



2013 Income Tax Returns

SCHOLARSHIP AMERICA, INC.

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No. 1545-0047

2013

Open to Public Inspection

A For the **2013** calendar year, or tax year beginning **07/01, 2013**, and ending **12/31, 2013**

B Check if applicable: <input checked="" type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization SCHOLARSHIP AMERICA, INC.		D Employer identification number 04-2296967
	Doing Business As		E Telephone number (507) 931-1682
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	
	City or town, state or province, country, and ZIP or foreign postal code MINNEAPOLIS, MN 55425		G Gross receipts \$ 222,454,983.

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.SCHOLARSHIPAMERICA.ORG	H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)
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: 1961	M State of legal domicile: MA

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: THE MISSION OF SCHOLARSHIP AMERICA, INC. IS TO MOBILIZE AMERICA THROUGH SCHOLARSHIPS AND EDUCATIONAL SUPPORT TO MAKE POSTSECONDARY EDUCATION POSSIBLE FOR ALL STUDENTS.		
	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	13.
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	12.
	5 Total number of individuals employed in calendar year 2013 (Part V, line 2a)	5	200.
	6 Total number of volunteers (estimate if necessary)	6	20,000.
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
7b Net unrelated business taxable income from Form 990-T, line 34	7b	0	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year 151,980,658.	Current Year 135,070,904.
	9 Program service revenue (Part VIII, line 2g)	9,281,082.	5,925,855.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	5,176,932.	11,265,137.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-33,528.	616.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	166,405,144.	152,262,512.
	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	151,289,599.	145,797,079.
Expenses	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)	8,429,526.	4,782,194.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 896,260.		
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	3,867,317.	3,741,021.
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	163,586,442.	154,320,294.
19 Revenue less expenses. Subtract line 18 from line 12	2,818,702.	-2,057,782.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year 188,908,618.	End of Year 172,322,872.
	21 Total liabilities (Part X, line 26)	50,706,502.	43,346,193.
	22 Net assets or fund balances. Subtract line 21 from line 20.	138,202,116.	128,976,679.

Part II Signature Block

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

Sign Here	Signature of officer	Date
	Type or print name and title	

Paid Preparer Use Only	Print/Type preparer's name CINDI R FULLER	Preparer's signature <i>Cindi Fuller</i>	Date 10/08/14	Check <input type="checkbox"/> if self-employed	PTIN P01076310
	Firm's name ▶ KPMG LLP	Firm's EIN ▶ 13-5565207		Phone no. 612-305-5000	
	Firm's address ▶ 4200 WELLS FARGO CTR., 90 S. 7TH MINNEAPOLIS, MN 55402				

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

For Paperwork Reduction Act Notice, see the separate instructions.

Form **990** (2013)

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:

SEE SCHEDULE O ATTACHMENT 1

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 \$ 150,502,538. including grants of \$ 145,797,079.) (Revenue \$ 5,850,568.)

SCHOLARSHIP MANAGEMENT SERVICES IS THE LEADING SCHOLARSHIP SERVICES PROGRAM IN THE COUNTRY, HELPING CORPORATIONS, FOUNDATIONS AND INDIVIDUALS DESIGN AND ADMINISTER SCHOLARSHIP AND RELATED EDUCATIONAL ASSISTANCE PROGRAMS.

4b (Code:) (Expenses \$ 647,367. including grants of \$) (Revenue \$ 75,287.)

DOLLARS FOR SCHOLARS IS A NATIONAL NETWORK OF OVER 500 COMMUNITY-BASED, VOLUNTEER-DRIVEN AFFILIATED ORGANIZATIONS THAT PROVIDE SCHOLARSHIPS AND EDUCATIONAL SUPPORT TO LOCAL STUDENTS IN MORE THAN 2000 COMMUNITIES ACROSS THE COUNTRY.

4c (Code:) (Expenses \$ 205,605. including grants of \$) (Revenue \$)

DREAMKEEPERS IS A COLLEGE-BASED EMERGENCY GRANT PROGRAM DESIGNED TO HELP STUDENTS WITH AN UNFORESEEN FINANCIAL EMERGENCY STAY IN COLLEGE.

4d Other program services (Describe in Schedule O.) ATTACHMENT 1 (Expenses \$ 54,358. including grants of \$) (Revenue \$)

4e Total program service expenses 151,409,868.

Part IV Checklist of Required Schedules

Table with 3 columns: Question number, Yes, No. Rows include questions 1 through 20b regarding organizational requirements and reporting.

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		X
22 Did the organization report more than \$5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	X	
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	X	
24 a 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
24 b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
24 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?		
24 d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25 a Section 501(c)(3) and 501(c)(4) 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
25 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 payable to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If so, complete Schedule L, Part II.		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <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):		
28 a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV.</i>		X
28 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
28 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
35 a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
35 b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2.</i>		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI.</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O.	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

Table with columns for line numbers (1a-14b), descriptions of tax compliance items, and Yes/No response columns. Includes entries for Form 1096, Form W-2G, Form W-3, and various other IRS forms.

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

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

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a (13), 1b (12), 2 (X), 3 (X), 4 (X), 5 (X), 6 (X), 7a (X), 7b (X), 8a (X), 8b (X), 9 (X).

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

Table with 3 columns: Question, Yes, No. Rows include: 10a (X), 10b (X), 11a (X), 12a (X), 12b (X), 12c (X), 13 (X), 14 (X), 15a (X), 15b (X), 16a (X), 16b.

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed ATTACHMENT 2
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
[X] Own website [] Another's website [X] Upon request [] Other (explain in Schedule O)
19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: RICHARD S. GREENE, CFO 7900 INTERNATIONAL DR, SUITE 500 MPLS, MN 55425 952-830-7396

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. X

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) MIM SCHRECK AUDIT COMMITTEE CHAIR	5.00	X		X				0	0	0
(2) MICHAEL D. RYAN CHAIR	5.00	X		X				0	0	0
(3) LAUREN A. SEGAL PRESIDENT AND CEO	40.00	X		X			299,460.	0	23,285.	
(4) TIMOTHY A. CHRISTENSEN SECRETARY	5.00	X		X			0	0	0	0
(5) MICHAEL J. RYDER FINANCE CHAIR/TREASURER	5.00	X		X			0	0	0	0
(6) JUDITH ALLEN GOVERNANCE COMMITTEE CHAIR	5.00	X					0	0	0	0
(7) J. BARRY GRISWELL DEVELOPMENT COMMITTEE CHAIR	5.00	X					0	0	0	0
(8) JAY MORRIS BOARD MEMBER	3.00	X					0	0	0	0
(9) ROBERT C. BALLARD BOARD MEMBER	3.00	X					0	0	0	0
(10) SEEMA R. SHAH BOARD MEMBER	3.00	X					0	0	0	0
(11) ROXANNE SPLILLETT BOARD MEMBER	3.00	X					0	0	0	0
(12) BARBARA M. KUZDZOL BOARD MEMBER, HRT CHAIR PRO TEM	5.00	X					0	0	0	0
(13) TINA T. LEE BOARD MEMBER	3.00	X					0	0	0	0
(14) MARK D. QUICK BOARD MEMBER	3.00	X					0	0	0	0

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
15) TERRANCE KRALING CHIEF INFORMATION OFFICER	40.00				X		207,032.	0	7,700.	
16) MARY LARSON SENIOR VP MKTG & DEVELOPMENT	40.00				X		155,996.	0	3,000.	
17) GREG DEHN SENIOR VICE PRESIDENT	40.00				X		202,115.	0	18,849.	
18) RICHARD GREENE CHIEF FINANCIAL OFFICER	40.00				X		103,055.	0	6,735.	
19) MAX ESPINOZA SENIOR VICE PRESIDENT	40.00				X		108,570.	0	2,459.	
20) RHIANNA QUINN RODDY EXECUTIVE DIRECTOR	30.00					X	188,535.	0	25,815.	
21) BARBARA WEBER VICE PRESIDENT	40.00					X	217,917.	0	6,266.	
22) MARILEE HEDBERG VICE PRESIDENT	40.00					X	114,170.	0	20,022.	
23) LAURA RHEINTGEN DIRECTOR OF DEVELOPMENT	40.00					X	108,656.	0	2,122.	
24) MARY WYNNE VICE PRESIDENT	40.00					X	102,367.	0	3,501.	
1b Sub-total							299,460.	0	23,285.	
c Total from continuation sheets to Part VII, Section A							1,508,413.	0	96,469.	
d Total (add lines 1b and 1c)							1,807,873.	0	119,754.	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **▶ 10**

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		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? <i>If "Yes," complete Schedule J for such individual</i>	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? <i>If "Yes," complete Schedule J for such person</i>		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
ATTACHMENT 3		

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **▶ 8**

Part VIII Statement of Revenue

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

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a						
	b Membership dues	1b						
	c Fundraising events	1c	5,250.					
	d Related organizations	1d						
	e Government grants (contributions) . .	1e						
	f All other contributions, gifts, grants, and similar amounts not included above .	1f	135,065,654.					
	g Noncash contributions included in lines 1a-1f: \$							
	h Total. Add lines 1a-1f			135,070,904.				
Program Service Revenue	Business Code							
	2a MANAGEMENT FEES		900099	5,850,568.	5,850,568.			
	b DOLLARS FOR SCHOLARS		900099	75,287.	75,287.			
	c							
	d							
	e							
	f All other program service revenue							
g Total. Add lines 2a-2f			5,925,855.					
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			800,811.			800,811.	
	4 Income from investment of tax-exempt bond proceeds . . .			0				
	5 Royalties			0				
	6a Gross rents	(i) Real	(ii) Personal					
		b Less: rental expenses						
		c Rental income or (loss)						
		d Net rental income or (loss)			0			
	7a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other					
		80,656,181.						
		b Less: cost or other basis and sales expenses			70,191,855.			
		c Gain or (loss)			10,464,326.			
	d Net gain or (loss)			10,464,326.			10,464,326.	
	8a Gross income from fundraising events (not including \$ 5,250. of contributions reported on line 1c). See Part IV, line 18	a						
		b Less: direct expenses	b	616.				
		c Net income or (loss) from fundraising events			616.			616.
9a Gross income from gaming activities. See Part IV, line 19	a							
	b Less: direct expenses	b						
	c Net income or (loss) from gaming activities			0				
10a Gross sales of inventory, less returns and allowances	a							
	b Less: cost of goods sold	b						
	c Net income or (loss) from sales of inventory			0				
Miscellaneous Revenue			Business Code					
11a								
b								
c								
d All other revenue								
e Total. Add lines 11a-11d				0				
12 Total revenue. See instructions				152,262,512.	5,925,855.		11,265,753.	

Part IX Statement of Functional Expenses

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21 .	0			
2 Grants and other assistance to individuals in the United States. See Part IV, line 22	142,359,887.	142,359,887.		
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16	3,437,192.	3,437,192.		
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	570,573.	183,353.	319,239.	67,981.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7 Other salaries and wages	3,543,433.	2,234,711.	760,059.	548,663.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	0			
9 Other employee benefits	405,991.	279,330.	98,118.	28,543.
10 Payroll taxes	262,197.	155,928.	64,731.	41,538.
11 Fees for services (non-employees):				
a Management	1,991,704.	1,545,147.	415,140.	31,417.
b Legal	158,223.	112,087.	46,136.	
c Accounting	3,400.		3,400.	
d Lobbying	0			
e Professional fundraising services. See Part IV, line 17.	0			
f Investment management fees	0			
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	0			
12 Advertising and promotion	161,986.	67,757.	20,536.	73,693.
13 Office expenses	189,147.	140,359.	36,415.	12,373.
14 Information technology	0			
15 Royalties	0			
16 Occupancy	226,004.	135,295.	77,100.	13,609.
17 Travel	338,988.	193,412.	92,417.	53,159.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	0			
20 Interest	36,781.	35,326.	1,455.	
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	238,988.	211,102.	25,430.	2,456.
23 Insurance	65,522.	49,197.	11,799.	4,526.
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 <u>PRINTING</u>	163,234.	137,230.	21,716.	4,288.
b <u>POSTAGE & DELIVERY</u>	120,734.	107,678.	10,425.	2,631.
c <u>MISCELLANEOUS</u>	46,310.	24,877.	10,050.	11,383.
d _____				
e All other expenses _____				
25 Total functional expenses. Add lines 1 through 24e	154,320,294.	151,409,868.	2,014,166.	896,260.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)	0			

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	0	1	0
	2 Savings and temporary cash investments	27,509,871.	2	35,567,397.
	3 Pledges and grants receivable, net	2,255,062.	3	1,763,210.
	4 Accounts receivable, net	2,761,546.	4	2,828,370.
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	0	5	0
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L	0	6	0
	7 Notes and loans receivable, net	0	7	0
	8 Inventories for sale or use	0	8	0
	9 Prepaid expenses and deferred charges	199,259.	9	244,893.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 8,973,336.		
	b Less: accumulated depreciation	10b 6,292,882.	2,605,936.	10c 2,680,454.
	11 Investments - publicly traded securities	ATCH 4	153,338,644.	11 127,016,465.
	12 Investments - other securities. See Part IV, line 11		0	12 0
	13 Investments - program-related. See Part IV, line 11		0	13 0
	14 Intangible assets		0	14 1,976,330.
	15 Other assets. See Part IV, line 11		238,300.	15 245,753.
16 Total assets. Add lines 1 through 15 (must equal line 34)		188,908,618.	16 172,322,872.	
Liabilities	17 Accounts payable and accrued expenses	837,140.	17	1,250,974.
	18 Grants payable	0	18	0
	19 Deferred revenue	0	19	0
	20 Tax-exempt bond liabilities	0	20	0
	21 Escrow or custodial account liability. Complete Part IV of Schedule D	0	21	0
	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	0	22	0
	23 Secured mortgages and notes payable to unrelated third parties ATCH 5	1,329,998.	23	1,260,881.
	24 Unsecured notes and loans payable to unrelated third parties	0	24	1,129,276.
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	48,539,364.	25	39,705,062.	
26 Total liabilities. Add lines 17 through 25	50,706,502.	26	43,346,193.	
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	8,170,733.	27	6,924,203.
	28 Temporarily restricted net assets	113,400,570.	28	104,798,882.
	29 Permanently restricted net assets	16,630,813.	29	17,253,594.
	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	138,202,116.	33	128,976,679.	
34 Total liabilities and net assets/fund balances	188,908,618.	34	172,322,872.	

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	152,262,512.
2	Total expenses (must equal Part IX, column (A), line 25)	2	154,320,294.
3	Revenue less expenses. Subtract line 2 from line 1	3	-2,057,782.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	138,202,116.
5	Net unrealized gains (losses) on investments	5	-6,170,867.
6	Donated services and use of facilities	6	0
7	Investment expenses	7	0
8	Prior period adjustments	8	0
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-996,788.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	128,976,679.

Part XII Financial Statements and Reporting

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

- 1** Accounting method used to prepare the Form 990: Cash Accrual 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:
 Separate basis Consolidated basis Both consolidated and separate basis
- 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:
 Separate basis Consolidated basis 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?
 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?
- 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.

	Yes	No
2a		X
2b	X	
2c	X	
3a		X
3b		

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support
Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

OMB No. 1545-0047

2013

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

Name of the organization SCHOLARSHIP AMERICA, INC.	Employer identification number 04-2296967
--	---

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

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

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 An organization that normally receives: (1) more than 33 1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3 % of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.
 - a Type I b Type II c Type III-Functionally integrated d Type III-Non-functionally integrated
- e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
 - (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?

	Yes	No
11g(i)		
 - (ii) A family member of a person described in (i) above?

	Yes	No
11g(ii)		
 - (iii) A 35% controlled entity of a person described in (i) or (ii) above?

	Yes	No
11g(iii)		
- h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of monetary support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
Total									

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	141,752,610.	140,478,327.	143,055,784.	151,980,658.	135,070,904.	712,338,283.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						0
3 The value of services or facilities furnished by a governmental unit to the organization without charge						0
4 Total. Add lines 1 through 3.	141,752,610.	140,478,327.	143,055,784.	151,980,658.	135,070,904.	712,338,283.
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).						0
6 Public support. Subtract line 5 from line 4.						712,338,283.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
7 Amounts from line 4	141,752,610.	140,478,327.	143,055,784.	151,980,658.	135,070,904.	712,338,283.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	4,013,159.	3,688,280.	3,352,273.	2,890,246.	800,811.	14,744,769.
9 Net income from unrelated business activities, whether or not the business is regularly carried on	0	0	0	0	0	0
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						0
11 Total support. Add lines 7 through 10						727,083,052.
12 Gross receipts from related activities, etc. (see instructions)					12	42,802,217.
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f))	14	97.97%
15 Public support percentage from 2012 Schedule A, Part II, line 14	15	97.46%
16a 33 1/3% support test - 2013. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here . The organization qualifies as a publicly supported organization		<input checked="" type="checkbox"/>
b 33 1/3% support test - 2012. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here . The organization qualifies as a publicly supported organization		<input type="checkbox"/>
17a 10%-facts-and-circumstances test - 2013. 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 IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 10%-facts-and-circumstances test - 2012. 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 IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		<input type="checkbox"/>

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

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

Section A. Public Support

Table with 7 columns: (a) 2009, (b) 2010, (c) 2011, (d) 2012, (e) 2013, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Gross receipts from admissions, merchandise sold or services performed; 3 Gross receipts from activities that are not an unrelated trade or business; 4 Tax revenues levied for the organization's benefit; 5 The value of services or facilities furnished by a governmental unit; 6 Total. Add lines 1 through 5; 7a Amounts included on lines 1, 2, and 3 received from disqualified persons; 7b Amounts included on lines 2 and 3 received from other than disqualified persons; 7c Add lines 7a and 7b; 8 Public support (Subtract line 7c from line 6).

Section B. Total Support

Table with 7 columns: (a) 2009, (b) 2010, (c) 2011, (d) 2012, (e) 2013, (f) Total. Rows include: 9 Amounts from line 6; 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 10b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975; 10c Add lines 10a and 10b; 11 Net income from unrelated business activities not included in line 10b; 12 Other income. Do not include gain or loss from the sale of capital assets; 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

Table with 3 columns: Description, 2013, 2012. Row 15: Public support percentage for 2013 (line 8, column (f) divided by line 13, column (f)). Row 16: Public support percentage from 2012 Schedule A, Part III, line 15.

Section D. Computation of Investment Income Percentage

Table with 3 columns: Description, 2013, 2012. Row 17: Investment income percentage for 2013 (line 10c, column (f) divided by line 13, column (f)). Row 18: Investment income percentage from 2012 Schedule A, Part III, line 17.

19a 33 1/3% support tests - 2013. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

19b 33 1/3% support tests - 2012. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

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

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

PART II - PUBLIC SUPPORT TEST - SHORT YEAR

DURING THE PERIOD, SCHOLARSHIP AMERICA, INC. ADOPTED A CALENDAR TAX YEAR ENDED DECEMBER 31ST, 2013. ACCORDINGLY, AMOUNTS REPORTED ON SCHEDULE A, PART II REPRESENT THE ABBREVIATED REPORTING PERIOD. PROSPECTIVELY, REPORTING FOR PURPOSES OF SCHEDULE A, PART II WILL REFLECT A FULL CALENDAR YEAR REPORTING PERIOD.

Schedule of Contributors

2013

▶ **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.

Name of the organization

SCHOLARSHIP AMERICA, INC.

Employer identification number

04-2296967

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

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

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

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

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

501(c)(3) taxable private foundation

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

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

General Rule

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

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

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

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions of \$5,000 or more during the year ▶ \$ _____

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

Name of organization SCHOLARSHIP AMERICA, INC.

Employer identification number
04-2296967

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	GENERAL MOTORS FOUNDATION 300 RENAISSANCE CENTER DETROIT, MI 48236	\$ 8,154,193.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	PEPSICO FOUNDATION 700 ANDERSON HILL ROAD PURCHASE, NY 10577	\$ 3,043,500.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3	TEXAS GUARANTEE STUDENT LOAN 300 SUNDANCE PARKWAY ROUND ROCK, TX 78683	\$ 4,779,950.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
4	PNC BANK & INSTITUTIONAL INVESTMENTS TWO LIBERTY PLAZA 7TH FL, 620 LIBERTY AV PITTSBURGH, PA 15222	\$ 3,676,126.	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 SCHOLARSHIP AMERICA, INC.

Employer identification number

04-2296967

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

Name of organization SCHOLARSHIP AMERICA, INC.

Employer identification number
04-2296967

Part III Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations that total more than \$1,000 for the year. Complete columns (a) through (e) and the following line entry.

For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of **\$1,000 or less** for the year. (Enter this information once. See instructions.) ► \$ _____

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 D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

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

2013

Department of the Treasury Internal Revenue Service

Attach to Form 990.

Open to Public Inspection

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

Name of the organization

Employer identification number

SCHOLARSHIP AMERICA, INC.

04-2296967

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

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

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

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

Table with 2 columns: Held at the End of the Tax Year. Rows include: 1 Purpose(s) of conservation easements held by the organization (check all that apply), 2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year., 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year, 4 Number of states where property subject to conservation easement is located, 5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?, 6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year, 7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year, 8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B) (i) and section 170(h)(4)(B)(ii)?, 9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

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

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

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

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

Schedule D (Form 990) 2013

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

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

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

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

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

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

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

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

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21? Yes No

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

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	20,380,843.	20,693,045.	18,055,616.	15,986,375.	15,501,881.
b Contributions	615,239.	43,955.	2,014,528.	1,992,818.	61,542.
c Net investment earnings, gains, and losses	1,147,018.	1,001,760.	1,122,048.	1,485,874.	1,461,629.
d Grants or scholarships	188,108.	616,554.	472,890.	280,587.	1,034,386.
e Other expenditures for facilities and programs		741,363.	26,257.	1,128,865.	4,291.
f Administrative expenses					
g End of year balance	21,954,992.	20,380,843.	20,693,045.	18,055,615.	15,986,375.

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

- a Board designated or quasi-endowment 8.0000 %
 - b Permanent endowment 78.0000 %
 - c Temporarily restricted endowment 14.0000 %
- The percentages in lines 2a, 2b, and 2c should equal 100%.

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

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

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

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

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		329,436.		329,436.
b Buildings		4,848,663.	2,860,781.	1,987,881.
c Leasehold improvements				
d Equipment		3,795,237.	3,432,101.	363,137.
e Other				
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				2,680,454.

Part VII Investments - Other Securities.

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

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

Part VIII Investments - Program Related.

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

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

Part IX Other Assets.

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

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

Part X Other Liabilities.

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

1. (a) Description of liability	(b) Book value	
(1) Federal income taxes		
(2) SCHOLARSHIPS PAYABLE	8,198,034.	
(3) REFUNDABLE DEPOSITS	31,507,028.	
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	39,705,062.	

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

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

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

1	Total revenue, gains, and other support per audited financial statements		1	146,091,029.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
a	Net unrealized gains on investments	2a	-6,170,867.	
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	-6,170,867.
3	Subtract line 2e from line 1		3	152,261,896.
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	616.	
c	Add lines 4a and 4b		4c	616.
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)		5	152,262,512.

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

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

1	Total expenses and losses per audited financial statements		1	154,319,678.
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	154,319,678.
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	616.	
c	Add lines 4a and 4b		4c	616.
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)		5	154,320,294.

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.

SEE PAGE 5

Part XIII Supplemental Information (continued)

USE OF ENDOWMENT FUNDS

PART V, LINE 4

SCHOLARSHIPS: NEARLY ALL OF SCHOLARSHIP AMERICA'S ENDOWMENT FUNDS ARE FOR SCHOLARSHIP PROGRAMS AS SPECIFIED BY THE DONORS. THE DONOR AGREEMENTS OUTLINE ANY SPECIAL AWARD CRITERIA CONCERNING GEOGRAPHIC LOCATION, SCHOOL, COURSE OF STUDY, ETC., AND WHETHER OR NOT THE PRINCIPAL MAY BE AWARDED.

DOLLARS FOR SCHOLARS: DONORS ALSO ESTABLISHED SMALL ENDOWMENTS WHICH SUPPORT OPERATION OF THE DOLLARS FOR SCHOLARS PROGRAM.

FIN 48 FOOTNOTE

PART X, LINE 2

SCHOLARSHIP AMERICA'S ACCOUNTING POLICY PROVIDES THAT A TAX EXPENSE OR BENEFIT FROM AN UNCERTAIN TAX POSITION MAY BE RECOGNIZED WHEN IT IS MORE LIKELY THAN NOT THAT THE POSITION WILL BE SUSTAINED UPON EXAMINATION, INCLUDING RESOLUTIONS OF ANY RELATED APPEALS OR LITIGATION PROCESSES, BASED ON THE TECHNICAL MERITS. SCHOLARSHIP AMERICA HAS NO UNCERTAIN TAX POSITIONS RESULTING IN AN ACCRUAL OF TAX EXPENSE OR BENEFIT.

OTHER RECONCILING ITEMS

PART XI

616 DIRECT EXPENSES RELATED TO FUNDRAISING

PART XII

616 DIRECT EXPENSES RELATED TO FUNDRAISING

**SCHEDULE F
(Form 990)**

Statement of Activities Outside the United States

OMB No. 1545-0047

2013

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

- ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 14b, 15, or 16.
- ▶ Attach to Form 990. ▶ See separate instructions.
- ▶ Information about Schedule F (Form 990) and its instructions is at www.irs.gov/form990.

Name of the organization

Employer identification number

SCHOLARSHIP AMERICA, INC.

04-2296967

Part I General Information on Activities Outside the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 14b.

1 For grantmakers. Does the organization maintain records to substantiate the amount of its grants and other assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? **Yes** **No**

2 For grantmakers. Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States.

3 Activities per Region. (The following Part I, line 3 table can be duplicated if additional space is needed.)

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e.g., fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
(1) CENTRAL AMERICA/CARIBBEAN			GRANTMAKING	SCHOLARSHIP AWARD	73,800.
(2) EAST ASIA AND THE PACIFIC			GRANTMAKING	SCHOLARSHIP AWARD	593,750.
(3) EUROPE			GRANTMAKING	SCHOLARSHIP AWARD	876,325.
(4) MIDDLE EAST AND NORTH AFRICA			GRANTMAKING	SCHOLARSHIP AWARD	222,150.
(5) NORTH AMERICA			GRANTMAKING	SCHOLARSHIP AWARD	1,293,767.
(6) RUSSIA/INDEPENDENT STATES			GRANTMAKING	SCHOLARSHIP AWARD	21,500.
(7) SOUTH AMERICA			GRANTMAKING	SCHOLARSHIP AWARD	211,600.
(8) SOUTH ASIA			GRANTMAKING	SCHOLARSHIP AWARD	101,300.
(9) SUB-SAHARAN AFRICA			GRANTMAKING	SCHOLARSHIP AWARD	43,000.
(10)					
(11)					
(12)					
(13)					
(14)					
(15)					
(16)					
(17)					
3a Sub-total					3,437,192.
b Total from continuation sheets to Part I					
c Totals (add lines 3a and 3b)					3,437,192.

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

Schedule F (Form 990) 2013

Part II Grants and Other Assistance to Organizations or Entities Outside the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Part II can be duplicated if additional space is needed.

1	(a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
(1)			EAST ASIA/PACIFIC	SCHOLARSHIPS	6,250.	CHECK OR ET			
(2)			NORTH AMERICA	SCHOLARSHIPS	8,500.	CHECK OR ET			
(3)			NORTH AMERICA	SCHOLARSHIPS	23,750.	CHECK OR ET			
(4)			NORTH AMERICA	SCHOLARSHIPS	19,750.	CHECK OR ET			
(5)			NORTH AMERICA	SCHOLARSHIPS	21,300.	CHECK OR ET			
(6)			NORTH AMERICA	SCHOLARSHIPS	9,125.	CHECK OR ET			
(7)			NORTH AMERICA	SCHOLARSHIPS	16,100.	CHECK OR ET			
(8)			NORTH AMERICA	SCHOLARSHIPS	8,575.	CHECK OR ET			
(9)			NORTH AMERICA	SCHOLARSHIPS	6,250.	CHECK OR ET			
(10)			NORTH AMERICA	SCHOLARSHIPS	14,575.	CHECK OR ET			
(11)			NORTH AMERICA	SCHOLARSHIPS	7,500.	CHECK OR ET			
(12)			NORTH AMERICA	SCHOLARSHIPS	70,700.	CHECK OR ET			
(13)			NORTH AMERICA	SCHOLARSHIPS	67,225.	CHECK OR ET			
(14)			NORTH AMERICA	SCHOLARSHIPS	6,500.	CHECK OR ET			
(15)			NORTH AMERICA	SCHOLARSHIPS	9,250.	CHECK OR ET			
(16)			NORTH AMERICA	SCHOLARSHIPS	11,000.	CHECK OR ET			

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter.

3 Enter total number of other organizations or entities.

Part II Grants and Other Assistance to Organizations or Entities Outside the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Part II can be duplicated if additional space is needed.

1	(a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
(1)			NORTH AMERICA	SCHOLARSHIPS	88,225.	CHECK OR ET			
(2)			NORTH AMERICA	SCHOLARSHIPS	5,250.	CHECK OR ET			
(3)			NORTH AMERICA	SCHOLARSHIPS	18,800.	CHECK OR ET			
(4)			NORTH AMERICA	SCHOLARSHIPS	5,250.	CHECK OR ET			
(5)			NORTH AMERICA	SCHOLARSHIPS	6,600.	CHECK OR ET			
(6)			NORTH AMERICA	SCHOLARSHIPS	8,000.	CHECK OR ET			
(7)			NORTH AMERICA	SCHOLARSHIPS	6,500.	CHECK OR ET			
(8)			NORTH AMERICA	SCHOLARSHIPS	5,250.	CHECK OR ET			
(9)			NORTH AMERICA	SCHOLARSHIPS	10,750.	CHECK OR ET			
(10)			NORTH AMERICA	SCHOLARSHIPS	5,750.	CHECK OR ET			
(11)			NORTH AMERICA	SCHOLARSHIPS	6,000.	CHECK OR ET			
(12)			NORTH AMERICA	SCHOLARSHIPS	19,500.	CHECK OR ET			
(13)			NORTH AMERICA	SCHOLARSHIPS	52,600.	CHECK OR ET			
(14)			NORTH AMERICA	SCHOLARSHIPS	20,750.	CHECK OR ET			
(15)			NORTH AMERICA	SCHOLARSHIPS	36,850.	CHECK OR ET			
(16)			NORTH AMERICA	SCHOLARSHIPS	5,138.	CHECK OR ET			

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter.

3 Enter total number of other organizations or entities.

Part II Grants and Other Assistance to Organizations or Entities Outside the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Part II can be duplicated if additional space is needed.

1	(a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
(1)			NORTH AMERICA	SCHOLARSHIPS	11,250.	CHECK OR ET			
(2)			NORTH AMERICA	SCHOLARSHIPS	26,750.	CHECK OR ET			
(3)			NORTH AMERICA	SCHOLARSHIPS	13,750.	CHECK OR ET			
(4)			NORTH AMERICA	SCHOLARSHIPS	6,775.	CHECK OR ET			
(5)			NORTH AMERICA	SCHOLARSHIPS	31,500.	CHECK OR ET			
(6)			NORTH AMERICA	SCHOLARSHIPS	14,500.	CHECK OR ET			
(7)			NORTH AMERICA	SCHOLARSHIPS	11,200.	CHECK OR ET			
(8)			NORTH AMERICA	SCHOLARSHIPS	63,125.	CHECK OR ET			
(9)			NORTH AMERICA	SCHOLARSHIPS	14,250.	CHECK OR ET			
(10)			NORTH AMERICA	SCHOLARSHIPS	14,000.	CHECK OR ET			
(11)			NORTH AMERICA	SCHOLARSHIPS	99,050.	CHECK OR ET			
(12)			NORTH AMERICA	SCHOLARSHIPS	66,750.	CHECK OR ET			
(13)			NORTH AMERICA	SCHOLARSHIPS	7,000.	CHECK OR ET			
(14)			NORTH AMERICA	SCHOLARSHIPS	32,500.	CHECK OR ET			
(15)			NORTH AMERICA	SCHOLARSHIPS	34,375.	CHECK OR ET			
(16)			CENT. AMERICA/CARIBBEAN	SCHOLARSHIPS	6,000.	CHECK OR ET			

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter.

3 Enter total number of other organizations or entities.

Part II Grants and Other Assistance to Organizations or Entities Outside the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Part II can be duplicated if additional space is needed.

1	(a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
(1)			EUROPE/ICELAND/GREENLAND	SCHOLARSHIPS	7,500.	CHECK OR ET			
(2)			EUROPE/ICELAND/GREENLAND	SCHOLARSHIPS	15,800.	CHECK OR ET			
(3)			NORTH AMERICA	SCHOLARSHIPS	10,500.	CHECK OR ET			
(4)			NORTH AMERICA	SCHOLARSHIPS	5,500.	CHECK OR ET			
(5)			NORTH AMERICA	SCHOLARSHIPS	9,500.	CHECK OR ET			
(6)			EAST ASIA/PACIFIC	SCHOLARSHIPS	5,500.	CHECK OR ET			
(7)			EUROPE/ICELAND/GREENLAND	SCHOLARSHIPS	6,300.	CHECK OR ET			
(8)			EUROPE/ICELAND/GREENLAND	SCHOLARSHIPS	7,500.	CHECK OR ET			
(9)			EUROPE/ICELAND/GREENLAND	SCHOLARSHIPS	10,000.	CHECK OR ET			
(10)			EUROPE/ICELAND/GREENLAND	SCHOLARSHIPS	17,975.	CHECK OR ET			
(11)			EUROPE/ICELAND/GREENLAND	SCHOLARSHIPS	8,800.	CHECK OR ET			
(12)			EUROPE/ICELAND/GREENLAND	SCHOLARSHIPS	6,250.	CHECK OR ET			
(13)									
(14)									
(15)									
(16)									

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter.

3 Enter total number of other organizations or entities.

Part III Grants and Other Assistance to Individuals Outside the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 16. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of non-cash assistance	(g) Description of non-cash assistance	(h) Method of valuation (book, FMV, appraisal, other)
(1) SCHOLARSHIPS	CENT. AMERICA/CARIBBEAN	21.	49,700.	CHECK OR ET			
(2) SCHOLARSHIPS	EAST ASIA/PACIFIC	194.	481,300.	CHECK OR ET			
(3) SCHOLARSHIPS	EUROPE/ICELAND/GREENLAND	242.	643,700.	CHECK OR ET			
(4) SCHOLARSHIPS	MIDDLE EAST/NORTH AFRICA	72.	215,500.	CHECK OR ET			
(5) SCHOLARSHIPS	NORTH AMERICA	1.	5,000.	CHECK OR ET			
(6) SCHOLARSHIPS	RUSSIA/NEWLY IND. STATES	10.	19,500.	CHECK OR ET			
(7) SCHOLARSHIPS	SOUTH AMERICA	62.	176,600.	CHECK OR ET			
(8) SCHOLARSHIPS	SOUTH ASIA	22.	64,500.	CHECK OR ET			
(9) SCHOLARSHIPS	SUB-SAHARAN AFRICA	19.	39,000.	CHECK OR ET			
(10)							
(11)							
(12)							
(13)							
(14)							
(15)							
(16)							
(17)							
(18)							

Part IV Foreign Forms

- 1 Was the organization a U.S. transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)* Yes No

- 2 Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A)* Yes No

- 3 Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons With Respect To Certain Foreign Corporations. (see Instructions for Form 5471)* Yes No

- 4 Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see Instructions for Form 8621)* Yes No

- 5 Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons With Respect To Certain Foreign Partnerships. (see Instructions for Form 8865)* Yes No

- 6 Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see Instructions for Form 5713)* Yes No

Part V Supplemental Information

Complete this part to provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs. expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

SCHEDULE F, PART I, LINE 2

GRANTS OUTSIDE THE UNITED STATES ARE COMPETITIVELY AWARDED USING THE PROCESS DESCRIBED IN SCHEDULE I (GRANTS...IN THE UNITED STATES). IN ADDITION FOR EACH STUDENT SCHOLARSHIP AMERICA OBTAINS A VERIFICATION OF ENROLLMENT. BEFORE PAYMENT THE NAMES OF BENEFICIARIES ARE COMPARED TO THE TREASURY DEPARTMENT, OFFICE OF FOREIGN ASSETS CONTROL, SPECIALLY DESIGNATED NATIONALS LIST TO MAKE SURE THEY ARE NOT ON THAT LIST.

SCHEDULE F, PART II, LINE 2

PAYMENTS TO ORGANIZATIONS OUTSIDE THE UNITED STATES ARE PRIMARILY TO COLLEGES AND UNIVERSITIES. THESE PAYMENTS ULTIMATELY REPRESENT GRANTS TO INDIVIDUAL STUDENTS AWARDED AT THE DISCRETION OF SCHOLARSHIP AMERICA. WHILE SCHOLARSHIP AMERICA KNOWS THE ORGANIZATIONS RECEIVING PAYMENT ARE NOT ON THE OFAC'S SDN LIST, WE ARE UNCERTAIN CONCERNING THE ORGANIZATIONS' CHARITY AND TAX EXEMPT STATUS. BASED ON ALL PUBLIC INFORMATION AVAILABLE, ALL ORGANIZATIONS RECEIVING GRANT PAYMENTS FROM SCHOLARSHIP AMERICA APPEAR TO BE INSTITUTES OF HIGHER EDUCATION CONSISTENT WITH SCHOLARSHIP AMERICA'S EXEMPT PURPOSE.

**SCHEDULE I
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization

SCHOLARSHIP AMERICA, INC.

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

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

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

OMB No. 1545-0047

2013

**Open to Public
Inspection**

Employer identification number

04-2296967

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States. Yes No

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

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) -----							
(2) -----							
(3) -----							
(4) -----							
(5) -----							
(6) -----							
(7) -----							
(8) -----							
(9) -----							
(10) -----							
(11) -----							
(12) -----							

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

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

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

Schedule I (Form 990) (2013)

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

	(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1	SCHOLARSHIPS	6,313	1,42,359,887.			
2						
3						
4						
5						
6						
7						

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

SCHOLARSHIP MANAGEMENT SERVICES

SCHEDULE I PART IV

SCHOLARSHIP AMERICA WAS FORMED TO ENCOURAGE CITIZEN SUPPORT OF HIGHER

EDUCATION INCLUDING THE ADMINISTRATION OF SCHOLARSHIP PROGRAMS ON BEHALF

OF PARTICIPATING CORPORATIONS, FOUNDATIONS, AND INDIVIDUALS. SCHOLARSHIP

AMERICA'S GRANTS TO INDIVIDUALS FOR STUDY PURPOSES ARE MADE IN COMPLIANCE

WITH PROCEDURES SET FORTH IN THE SCHOLARSHIP AMERICA AWARDS KIT ON FILE

WITH THE IRS. IN ADMINISTERING A SCHOLARSHIP PROGRAM SCHOLARSHIP AMERICA

IS AVAILABLE TO PERFORM THE FOLLOWING IN DETERMINING THE RECIPIENTS:

1. PREPARE AND FURNISH APPLICATION FORMS;

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

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

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

2. RECEIVE ALL APPLICATION MATERIALS DIRECTLY ;
3. PROCESS AND EVALUATE ALL APPLICATIONS ;
4. DETERMINE THE RECIPIENTS AND AMOUNT TO BE AWARDED ;
5. NOTIFY THE RECIPIENTS OF THEIR AWARD ;
6. CONFIRM THE APPROPRIATE EMPLOYMENT RELATIONSHIP OR PROGRAM ELIGIBILITIES ARE MET ;
7. CONFIRM ENROLLMENT IN A QUALIFIED EDUCATIONAL INSTITUTION ;
8. MAKE PAYMENT OF THE AWARD ;
9. SUPERVISE AND INVESTIGATE THE USE OF THE FUNDS BY THE RECIPIENTS IN THEIR EDUCATIONAL PROGRAMS .

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

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

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

RECIPIENTS ARE DETERMINED BY SCHOLARSHIP AMERICA UTILIZING SELECTION

CRITERIA BASED ON A DETAILED ANALYSIS OF THE FOLLOWING CANDIDATE

INFORMATION:

1. SCHOLASTIC APTITUDE AS MEASURED BY PERFORMANCE ON A RECOGNIZED

SCHOLASTIC APTITUDE TEST;

2. SCHOLASTIC PERFORMANCE MEASURED BY RANK IN CLASS OR GPA;

3. ADULT INDEPENDENT APPRAISAL;

4. WORK EXPERIENCE, INTEREST, ACTIVITIES, AND

LEADERSHIP CONTRIBUTIONS;

5. FINANCIAL NEED MAY ALSO BE TAKEN INTO CONSIDERATION.

**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" to Form 990, Part IV, line 23.
- ▶ Attach to Form 990. ▶ See separate instructions.
- ▶ Information about Schedule J (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

**Open to Public
Inspection**

Name of the organization

SCHOLARSHIP AMERICA, INC.

Employer identification number

04-2296967

Part I Questions Regarding Compensation

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Schedule J (Form 990) 2013

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

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

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

	(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1	LAUREN A. SEGAL PRESIDENT AND CEO	298,342.	0	1,118.	5,489.	20,006.	324,955.	0
	(i)							
	(ii)							
2	RHIANNA QUINN RODDY EXECUTIVE DIRECTOR	187,836.	0	699.	3,650.	26,421.	218,606.	0
	(i)							
	(ii)							
3	TERRANCE KRALING CHIEF INFORMATION OFFICER	188,936.	0	18,096.	3,312.	8,824.	219,168.	0
	(i)							
	(ii)							
4	MARY LARSON SENIOR VP MKTG & DEVELOPMENT	155,805.	0	191.	3,000.	2,286.	161,282.	0
	(i)							
	(ii)							
5	GREG DEHN SENIOR VICE PRESIDENT	194,549.	0	7,566.	3,552.	17,286.	222,953.	0
	(i)							
	(ii)							
6	BARBARA WEBER VICE PRESIDENT	156,759.	0	61,158.	1,878.	7,157.	226,952.	0
	(i)							
	(ii)							
7								
	(i)							
	(ii)							
8								
	(i)							
	(ii)							
9								
	(i)							
	(ii)							
10								
	(i)							
	(ii)							
11								
	(i)							
	(ii)							
12								
	(i)							
	(ii)							
13								
	(i)							
	(ii)							
14								
	(i)							
	(ii)							
15								
	(i)							
	(ii)							
16								
	(i)							
	(ii)							

Part III Supplemental Information

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

PART I, LINE 4A

SEVERANCE PAYMENT

BARBARA WEBER - \$56,347

**SCHEDULE M
(Form 990)**

Noncash Contributions

OMB No. 1545-0047

2013

**Open To Public
Inspection**

Department of the Treasury
Internal Revenue Service

- ▶ Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
- ▶ Attach to Form 990.
- ▶ Information about Schedule M (Form 990) and its instructions is at www.irs.gov/form990.

Name of the organization

SCHOLARSHIP AMERICA, INC.

Employer identification number

04-2296967

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art - Works of art				
2 Art - Historical treasures				
3 Art - Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities - Publicly traded	X	9.	226,190.	MEAN OF MKT@GIFT DAT
10 Securities - Closely held stock				
11 Securities - Partnership, LLC, or trust interests				
12 Securities - Miscellaneous				
13 Qualified conservation contribution - Historic structures				
14 Qualified conservation contribution - Other				
15 Real estate - Residential				
16 Real estate - Commercial				
17 Real estate - Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ▶ (_____)				
26 Other ▶ (_____)				
27 Other ▶ (_____)				
28 Other ▶ (_____)				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement **29**

	Yes	No
30 a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28, that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?		X
b If "Yes," describe the arrangement in Part II.		
31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?	X	
32 a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?	X	
b If "Yes," describe in Part II.		
33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II.		

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

Schedule M (Form 990) (2013)

JSA

3E1298 1.000

LB5857 7383

499832

Part II **Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.

PART I, LINE 32A

SCHOLARSHIP AMERICA USES A THIRD PARTY BROKER TO RECEIVE STOCK CONTRIBUTIONS MADE TO THE ORGANIZATION. ADDITIONALLY, THE THIRD PARTY BROKER DISPOSES OF STOCK CONTRIBUTIONS IN ACCORDANCE WITH THE ORGANIZATION'S POLICIES.

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.**

OMB No. 1545-0047

2013

**Open to Public
Inspection**

Name of the organization

SCHOLARSHIP AMERICA, INC.

Employer identification number

04-2296967

ORGANIZATION'S MISSION

990 PART III, QUESTION 1

SCHOLARSHIP AMERICA IS A NATIONAL EDUCATION SERVICE ORGANIZATION. OUR MISSION IS TO MOBILIZE AMERICA THROUGH SCHOLARSHIPS AND EDUCATIONAL SUPPORT TO MAKE POSTSECONDARY SUCCESS POSSIBLE FOR ALL STUDENTS.

SCHOLARSHIP AMERICA HAS DISTRIBUTED MORE THAN \$3.1 BILLION IN SCHOLARSHIP ASSISTANCE TO MORE THAN 2.0 MILLION STUDENTS SINCE 1958. SCHOLARSHIP AMERICA'S PROGRAMS HELP FUND BOTH ENTRY-LEVEL AND RENEWABLE, MULTI-YEAR SCHOLARSHIPS, AS WELL AS EMERGENCY FINANCIAL GRANTS. PROGRAMS INCLUDE DOLLARS FOR SCHOLARS, DREAMKEEPERS, THE DREAM AWARD SCHOLARSHIP PROGRAM, AND SCHOLARSHIP MANAGEMENT SERVICES.

GROUP ELECTS MEMBER OF THE BOARD:

990 PART VI, QUESTION 7A

990 SCHOLARSHIP AMERICA HAS A GROUP CALLED HONOR ROLL TRUSTEES (HRTS). THE HRT GROUP IS COMPRISED OF FORMER BOARD MEMBERS WHO HAVE BEEN OFF OF THE BOARD FOR ONE YEAR AND WERE SUBSEQUENTLY ELECTED BY THE BOARD TO JOIN THIS ADVISORY GROUP. IN ADDITION TO ADVISING THE PRESIDENT THE HRTS ELECT ONE OF THEIR MEMBERS TO A TWO YEAR TERM ON THE BOARD.

BOARD APPROVAL OF FORM 990:

990 PART VI, QUESTION 11B

Name of the organization SCHOLARSHIP AMERICA, INC.	Employer identification number 04-2296967
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AUDIT COMMITTEE MEETS, REVIEWS, AND APPROVES A DRAFT OF THE FORM 990. THE RESULTS OF THEIR REVIEW ARE THEN SHARED FOR FULL BOARD APPROVAL BEFORE IT IS FILED WITH IRS.

MONITORING CONFLICT OF INTEREST:

990, PART VI, QUESTION 12C

ANNUALLY ALL BOARD MEMBERS AND EMPLOYEES SIGN THE CONFLICT OF INTEREST DISCLOSURE FORM. FORMS ARE REVIEWED BY THE GOVERNANCE COMMITTEE. BASED ON THE RESULTS OF THAT REVIEW AND DISCUSSION WITH THE INVOLVED INDIVIDUAL ANY APPROPRIATE ACTION IS TAKEN.

REVIEW OF PRESIDENT & CEO:

990, PART VI, QUESTION 15B

THE BOARD ANNUALLY REVIEWS THE PRESIDENT & CEO AND SETS THE LEVEL OF COMPENSATION BASED ON PERFORMANCE AND DATA REGARDING COMPENSATION FOR COMPARABLE POSITIONS.

AVAILABILITY OF INFORMATION TO THE PUBLIC:

990, PART VI, QUESTION 19

THE ANNUAL REPORT, ANNUAL AUDIT AND FORM 990 ARE AVAILABLE TO THE PUBLIC ON THE WEBSITE. ARTICLES, BY-LAWS AND CONFLICT OF INTEREST POLICY ARE AVAILABLE UPON REQUEST.

Name of the organization SCHOLARSHIP AMERICA, INC.	Employer identification number 04-2296967
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CHANGE IN NET ASSETS

990, PART XI, LINE 9

OTHER CHANGES IN NET ASSETS

(996,788) ADDITION OF PERMANENT RESTRICTION OF ENDOWMENT

(7,168,271) TOTAL CHANGE IN NET ASSETS

ATTACHMENT 1

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

<u>DESCRIPTION</u>	<u>GRANTS</u>	<u>EXPENSES</u>	<u>REVENUE</u>
OTHER - EDUCATION PROGRAMS & POLICY		54,358.	
TOTALS		<u>54,358.</u>	

ATTACHMENT 2

FORM 990, PART VI, LINE 17 - STATES

AL, AK, AZ, AR, CA, CO, CT,
 DC, FL, GA, HI, IL, IN, IA, KS, KY, ME, MD, MA, MI,
 MN, MS, MT, NH, NJ, NM, NY, NC, ND, OH, OK, OR, PA,
 RI, SC, TN, TX, UT, VA, WA, WV, WI,

ATTACHMENT 3

990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
RBA 294 GROVE LANE E, STE. 100 WAYZATA, MN 55391	CONSULTING	864,818.
ACT PO BOX 4072 IOWA CITY, IA 52243	SUBCONTRACTOR FEES	408,727.

Name of the organization SCHOLARSHIP AMERICA, INC.	Employer identification number 04-2296967
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ATTACHMENT 3 (CONT'D)

990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
HILL & COMPANY COMMUNICATIONS 1050 MARINA VILLAGE PARKWAY, STE. 105 ALAMEDA, CA 94501	MKTG & COMMUN.	286,497.
FAEGRE BAKER DANIELS LLP 2200 WELLS FARGO CENTER, 90 SOUTH 7TH ST. MINNEAPOLIS, MN 55402	LEGAL	280,200.
IRET PROPERTIES 10050 CROSSTOWN CIRCLE, STE. 105 EDEN PRAIRIE, MN 55344	PROPERTY OWNER	178,626.

ATTACHMENT 4

FORM 990, PART X - INVESTMENTS - PUBLICLY TRADED SECURITIES

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>
SECURITIES	153,338,644.	127,016,465.
TOTALS	<u>153,338,644.</u>	<u>127,016,465.</u>

ATTACHMENT 5

FORM 990, PART X - SECURED MORTGAGES AND NOTES PAYABLE

LENDER: THE FIRST NATIONAL BANK OF ST. PETER
 INTEREST RATE: 1.620000
 SECURITY PROVIDED: BUILDING

BEGINNING BALANCE DUE	1,329,998.
ENDING BALANCE DUE	<u>1,260,881.</u>
TOTAL BEGINNING MORTGAGES AND OTHER NOTES PAYABLE	<u>1,329,998.</u>
TOTAL ENDING MORTGAGES AND OTHER NOTES PAYABLE	<u>1,260,881.</u>