

Internal Revenue Service
Director, Exempt Organizations

Date: February 16, 2002

Everglades College, Inc.
1500 NW 49th St
Fort Lauderdale, FL 33309

Department of the Treasury
P.O. Box 2508 - Room 4522
Cincinnati, Ohio 45201

Employer Identification Number:
65-0216638
Person to Contact - ID#: _____
Mr. J. Jennewein 31-07208
Contact Telephone Numbers:
513-263-6433 Phone
513-263-3662 FAX
Response Due Date:
March 11, 2002

Dear Sir or Madam:

Before we can determine whether your organization is exempt from Federal income tax, we must have enough information to show that you have met all legal requirements. You did not include the information needed to make that determination on your Form 1023, Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code.

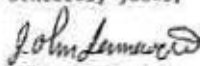
To help us determine whether your organization is exempt from Federal income tax, please send us the requested information by the above date. We can then complete our review of your application.

If we do not hear from you within that time, we will assume you do not want us to consider the matter further and will close your case. In that event, as required by Code section 6104(c), we will notify the appropriate state officials that, based on the information we have, we cannot recognize you as an organization of the kind described in Code section 501(c)(3). As a result, the Internal Revenue Service will treat your organization as a taxable entity. If we receive the information after the response due date, we may ask you to send us a new Form 1023.

In addition, if you do not provide the requested information in a timely manner, we will consider that you have not taken all reasonable steps to secure the determination you requested. Under Code section 7428(b)(2), your not taking all reasonable steps in a timely manner to secure the determination may be considered as failure to exhaust administrative remedies available to you within the Service. Therefore, you may lose your rights to a declaratory judgment under Code section 7428.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,


John Jennewein
Exempt Organizations Specialist

Enclosure

Everglades College Inc
65-0216636

Note: Your response to this letter must be submitted over the signature of an authorized person or of an officer whose name is listed on page 3 of the application. If we do not receive your complete response by the due date, we will close your case temporarily. If you submit your response within 90 days after your case has been closed, we will re-open it for processing and you will neither have to file a new application nor lose your user fee.

PLEASE ATTACH A COPY OF THIS LETTER TO ALL CORRESPONDENCE.

Additional Information Requested:

1. In your information provided we asked your organization to provide a purchase agreement or sales contract. Apparently, you provided a Memo of Understanding. Therefore, please provide a copy of the actual purchase agreement or sales contract for the school.
2. You claim your initial advertising cost for Everglades totaled \$16,465. Please specify the kind of advertising Everglades purchased. Also, please provide copies of any printed material such as brochures or advertising contracts with local TV or radio stations or newspaper ads.
3. According to your application Everglades College has business dealings with Everglades Management Inc. therefore, please explain in detail the nature of these dealings. Please provide copies of any contracts or agreements with Everglades Management Inc.
4. Since Everglades College is located on Keiser College campus is the space that Everglades College uses separate and distinct from that of Keiser College or is the space commingled with Keiser College.
5. In your last response dated January 8, 2002 you claim that the Board of Trustees is an independent governing body and all of the business and operational activities of Everglades College, including its day-to-day activities and election of officers, are solely the responsibility of the Board of Trustees and not Board of Directors. However, according to your Bylaws your Trustees are appointed by the Board of Directors and the Board of Directors just happen to be two out of the three are Keiser. Therefore, please explain how this Board of Trustees is an independent governing body if Keiser's control the selection of these Trustees?
6. From the information you provided it appears Everglades College will be terminating their memo of understanding with AFS around February 28, 2002. Therefore, please explain in detail who will provide the flight training services formerly provided by AFS. Also, please provide any contracts or Agreements Everglades College has with the new provider for the flight training services.

Everglades College Inc
65-0216638

7. Please explain the substantial increase in revenues and expenditures when you went from a for-profit to a non-profit.

PLEASE DIRECT ALL CORRESPONDENCE REGARDING YOUR CASE TO:

US Mail:

Internal Revenue Service
Exempt Organizations
P. O. Box 2508
Cincinnati, OH 45201
ATT: John Jennewein
Room 4522

Street Address:

Internal Revenue Service
Exempt Organizations
550 Main St, Federal Bldg.
Cincinnati, OH 45202
ATT: John Jennewein
Room 4522