

STEP UP FOR STUDENTS, INC.

Employer identification number

59-3649371

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

OPTIONS FOR THEIR CHILDREN.

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

EQUAL OPPORTUNITY.

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

STEP UP FOR STUDENTS HAS CONTRACTED WITH EMPOWER ILLINOIS, AN APPROVED

501(C)3, SCHOLARSHIP GRANTING ORGANIZATION (SGO) IN THE STATE OF

ILLINOIS, THAT ADMINISTERS THE ILLINOIS INVEST IN KIDS SCHOLARSHIP

PROGRAM. SINCE NOVEMBER 2017, STEP UP FOR STUDENTS HAS PROVIDED

SCHOLARSHIP ADMINISTRATION SERVICES FOR EMPOWER ILLINOIS, BOTH IN-HOUSE

AND THROUGH A THIRD-PARTY PARTNER, TADS. THE ILLINOIS INVEST IN KIDS

SCHOLARSHIP PROGRAM IS A TAX CREDIT PROGRAM. EMPOWER ILLINOIS IS

ALLOWED TO USE UP TO 5% OF THE CONTRIBUTIONS COLLECTED TO ADMINISTER

THE SCHOLARSHIP PROGRAM, AND STEP UP FOR STUDENTS IS COMPENSATED FOR

ITS WORK BY EMPOWER ILLINOIS VIA THOSE ADMINISTRATIVE FUNDS.

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

UP TO \$750 IN TRANSPORTATION COSTS TO ATTEND AN OUT-OF-DISTRICT PUBLIC

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

HAS AWARDED 686,257 SCHOLARSHIPS. FOR 2018-19, THE AVERAGE INCOME FOR

PARTICIPANTS WAS 9.6% ABOVE THE FEDERAL POVERTY GUIDELINES, AND 55% OF

THE STUDENTS WERE FROM SINGLE-PARENT HOUSEHOLDS.

STANDARDIZED TEST SCORES RELEASED IN AUGUST 2017 SHOWED THAT

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

Schedule O (Form 990 or 990-EZ) (2017)

732211 09-07-17

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

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 2017 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 13TH TIME, STEP UP FOR STUDENTS WAS AWARDED THE COVETED FOUR-STAR RATING BY CHARITY NAVIGATOR FOR FINANCIAL ACCOUNTABILITY AND TRANSPARENCY. IN OTHER PUBLISHED NATIONAL RANKINGS OF NONPROFITS, STEP UP HAS BEEN RANKED 24TH BY FORBES AND 48TH BY THE CHRONICLE OF PHILANTHROPY.

FORM 990, PART III, LINE 4C, PROGRAM SERVICE ACCOMPLISHMENTS: DATA AND IN THE FALL OF 2017, THE URBAN INSTITUTE RELEASED A REPORT FINDING THAT STUDENTS ON THE SCHOLARSHIP AT LEAST THREE YEARS ARE 40 PERCENT MORE LIKELY THAN THEIR COUNTERPARTS IN PUBLIC SCHOOLS TO ATTEND COLLEGE.

FORM 990, PART III, LINE 4D, OTHER PROGRAM SERVICES: THE GARDINER SCHOLARSHIP ACCOUNT PROGRAM: \$3,234,009 IN 2017-18, STEP UP ALSO ADMINISTERED A STATEWIDE SCHOLARSHIP AVAILABLE TO SPECIAL-NEEDS STUDENTS WITH ONE OF TEN SPECIFIC DISABILITIES: AUTISM, CEREBRAL PALSY, DOWN SYNDROME, PHELAN-MCDERMID SYNDROME,

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

PRADER-WILLI SYNDROME, SPINA BIFIDA, WILLIAMS SYNDROME, INTELLECTUAL
 DISABILITY (SEVERE COGNITIVE IMPAIRMENT), MUSCULAR DYSTROPHY, DEAF,
 VISUALLY IMPAIRED, OR DUAL SENSORY IMPAIRED, HOSPITAL HOMEBOUND, BRAIN
 INJURY OR "HIGH RISK" CHILDREN IN KINDERGARTEN. FOR THE 2017-18 SCHOOL
 YEAR, THE PROGRAM SERVED 9,601 STUDENTS WHO RECEIVED SCHOLARSHIPS WORTH
 AN AVERAGE OF \$10,279 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, OR A COLLEGE SAVINGS ACCOUNT.

SCHOOL DEVELOPMENT AND STUDENT LEARNING: \$1,893,947

STEP UP FOR STUDENTS IS HELPING STRENGTHEN THE PROGRAM'S PARTNERSHIP
 SCHOOLS BY OFFERING FREE PROFESSIONAL DEVELOPMENT THROUGH STEP UP'S
 OFFICE OF STUDENT LEARNING. THIS DEPARTMENT'S LARGEST INITIATIVE,
 SUCCESS PARTNERS, IS A PROFESSIONAL DEVELOPMENT PROGRAM DESIGNED TO
 CREATE CLOSER RELATIONSHIPS BETWEEN PARENTS TEACHERS AND
 ADMINISTRATORS AND STUDENTS. THE INITIATIVE IS BASED ON THE BENEFITS OF
 STRENGTHENING THE FAMILY-SCHOOL PARTNERSHIP FOR THE WELL-BEING OF THE
 CHILD. SCHOOLS THAT WORK CLOSELY WITH PARENTS OFTEN HAVE HIGH STUDENT
 ACHIEVEMENT AND QUALITY PROGRAMS. THE CAPSTONE OF SUCCESS PARTNERS
 NETWORK IS A PARENT-SCHOOL PARTNERSHIP PLAN, DESIGNED TO GIVE TEACHERS,
 FAMILIES AND STUDENTS A WAY TO UTILIZE THE FLORIDA STATE STANDARDS.
 WITH THE COMPACT, EACH PARTY AGREES TO SUPPORT ONE ANOTHER FOR THE
 SUCCESS OF THE STUDENT. THE STANDARDS ARE A NATIONAL INITIATIVE OF
 UNIFORM ACADEMIC BENCHMARKS ADOPTED IN 45 STATES FOR GRADES
 KINDERGARTEN THROUGH 12 TO ENSURE THAT STUDENTS ARE READY FOR CAREERS
 AND COLLEGE. THE TEACHING AND LEARNING EXCHANGE ALSO PROVIDES ALL
 PARTICIPATING SCHOOLS WITH THE FOLLOWING CUSTOM FUNCTIONS: GRADE BOOK,

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

ATTENDANCE, LESSON AND UNIT PLANS, REPORT CARD, AND PARENT PORTAL. IN
 ADDITION, STEP UP FOR STUDENTS HAS DEVELOPED A MASTER LEADERSHIP
 ACADEMY WHICH IS FOCUSED ON SUPPORTING SCHOOL LEADERS TO BECOME DATA
 DRIVEN DECISION MAKERS IN ALL ASPECTS OF EDUCATIONAL FUNCTIONS.

ILLINOIS INVEST IN KIDS SCHOLARSHIP PROGRAM: \$766,733
 STEP UP FOR STUDENTS HAS CONTRACTED WITH EMPOWER ILLINOIS, AN APPROVED
 501(C)(3), SCHOLARSHIP GRANTING ORGANIZATION (SGO) IN THE STATE OF
 ILLINOIS, THAT ADMINISTERS THE ILLINOIS INVEST IN KIDS SCHOLARSHIP
 PROGRAM, A TAX CREDIT SCHOLARSHIP PROGRAM. SINCE NOVEMBER 2017, STEP
 UP FOR STUDENTS HAS PROVIDED SCHOLARSHIP ADMINISTRATION SERVICES FOR
 EMPOWER ILLINOIS, BOTH IN-HOUSE AND THROUGH A THIRD-PARTY PARTNER.
 EMPOWER ILLINOIS CAN SOLICIT AND RECEIVE CORPORATE AND INDIVIDUAL
 CONTRIBUTIONS THAT ARE ENTITLED TO A 75% STATE TAX CREDIT OF CORPORATE
 AND INDIVIDUAL STATE INCOME TAX. THOSE CONTRIBUTIONS, IN TURN MUST BE
 SPENT TO PROVIDE SCHOLARSHIPS TO LOW INCOME ILLINOIS SCHOOL CHILDREN IN
 COMPLIANCE WITH THE INVEST IN KIDS ACT. FOR THE 2018-2019 SCHOOL YEAR,
 QUALIFIED STUDENTS RECEIVED SCHOLARSHIPS OF UP TO \$12,973, OR FOR
 INDIVIDUAL DISABILITY EDUCATION ACT STUDENTS, UP TO \$25,946, TO ATTEND
 A PARTICIPATING PRIVATE SCHOOL WITHIN THE STATE OF ILLINOIS.
 SCHOLARSHIPS ARE EXPENDED WHEN A STUDENT ATTENDS A PARTICIPATING SCHOOL.
 EMPOWER ILLINOIS IS ALLOWED TO USE UP TO 5% OF THE CONTRIBUTIONS
 COLLECTED TO ADMINISTER THE SCHOLARSHIP PROGRAM, AND STEP UP FOR
 STUDENTS IS COMPENSATED FOR ITS WORK BY EMPOWER ILLINOIS VIA THOSE
 ADMINISTRATIVE FUNDS.

ADVOCACY AND CIVIC ENGAGEMENT: \$472,526
 ADVOCACY AND CIVIC ENGAGEMENT, THROUGH THE FLORIDA PARENT NETWORK,

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

ORGANIZES PARENTS AND SUPPORTERS WHO BELIEVE CHILDREN SHOULD BE EDUCATED BASED ON HOW THEY LEARN, RATHER THAN WHERE THEY LIVE. THIS INCLUDES PARENTS WHO UTILIZE SCHOLARSHIPS AS WELL AS CHARTER, MAGNET, HOME AND VIRTUAL SCHOOLS. THE FLORIDA PARENT NETWORK EDUCATES, INFORMS AND TRAINS PARENTS TO BE ADVOCATES AND SUPPORTERS FOR THE PROTECTION AND EXPANSION OF CHOICE OPPORTUNITIES. ADVOCACY AND CIVIC ENGAGEMENT PROVIDES THESE SERVICES TO PARENTS OF CHILDREN PARTICIPATING IN PROGRAMS ADMINISTERED BY THE ORGANIZATION AND TO PARENTS UTILIZING OTHER CHOICE OPTIONS UNDER CONTRACT SERVICE AGREEMENTS WITH CHOICE ADVOCACY GROUPS.

HOPE SCHOLARSHIP PROGRAM: \$151,511

THE HOPE SCHOLARSHIP WAS ESTABLISHED BY FLORIDA STATUTE 1002.40, WHICH WAS CREATED IN 2018 TO PROVIDE THE OPTION OF PRIVATE SCHOOL SCHOLARSHIPS TO STUDENTS IN PUBLIC SCHOOLS WHO HAVE EXPERIENCED ACTS OF BULLYING AND INTIMIDATION. STEP UP FOR STUDENTS, AS AN APPROVED SCHOLARSHIP FUNDING ORGANIZATION (SFO), IS AUTHORIZED TO ADMINISTER HOPE SCHOLARSHIPS. THE HOPE LAW PROVIDES THAT AUTOMOBILE BUYERS MAY REDIRECT UP TO \$105 OF THEIR STATE TAXES ON EACH PURCHASE TOWARD AN AUTHORIZED SFO. THOSE CONTRIBUTIONS MUST BE USED TO PROVIDE TUITION SCHOLARSHIPS TO PARTICIPATING PRIVATE SCHOOLS OR A \$750 TRANSPORTATION SCHOLARSHIP TO A PUBLIC SCHOOL IN ANOTHER DISTRICT. THE MAXIMUM TUITION SCHOLARSHIPS FOR 2018-2019 ARE \$6,519 FOR ELEMENTARY GRADES, \$6,815 FOR MIDDLE SCHOOL AND \$7,111 FOR HIGH SCHOOL. STEP UP FOR STUDENTS IS ALLOWED TO USE UP TO 3% OF THE CONTRIBUTIONS TO ADMINISTER THE SCHOLARSHIP.

READING SCHOLARSHIP PROGRAM: \$126,091

732212 09-07-17

Schedule O (Form 990 or 990-EZ) (2017)

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

THE READING SCHOLARSHIP WAS ESTABLISHED BY FLORIDA STATUTE 1002.411,
WHICH WAS CREATED IN 2018 TO PROVIDE ACADEMIC SUPPORT FOR PUBLIC
ELEMENTARY SCHOOL STUDENTS WHO STRUGGLE IN READING. STEP UP FOR
STUDENTS, AS AN APPROVED SCHOLARSHIP FUNDING ORGANIZATION (SFO), IS
AUTHORIZED TO ADMINISTER THE PROGRAM. THE SCHOLARSHIP IS AVAILABLE TO
STUDENTS IN THIRD- THROUGH FIFTH-GRADE WHO HAVE SCORED A LEVEL 1 OR 2
ON THE ENGLISH LANGUAGE ARTS SECTION OF THE FLORIDA STANDARDS
ASSESSMENT (FSA). EACH SCHOLARSHIP IS WORTH \$500, WHICH THE PARENT CAN
USE TO PAY FOR TUITION AND FEES RELATED TO PART-TIME TUTORING, SUMMER
AND AFTER-SCHOOL LITERACY PROGRAMS, INSTRUCTIONAL MATERIALS AND MORE.
THE FUNDING IS FROM DIRECT STATE APPROPRIATIONS (A TOTAL OF \$9.7
MILLION FOR 2018-2019). STEP UP FOR STUDENTS IS PROVIDED AN AMOUNT
EQUAL TO 3% OF EACH SCHOLARSHIP TO ADMINISTER THE PROGRAM.
EXPENSES \$ 6,644,817. INCLUDING GRANTS OF \$ 0. REVENUE \$ 980,210.

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

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

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

STEP UP FOR STUDENTS ENSURES THAT THE CONFLICT OF INTEREST POLICY IS
ADHERED TO WITH THE FOLLOWING ACTIVITIES: 1) REGULAR EDUCATION WITH THE
BOARD OF DIRECTORS, OFFICERS AND KEY STAFF. EACH YEAR, THE POLICY IS
REVIEWED WITH THE BOARD OF DIRECTORS AND THE EXECUTIVE TEAM. EACH
ACKNOWLEDGE THEIR UNDERSTANDING AND COMPLIANCE BY SIGNING AN ANNUAL

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

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

2016, 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, LINE 17, LIST OF STATES RECEIVING COPY OF FORM 990:

AK, AR, CA, CO, CT, FL, DC, GA, HI, IL, KS, KY, ME, MD, MA, MI, MN, MS, NV, NH, NJ, NM, NY, NC, OH

OR, PA, RI, SC, TN, UT, VA, WA, WV, WI

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

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

POLICY AND FINANCIAL STATEMENTS AVAILABLE ON ITS WEBSITE,

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

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

FORM 990, PART 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.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2017

**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	21,305,696.	13,703,401.	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) 2017

Part V Transactions With Related Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

Note: Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

	Yes	No
a Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity	1a	
b Gift, grant, or capital contribution to related organization(s)	1b	
c Gift, grant, or capital contribution from related organization(s)	1c	
d Loans or loan guarantees to or for related organization(s)	1d	
e Loans or loan guarantees by related organization(s)	1e	
f Dividends from related organization(s)	1f	
g Sale of assets to related organization(s)	1g	
h Purchase of assets from related organization(s)	1h	
i Exchange of assets with related organization(s)	1i	
j Lease of facilities, equipment, or other assets to related organization(s)	1j	
k Lease of facilities, equipment, or other assets from related organization(s)	1k	
l Performance of services or membership or fundraising solicitations for related organization(s)	1l	
m Performance of services or membership or fundraising solicitations by related organization(s)	1m	
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	
o Sharing of paid employees with related organization(s)	1o	
p Reimbursement paid to related organization(s) for expenses	1p	
q Reimbursement paid by related organization(s) for expenses	1q	
r Other transfer of cash or property to related organization(s)	1r	
s Other transfer of cash or property from related organization(s)	1s	

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

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

Application for Automatic Extension of Time To File an Exempt Organization Return

Department of the Treasury
Internal Revenue Service

▶ **File a separate application for each return.**

▶ **Information about Form 8868 and its instructions is at www.irs.gov/form8868.**

Electronic filing (e-file). You can electronically file Form 8868 to request a 6-month automatic extension of time to file any of the forms listed below with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, for which an extension request must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile, click on Charities & Non-Profits, and click on e-file for Charities and Non-Profits.

Automatic 6-Month Extension of Time. Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

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

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

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

JOE PFOUNTZ

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

1 I request an automatic 6-month extension of time until MAY 15, 2019, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

- ▶ calendar year _____ or
- ▶ tax year beginning JUL 1, 2017, and ending JUN 30, 2018.

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

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

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