

ALABAMA DEPARTMENT OF REVENUE
EDUCATIONAL SCHOLARSHIP PROGRAM
Scholarship Granting Organization
Annual Report

2015

For the year beginning 01/01/2015 and ending 06/30/2015

Section 16-6D-9, Code of Alabama 1975, as amended by Act 2015-439, provides for Scholarship Granting Organizations (SGOs) to report certain information to the department for the previous academic year. The Annual Report of Scholarship Granting Organizations (SGO) is due by September 1 of each year. Please complete and submit this form with required attachments, to the Alabama Department of Revenue.

SECTION I – Scholarship Granting Organization (SGO)

SCHOLARSHIP GRANTING ORGANIZATION NAME

Alabama Opportunity Scholarship Fund, LLC

FEDERAL TAX ID

MAILING ADDRESS OF ORGANIZATION

P.O. Box 59188

CITY

Birmingham

STATE

AL

ZIP CODE

35259

TELEPHONE NUMBER

(855) 642-5673

EMAIL ADDRESS

lsearchy@alabamascholarshipfund.org

SECTION II – Donation Information

TOTAL DONATIONS RECEIVED

1. Enter the total number of donations received during the academic year	1	20
2. Enter the total amount of donations received during the academic year	2 \$	10,170,474

SECTION III – Scholarship Information

TOTAL EDUCATIONAL SCHOLARSHIPS AWARDED (ACTUALLY PAID OUT) AND FUNDED – see note below

1. Total number of educational scholarships awarded and funded. Enter amount from attachment 1, line 3a.....	1	0
2. Total amount of educational scholarships awarded and funded. Enter amount from attachment 1, line 3b.....	2 \$	0

STUDENTS QUALIFYING FOR FEDERAL FREE AND REDUCED-PRICE LUNCH PROGRAM

3. Total number of educational scholarships awarded to students qualifying for federal free and reduced-price lunch program ..	3	0
4. Total amount of educational scholarships awarded to students qualifying for federal free and reduced price lunch program ..	4 \$	0

FIRST-TIME RECIPIENTS

5. Total number of first-time scholarship recipients	5	0
6. Total number of first-time scholarship recipients continuously enrolled in a public school for the entire previous academic year	6	0
7. Percentage of first-time scholarship recipients continuously enrolled in a public school for the entire previous academic year. Divide line 6 by line 5 and enter results here.....	7	0.0000 %
8. Total number of first-time scholarship recipients continuously enrolled in a private school for the entire previous academic year	8	0
9. Percentage of first-time scholarship recipients continuously enrolled in a private school for the entire previous academic year. Divide line 8 by line 5 and enter results here	9	0.0000 %
10. Percentage of first-time scholarship recipients <u>not</u> continuously enrolled in a private school during the previous academic year. (100% minus line 9).....	10	0.0000 %

RECEIVED
SEP 29 2015
INDIVIDUAL AND
CORPORATE TAX

The Alabama Opportunity Scholarship Fund distributed all scholarship awards and funding for the 2014-2015 school year to participating schools before December 31, 2014. No additional scholarship awards were made during the period beginning January 1, 2015 and ending June 30, 2015.

SECTION IV – Cumulative Donations

1. Enter the total of donations received during the current academic year.	1	\$	10,170,474	
2. Enter the total amount of donations received during all previous years.	2	\$	18,477,984	
3. Cumulative amount of donations received for current and all previous years. <i>Add lines 1 and 2.</i>	3	\$	28,648,458	
4. Limitation on allowable non-scholarship expenditures. <i>Multiply line 3 by .05 and enter results here.</i>	4	\$	1,432,423	
5. Enter total amount of allowable non-scholarship expenditures made during the current academic year.	5	\$	254,317	
6. Enter total amount of allowable non-scholarship expenditures made during all previous years	6	\$	880,417	
7. Cumulative amount of allowable non-scholarship expenditures for current and all previous years. <i>Add lines 5 and 6.</i>	7	\$	1,134,734	

SECTION V – Reconciliation of Unexpended Scholarship Funds for the period of 01/01/2015 – 06/30/2015

1a. Enter the scholarship funds on hand as of January 1, 2015.	1a	\$	699,895	
1b. Enter the amount of commitments for the remainder of school year, as of January 1, 2015.	1b	\$	0	
1c. Unexpended scholarship funds*, as of January 1, 2015. <i>Subtract line 1b from line 1a.</i>	1c	\$	699,895	
2. Plus: Interest and revenue from investment of scholarship funds received from 01/01/2015 – 06/30/2015.	2	\$	0	
3. Plus: Scholarship donations received from 01/01/2015 – 06/30/2015.	3	\$	10,170,474	
4. Less: Actual scholarship grants paid from 01/01/2015 – 06/30/2015.	4	\$	0	
5. Less: Allowable non-scholarship expenditures made from 01/01/2015 – 06/30/2015.	5	\$	-254,317	
6a. Scholarship funds on hand, as of June 30, 2015. <i>Add lines 1a, 2, and 3 and subtract lines 4 and 5.</i>	6a	\$	10,616,052	
6b. Enter the amount of commitments for the upcoming school year, as of June 30, 2015.	6b	\$	0	
6c. Unexpended scholarship funds*, as of June 30, 2015. <i>Subtract line 6b from line 6a.</i>	6c	\$	10,616,052	

SECTION VI – Summary of Compliance with Eligibility Requirements

- Was the percentage of first time recipients not continuously enrolled in a private school during the previous academic year (**Section III, line 10**) equal to or greater than 75%? *N/A* ☐ Yes ☐ No
- Is the cumulative amount of allowable non-scholarship expenditures made during the current and all previous years (**Section IV, line 7**) less than 5% of the cumulative amount of all scholarship funds received during the current and all previous years (**Section IV, line 4**), in which the SGO has operated? ☒ Yes ☐ No
- Has the SGO given priority to receive an educational scholarship to eligible students zoned to attend failing schools? ☒ Yes ☐ No
- Has the SGO only, and not any qualifying schools accepting educational scholarship recipients or scholarship funds, determined whether scholarship recipients are eligible to receive educational scholarships? ☒ Yes ☐ No
- Has the SGO's actions and policies provided for a parent's educational choice by not limiting or prohibiting the enrollment of eligible students in a qualifying school if those students received educational scholarships from other SGOs? ☒ Yes ☐ No
- Has the SGO collected achievement test results from qualifying schools accepting its scholarship recipients and submitted them by August 15 to the Alabama Department of Revenue (ADOR) and the independent research organization selected by ADOR? *See note below* ☐ Yes ☒ No
- Were the scholarship funds on hand at the beginning of the calendar year 2014, expended on educational scholarship grants and allowable non-scholarship expenditures by June 30, 2015? ☒ Yes ☐ No

If any of the above are checked "No" then please attach documentation explaining any extraordinary circumstances preventing the requirement from being met. *Due to school testing schedules and the date the amendments to the AAA were passed, some schools did not receive test results until after August 15. Some schools will need to change their testing schedules to ensure compliance with this new deadline. Another unforeseen complicating factor was that some testing companies required privacy releases from parents to release the data to a third party (i.e., an SGO). We have collected the test results and these results were submitted to the ADOR as an attachment to this return. The test results have not been submitted to the independent research organization as ADOR has not selected such organization. Once that organization is selected we will provide that organization the results*

SECTION VII – Required Attachments

Please include a copy of the following required attachments:

- A financial information report prepared by a certified public accountant.
- A copy of the SGO's required annual federal form 990.
- Written verification from qualifying nonpublic schools that accept its educational scholarship students that those schools do all of the following:
 - Comply with the Alabama Child Protection Act of 1999, Chapter 22A or Title 16.
 - Comply with all health and safety laws or codes that otherwise apply to nonpublic schools.
 - Hold a valid occupancy permit if required by the municipality.
 - Certify compliance with nondiscrimination policies set forth in 42 USC 1981.
 - Conduct criminal background checks on employees and exclude from employment any person not permitted by state law to work in a public school and any person who may reasonably pose a threat to the safety of students.
- Has the SGO received any complaints of discrimination? ☐ Yes ☒ No *If "Yes", please attach a description of the action taken.*

SECTION VIII – Signature

UNDER PENALTIES OF PERJURY, I declare that I have examined this report and accompanying schedules and statements, and to the best of my knowledge and belief, they are, true, correct and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

ALL SECTIONS OF THIS FORM MUST BE COMPLETED TO BE CONSIDERED A PROPERLY FILED RETURN.

Please mail this annual report and all required attachments to Alabama Department of Revenue,

ATTN: Education Scholarship Program, P.O. Box 327010, Montgomery, AL 36132-7010