

Independent Accountants' Report on
Applying Agreed-Upon Procedures

Project HOPE Foundation
2131 Woodruff Road, Suite 2100
Greenville, South Carolina 29607

We have performed the procedures as outlined in the letter to Project HOPE Foundation dated July 6, 2015 from the S.C. Education Oversight Committee relating to Provision 1.80 of Act 286 2014. These procedures were agreed to by the management of Project HOPE Foundation. This engagement to apply agreed upon procedures was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the management of Project HOPE Foundation. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Procedure: To verify that grants received under the Educational Credit for Exceptional Needs Children Program were for children enrolled in the School, accountant agreed scholarship listing by student name prepared by the Scholarship Funding Organization (SFO) to the School's records of attendance.

Results: Attendance records were examined noting all students that received scholarships attended the School during the 14/15 school year.

Procedure: To determine that the School had documentation of student eligibility, the accountant agreed each student name to a diagnosis provided by the School. The School indicated that each diagnosis is supported by medical records or IEP as required by the Proviso.

Results: No exceptions.

Procedure: To verify the total amount of each grant per child from the SFO, accountant agreed scholarship recipients and amounts per the SFO documentation to list of scholarships maintained by the Foundation.

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Results: Accountant noted that no student received in excess of \$10,000 from the SFO.

Procedure: To verify that the School returned a prorated amount of the grant to the SFO for student withdrawals, accountant noted that for students who withdrew during the school year, a prorated amount of tuition as calculated by the SFO and communicated to the School, was returned to the SFO. Accountant verified the amount returned by examining the School check disbursements and bank statements.

Results: No exceptions.

Procedure: To verify that the total amount of each grant was used for tuition defined as "the total amount of money charged for the cost of a qualifying student to attend an independent school including, but not limited to, fees for attending the school and school-related transportation," accountant agreed grant amount per the SFO to the accounting records of Project HOPE Foundation noting that all amounts were recorded to tuition.

Results: No exceptions.

We were not engaged to, and did not perform an audit, the objective of which would be an expression of an opinion on the specified elements, accounts, or items. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the management of Project HOPE Foundation and specified users as approved by the Foundation's management and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes.

McKinley, Cooper + Co., LLC

Greenville, South Carolina
July 20, 2015