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Return of Organization Exempt From Income Tax

2014

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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.

A For the 2014 calendar year, or tax year beginning , 2014, and ending , 20

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization PER SCHOLAS, INC.		D Employer identification number 04-3252955	
	Doing business as		E Telephone number (718) 991-8400	
	Number and street (or P O box if mail is not delivered to street address) Room/suite 804 E 138TH STREET, 2ND FLOOR			
	City or town, state or province, country, and ZIP or foreign postal code BRONX, NY 10454-1902		G Gross receipts \$ 8,136,194.	
F Name and address of principal officer PLINIO AYALA 804 E 138TH STREET, 2ND FL, BRONX, NY 10454-1902		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions)		
I Tax-exempt status <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ◀ (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		J Website ▶ WWW.PERSCHOLAS.ORG		H(c) Group exemption number ▶
K Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of formation 1994		M State of legal domicile MA

Part I Summary		Prior Year	Current Year
Activities & Governance	1 Briefly describe the organization's mission or most significant activities TO PROVIDE FREE HIGH QUALITY TECHNOLOGY JOB TRAINING & CAREER DEVELOP. SERVICES TO INDIV. FROM UNDERSERVED COMMUNITIES; & TO OFFER A COMPLETE IT ASSET DISPOSITION SOLUTION.		
	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	20.
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	19.
	5 Total number of individuals employed in calendar year 2014 (Part V, line 2a)	5	96.
	6 Total number of volunteers (estimate if necessary)	6	22.
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
b Net unrelated business taxable income from Form 990-T, line 34	7b	0	
Revenue	8 Contributions and grants (Part VIII, line 1h)	5,100,771.	7,701,783.
	9 Program service revenue (Part VIII, line 2g)	0	0
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	52,941.	-1,162.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	592,322.	320,776.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	5,746,034.	8,021,397.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0	0
	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)	3,144,450.	4,088,429.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b Total fundraising expenses (Part IX, column (D), line 25)	599,824.	
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f, 24e)	2,020,116.	2,752,237.	
18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	5,164,566.	6,840,666.	
19 Revenue less expenses Subtract line 18 from line 12	581,468.	1,180,731.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year 4,213,663.	End of Year 5,643,561.
	21 Total liabilities (Part X, line 26)	557,774.	806,941.
	22 Net assets or fund balances Subtract line 21 from line 20	3,655,889.	4,836,620.

Part II Signature Block

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

Sign Here	Signature of officer <i>Dino Lianos</i>	Date 06/30/15
	Type or print name and title Dino Lianos	

Paid Preparer Use Only	Print/Type preparer's name PAUL HAMMERSCHMIDT	Preparer's signature <i>Paul Hammerschmidt</i>	Date 6/30/15	Check <input type="checkbox"/> if self-employed	PTIN P01384178
	Firm's name ▶ BDO USA, LLP	Firm's EIN ▶ 13-5381590			
	Firm's address ▶ 100 PARK AVENUE NEW YORK, NY 10017-5001	Phone no 212-885-8000			

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** (2014)

SCANNED JUL 2 8 2015

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Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission
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 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 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 \$ 5,182,118 including grants of \$ 0) (Revenue \$ 17,056)
ATTACHMENT 2

4b (Code _____) (Expenses \$ 204,336 including grants of \$ 0) (Revenue \$ 226,953)
COMPUTER RECONDITIONING AND RECYCLING - PER SCHOLAS' COMPUTER RECONDITIONING AND RECYCLING BUSINESS OFFERS A COMPLETE, IT ASSET DISPOSITION SOLUTION. OPERATING AS A NONPROFIT SOCIAL VENTURE, WE PARTNER WITH INDUSTRY LEADERS TO COLLECT USED EQUIPMENT DONATED BY CORPORATIONS, GOVERNMENT AND INDIVIDUALS, PROPERLY RECYCLING THE TRULY END-OF-LIFE EQUIPMENT AND RECONDITIONING THAT WITH CONTINUED USEFULNESS. OUR ACTIVITY CREATES VALUABLE JOBS WHILE DIVERTING THOUSANDS OF TONS OF ELECTRONIC WASTE FORM LANDFILL DISPOSAL.

4c (Code _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4d Other program services (Describe in Schedule O)

(Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4e Total program service expenses ▶ 5,386,454.

Part IV Checklist of Required Schedules

Table with 3 columns: Question, Yes, No. Rows 1-20b detailing various organizational requirements and their status.

Part IV Checklist of Required Schedules (continued)

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

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

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

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O	20	
b	Enter the number of voting members included in line 1a, above, who are independent	19	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6	Did the organization have members or stockholders?		X
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		X
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
a	The governing body?	X	
b	Each committee with authority to act on behalf of the governing body?		X
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X

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

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

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed ► AR, IL, MD, MA, MI, MN, NJ, NY, OH, PA, VA, WA,
- 18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection Indicate how you made these available Check all that apply
 Own website Another's website Upon request Other (explain in Schedule O)
- 19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year
- 20 State the name, address, and telephone number of the person who possesses the organization's books and records ►

DINO LIANOS, 804 E 138TH STREET, 2ND FL, BRONX, NY 10454-1902

718-991-8400

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below 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) PLINIO AYALA PRESIDENT AND CEO	50.00	X		X				189,987.	0	7,842.
(2) LEWIS E. MILLER CHAIRMAN	5.00	X		X				0	0	0
(3) JOHN HOYT STOOKEY BOARD DIRECTOR AND FOUNDER	5.00	X						0	0	0
(4) AMI ARIEL DIRECTOR	2.00	X						0	0	0
(5) MANUEL BARBERO (THRU 12/14) DIRECTOR	2.00	X						0	0	0
(6) JAMES BONHAM DIRECTOR	2.00	X						0	0	0
(7) DEREK BRADDOCK DIRECTOR	2.00	X						0	0	0
(8) MANNY CANCEL DIRECTOR	2.00	X						0	0	0
(9) KEN COOPER DIRECTOR	2.00	X						0	0	0
(10) DARYAN DEGHANPISHEH DIRECTOR	2.00	X						0	0	0
(11) CHARLES EATON DIRECTOR	2.00	X						0	0	0
(12) JOHN FOX DIRECTOR	2.00	X						0	0	0
(13) JEAN HILL DIRECTOR	2.00	X						0	0	0
(14) JOSHUA JARRETT DIRECTOR	2.00	X						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) SARA LANDER (THRU 12/14) DIRECTOR	2.00	X						0	0	0
16) CAROLYN P. LANDIS DIRECTOR	2.00	X						0	0	0
17) JAN LODAL DIRECTOR	2.00	X						0	0	0
18) TRENTON MANNING (FROM 12/14) DIRECTOR	2.00	X						0	0	0
19) JOE OURS (FROM 12/14) DIRECTOR	2.00	X						0	0	0
20) IAN SHRANK DIRECTOR	8.00	X						0	0	0
21) GREGORY W. SILLS DIRECTOR	2.00	X						0	0	0
22) JOE SQUERI DIRECTOR	2.00	X						0	0	0
23) GREG TUSAR (THRU 12/14) DIRECTOR	2.00	X						0	0	0
24) DINO LIANOS TREASURER AND CFO	50.00			X			136,118.	0	4,158.	
25) ANGIE KAMATH EXECUTIVE DIRECTOR, NY	40.00					X	139,546.	0		0
1b Sub-total							189,987.	0	7,842.	
c Total from continuation sheets to Part VII, Section A							275,664.	0	4,158.	
d Total (add lines 1b and 1c)							465,651.	0	12,000.	

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 **3**

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation

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 **0**

Part VIII Statement of Revenue

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

			(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	149,867.			
	d Related organizations	1d				
	e Government grants (contributions)	1e	1,122,886			
	f All other contributions, gifts, grants, and similar amounts not included above	1f	6,429,030			
	g Noncash contributions included in lines 1a-1f \$					
	h Total. Add lines 1a-1f		7,701,783			
Program Service Revenue	2a _____	Business Code				
	b _____					
	c _____					
	d _____					
	e _____					
	f All other program service revenue					
	g Total. Add lines 2a-2f		0			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		192			192
	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				
	b Less cost or other basis and sales expenses		1,354			
	c Gain or (loss)		-1,354			
	d Net gain or (loss)		-1,354			-1,354
	8a Gross income from fundraising events (not including \$ 149,867. of contributions reported on line 1c) See Part IV, line 18	ATCH 3				
	b Less direct expenses		113,443			
	c Net income or (loss) from fundraising events	ATCH 4	0			
	9a Gross income from gaming activities See Part IV, line 19					
b Less direct expenses						
c Net income or (loss) from gaming activities		0				
10a Gross sales of inventory, less returns and allowances		244,009				
b Less cost of goods sold						
c Net income or (loss) from sales of inventory		244,009	244,009			
Miscellaneous Revenue		Business Code				
11a MISCELLANEOUS INCOME	900099	76,767			76,767.	
b _____						
c _____						
d All other revenue						
e Total. Add lines 11a-11d		76,767				
12 Total revenue. See instructions		8,021,397.	244,009		75,605	

Part IX Statement of Functional Expenses

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments See Part IV, line 21	0			
2 Grants and other assistance to domestic individuals See Part IV, line 22	0			
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals See Part IV, lines 15 and 16	0			
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	338,105.	16,833.	129,487.	191,785.
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	3,207,243.	2,849,804.	241,175.	116,264.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	0			
9 Other employee benefits	207,724.	164,702.	13,681.	29,341.
10 Payroll taxes	335,357.	280,954.	36,000.	18,403.
11 Fees for services (non-employees)				
a Management	0			
b Legal	14,425.	13,799.	626.	
c Accounting	50,424.	47,903.	2,521.	
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).	671,779.	468,667.	98,826.	104,286.
12 Advertising and promotion	90,095.	82,204.	4,098.	3,793.
13 Office expenses	267,600.	200,072.	57,547.	9,981.
14 Information technology	124,833.	97,897.	25,264.	1,672.
15 Royalties	0			
16 Occupancy	575,669.	531,858.	35,308.	8,503.
17 Travel	250,476.	73,713.	74,358.	102,405.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	12,137.	6,474.	556.	5,107.
20 Interest	0			
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	219,568.	183,452.	36,116.	
23 Insurance	67,076.	53,536.	7,881.	5,659.
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>STUDENT SUPPLIES</u>	118,567.	118,567.		
b <u>OPERATING LEASES</u>	16,698.	16,698.		
c <u>MISCELLANEOUS EXPENSES</u>	272,890.	179,321.	90,944.	2,625.
d _____				
e All other expenses _____				
25 Total functional expenses. Add lines 1 through 24e	6,840,666.	5,386,454.	854,388.	599,824.
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	1,521,686.	1	1,868,778.
	2 Savings and temporary cash investments	0	2	0
	3 Pledges and grants receivable, net	983,789.	3	1,757,679.
	4 Accounts receivable, net	55,066.	4	52,067.
	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	13,856.	9	47,618.
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 2,648,690.		
	b Less accumulated depreciation	10b 756,440.	1,611,464.	10c 1,892,250.
	11 Investments - publicly traded securities	0	11	0
	12 Investments - other securities See Part IV, line 11	1,354.	12	0
	13 Investments - program-related See Part IV, line 11	0	13	0
	14 Intangible assets	0	14	0
	15 Other assets See Part IV, line 11	26,448.	15	25,169.
16 Total assets. Add lines 1 through 15 (must equal line 34)	4,213,663.	16	5,643,561.	
Liabilities	17 Accounts payable and accrued expenses	226,523.	17	302,684.
	18 Grants payable	0	18	0
	19 Deferred revenue	331,251.	19	504,257.
	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	0	23	0
	24 Unsecured notes and loans payable to unrelated third parties	0	24	0
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D	0	25	0
	26 Total liabilities. Add lines 17 through 25	557,774.	26	806,941.
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	3,339,139.	27	3,648,120.
	28 Temporarily restricted net assets	316,750.	28	1,188,500.
	29 Permanently restricted net assets	0	29	0
	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	3,655,889.	33	4,836,620.	
34 Total liabilities and net assets/fund balances	4,213,663.	34	5,643,561.	

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	8,021,397.
2	Total expenses (must equal Part IX, column (A), line 25)	2	6,840,666.
3	Revenue less expenses Subtract line 2 from line 1	3	1,180,731.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	3,655,889.
5	Net unrealized gains (losses) on investments	5	0
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	0
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	4,836,620.

Part XII Financial Statements and Reporting

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

		Yes	No
1	Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
2b	Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	X	
2c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	X	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	X	
3b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	X	

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

OMB No 1545-0047

2014

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ.

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

Name of the organization PER SCHOLAS, INC.	Employer identification number 04-3252955
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Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

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

- 1 A church, convention of churches, or association of churches described in section 170(b)(1)(A)(i).
- 2 A school described in section 170(b)(1)(A)(ii). (Attach Schedule E)
- 3 A hospital or a cooperative hospital service organization described in section 170(b)(1)(A)(iii).
- 4 A medical research organization operated in conjunction with a hospital described in section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in section 170(b)(1)(A)(iv). (Complete Part II)
- 6 A federal, state, or local government or governmental unit described in section 170(b)(1)(A)(v).
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in section 170(b)(1)(A)(vi). (Complete Part II)
- 8 A community trust described in section 170(b)(1)(A)(vi). (Complete Part II)
- 9 An organization that normally receives (1) more than 33 1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3 % of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2). (Complete Part III)
- 10 An organization organized and operated exclusively to test for public safety See section 509(a)(4).
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See section 509(a)(3). Check the box in lines 11a through 11d that describes the type of supporting organization and complete lines 11e, 11f, and 11g
 - a **Type I** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization **You must complete Part IV, Sections A and B**
 - b **Type II** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s) **You must complete Part IV, Sections A and C**
 - c **Type III functionally integrated** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions) **You must complete Part IV, Sections A, D, and E**
 - d **Type III non-functionally integrated** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions) **You must complete Part IV, Sections A and D, and Part V**
 - e Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization
 - f Enter the number of supported organizations _____
 - g Provide the following information about the supported organization(s)

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
(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) 2014

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants")	4,499,158	4,400,556	3,661,964	5,100,771	7,701,783	25,364,232
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.	4,499,158	4,400,556	3,661,964	5,100,771	7,701,783	25,364,232
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).						3,606,656
6 Public support. Subtract line 5 from line 4						21,757,576

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
7 Amounts from line 4	4,499,158	4,400,556	3,661,964	5,100,771	7,701,783	25,364,232
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources		289		103	192	584
9 Net income from unrelated business activities, whether or not the business is regularly carried on						0
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part VI) . ATCH. 1	150,542	66,726	1,057,935	277,132	76,767	1,629,102
11 Total support. Add lines 7 through 10						26,993,918

12 Gross receipts from related activities, etc (see instructions) **12** 2,489,538

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

Section C. Computation of Public Support Percentage

14 Public support percentage for 2014 (line 6, column (f) divided by line 11, column (f))	14	80.60%
15 Public support percentage from 2013 Schedule A, Part II, line 14	15	82.16%

- 16a **33 1/3% support test - 2014.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization
- b **33 1/3% support test - 2013.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization
- 17a **10%-facts-and-circumstances test - 2014.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization
- b **10%-facts-and-circumstances test - 2013.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization
- 18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions

Part III Support Schedule for Organizations Described in Section 509(a)(2)
(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II
If the organization fails to qualify under the tests listed below, please complete Part II)

Section A. Public Support

Table with 7 columns: (a) 2010, (b) 2011, (c) 2012, (d) 2013, (e) 2014, (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) 2010, (b) 2011, (c) 2012, (d) 2013, (e) 2014, (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, Line Number, Percentage. Rows: 15 Public support percentage for 2014 (line 8, column (f) divided by line 13, column (f)) - 15 %; 16 Public support percentage from 2013 Schedule A, Part III, line 15 - 16 %

Section D. Computation of Investment Income Percentage

Table with 3 columns: Description, Line Number, Percentage. Rows: 17 Investment income percentage for 2014 (line 10c, column (f) divided by line 13, column (f)) - 17 %; 18 Investment income percentage from 2013 Schedule A, Part III, line 17 - 18 %

- 19a 33 1/3% support tests - 2014. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization.
b 33 1/3% support tests - 2013. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization.
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions.

Part IV Supporting Organizations

(Complete only if you checked a box on line 11 of Part I. If you checked 11a of Part I, complete Sections A and B. If you checked 11b of Part I, complete Sections A and C. If you checked 11c of Part I, complete Sections A, D, and E. If you checked 11d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

Table with 3 columns: Question, Yes, No. Rows include questions 1 through 10b regarding supported organizations, including their status, control, and reporting requirements.

Part IV Supporting Organizations (continued)

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

Section B. Type I Supporting Organizations

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

Section C. Type II Supporting Organizations

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

Section D. All Type III Supporting Organizations

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

Section E. Type III Functionally-Integrated Supporting Organizations

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

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

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

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

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

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI) See instructions	
7 Total annual distributions. Add lines 1 through 6	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI) See instructions	
9 Distributable amount for 2014 from Section C, line 6	
10 Line 8 amount divided by Line 9 amount	

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

Schedule A (Form 990 or 990-EZ) 2014

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

ATTACHMENT 1

SCHEDULE A, PART II - OTHER INCOME

DESCRIPTION	2010	2011	2012	2013	2014	TOTAL
MISCELLANEOUS INCOME	150,542	66,726.	168,031	69,063.	76,767	531,129
SETTLEMENT INCOME			889,904	208,069.		1,097,973
TOTALS	<u>150,542</u>	<u>66,726</u>	<u>1,057,935</u>	<u>277,132</u>	<u>76,767</u>	<u>1,629,102</u>

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.

2014

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

PER SCHOLAS, INC.

04-3252955

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 value of contributions to (during year), 3 Aggregate value of grants from (during year), 4 Aggregate value at end of year, 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?, 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: Revenue, 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, 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.

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

Schedule D (Form 990) 2014

JSA 4E1268 1 000

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

- 3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)
- a Public exhibition
 - b Scholarly research
 - c Preservation for future generations
 - d Loan or exchange programs
 - e Other _____
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII
- 5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

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

- 1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No
- b If "Yes," explain the arrangement in Part XIII and complete the following table
- | | Amount |
|---------------------------------|--------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |
- 2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? Yes No
- b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII.

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

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

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as
- a Board designated or quasi-endowment %
 - b Permanent endowment %
 - c Temporarily restricted endowment %
- The percentages in lines 2a, 2b, and 2c should equal 100%
- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by
- | | Yes | No |
|-----------------------------|--------|----|
| (i) unrelated organizations | 3a(i) | |
| (ii) related organizations | 3a(ii) | |
- b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?
- 4 Describe in Part XIII the intended uses of the organization's endowment funds

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements		2,195,864.	479,581.	1,716,283.
d Equipment		99,901.	50,485.	49,416.
e Other		352,925.	226,374.	126,551.
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c))				1,892,250.

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)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 25) ▶	

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

Part XIII Supplemental Information (continued)

PART X, LINE 2:

PER SCHOLAS, INC. (THE "REPORTING ORGANIZATION") FOLLOWS THE PROVISIONS OF ASC 740, "INCOME TAXES", WHICH STATE THAT AN ORGANIZATION MUST RECOGNIZE THE TAX BENEFIT ASSOCIATED WITH TAX POSITIONS TAKEN FOR TAX RETURN PURPOSES WHEN IT IS MORE LIKELY THAN NOT THE POSITION WILL BE SUSTAINED UPON EXAMINATION BY A TAXING AUTHORITY. THE IMPLEMENTATION OF ASC 740 HAD NO IMPACT ON THE REPORTING ORGANIZATION'S FINANCIAL STATEMENTS. THE REPORTING ORGANIZATION DOES NOT BELIEVE IT HAS TAKEN ANY MATERIAL UNCERTAIN TAX POSITIONS AND, ACCORDINGLY, IT HAS NOT RECORDED ANY LIABILITY FOR UNRECOGNIZED TAX BENEFITS. THE REPORTING ORGANIZATION HAS FILED FOR AND RECEIVED INCOME TAX EXEMPTIONS IN THE JURISDICTIONS WHERE IT IS REQUIRED TO DO SO. ADDITIONALLY, THE REPORTING ORGANIZATION HAS FILED IRS FORM 990 INFORMATION RETURNS, AS REQUIRED, AND ALL OTHER APPLICABLE RETURNS IN JURISDICTIONS WHERE SO REQUIRED. NO TAX PROVISION WAS RECORDED AS OF DECEMBER 31, 2014. FOR THE YEAR ENDED DECEMBER 31, 2014, THERE WAS NO INTEREST OR PENALTIES RECORDED OR INCLUDED IN THE STATEMENT OF ACTIVITIES. THE REPORTING ORGANIZATION IS SUBJECT TO ROUTINE AUDITS BY A TAXING AUTHORITY. AS OF DECEMBER 31, 2014, THE REPORTING ORGANIZATION WAS NOT SUBJECT TO ANY EXAMINATION BY A TAXING AUTHORITY. MANAGEMENT BELIEVES IT IS NO LONGER SUBJECT TO INCOME TAX EXAMINATION FOR THE YEARS PRIOR TO 2011.

SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

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

▶ Attach to Form 990 or Form 990-EZ.

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

OMB No 1545-0047

2014

Open to Public
Inspection

Name of the organization
PER SCHOLAS, INC.

Employer identification number
04-3252955

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

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

- | | |
|---|--|
| a <input type="checkbox"/> Mail solicitations | e <input type="checkbox"/> Solicitation of non-government grants |
| b <input type="checkbox"/> Internet and email solicitations | f <input type="checkbox"/> Solicitation of government grants |
| c <input type="checkbox"/> Phone solicitations | g <input type="checkbox"/> Special fundraising events |
| d <input type="checkbox"/> In-person solicitations | |

- 2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? Yes No
- b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization

	(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col (i)	(vi) Amount paid to (or retained by) organization
			Yes	No			
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
Total							

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

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

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events
		ANNUAL GALA (event type)	PING EVENT (event type)	(total number)	(add col (a) through col (c))
Revenue	1	Gross receipts	224,671.	38,639.	263,310.
	2	Less Contributions	133,648.	16,219.	149,867.
	3	Gross income (line 1 minus line 2)	91,023.	22,420.	113,443.
Direct Expenses	4	Cash prizes			
	5	Noncash prizes			
	6	Rent/facility costs			
	7	Food and beverages			
	8	Entertainment			
	9	Other direct expenses	91,023.	22,420.	113,443.
	10	Direct expense summary Add lines 4 through 9 in column (d)			113,443.
11	Net income summary Subtract line 10 from line 3, column (d)				

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

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

9 Enter the state(s) in which the organization conducts gaming activities _____
 a Is the organization licensed to conduct gaming activities in each of these states? Yes No
 b If "No," explain _____

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

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

a The organization's facility	13a	%
b An outside facility	13b	%
- 14 Enter the name and address of the person who prepares the organization's gaming/special events books and records

Name ▶ _____

Address ▶ _____

- 15 a Does the organization have a contract with a third party from whom the organization receives gaming revenue? Yes No
- b If "Yes," enter the amount of gaming revenue received by the organization ▶ \$ _____ and the amount of gaming revenue retained by the third party ▶ \$ _____
- c If "Yes," enter name and address of the third party

Name ▶ _____

Address ▶ _____

16 Gaming manager information

Name ▶ _____

Gaming manager compensation ▶ \$ _____

Description of services provided ▶ _____

- Director/officer
- Employee
- Independent contractor

17 Mandatory distributions

- a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? Yes No
- b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ _____

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

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

▶ Attach to Form 990.

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

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization

PER SCHOLAS, INC.

Employer identification number

04-3252955

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

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

- a** Receive a severance payment or change-of-control payment? **4a** Yes No
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan? **4b** Yes No
- c** Participate in, or receive payment from, an equity-based compensation arrangement? **4c** Yes No
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III

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

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

- a** The organization? **5a** Yes No
- b** Any related organization? **5b** Yes No
- If "Yes" to line 5a or 5b, describe in Part III

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

- a** The organization? **6a** Yes No
- b** Any related organization? **6b** Yes No
- If "Yes" to line 6a or 6b, describe in Part III

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III **7** Yes No

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III **8** Yes No

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)? **9** Yes No

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

Schedule J (Form 990) 2014

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 PLINIO AYALA PRESIDENT AND CEO	(i)	189,987.	0	0	6,877.	965.	197,829.	0
	(ii)	0	0	0	0	0	0	0
2	(i)							
	(ii)							
3	(i)							
	(ii)							
4	(i)							
	(ii)							
5	(i)							
	(ii)							
6	(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.

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

2014

**Open to Public
Inspection**

Name of the organization

PER SCHOLAS, INC.

Employer identification number

04-3252955

FORM 990, PART III, LINE 2:

AS AN OFFSHOOT OF OUR SOFTWARE TESTING EDUCATION PROGRAM PER SCHOLAS HAS ENTERED INTO CONTRACTS WITH A TECHNOLOGY CONSULTING FIRM TO BRING NEW IT JOBS TO THE SOUTH BRONX, THROUGH THE DEVELOPMENT OF AN URBAN DEVELOPMENT CENTER (UDC) WHICH WILL PROVIDE SOFTWARE TESTING TO MULTIPLE CLIENTS. THE TECHNOLOGY CONSULTING COMPANY WILL BE THE OPERATOR OF THE UDC AND PER SCHOLAS WILL TRAIN STUDENTS FOR EMPLOYMENT AT THE UDC. IT IS HOPED THAT THE UDC WILL EMPLOY UP TO 150 PER SCHOLAS GRADUATES WITHIN 24 MONTHS OF OPENING. IT IS PLANNED THAT THE NEW HIRES WILL HAVE A STARTING WAGE OF AT LEAST \$35,000 WITH BENEFITS AND HAVE OPPORTUNITIES FOR ADVANCEMENT.

FORM 990, PART VI, SECTION A, LINE 8B:

NO COMMITTEE HAS AUTHORITY TO ACT ON BEHALF OF THE GOVERNING BODY.

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

FORM 990 WAS PREPARED BY A NATIONALLY RENOWNED ACCOUNTING FIRM IN CONJUNCTION WITH THE ORGANIZATION'S FINANCIAL DEPARTMENT. DRAFT FORM 990 WAS REVIEWED BY THE ORGANIZATION'S CFO AND THEN PROVIDED TO ALL MEMBERS OF THE BOARD OF DIRECTORS IN DRAFT VIA ELECTRONIC MAIL, WITH AN OPPORTUNITY FOR THEM TO COMMENT OR MAKE INQUIRY BEFORE IT WAS FILED WITH THE INTERNAL REVENUE SERVICE.

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

THE ORGANIZATION HAS A CONFLICT OF INTEREST POLICY THAT IS AVAILABLE TO

Name of the organization PER SCHOLAS, INC.	Employer identification number 04-3252955
---	--

THE EMPLOYEES AND RELATED PARTIES. THE ORGANIZATION CONSISTENTLY
DISTRIBUTES THE CONFLICT OF INTEREST FORM TO ALL THE DIRECTORS TO FILL IN
ANNUALLY AND RETURN TO THE MANAGEMENT WHICH THEN MAKES THEM AVAILABLE TO
THE AUDITORS.

FORM 990, PART VI, SECTION B, LINES 15A AND 15B:

THE ORGANIZATION USES A COMPENSATION SURVEY AND/OR STUDY IN ORDER TO
ESTABLISH COMPENSATION. ONCE ESTABLISHED, THE COMPENSATION MUST BE
APPROVED BY THE BOARD OR COMPENSATION COMMITTEE.

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

THE ORGANIZATION'S GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY AND
FINANCIAL STATEMENTS ARE AVAILABLE TO THE PUBLIC UPON REQUEST.

ATTACHMENT 1

FORM 990, PART III, LINE 1 - ORGANIZATION'S MISSION

TO PROVIDE FREE HIGH QUALITY TECHNOLOGY JOB TRAINING, JOB PLACEMENT,
AND CAREER DEVELOPMENT SERVICES TO INDIVIDUALS FROM UNDERSERVED
COMMUNITIES. THE ASSET RECOVERY PROGRAM PARTNERS WITH LEADING ASSET
DISPOSITION VENDORS TO OFFER A COMPLETE IT ASSET DISPOSITION SOLUTION
FOR RETIRED COMPUTER EQUIPMENT TO CORPORATIONS.

ATTACHMENT 2

FORM 990, PART III - PROGRAM SERVICE, LINE 4A

VOCATIONAL TRAINING - PER SCHOLAS' COMPUTER TECHNICIAN TRAINING
PROGRAM PROVIDES INDUSTRY-SPECIFIC VOCATIONAL TRAINING, LIFE
SKILLS AND SUPPORT SERVICES TO YOUTH AND COMMUNITY RESIDENTS IN OR

Name of the organization PER SCHOLAS, INC.	Employer identification number 04-3252955
---	--

ATTACHMENT 2 (CONT'D)

NEAR NEW YORK CITY, COLUMBUS AND CINCINNATI, OHIO AND SILVER SPRING, MARYLAND. THE ORGANIZATION RUNS SEVERAL DIFFERENT TYPES OF COURSES, ALL TUITION-FREE. THIS COMPREHENSIVE, HANDS-ON TRAINING ENABLES UNEMPLOYED AND UNDER-EMPLOYED YOUTH AND ADULTS TO BECOME CERTIFIED TECHNICIANS AND BEGIN PROFITABLE CAREERS IN THE FIELD OF INFORMATION TECHNOLOGY. OUR TRAINING PROGRAM BOTH EDUCATES STUDENTS IN THE HARD SKILLS (IT KNOWLEDGE AND INDUSTRY-SPECIFIC TRAINING), AS WELL AS THE SOFT SKILLS (LIFE SKILLS, INTERVIEWING INSTRUCTION, ETC.).

ATTACHMENT 3FORM 990, PART VIII - EXCLUDED CONTRIBUTIONS

<u>DESCRIPTION</u>	<u>AMOUNT</u>
ANNUAL GALA	133,648.
PING EVENT	16,219.
TOTAL	<u>149,867.</u>

ATTACHMENT 4FORM 990, PART VIII - FUNDRAISING EVENTS

<u>DESCRIPTION</u>	<u>GROSS INCOME</u>	<u>DIRECT EXPENSES</u>
ANNUAL GALA	91,023.	91,023.
PING EVENT	22,420.	22,420.
TOTALS	<u>113,443.</u>	<u>113,443.</u>

Depreciation and Amortization
 (Including Information on Listed Property)

2014

Attachment
 Sequence No **179**

▶ Attach to your tax return.
 ▶ Information about Form 4562 and its separate instructions is at www.irs.gov/form4562.

Name(s) shown on return

PER SCHOLAS, INC.

Identifying number

04-3252955

Business or activity to which this form relates

GENERAL DEPRECIATION

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I

1	Maximum amount (see instructions)	1	
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	
4	Reduction in limitation Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property Enter the amount from line 29	7	
8	Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2013 Form 4562	10	
11	Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2015 Add lines 9 and 10, less line 12	13	

Note. Do not use Part II or Part III below for listed property. Instead, use Part V

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property) (See instructions)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	219,568.

Part III MACRS Depreciation (Do not include listed property) (See instructions)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2014	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		

Section B - Assets Placed in Service During 2014 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27 5 yrs	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	

Section C - Assets Placed in Service During 2014 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

Part IV Summary (See instructions)

21	Listed property Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations - see instructions	22	219,568.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, certain computers, and property used for entertainment, recreation, or amusement)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles)

24a Do you have evidence to support the business/investment use claimed?		Yes	No	24b If "Yes," is the evidence written?		Yes	No	
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)							25	
26 Property used more than 50% in a qualified business use:								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use								
		%				S/L -		
		%				S/L -		
		%				S/L -		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1.							28	
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1.								29

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
30 Total business/investment miles driven during the year (do not include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions)

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions)		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2014 tax year (see instructions)					
43 Amortization of costs that began before your 2014 tax year					43
44 Total. Add amounts in column (f). See the instructions for where to report.					44

Application for Extension of Time To File an Exempt Organization Return

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

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

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

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

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

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns. Enter filer's identifying number, see instructions

Type or print File by the due date for filing your return See instructions	Name of exempt organization or other filer, see instructions PER SCHOLAS, INC.	Employer identification number (EIN) or 04-3252955
	Number, street, and room or suite no. If a P.O. box, see instructions 804 E 138TH STREET, 2ND FLOOR	Social security number (SSN)
	City, town or post office, state, and ZIP code For a foreign address, see instructions BRONX, NY 10454-1902	

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

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

• The books are in the care of ▶ DINO LIANOS

Telephone No ▶ 718 991-8400

FAX No ▶

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ . If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 08/15, 2015, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
 ▶ calendar year 2014 or
 ▶ tax year beginning _____, 20____, and ending _____, 20____.

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

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

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

Per Scholas, Inc.

**Financial Statements and
Supplementary Information
Year Ended December 31, 2014**

Per Scholas, Inc.

**Financial Statements and
Supplementary Information
Year Ended December 31, 2014**

Per Scholas, Inc.

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100 Park Avenue
New York, NY 10017

Independent Auditor's Report

Board of Directors
Per Scholas, Inc.
Bronx, New York

We have audited the accompanying financial statements of Per Scholas, Inc. (the "Organization"), which comprise the statement of financial position as of December 31, 2014, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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



Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Per Scholas, Inc. as of December 31, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Supplementary Information

Our audit of the financial statements was conducted for the purpose of forming an opinion on those statements as a whole. The accompanying supplemental schedule of analysis of operations is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited Per Scholas, Inc.'s financial statements, and our report dated September 9, 2014, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived.

BDO USA, LLP

June 15, 2015

Per Scholas, Inc.

**Statement of Financial Position
(With Comparative Totals for 2013)**

<i>December 31,</i>	2014	2013
Assets		
Current Assets:		
Cash and cash equivalents (Note 2)	\$1,868,778	\$1,521,686
Investments at fair value (Note 2)	-	1,354
Accounts receivable, (Note 3)	52,067	55,066
Contributions and government receivable (Notes 2 and 4)	1,757,679	983,789
Prepaid expenses and other assets	72,787	40,304
Total Current Assets	3,751,311	2,602,199
Fixed Assets, Net (Notes 2 and 5)	1,892,250	1,611,464
	\$5,643,561	\$4,213,663
Liabilities and Net Assets		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 188,035	\$ 140,752
Accrued payroll and related expenses	114,649	85,771
Deferred revenue	150,000	15,850
Total Current Liabilities	452,684	242,373
Other liabilities (Note 2)	354,257	315,401
	806,941	557,774
Commitments and Contingencies (Notes 6 and 9)		
Net Assets (Notes 2, 7 and 8):		
Unrestricted	3,648,120	3,339,139
Temporarily restricted	1,188,500	316,750
Total Net Assets	4,836,620	3,655,889
	\$5,643,561	\$4,213,663

See accompanying notes to financial statements.

Per Scholas, Inc.
Statement of Activities
(With Comparative Totals for 2013)

Year ended December 31,

	Unrestricted	Temporarily Restricted	2014	2013
Support and Operating Revenues:				
Foundation and other contributions	\$4,842,356	\$1,813,500	\$6,655,856	\$3,994,698
Government and contract revenue	1,122,886	-	1,122,886	1,236,911
Sales	244,009	-	244,009	315,190
Net assets released from restrictions (Note 8)	941,750	(941,750)	-	-
Net Income From Operations	7,151,001	871,750	8,022,751	5,546,799
Operating Expenses:				
Program Operations:				
Training	3,715,420	-	3,715,420	3,154,061
Urban Development Center	7,361	-	7,361	-
Columbus	462,877	-	462,877	411,085
Cincinnati	423,383	-	423,383	125,474
Silver Spring	482,332	-	482,332	14,552
Dallas	90,745	-	90,745	-
Asset Recovery	204,336	-	204,336	220,542
Total Program Operations	5,386,454	-	5,386,454	3,925,714
Supporting Operations:				
Administration	854,388	-	854,388	628,729
Fundraising	599,824	-	599,824	740,961
Total Supporting Operations	1,454,212	-	1,454,212	1,369,690
Total Operating Expenses	6,840,666	-	6,840,666	5,295,404
Net Income (Loss) Before Nonoperating Activity	310,335	871,750	1,182,085	251,395
Nonoperating Activity:				
Net gain (loss) on investments	(1,354)	-	(1,354)	133
Miscellaneous income	-	-	-	330,073
Total Nonoperating Activity	(1,354)	-	(1,354)	330,206
Change in Net Assets	308,981	871,750	1,180,731	581,601
Net Assets, Beginning of Year	3,339,139	316,750	3,655,889	3,074,288
Net Assets, End of Year	\$3,648,120	\$ 1,188,500	\$4,836,620	\$3,655,889

See accompanying notes to financial statements.

Per Scholas, Inc.
Statement of Cash Flows
(With Comparative Totals for 2013)

<i>Year ended December 31,</i>	2014	2013
Cash Flows From Operating Activities:		
Change in net assets	\$1,180,731	\$ 581,601
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	219,568	238,209
Gain on sale of building	-	(52,838)
Unrealized gains on investments	-	(133)
Realized loss on investments	1,354	-
(Increase) decrease in assets:		
Accounts receivable	2,999	28,996
Contributions and government receivable	(773,890)	(378,521)
Inventory	-	860
Prepaid expenses and other assets	(32,483)	(17,369)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	47,283	(125,108)
Accrued payroll and related expenses	28,878	22,244
Deferred revenue	134,150	14,103
Other liabilities	38,856	45,927
Net Cash Provided By Operating Activities	847,446	357,971
Cash Flows From Investing Activities:		
Proceeds from sale of building	-	2,300,000
Purchases of fixed assets	(500,354)	(96,273)
Net Cash (Used In) Provided By Investing Activities	(500,354)	2,203,727
Cash Flows From Financing Activities:		
Repayment of lines of credit	-	(291,000)
Repayment of mortgages payable	-	(1,908,809)
Net Cash Used In Financing Activities	-	(2,199,809)
Net Increase in Cash and Cash Equivalents	347,092	361,889
Cash and Cash Equivalents, Beginning of Year	1,521,686	1,159,797
Cash and Cash Equivalents, End of Year	\$1,868,778	\$ 1,521,686
Supplemental Disclosure of Cash Flow Information:		
Cash paid during the year for interest	\$ -	\$ 54,580

See accompanying notes to financial statements.

Per Scholas, Inc.

Notes to Financial Statements

1. Description of the Organization

Per Scholas, Inc. (the "Organization") is a national nonprofit organization committed to providing free high quality technology job training, job placement and career development services to individuals from underserved communities. The asset recovery program partners with leading asset disposition vendors to offer a complete IT asset disposition solution for retired computer equipment to corporations.

2. Summary of Significant Accounting Policies

(a) *Basis of Presentation*

The financial statements of the Organization have been prepared on the accrual basis. In the statement of financial position, assets and liabilities are presented in order of liquidity or conversion to cash and their maturity resulting in the use of cash, respectively.

(b) *Financial Statement Presentation*

The classification of a not-for-profit organization's net assets and its support, revenue and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of three classes of net assets, permanently restricted, temporarily restricted, and unrestricted, be displayed in a statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities.

These classes are defined as follows:

- (i) **Permanently Restricted** - Net assets resulting from contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that they be maintained permanently by the Organization. There were no permanently restricted net assets at December 31, 2014.
- (ii) **Temporarily Restricted** - Net assets resulting from contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Organization pursuant to those stipulations. When such stipulations end or are fulfilled, such temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities.
- (iii) **Unrestricted** - The part of net assets that is neither permanently nor temporarily restricted by donor-imposed stipulations.

(c) *Cash and Cash Equivalents*

The Organization considers all highly liquid debt instruments with original maturities of three months or less to be cash and cash equivalents. Cash and cash equivalents are recorded at cost which approximates fair market value.

(d) *Investments at Fair Value*

The Organization follows the guidance included in Accounting Standards Codification ("ASC") 820, "Fair Value Measurement". ASC 820 defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. ASC 820 establishes a three-level hierarchy for fair value measurements based on transparency of valuation inputs as of the measurement date. The hierarchy is based on the lowest level of input that is significant to the fair value measurement. The three levels are defined as follows:

Per Scholas, Inc.

Notes to Financial Statements

Level 1 - Inputs are unadjusted quoted prices for identical assets in active markets.

Level 2 - Inputs are observable quoted prices for similar assets in active markets.

Level 3 - Inputs are unobservable and reflect management's best estimate of what market participants would use as fair value.

(e) Investments in Investment Partnerships and Investment Companies

The Organization's investments in investment entities are accounted for under the equity method. These investments are stated at fair value based upon the Organization's equity interest reported by the investment entities.

(f) Provision for Allowance for Doubtful Accounts

The Organization maintains an allowance for doubtful accounts for the receivables that are specifically identified by management as to their uncertainty in regards to collectability.

(g) Fixed Assets and Depreciation

Fixed assets are stated at cost. Expenditures for additions, renewals and betterments are capitalized; expenditures for maintenance and repairs are charged to expense as incurred. Depreciation is computed on the straight-line method over the estimated useful lives of the assets and is reported for financial statement purposes as follows:

The Organization's policy is to capitalize expenditures in excess of \$5,000, which represent new purchases, or extend the life of existing fixed assets.

Leasehold improvements	Lease term
Furniture and fixtures	7 years
Computers, equipment and software	3-5 years

(h) Deferred Rent

The Organization records rent expense for the 804 East 138th Street location under a straight-line basis over the life of the lease in accordance with Accounting Standards Codification ("ASC") 840, "Accounting for Leases". Total deferred rent in the amount of \$354,257 is included in other liabilities on the statement of financial position as of December 31, 2014.

(i) Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. Temporarily restricted contributions are classified as unrestricted on the statement of activities if the restrictions are met within the fiscal year. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

(j) Revenue Recognition

The Organization receives most of its revenues from contributions and government contracts. In addition, the Organization earns revenue from the recycling of end-of-life computer equipment.

Government grants and other contracts designated for use in specific activities are recognized as revenue in unrestricted net assets when expenditures have been incurred in compliance with the

Per Scholas, Inc.

Notes to Financial Statements

grantor's restrictions or when deliverable results specified in the grant have been achieved, and as requisitions for payments are submitted. Advances are received under certain grant agreements to assist the Organization with expenditures incurred in the first several months of the grant period. Cash received in excess of revenue recognized is recorded as deferred revenue.

Contributions are recorded as revenue when either unrestricted cash is received or when donors make a promise to give. Contributions and promise to give are classified as either unrestricted temporarily restricted or permanently restricted.

Revenue from recycling end-of-life computer equipment is recorded when billed.

(k) Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

(l) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(m) Comparative Financial Information

The financial statements include certain prior year summarized comparative information. With respect to the statement of activities, the prior year information is presented in total not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the prior year financial statements from which the summarized information was derived.

(n) Income Taxes

The Organization was incorporated in the commonwealth of Massachusetts and is a charitable organization that is exempt from Federal, state and local income taxes under Section 501(c)(3) of the Internal Revenue Code (the "Code"), and therefore has made no provision for income taxes in the accompanying financial statements. In addition, the Organization has been determined by the Internal Revenue Service ("IRS") not to be a "private foundation" within the meaning of Section 509(a) of the Code. There was no unrelated business income for 2014.

The Organization follows the provisions of ASC 740, "Income Taxes", which state that an organization must recognize the tax benefit associated with tax positions taken for tax return purposes when it is more likely than not the position will be sustained upon examination by a taxing authority. The implementation of ASC 740 had no impact on the Organization's financial statements. The Organization does not believe it has taken any material uncertain tax positions and, accordingly, it has not recorded any liability for unrecognized tax benefits. The Organization has filed for and received income tax exemptions in the jurisdictions where it is required to do so. Additionally, The Organization has filed IRS Form 990 information returns, as required, and all other applicable returns in jurisdictions where so required. No tax provision was recorded as of December 31, 2014. For the year ended December 31, 2014, there was no interest or penalties recorded or included in the statement of activities. The Organization is subject to routine audits by a taxing authority. As of December 31, 2014, the Organization was not subject to any examination by a taxing authority. Management believes it is no longer subject to income tax examination for the years prior to 2011.

Per Scholas, Inc.

Notes to Financial Statements

(o) Reclassifications

Certain prior year balances have been reclassified to be consistent with the current year's financial statement presentation. The reclassifications have no effect on net assets or operating results of the prior year.

3. Accounts Receivable

Accounts receivable consist of the following:

December 31, 2014

Accounts receivable	\$52,067
Less: Allowance for uncollectible amounts	-
Accounts receivable, net	\$52,067

A provision for doubtful accounts receivable was not set up in 2014 by management based on its assessment of individual receivables from customers.

4. Contributions and Government Receivables

Contributions and government receivable totaling \$1,757,679 at December 31, 2014 represent commitments to the Organization, to be collected in 2015, for training and general operations. The amounts related to contributions and government receivable are listed as follows:

December 31, 2014

Foundations and donors:		
The Robin Hood Foundation	\$ 275,000	Training
Pinkerton Foundation	255,000	Training
Workday Foundation	150,000	Training
Harry and Jeanette Foundation	100,000	Training
Ira DeCamp Foundation	175,000	Urban Development Center
Mizuho Bank	75,000	Training
Ashoka Innovators for the Public	58,500	General
Ian Schaad	50,000	General
Suphin Family Foundation	25,000	Training
David Proctor Trust	10,000	General
PNC Charitable Trust	10,000	Training
Various other	50,195	Training/general
Total foundations and donors	1,233,695	
Government receivables:		
The Research Foundation	170,120	Training
Department of Youth Development	70,470	Training
Social Innovation Fund Subgrantee	68,765	Training
Workforce Development Corporation	65,483	Training
Consortium For Worker Education	111,319	Training
City of Columbus	28,077	Training
Office of Temp/Disability Assistance	9,750	Training
Total government receivables	523,984	
Total	\$1,757,679	

Per Scholas, Inc.

Notes to Financial Statements

5. Fixed Assets, Net

Fixed assets, net consist of the following:

December 31, 2014

Leasehold improvements	\$2,195,864
Furniture and fixtures	352,925
Computers, equipment and software	99,901
	2,648,690
Less: Accumulated depreciation and amortization	(756,440)
Fixed assets, net	\$1,892,250

Depreciation expense for the year ended December 31, 2014 was \$219,568.

6. Line of Credit

The Organization has a secured line of credit with a financial institution for \$250,000 with an interest rate of prime plus 1%, which was 4.25% at December 31, 2014. As of December 31, 2014, there was no outstanding balance on the line of credit.

7. Temporarily Restricted Net Assets

At December 31, 2014, temporarily restricted net assets are available for the following purposes:

December 31, 2014

Training	\$1,013,500
Urban Development Center	175,000
	\$1,188,500

8. Net Assets Released From Restrictions

During the year ended December 31, 2014, temporarily restricted net assets were released from restrictions for training programs in the amount of \$941,750.

Per Scholas, Inc.

Notes to Financial Statements

9. Commitments and Contingencies

Operating Leases

The Organization leases office space under terms of various leases expiring through December 2028. The leases generally provide for annual base rentals, with certain escalation clauses. Minimum future lease payments through December 2028 are as follows:

<i>Year ending December 31,</i>	
2015	\$ 449,379
2016	414,031
2017	424,796
2018	410,711
2019	392,484
Thereafter	3,272,267
	<hr/>
	\$5,363,668

Rent expense for the year ended December 31, 2014 was \$374,808.

10. Subsequent Events

The Organization's management has performed subsequent events procedures through June 15, 2015, which is the date the financial statements were available to be issued. There were no subsequent events requiring adjustment to or disclosure in the financial statements.

The Organization has acquired a new secured line of credit totaling \$500,000 with a financial institution. This agreement was executed in January 2015.

In January 2015, the Organization entered a new lease to house the Urban Development Center. The lease term that was entered was for a 10-year lease with an option to opt out after 5 years.

Supplementary Information

Per Scholas, Inc.
Analysis of Operations

	Program Services						Supporting Services			Total		
	Training - NY	UDC Construction	Columbus, Ohio	Cincinnati, Ohio	Silver Spring, Maryland	Dallas, Texas	Asset Recovery	Total Program Services	Administration		Fundraising	Supporting Services
Support and Operating Revenues:												
Foundation and other contributions	\$3,699,077	\$850,000	\$401,652	\$486,307	\$421,702	\$40,833	\$ -	\$5,899,571	\$497,847	\$263,438	\$756,285	\$6,655,856
Government and contract revenue	1,051,049	-	71,837	-	-	-	226,953	1,122,886	-	-	-	1,122,886
Sales	17,056	-	-	-	-	-	-	244,009	-	-	-	244,009
Net Operating Revenues From Operations	4,767,182	850,000	473,489	486,307	421,702	40,833	226,953	7,266,466	497,847	263,438	756,285	8,022,751
Salaries and Related Expenses:												
Salaries and wages	2,005,989	-	269,166	192,578	235,266	12,922	150,716	2,866,637	370,662	308,049	678,711	3,545,348
Fringe benefits	389,877	-	38,074	22,875	27,005	1,301	26,524	445,656	49,681	47,744	97,425	543,081
Total Salaries and Related Expenses	2,395,866	-	307,240	215,453	262,271	14,223	177,240	3,312,293	420,343	355,793	776,136	4,088,429
Other Expenses:												
Recruitment and advertising	35,214	-	8,685	23,075	12,732	2,498	-	82,204	4,098	3,793	7,891	90,095
Technology data and website	55,373	-	4,600	1,029	11,386	25,084	425	97,897	25,264	1,672	26,936	124,833
Student supplies books	335,705	-	7,380	6,547	6,980	1,000	1,474	118,567	101,973	104,286	206,259	118,567
Professional fees	233,934	-	54,981	20,237	28,463	-	12,398	350,013	17,308	7,487	24,795	374,808
Rent	103,697	-	15,870	3,669	-	-	-	123,236	-	-	-	123,236
Utilities	28,778	-	765	2,020	2,730	-	1,693	30,471	2,370	1,016	3,386	33,857
Real estate tax	12,201	-	-	-	-	-	-	17,716	15,630	-	15,630	33,346
Building operating and maintenance	10,422	-	-	-	-	-	-	10,422	-	-	-	10,422
Security services	37,142	-	4,610	4,554	5,153	-	2,077	53,536	7,881	5,659	13,540	67,076
Business insurance	7,111	-	1,015	364	414	-	182	9,086	34,525	364	34,889	43,975
Employee development and training	98,392	-	2,945	785	4,465	-	-	98,392	240	240	240	98,632
Job training - interns	25,476	-	882	3,596	10,591	43,975	710	33,671	1,938	70	2,008	35,679
Employment and drug verifications	23,774	-	882	3,953	1,637	277	-	8,123	17,836	7,227	25,063	114,575
Office supplies	4,932	-	-	-	-	-	-	1,680	3,713	350	-	12,186
Shipping and postage	15,018	-	2,238	2,305	2,501	-	-	16,698	-	-	-	16,698
Equipment lease	2,920	-	7,015	5,361	4,839	-	-	9,964	-	-	-	9,964
Graduation expense	56,635	-	305	-	-	-	-	77,203	2,404	-	-	96,664
Communications, telephone and internet	18,373	-	395	213	5,559	130	3,223	77,203	17,057	2,404	19,461	96,664
Finance charges and other fees	139	-	2,498	1,323	39	-	386	691	7,363	-	7,363	8,054
Filing expenses	1,700	-	-	-	-	-	-	24,543	11,578	-	11,578	36,121
Membership fees	17,754	-	8,543	9,488	17,485	729	46	4,774	364	4,897	5,261	10,035
Conference registration fees	9,561	-	598	941	4,728	-	-	1,700	192	210	402	2,102
Travel	19,364	-	2,513	1,167	1,480	-	-	55,885	46,175	4,695	50,870	106,755
Hotel and meals	-	-	1,917	-	-	-	-	17,828	28,183	97,710	125,893	143,721
Fundraising events expense	-	-	-	-	-	-	-	2,513	-	-	-	2,513
Gifts and donations	-	-	-	-	-	-	-	25,695	9,240	1,951	11,191	36,886
Miscellaneous expense	-	-	-	-	-	-	-	45,241	45,241	-	-	45,241
Total Other Expenses	1,251,275	-	141,374	190,208	205,160	75,596	27,096	1,890,709	397,929	244,031	641,960	2,532,669
Total Expenses	3,587,141	-	448,614	405,661	467,431	89,819	204,336	5,203,002	818,272	599,824	1,418,096	6,621,098
Net Income (Loss) Before Depreciation and Amortization	1,180,041	850,000	24,875	80,646	(45,729)	(48,986)	22,617	2,063,464	(325,425)	(336,386)	(661,811)	1,401,653
Depreciation and Amortization	128,279	7,361	14,263	17,722	14,901	926	-	183,452	36,116	-	36,116	219,568
Change in Net Assets by Program	\$1,051,762	\$842,639	\$10,612	\$62,924	\$(60,630)	\$(49,912)	\$22,617	\$1,880,012	\$(361,541)	\$(336,386)	\$(697,927)	\$1,182,085