



St. Petersburg Collegiate High School

A Charter School at St. Petersburg College

Governing Board Meeting
EpiCenter Meeting Room (1-453)
January 18, 2011

Agenda

1. SPCHS Highlights and Goals
2. SPCHS Proposed Budget (submitted for BOT approval)
3. SPCHS Audit (submitted for BOT review)



St. Petersburg Collegiate High School

A charter school at
St. Petersburg College
www.spcollege.edu/spchs

Presentation to the SPC Board of Trustees
January 18, 2011

Demographics of SPCHS

	10 th	11 th	12 th	Total	%
Male	29	24	43	96	45%
Female	32	46	37	115	55%
Total	61	70	80	211	
White non-Hispanic	42	51	60	153	73%
Black	8	6	6	20	9%
*Hispanic	6	8	9	23	11%
*Asian	7	9	6	22	10%
*Native American	3	2	1	6	2%
Free/reduced	14	14	16	44	21%
Total Students	61	70	80	211	

*Students may be counted in more than one category by PCS data system.



Highlights for 2009-2010

- 97% of seniors earned both a high school diploma and an A.A. degree.
- SPCHS seniors (60 students) earned more than 1.6 million dollars in scholarships.
- 89% of the seniors earned Florida Bright Futures Scholarships.
- SPCHS had one National Merit Scholarship semi-finalist.
- Students earned an A or B in 78% of all college courses taken.

Highlights for 2009-2010

- SPCHS earned an “A” as measured by the Florida Department of Education.
- SPCHS earned more points in the new grading formula than any other PCS high school.
- Comparison of percentage of students passing FCAT:

School	Math	Reading	Science	Writing
East Lake	94%	79%	58%	99%
Osceola	93%	74%	38%	99%
Palm Harbor University	96%	85%	72%	99%
St. Petersburg	87%	72%	43%	95%
St. Petersburg Collegiate	100%	90%	86%	99%



Goals for 2010-11

- SPCHS will develop students' leadership skills and prepare them to become the next generation of leaders who are innovative, creative, disciplined, and ethical so they successfully meet the challenges of the 21st century.
- SPCHS will improve the writing skills of students so they are prepared for college courses, are able to write more clearly and succinctly, and can accurately cite their resources.



Goals for 2010-11

- SPCHS will improve students' ability to read critically for a variety of purposes and to more thoroughly analyze and comprehend the reading material.
- SPCHS will improve students' technology skills by offering specific technology-related electives and requiring students to use technology throughout the curriculum.
- All staff members will attend training to ensure the entire team is well prepared for the SACS visit for continued accreditation.



Focus on Student Success

Student Support Systems

- Collegiate Academic Resource Lab (CARL) with certified English instructor
- Assistance/lessons in study, organizational, note taking, and time management skills
- NHS, SPC LRC, and teacher tutoring
- Students enroll in College Success Skills and/or Career & Life Planning, take interest inventories, and meet with an advisor/guidance counselor to create an education plan.



Focus on Student Success

Individualized Learning Plan

- Monitor student progress to ensure academic success each grading period
- Create a success plan with parents, staff, and student when expectations are not met
- Review data to individualize curriculum to fill gaps in knowledge for sophomores
- Provide academic and non-academic support as needed
- Monitor credits earned for A.A. and high school diploma each term



Focus on Student Success

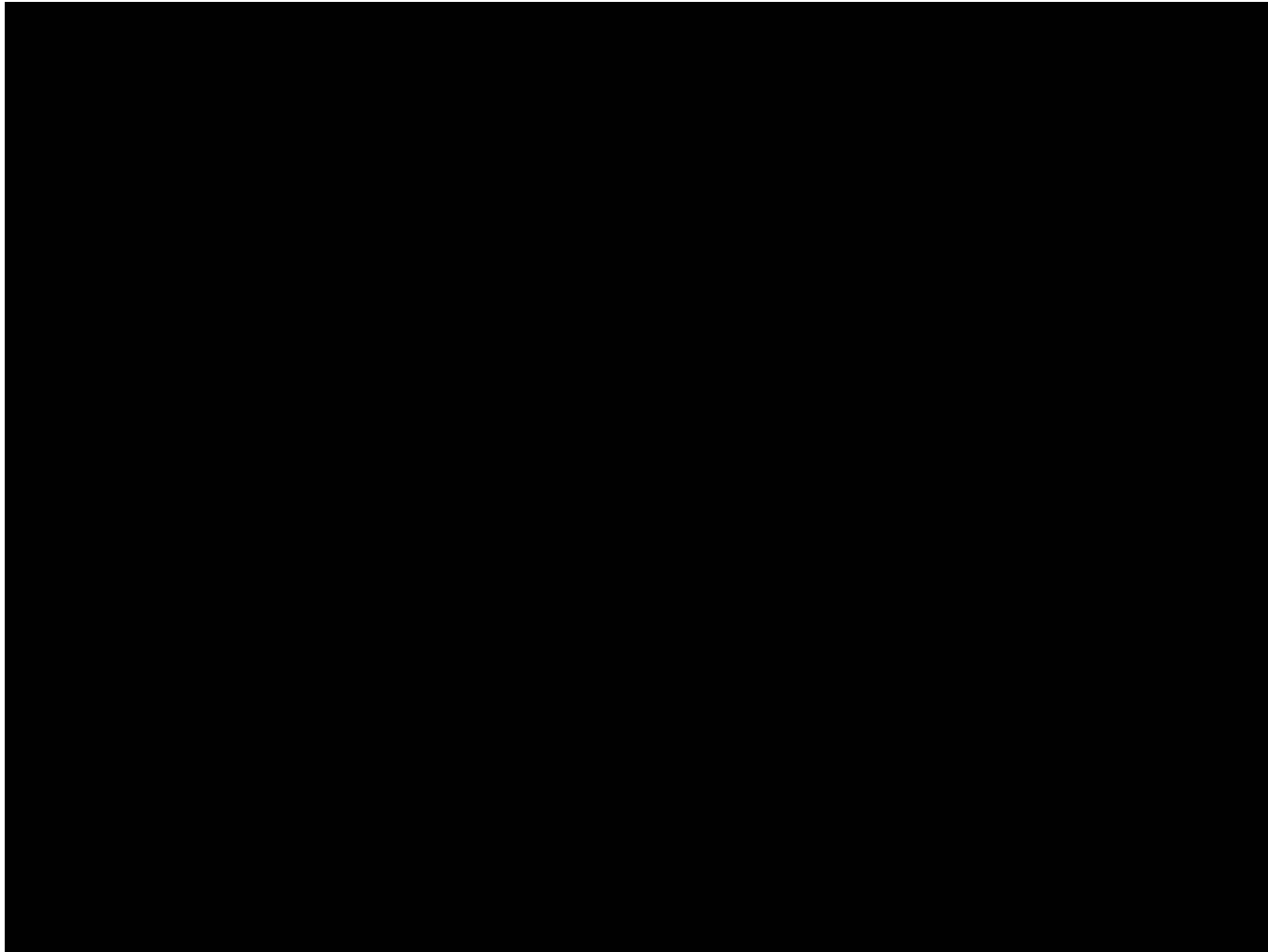
- Blended Courses for MAT 0012, MAT 0024, and MAT 1033
 - 100% pass rate for MAT 0012
 - 94% pass rate for MAT 0024
 - 100% pass rate for MAT 1033
- Partnered with Corporate Training/Life Long Learning to provide SAT Prep summer course



Student Involvement Highlights

- SPCHS students participate in a variety of SPC and SPCHS clubs and activities.
- Interact, fashion, fitness, video and a school newspaper are all new clubs this year.
- Students in NHS, Interact and SGA planned and facilitated a food, clothing, and toy drive.
- Students perform many hours of community service for NHS and Bright Futures that benefit other students and our community.

In Their Words



Questions?

Cultivating motivated learners...

Developing critical thinkers...

Empowering visionary leaders!



For more information go
to www.spcollege.edu

**St. Petersburg Collegiate High School
Proposed Budget
2010-11**

Description	FY 2010 Revenue & Expenditures ACTUALS	Budget FY 2011* 07/01/10-06/30/11
Funding Sources		
FTE Funding	\$ 921,208.00	\$ 927,501.00
Discretionary Millage Funding		
Discretionary Lottery Funding	\$ 519.00	\$ 510.00
Instructional Materials Funding	\$ 15,192.00	\$ 15,163.00
Class Size Reduction Funding	\$ 176,266.00	\$ 178,003.00
SPC Foundation Collegiate HS Program Fund	\$ 4,466.37	\$ 4,801.43
Total Budgeted Revenue	\$ 1,117,651.37	\$ 1,125,978.43
Personnel Costs		
Total Instructional	\$ 313,234.52	\$ 390,869.00
Total Administrative and Instructional Support	\$ 372,652.76	\$ 403,421.00
Total Personnel Costs	\$ 685,887.28	\$ 794,290.00
Staff Development		
Workshops and Travel	\$ 8,502.62	\$ 27,936.00
Total Staff Development	\$ 8,502.62	\$ 27,936.00
Instructional Materials and Textbooks		
Classroom Supplies	\$ 1,902.61	\$ 3,000.00
Textbooks and Instructional Materials	\$ 114,438.40	\$ 149,000.00
Total Instructional Materials & Textbooks	\$ 116,341.01	\$ 152,000.00
Technology		
Computers	\$ 5,228.00	\$ 20,000.00
Computer Lease	\$ 13,328.52	\$ 55,355.05
Minor Equipment	\$ 1,373.76	\$ 3,000.00
Verizon Wireless Communication Expense	\$ 4,466.37	\$ 4,801.43
Total Technology	\$ 24,396.65	\$ 83,156.48
General Operating Expenses		
Professional Services & Fees	\$ 30,307.91	\$ 36,000.00
Repairs /Service Contracts	\$ 1,290.72	\$ 1,500.00
Transportation	\$ 9,999.00	\$ 15,000.00
Food	\$ 17,632.36	\$ 50,000.00
Student Activities Fees	\$ 2,000.00	\$ 2,000.00
Office Supplies and Equipment	\$ 8,728.63	\$ 10,000.00
Lease Ricoh Copier	\$ 456.99	\$ 5,026.95
Postage	\$ 1,064.41	\$ 2,000.00
Printing/Photocopying/Advertising	\$ 1,966.15	\$ 4,000.00
Total General Operating Expenses	\$ 73,446.17	\$ 125,526.95
Total Budgeted Expenditures	\$ 908,573.73	\$ 1,182,909.43
Reserve Fund	\$ 556,508.56	\$ 765,586.20
Lease to be paid out of Capital Outlay Funds	\$ 170,316.30	\$ 173,722.62

Notes:

* Based on the Allocation Calculation 2 of the FEFP for 2010-11 dated 12/2/2010

**Reflects 2% annual increase as of 01/01/2011 (per lease agreement)

The Verizon Wireless Communication Expense is reimbursed to the collegiate high school by the SPC Foundation from the SP Collegiate HS Program
The Collegiate High School Revenue budget will not cover expected budgeted expenses.
The shortfall in revenue will be taken from Fund Balance

St. Petersburg Collegiate High School

**Report To The Board Of Trustees
St. Petersburg College**

October 8, 2010



Gregory, Sharer & Stuart, P.A.
Certified Public Accountants and Business Consultants

Board of Trustees of St. Petersburg College
On Behalf of St. Petersburg College Collegiate High School (Charter School)

We are pleased to present this report related to our audit of the special purpose financial statements for the Charter School for the fiscal year ended June 30, 2010. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the Charter School's financial and compliance reporting process.

This report is intended solely for the information and use of the board of trustees of St. Petersburg College and management of the Charter School and is not intended to be and should not be used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have regarding this report. We appreciate the opportunity to continue to be of service to St. Petersburg College and the Charter School.

Gregory, Sharer & Stuart, P.A.

A handwritten signature in black ink that reads "Gregory, Sharer & Stuart, P.A." The signature is written in a cursive, flowing style.

St. Petersburg, FL
October 8, 2010

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Required Communications

Statement on Auditing Standards No. 114 requires the auditor to communicate certain matters to keep those charged with governance adequately informed about matters related to the financial statement audit that are, in our professional judgment, significant and relevant to the responsibilities of those charged with governance in overseeing the financial reporting process. The following summarizes these communications.

Area	Comments
Auditor's Responsibility Under Professional Standards	Our responsibility under auditing standards generally accepted in the United States of America and Government Auditing Standards, issued by the Comptroller General of the United States, has been described in our arrangement letter dated May 20, 2010.
Accounting Practices	Adoption of, or Change in, Accounting Policies Management has the ultimate responsibility for the appropriateness of the accounting policies used by the Charter School. The Charter School did not adopt any significant new accounting policies nor have there been any changes in existing significant accounting policies during the current period. Significant or Unusual Transactions We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus. Alternative Treatments Discussed with Management We did not discuss with management any alternative treatments within generally accepted accounting principles for accounting policies and practices related to material items during the current audit period.
Management's Judgments and Accounting Estimates	There are no significant estimates in the Charter School's financial statements. However, management's judgment is called upon related to the Charter School's accounting for purchases of equipment using the policy of the College. Items not requiring capitalization under the College's policy may be significant with respect to the assets of the Charter School.
Financial Statement Disclosures	We have no comments regarding the Charter School's presentation of financial information as it relates to the neutrality, consistency, and clarity of the disclosures in the financial statements.

Area	Comments
Audit Adjustments	There were no audit adjustments made to the original trial balance presented to us at the beginning of our audit.
Uncorrected Misstatements	There are no uncorrected financial statement misstatements noted in connection with the 2010 audit.
Disagreements with Management	We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit, or significant disclosures to be included in the financial statements.
Consultations with Other Accountants	We are not aware of any consultations management had with other accountants about accounting or auditing matters.
Significant Issues Discussed with Management	No significant issues arising from the audit were discussed or were the subject of correspondence with management.
Difficulties Encountered in Performing the Audit	We did not encounter any difficulties in dealing with management during the audit.
Significant Deficiencies and Material Weaknesses	No material weaknesses or significant deficiencies are required to be reported based upon our audit of the financial statements.
Certain Written Communications Between Management and Our Firm	Copies of certain written communications between our firm and the management of the Entity are attached as Exhibit A.

Exhibit A



Board of Trustees

October 8, 2010

Kenneth P. Burke
Chairman

Terrence E. Brett
Vice Chairman

Evelyn M. Billrakis
Trustee

Deveron M. Gibbons
Trustee

W. Richard Johnston
Trustee

William D. Law, Jr.
President

Gregory, Sharer & Stuart, P.A.
100 Second Avenue South, Suite 600
St. Petersburg, FL 33701

In connection with your audits of the special purpose financial statements of St. Petersburg College Collegiate High School (Charter School) as of and for the years ended June 30, 2010 and 2009, we confirm that we are responsible for the fair presentation in the financial statements of financial position, changes in net assets, and cash flows in conformity with accounting principles generally accepted in the United States of America.

We confirm, to the best of our knowledge and belief, as of October 8, 2010 the following representations made to you during your audits.

1. The financial statements referred to above are fairly presented in conformity with accounting principles generally accepted in the United States of America.
2. We have made available to you:
 - a) All financial records and related data.
 - b) All minutes of the meetings of the board of trustees of St. Petersburg College or summaries of actions of recent meetings for which minutes have not yet been prepared.
3. We have no knowledge of fraud or suspected fraud affecting the Charter School involving:
 - a) Management or employees who have significant roles in the internal control.
 - b) Others where the fraud could have a material effect on the financial statements.
4. We acknowledge our responsibility for the design and implementation of programs and controls to provide reasonable assurance that fraud is prevented and detected.
5. We have no knowledge of any allegations of fraud or suspected fraud affecting the Charter School received in communications from employees, former employees, regulators, or others.
6. We are aware of no significant deficiencies, including material weaknesses, in the design or operation of internal controls that could adversely affect the Charter School's ability to record, process, summarize, and report financial data.
7. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

8. The following have been properly recorded and/or disclosed in the special purpose financial statements, where applicable:
 - a) Related-party relationships, transactions, and related amounts receivable or payable including sales, purchases, loans, transfers, leasing arrangements, and guarantees, all of which have been recorded in accordance with the economic substance of the transactions.
 - b) All leases and material amounts of rental obligations under long-term leases.
 - c) All significant estimates and material concentrations known to management which are to be disclosed in accordance with the Risks and Uncertainties Topic of the FASB Accounting Standards Codification. Significant estimates are estimates at the balance sheet date which could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets for which events could occur which would significantly disrupt normal finances within the next year.
 - d) Concentrations of credit risk.
 - e) All recordable contributions, by appropriate net asset class.
 - f) Reclassifications between net asset classes.
 - g) Allocations of functional expenses based on reasonable basis.
 - h) Tax status.
9. We are responsible for making the accounting estimates included in the special purpose financial statements. Those estimates reflect our judgment based on our knowledge and experience about past and current events and our assumptions about conditions we expect to exist and courses of action we expect to take. In that regard, adequate provisions have been made, where applicable:
 - a) To reduce receivables to their estimated net collectable amounts.
 - b) For pension obligations, postretirement benefits other than pensions and deferred compensation agreements attributable to employee services rendered through June 30, 2010.
10. There are no:
 - a) Material transactions that have not been properly recorded in the accounting records underlying the special purpose financial statements.
 - b) Violations or possible violations of laws or regulations whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency. In that regard, we specifically represent that we have not been designated as, or alleged to be, a "potentially responsible party" by the Environmental Protection Agency in connection with any environmental contamination.
 - c) Other material liabilities or gain or loss contingencies that are required to be accrued or disclosed by the Contingencies Topic of the FASB Accounting Standards Codification.
 - d) Guarantees, whether written or oral, under which the Charter School is contingently liable.
 - e) Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances.
11. We are not aware of any pending or threatened litigation, claims or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with the Contingencies Topic of the FASB Accounting Standards Codification and we have not consulted a lawyer concerning litigation, claims, or assessments regarding matters related to the Charter School.
12. The Charter School has satisfactory title to all owned assets.

13. We have complied with all aspects of contractual agreements, grants, and donor restrictions that would have a material effect on the special purpose financial statements in the event of noncompliance. In connection therewith, we specifically represent that we are responsible for determining that we are not subject to the requirements of the Single Audit Act and OMB Circular No. A-133, because we have not received, expended or otherwise been the beneficiary of the required amount of federal awards during the period of these audits.
14. There are no uncorrected financial statement misstatements noted in connection with the 2010 audit.
15. The Charter School's allocation of St. Petersburg College's pooled cash is \$913,366 and \$701,751 at June 30, 2010 and 2009, respectively.
16. The College's Auxiliary Fund purchased the portable classrooms to be used exclusively by the Charter School. Prior to September 1, 2007, there was an informal internal arrangement whereby the Charter School repaid to the Auxiliary Fund the cost of the portable classrooms, the associated build-out, and connectivity to other College owned assets, along with the estimated value of investment earnings forfeited by the Auxiliary Fund.

This arrangement was replaced with a formal lease agreement between St. Petersburg College Collegiate High School and St. Petersburg College. The term of the lease agreement is 30 years commencing on September 1, 2007. The lease was amended in March 2009. The amendment was necessary since the Collegiate High School moved into its new facilities on the second floor of the new Student Services Building in January 2009. Either party may terminate this agreement upon giving the other party no less than 360 days notice. The Charter School will pay to the College base rent for the leased premises for each year during the lease term in the amount of \$15 per square foot or \$168,630. The base rent shall escalate on the anniversary date of each year during the lease term at a rate of 2% from the immediately preceding year's base rent. Lease payments made for the years ended June 30, 2010 and 2009 were \$170,316 and \$117,675, respectively.

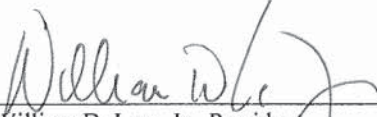
The Charter School receives annual Capital Outlay funding. This recurring capital outlay allocation is expected to be sufficient to cover the lease payments, as well as meet other capital outlay requirements of the Charter School. The Charter School also has net assets restricted for capital outlay projects of approximately \$105,000 and \$125,000 at June 30, 2010 and 2009, respectively, which can be used for capital outlay requirements if annual funding is not sufficient.

17. The Charter School has no liability for claims or losses under the self-insurance program as of June 30, 2010 and 2009.
18. We are responsible for determining that significant events or transactions that have occurred since the statement of net assets date and through October 8, 2010 have been recognized or disclosed in the financial statements. No events or transactions have occurred subsequent to the statement of net assets date and through October 8, 2010 that would require recognition or disclosure in the financial statements. We further represent that as of October 8, 2010 the financial statements were complete in a form and format that complied with accounting principles generally accepted in the United States of America, and all approvals necessary for issuance of the financial statements had been obtained.
19. During the course of your audits, you may have accumulated records containing data which should be reflected in our books and records. All such data have been so reflected. Accordingly, copies of such records in your possession are no longer needed by us.

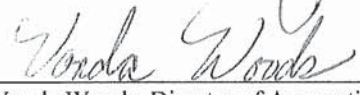
In connection with your audits, conducted in accordance with Government Auditing Standards, we confirm:

20. We are responsible for:
 - a) Compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to the Charter School.
 - b) Establishing and maintaining effective internal control over financial reporting.
21. We have identified and disclosed to you:
 - a) All laws, regulations, and provisions of contracts and grant agreements that have a direct and material effect on the determinations of financial statement amounts or other financial data significant to audit objectives.
 - b) Violations (and possible violations) of laws, regulations, and provisions of contracts and grant agreements whose effects should be considered for disclosure in the auditor's report on noncompliance.
22. We have a process to track the status of audit findings and recommendations.
23. We have reviewed, approved, and take full responsibility for the financial statements and related notes and acknowledge the auditor's role in the preparation of this information.

St. Petersburg College Collegiate High School



William D. Law, Jr., President



Vonda Woods, Director of Accounting Services

**St. Petersburg College
Collegiate High School**

**A Charter School And Restricted Fund Of
St. Petersburg College**

**Comprehensive Annual Financial Report
June 30, 2010 And 2009**

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Report Of Independent Certified Public Accountants

To the Board of Trustees of St. Petersburg College
On Behalf of St. Petersburg College Collegiate High School
St. Petersburg, Florida

We have audited the accompanying special purpose financial statements of St. Petersburg College Collegiate High School, a Charter School and a Restricted Fund of St. Petersburg College, St. Petersburg, Florida, as of and for the years ended June 30, 2010 and 2009, as listed in the table of contents. These special purpose financial statements are the responsibility of St. Petersburg College Collegiate High School's management. Our responsibility is to express an opinion on these special purpose financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards (July 2007 Revision)*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the special purpose financial statements referred to above present fairly, in all material respects, the financial position of St. Petersburg College Collegiate High School as of June 30, 2010 and 2009 and the changes in financial position and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 8, 2010, on our consideration of the St. Petersburg College Collegiate High School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our 2010 audit.

Management's discussion and analysis on pages 4 through 8 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Gregory, Sharer & Stuart, P.A.

St. Petersburg, Florida
October 8, 2010

St Petersburg College Collegiate High School
A Charter School And Restricted Fund Of St. Petersburg College
Management's Discussion And Analysis
June 30, 2010 And 2009

Management's discussion and analysis of St. Petersburg College Collegiate High School's (Collegiate High School) financial statements provides an overview of the Collegiate High School's financial activities for the years ended June 30, 2010 and 2009. Management has prepared the accompanying financial statements and the related footnote disclosures along with the discussion and analysis. Responsibility for the completeness and fairness of this information rests with school management. The discussion and analysis contain financial activities of the Collegiate High School as a restricted fund of St. Petersburg College.

Financial Highlights

For the year ended June 30, 2010, Collegiate High School revenues exceeded expenses, resulting in a net asset balance of \$898,297. This represents an increase in net assets of \$181,440 over the year ended June 30, 2009. During the 2009-2010 school year, the Collegiate High School conducted operations with revenues of \$1,282,465. This figure represents an increase in revenues of \$128,600 over the year ended June 30, 2009. All revenues are nonoperating revenues and include Florida Education Finance Program (FEFP), Charter School Capital Outlay Funds for Fiscal Year 2009-2010, and a 2009-2010 State of Florida school recognition award.

For the year ended June 30, 2009, Collegiate High School revenues exceeded expenses, resulting in a net asset balance of \$716,857. This represents an increase in net assets of \$212,644 over the year ended June 30, 2008. During the 2008-2009 school year, the Collegiate High School conducted operations with revenues of \$1,153,865. This figure represents a decrease in revenues of \$37,640 over the year ended June 30, 2008. All revenues are nonoperating revenues and include Florida Education Finance Program (FEFP), Charter School Capital Outlay Funds for Fiscal Year 2008-2009, and a 2008-2009 State of Florida school recognition award.

Using This Annual Report

This report consists of three basic financial statements: the statement of net assets; the statement of revenues, expenses, and change in net assets; and the statement of cash flows. These financial statements are prepared in accordance with Governmental Accounting Standards Board (GASB) principles, which establish standards for external financial reporting for public colleges and universities. These statements provide information on the Collegiate High School as a whole, and, over time, will present a long-term view of the Collegiate High School's finances and fiscal health.

The Collegiate High School is a public charter school of the Pinellas County School District, open to Pinellas County public, private, and home-schooled students who are at the 10th, 11th, or 12th grade level. The purpose of the Collegiate High School is to provide academic and/or technical educational opportunities for students who are emotionally and academically prepared to participate in college-level studies. The three-year curriculum will allow serious students to simultaneously complete the requirements for a high school diploma and a college associate degree in either an academic transfer or technical education program. The educational programs are distinctive in that they meld secondary and post-secondary curricula. The programs employ various instructional techniques to accommodate different learning styles, use of technology across the curriculum, and utilization of extensive group and individual counseling and mentoring.

St Petersburg College Collegiate High School
A Charter School And Restricted Fund Of St. Petersburg College
Management's Discussion And Analysis
June 30, 2010 And 2009

The Collegiate High School is organized by a nonprofit organization, St. Petersburg College (College). The College is governed by a local board of trustees appointed by the governor of the State of Florida. The Southern Association of Colleges and Schools accredits the College. The board of trustees of the College employs a president to act on its behalf in implementing its policies and to serve as the chief administrative officer of the College. The organizing board also serves as the "Governing Board" of the Collegiate High School.

The Collegiate High School is operated by the College and is housed on the College's St. Petersburg-Gibbs Campus. Students attending the school enjoy full access to all college facilities, activities, and services. For its first year of operation, the Collegiate High School received over 350 applications for 150 openings. The applications rate has been similar in subsequent years. In the third year of operation, the maximum capacity was increased to 175. The Collegiate High School began classes on August 5, 2004.

On November 11, 2008, the Collegiate High School contract was renewed between the Board of Trustees of St. Petersburg College, on behalf of the Collegiate High School and the School Board of Pinellas County. The charter became effective July 1, 2009 and shall end on June 30, 2024. The charter stipulates that the Collegiate High School shall serve students in grades 10, 11, and 12 with a maximum total school enrollment of 200 students.

The Collegiate High School encompasses two programs: the Collegiate Program and the College Preparatory Program. Both programs share a common goal, which is to provide an academic environment that allows all qualified students to simultaneously complete the requirements for a high school diploma and an associate degree.

The Collegiate High School is recognized as a separate and discrete department in the accounting system of St. Petersburg College. Currently, the State of Florida Auditor General's Office audits the College's financials and operations. The College currently adheres to internal control procedures contained in the Board of Trustee Rules and the Accounting Manual of the Florida Community College System. The College has also established additional internal controls procedures in accordance with standards contained in the Florida Schools Red Book and other stipulated guidelines for charter schools.

Statement Of Net Assets And The Statement Of Revenues, Expenses, And Change In Net Assets

One of the most important questions asked about the institution's finances is "Is St. Petersburg College Collegiate High School, as a whole, better or worse off as a result of the year's activities?" The statement of net assets and the statement of revenues, expenses, and change in net assets report information on the institution as a whole and on its activities in a way that helps answer this question. The difference between total assets and total liabilities - net assets - is one indicator of the current financial condition of the Collegiate High School, while the change in net assets is an indicator of whether the overall financial condition has improved or worsened during the year. When revenues and other support exceed expenses, the result is an increase in net assets. When the reverse occurs, the result is a decrease in net assets. The relationship between revenues and expenses may be thought of as St. Petersburg College Collegiate High School's operating results.

These two statements report the Collegiate High School's net assets and change in them. You can think of the Collegiate High School's net assets, the difference between assets and liabilities, as one way to measure the institution's financial health or financial position. Over time, increases or decreases in the institution's net assets are one indicator of whether its financial health is improving or deteriorating.

St Petersburg College Collegiate High School
A Charter School And Restricted Fund Of St. Petersburg College
Management's Discussion And Analysis
June 30, 2010 And 2009

The statements of net assets and the statements of revenues, expenses, and change in net assets include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector institutions. All of the current year's revenues and expenses are taken into consideration regardless of when cash is received or paid. Condensed statements of assets, liabilities, and net assets for the Collegiate High School at June 30, 2010 and 2009 are shown in the following table:

	June 30,	
	2010	2009
Assets		
Current assets	\$ 929,801	\$ 725,429
Noncurrent assets	-	-
Total Assets	\$ 929,801	\$ 725,429
Liabilities		
Current liabilities	\$ 31,504	\$ 8,572
Noncurrent liabilities	-	-
Total Liabilities	31,504	8,572
Net Assets		
Unrestricted	793,173	591,385
Restricted for capital outlay projects - expendable	105,124	125,472
Total Net Assets	898,297	716,857
Total Liabilities And Net Assets	\$ 929,801	\$ 725,429

The statements of revenues, expenses, and change in net assets present the Collegiate High School's results of operations. In accordance with GASB reporting principles, revenues and expenses are classified as either operating or nonoperating. All Collegiate High School revenues are considered nonoperating revenues under GASB. Condensed statements of revenues, expenses, and change in net assets of the Collegiate High School for the years ended June 30, 2010 and 2009 are presented in the following table:

	Year Ended June 30,	
	2010	2009
Operating revenues	\$ -	\$ -
Operating expenses	(1,101,025)	(941,221)
Operating Loss	(1,101,025)	(941,221)
Nonoperating revenues		
State appropriations	1,113,185	971,010
Capital outlay funds	149,968	167,633
Award funds	13,725	15,045
St. Petersburg College Foundation contribution	4,466	-
Other nonoperating revenues, net	1,121	177
	1,282,465	1,153,865
Change In Net Assets	181,440	212,644
Net Assets At Beginning Of Year	716,857	504,213
Net Assets At End Of Year	\$ 898,297	\$ 716,857

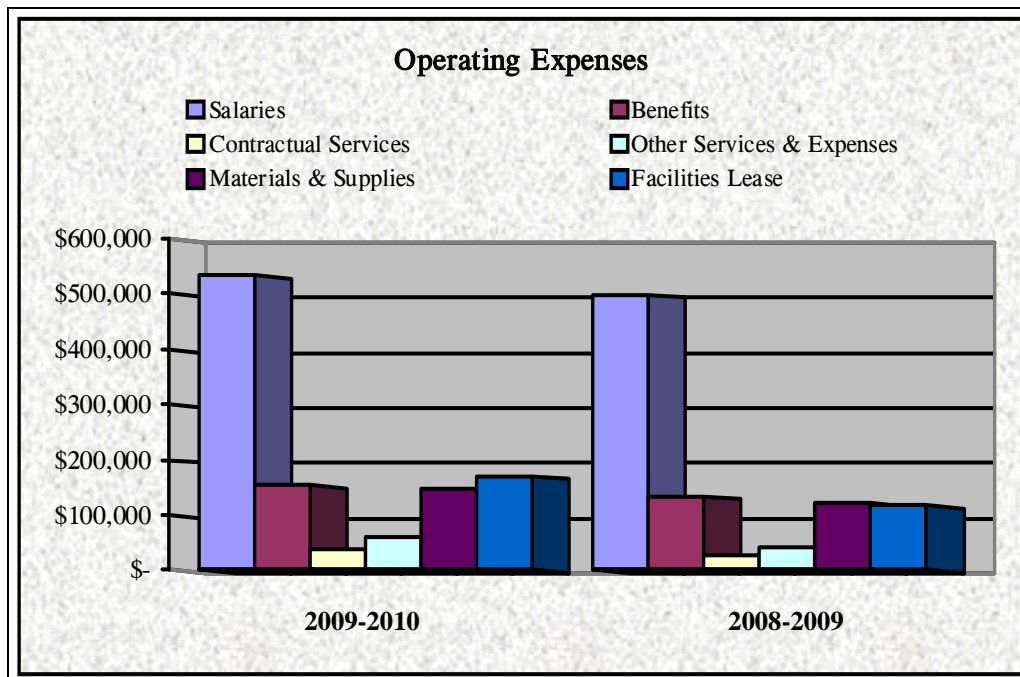
St Petersburg College Collegiate High School
A Charter School And Restricted Fund Of St. Petersburg College
Management's Discussion And Analysis
June 30, 2010 And 2009

Operating Expenses

Operating expenses for the Collegiate High School for the years ended June 30, 2010 and 2009 are presented in the following table:

	Year Ended June 30,	
	2010	2009
Salaries	\$ 532,516	\$ 499,062
Benefits	153,371	134,170
Contractual services	38,203	28,717
Others services and expenses	60,410	39,512
Materials and supplies	146,209	122,085
Facilities lease	170,316	117,675
Total Operating Expenses	\$ 1,101,025	\$ 941,221

Operating expenses of the Collegiate High School for the years ended June 30, 2010 and 2009 are presented in the following chart:



St Petersburg College Collegiate High School
A Charter School And Restricted Fund Of St. Petersburg College
Management's Discussion And Analysis
June 30, 2010 And 2009

Statement Of Cash Flows

The statement of cash flows provides another way to assess the financial health of an institution. Its primary purpose is to provide relevant information about the cash receipts and cash payments of an entity during a period. The statement of cash flows also helps users assess:

- An entity's ability to generate future net cash flows,
- Its ability to meet its obligations as they come due, and
- Its need for external financing.

Cash provided by noncapital financing activities was \$1,132,497 for the year ended June 30, 2010 compared to \$986,232 for the year ended June 30, 2009. These amounts represent state appropriations passed through the Pinellas County School District and awards. Cash provided by capital and related financing activities was \$ 149,968 for the year ended June 30, 2010 compared to \$167,633 for the year ended June 30, 2009, which is comprised of capital outlay funding. Net cash used for operating activities was \$1,070,850 for the year ended June 30, 2010 compared to \$958,151 for the year ended June 30, 2009. Included in the calculation of these totals are payments to suppliers of \$120,316 and \$145,244; payments to employees of \$528,870 and \$493,757; benefit payments of \$152,736 and \$133,245; payments for other services of \$98,612 and \$68,230; and payments for facilities lease of \$170,316 and \$117,675 for the years ended June 30, 2010 and 2009, respectively. Payroll, benefits, and facilities lease are the major outflows of operating activities.

A summary of the Collegiate High School's statements of cash flows for the years ended June 30, 2010 and 2009 is shown in the following table:

	Year Ended June 30,	
	2010	2009
Cash (Used) Provided By		
Operating activities	\$ (1,070,850)	\$ (958,151)
Noncapital financing activities	1,132,497	986,232
Capital and related financing activities	149,968	167,633
Net Increase In Cash And Cash Equivalents	211,615	195,714
Cash And Cash Equivalents At Beginning Of Year	701,751	506,037
Cash And Cash Equivalents At End Of Year	\$ 913,366	\$ 701,751

Economic Factors That Will Affect The Future

The economic position of the Collegiate High School continues to be closely tied to that of the State of Florida. It is expected that the Collegiate High School will continue to maintain its present level of services and financial health. For the school year 2010-2011, the initial FTE calculation indicates an increase in annual charter revenue of approximately \$10,000. The anticipated expenditures for the 2010-2011 school year may increase by an amount greater than the estimated increase in revenue. However, any increase will be covered by the Collegiate High School's unrestricted net assets. The Charter School contract was renewed on July 1, 2009 for a period of fifteen (15) years, which is the longest term pursuant to Florida law. The present contract, which provides funding for 200 students, became effective upon the signing of both parties and will continue through June 30, 2024.

St. Petersburg College Collegiate High School
A Charter School And Restricted Fund Of St. Petersburg College
Statements Of Net Assets

	June 30,	
	<u>2010</u>	<u>2009</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 913,366	\$ 701,751
Accounts receivable	16,435	23,678
	<u> </u>	<u> </u>
Total Assets	<u>\$ 929,801</u>	<u>\$ 725,429</u>
 Liabilities And Net Assets		
Current Liabilities		
Accounts payable	\$ 19,253	\$ 603
Salary and payroll taxes payable	12,251	7,969
Total Liabilities	<u>31,504</u>	<u>8,572</u>
Net Assets		
Unrestricted	793,173	591,385
Restricted		
Restricted for capital outlay projects - expendable	<u>105,124</u>	<u>125,472</u>
Total Net Assets	<u>898,297</u>	<u>716,857</u>
Total Liabilities And Net Assets	<u>\$ 929,801</u>	<u>\$ 725,429</u>

St. Petersburg College Collegiate High School
A Charter School And Restricted Fund Of St. Petersburg College
Statements Of Revenues, Expenses, And Change In Net Assets

	Year Ended June 30,	
	<u>2010</u>	<u>2009</u>
Operating Revenues	\$ -	\$ -
Operating Expenses		
Salaries	532,516	499,062
Benefits	153,371	134,170
Contractual services	38,203	28,717
Other services and expenses	60,410	39,512
Materials and supplies	146,209	122,085
Facilities lease	170,316	117,675
Total Operating Expenses	<u>1,101,025</u>	<u>941,221</u>
Operating Loss	(1,101,025)	(941,221)
Nonoperating Revenues		
State appropriations from county school district	1,113,185	971,010
Capital outlay funds	149,968	167,633
Award funds	13,725	15,045
St. Petersburg College Foundation contribution	4,466	-
Other non-operating revenues, net of related expense of \$6,107 and \$6,208 in 2010 and 2009, respectively	1,121	177
Total Nonoperating Revenues	<u>1,282,465</u>	<u>1,153,865</u>
Change In Net Assets	181,440	212,644
Net Assets At Beginning Of Year	<u>716,857</u>	<u>504,213</u>
Net Assets At End Of Year	<u>\$ 898,297</u>	<u>\$ 716,857</u>

St. Petersburg College Collegiate High School
A Charter School And Restricted Fund Of St. Petersburg College
Statements Of Cash Flows

	Year Ended June 30,	
	<u>2010</u>	<u>2009</u>
Cash Flows From Operating Activities		
Payments to suppliers	\$ (120,316)	\$ (145,244)
Payments to employees	(528,870)	(493,757)
Payments for benefits	(152,736)	(133,245)
Payments for other services	(98,612)	(68,230)
Payments for facilities lease	(170,316)	(117,675)
Net Cash Used By Operating Activities	<u>(1,070,850)</u>	<u>(958,151)</u>
Cash Flows From Noncapital Financing Activities		
State appropriations	1,113,185	971,010
Award funds	13,725	15,045
Receipts for other nonoperating activities	7,228	6,385
Payments for other nonoperating activities	(6,107)	(6,208)
St. Petersburg College Foundation contribution	4,466	-
Net Cash Provided By Noncapital Financing Activities	<u>1,132,497</u>	<u>986,232</u>
Cash Flows From Capital And Related Financing Activities		
Capital outlay funds	<u>149,968</u>	<u>167,633</u>
Net Increase In Cash And Cash Equivalents	211,615	195,714
Cash And Cash Equivalents At Beginning Of Year	<u>701,751</u>	<u>506,037</u>
Cash And Cash Equivalents At End Of Year	<u>\$ 913,366</u>	<u>\$ 701,751</u>
Reconciliation Of Net Operating Loss		
To Net Cash Used By Operating Activities		
Operating loss	\$ (1,101,025)	\$ (941,221)
Adjustments to reconcile net operating loss		
to net cash used by operating activities		
Decrease in prepaid expenses	-	401
Decrease (increase) in receivable	7,243	(23,408)
Increase (decrease) in accounts payable	18,650	(153)
Increase in other payables	4,282	6,230
Net Cash Used By Operating Activities	<u>\$ (1,070,850)</u>	<u>\$ (958,151)</u>

Note A - Nature Of Activities And Summary Of Significant Accounting Policies

Nature Of Activities

The St. Petersburg College Collegiate High School (Charter School) is a restricted fund of St. Petersburg College (the College). The general operating authority of the Charter School is contained in Section 1002.33, Florida Statutes. The Charter School operates under a charter with the sponsoring school district, the School Board of Pinellas County (Sponsor). The initial charter was renewed on November 11, 2008 for a period of 15 years. The renewed charter became effective on July 1, 2009 and is effective through June 30, 2024. The charter can be renewed every five school years or longer by mutual written agreement of the parties, pursuant to Florida law. At the end of the term of the charter, the Sponsor may choose not to renew the charter under grounds specified in the charter, in which case, the Sponsor is required to notify the Charter School in writing at least 90 days prior to the charter's expiration. During the term of the charter, the Sponsor may also terminate the charter if good cause is shown. The Charter School shall notify the Sponsor in writing at least 90 days prior to the expiration of the charter as to its intent to renew or not renew.

Basis Of Presentation

The records of the Charter School are maintained as a fund on the books of the College and accordingly, they follow the same basis of presentation. The Charter School's accounting policies conform to accounting principles generally accepted in the United States of America applicable to colleges and universities as prescribed by the Governmental Accounting Standards Board (GASB). The National Association of College and University Business Officers (NACUBO) also provides the College with recommendations prescribed in accordance with generally accepted accounting principles promulgated by GASB and the Financial Accounting Standards Board.

GASB allows public colleges and universities the option of reporting as a special-purpose government either engaged in only business-type activities, or engaged in both governmental and business-type activities. The College elected to report as an entity engaged in only business-type activities. Therefore, these special purpose financial statements are presented accordingly.

Basis Of Accounting

Basis of accounting refers to when revenues, expenses, and related assets and liabilities are recognized in the accounts and reported in the financial statements. Specifically, it relates to the timing of the measurements made, regardless of the measurement focus applied. The Charter School's financial statements are presented using the economic resource measurement focus and accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange activities are generally recognized when all applicable eligibility requirements, including time requirements, are met.

The Charter School's principal activity is instruction. Operating expenses include all fiscal transactions related to instruction as well as administration, academic support, student services, and physical plant operations. Nonoperating revenues include state appropriations from the county school district, a State of Florida School Recognition Award, Charter School Capital Outlay Funds and other grants. The Charter School follows Financial Accounting Standards Board statements and interpretations issued after November 30, 1989, unless those pronouncements conflict with GASB pronouncements.

Accounts Receivable

Management considers all receivables to be collectible. Accordingly, no allowance for uncollectible accounts has been provided at June 30, 2010 and 2009.

Cash And Cash Equivalents

Amounts reported as cash and cash equivalents consist of cash on hand and cash in demand deposit accounts. Cash deposits of the Charter School are held by banks qualified as public depositories under Florida Statute Chapter 280. All such deposits are insured by federal depository insurance or collateralized with securities held in Florida's multiple financial institution collateral pool.

St Petersburg College Collegiate High School
A Charter School And Restricted Fund Of St. Petersburg College
Notes To Financial Statements
June 30, 2010 And 2009

For purposes of the statement of cash flows, the Charter School considers all unrestricted and restricted highly liquid investments, such as money market accounts, to be cash equivalents.

Capital Assets

The Charter School uses the policies of the College for capitalization and depreciation. The Charter School has a capitalization threshold of \$5,000 for tangible personal property and \$25,000 for improvements other than buildings. There were no capital assets as of June 30, 2010 and 2009.

Net Assets

The Charter School's net assets are classified into the following net asset categories:

Restricted For Capital Outlay Projects - Expendable:
 Net assets that must be used for the purchase, lease-purchase, or lease of permanent or relocatable school facilities and for the payment of the premiums for property and casualty insurance necessary to insure the school facilities.

Unrestricted: All other categories of net assets.

When both restricted and unrestricted resources are available to fund capital outlay projects, it is the Charter School's policy to first apply the restricted resources to such projects followed by the use of unrestricted resources.

Revenue Sources

Revenue for current operations is received primarily from the School Board of Pinellas County, Florida pursuant to the funding provisions included in the Charter. In accordance with the funding provisions of the Charter and Section 1002.33 (18)(b), Florida Statutes, the Charter School reports its student enrollment to the Sponsor. State appropriations, capital outlay funds, awards, and grant funding are classified as nonoperating revenue.

Reclassifications

Certain amounts in the accompanying 2009 financial statements have been reclassified to conform to the 2010 presentation. The reclassifications had no effect on previously reported net assets or change in net assets.

Subsequent Events

Management has evaluated subsequent events through the report date, which was the date the financial statements were available to be issued. There were no subsequent events which would require adjustment to or disclosure in the accompanying financial statements.

Note B - Accounts Receivable

Accounts receivable as of June 30, 2010 and 2009 consist primarily of the current month's allocation for capital outlay funding due from the Pinellas County School Board which was collected in July 2010 and 2009, respectively.

Note C - Functional Distribution Of Expenses

Operating expenses on the statement of revenues, expenses, and change in net assets are presented in the natural classifications. Below are those same expenses presented in functional classifications as recommended by NACUBO. The functional classification is assigned to a department based on the nature of the activity, which represents the material portion of the activity attributable to the department. Functional classification of expenses for the years ended June 30 is summarized in the following table:

	2010	2009
Instruction	\$ 497,804	\$ 439,483
Academic support	603,221	501,738
Total operating expenses	<u>\$ 1,101,025</u>	<u>\$ 941,221</u>

Note D - State Retirement Programs

Florida Retirement System

Most employees working in regularly established positions of the College, including the Charter School, are covered by the Florida Retirement System, a state-administered, cost-sharing, multiple-employer, defined benefit retirement plan (Plan).

Plan provisions are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and Florida Retirement System Rules, Chapter 60S, Florida Administrative Code wherein Plan eligibility, contributions, and benefits are defined and described in detail. Essentially, all regular employees of participating employers are eligible and must enroll as members of the Plan. Benefits vest at specified ages or number of years of service depending upon the employee’s classification. The Plan also includes an early retirement provision, but imposes a penalty for each year a member retires before the specified retirement age. The Plan provides retirement, disability, and death benefits, and annual cost of living adjustments, as well as supplements for certain employees to cover Social Security benefits lost by virtue of retirement system membership.

A Deferred Retirement Option Program (DROP), subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with a Florida Retirement System employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the Florida Retirement System Trust Fund and accrue interest.

The Plan’s financial statements and other supplemental information are included in the state’s Comprehensive Annual Financial Report, which may be obtained by contacting the State of Florida, Department of Financial Services in Tallahassee, Florida. Also, an annual report on the Plan, which includes its financial statements, required supplemental information, actuarial report, and other relevant information may be obtained from the State of Florida, Division of Retirement in Tallahassee, Florida.

Contribution rates for Plan members are established, and may be amended, by the State of Florida. Contribution rates for the year ended June 30, 2010 are presented in the following table:

Class or Plan	Percent of Gross Salary	
	Employee	Employer (a)
Florida Retirement System - regular	0%	9.85%
Florida Retirement System - senior management service	0%	13.12%
Deferred Option Program, applicable to members from all of the above classes or plan	0%	10.91%
Florida Retirement System - re-employed retiree	(b)	(b)

(a) Employer rates include the post-employment health insurance supplement of 1.11% and .05% for administrative costs of the public employee retirement program.

(b) Contribution rates are dependent upon retirement class of plan in which re-employed.

The Charter School’s liability for participation in the Plan is limited to the payment of the required contribution at the rates and frequencies established by law on future payrolls of the Charter School. The Charter School’s contributions to the Plan for the years ended June 30, 2010 and 2009 were \$44,687 and \$34,636, respectively.

Public Employee Optional Retirement Program

Pursuant to Section 121.4501, Florida Statutes, the Florida Legislature created a defined contribution program called the Public Employee Optional Retirement Program (PEORP). This program is an option to the Florida Retirement System and is self-directed by the employee. A retirement account is established for each employee who selects this option and an employer contribution is directed to the individual account. The employees have the responsibility of selecting how their funds are invested within the approved set of investment choices and may take their funds when they leave the Florida Retirement System. Two Charter School employees participate in this plan. The Charter School’s contribution to the Plan for the years ended June 30, 2010 and 2009 was \$5,930 and \$13,738, respectively.

Note E - Risk Management Programs

The College is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The College provided coverage for these risks through a self-insured program and the Florida Community Colleges Risk Management Consortium. The Charter School is part of the College's self-insured program for risk management.

Self-Insured Program

The board of trustees of the College has established an individual self-insured program to provide group health insurance for College employees, retirees, former employees, and their dependents. The College's liability was limited by excess reinsurance to \$200,000 per insured person for each of the years ended June 30, 2010 and 2009. The plan is provided by an insurance company licensed by the State of Florida, Department of Financial Services, Office of Insurance Regulation. The College contributes a portion of employee premiums as a fringe benefit. The remaining portion of the employee premium and dependent coverage is by payroll deduction. Coverage for retirees, former employees, and their dependents is by prepaid premium. The Charter School is part of the College's self-insured program for group health insurance benefits.

Consortium

The College participated in the Florida Community Colleges Risk Management Consortium which was created under authority of Section 1001.64(27), Florida Statutes, by the boards of trustees of Florida public community colleges for the purpose of joining a cooperative effort to develop, implement, and participate in a coordinated statewide community college risk management program.

The Consortium is self-sustaining through member assessments (premiums) and is reinsured through commercial companies for claims in excess of specified amounts. Insurance coverage obtained through the Consortium included fire and extended property, general and automobile liability, workers' compensation, and other liability coverage. Settled claims resulting from these risks have not exceeded coverage in any of the past four fiscal years. The Charter School is part of the College's participation in the Consortium.

Note F - Litigation

The College is involved in several pending and threatened legal actions not related to the Charter School. The range of potential loss from all such claims and actions, as estimated by the College's attorney and management, should not materially affect the financial condition of the College or the Charter School.

Note G - Related Parties

The College's Auxiliary Fund purchased the portable classrooms to be used exclusively by the Charter School. Prior to September 1, 2007, there was an informal internal arrangement whereby the Charter School repaid to the Auxiliary Fund the cost of the portable classrooms, the associated build-out, and connectivity to other College owned assets, along with the estimated value of investment earnings forfeited by the Auxiliary Fund.

This arrangement was replaced with a formal lease agreement between St. Petersburg College Collegiate High School and St. Petersburg College. The term of the lease agreement is 30 years commencing on September 1, 2007. The lease was amended in March 2009. The amendment was necessary since the Collegiate High School moved into its new facilities on the second floor of the new Student Services Building in January 2009. Either party may terminate this agreement upon giving the other party no less than 360 days notice. The Charter School will pay to the College base rent for the leased premises for each year during the lease term in the amount of \$15 per square foot or \$168,630. The base rent shall escalate on the anniversary date of each year during the lease term at a rate of 2% from the immediately preceding year's base rent. Lease payments made for the years ended June 30, 2010 and 2009 were \$170,316 and \$117,675, respectively.

Scheduled lease payments for future periods under the operating lease with the College are as follows:

Year Ending June 30,	
2011	\$ 172,003
2012	175,443
2013	178,952
2014	182,531
2015	186,181
2016-2020	988,272
2021-2025	1,091,132
2026-2030	1,204,698
2031-2035	1,330,084
2036-2037	570,021
	<u>\$ 6,079,317</u>

The Charter School receives annual Capital Outlay funding. This recurring capital outlay allocation is expected to be sufficient to cover the lease payments, as well as meet other capital outlay requirements of the Charter School. The Charter School also has net assets restricted for capital outlay projects of approximately \$105,000 and \$125,000 at June 30, 2010 and 2009, respectively, which can be used for capital outlay requirements if annual funding is not sufficient.

Note H - Operating Lease Commitments

The Charter School leased computer equipment and a copier under operating leases. The computer lease expires in 2014; the copier lease in 2013. These leased assets and the related commitments are not reported on the Charter School's statement of net assets. Operating lease payments are recorded as expenses when paid or incurred. Outstanding commitments resulting from these lease agreements are contingent upon future appropriations. Future minimum lease commitments for noncancelable operating leases are as follows:

Year Ending June 30,	
2011	\$ 20,463
2012	20,463
2013	18,939
2014	2,848
Total Minimum Payments Required	<u>\$ 62,713</u>



**Report Of Independent Certified Public Accountants
On Internal Control Over Financial Reporting
And On Compliance And Other Matters
Based On An Audit Of Financial Statements Performed
In Accordance With *Government Auditing Standards***

To the Board of Trustees of St. Petersburg College
On Behalf of St. Petersburg College Collegiate High School
St. Petersburg, Florida

We have audited the special purpose financial statements of St. Petersburg College Collegiate High School, St. Petersburg, Florida as of and for the year ended June 30, 2010 and have issued our report thereon dated October 8, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards (July 2007 Revision)*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered St. Petersburg College Collegiate High School's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of St. Petersburg College Collegiate High School's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the St. Petersburg College Collegiate High School's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether St. Petersburg College Collegiate High School's special purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the board of trustees of St. Petersburg College, the management of St. Petersburg College Collegiate High School, and sponsoring agencies and is not intended to be and should not be used by anyone other than these specified parties.

Gregory, Sharer & Stuart, P.A.

St. Petersburg, Florida
October 8, 2010



Management Letter

To the Board of Trustees of St. Petersburg College
On Behalf of St. Petersburg College Collegiate High School
St. Petersburg, Florida

We have audited the special purpose financial statements of St. Petersburg College Collegiate High School as of and for the fiscal year ended June 30, 2010, and have issued our report thereon dated October 8, 2010.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards (July 2007 Revision)*, issued by the Comptroller General of the United States. We have also issued our Report Of Independent Certified Public Accountants On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of Financial Statements Performed In Accordance With *Government Auditing Standards* dated October 8, 2010. Disclosures in those reports, if any, should be considered in conjunction with this management letter.

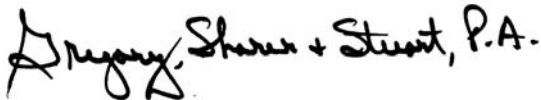
Additionally, our audit was conducted in accordance with the provisions of Chapter 10.850, Rules of the Auditor General, which governs the conduct of charter school and similar entity audits performed in the State of Florida. This letter includes the following information which is not included in the aforementioned auditor's reports:

- Section 10.854(1)(e)1, Rules of the Auditor General, requires that we comment as to whether corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report, not otherwise addressed in the auditor's report pursuant to Rule 10.856(2)(b)2. There were no findings or recommendations made in the preceding annual financial audit.
- Section 10.854(1)(e)2, Rules of the Auditor General, requires that we comment as to whether the charter school has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that St. Petersburg College Collegiate High School did not meet one or more of the conditions described in Section 218.503(1), Florida Statutes which may result in a state of financial emergency.
- Section 10.854(1)(e)3, Rules of the Auditor General, requires that we make recommendations to improve the school's financial management. In connection with our audit, we did not have any such recommendations.
- Section 10.854(1)(e)4, Rules of the Auditor General, requires that we address violations of provisions of contracts or grant agreements, or abuse, that have occurred or are likely to have occurred, that have an effect on the financial statements that is less than material but more than inconsequential. There were no such violations noted in the annual financial audit.
- Section 10.854(1)(e)5, Rules of the Auditor General, provides that the auditor may, based on professional judgment, report the following matters that have an inconsequential effect on the financial statements considering both quantitative and qualitative factors: (1) violations of provisions of contracts or grant agreements, fraud, illegal acts, or abuse, and (2) deficiencies in internal control that are not significant deficiencies. In connection with our audit, we did not have any such findings.

- Section 10.854(1)(e)6, Rules of the Auditor General, requires the name or official title of the school. The official title of the school is St. Petersburg College Collegiate High School.
- Pursuant to Sections 10.854(1)(e)7a and 10.855(10), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor St. Petersburg College Collegiate High School's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.
- Section 10.854(1)(e)7b, Rules of the Auditor General, requires that we comment if deteriorating financial conditions are noted. In connection with our audit, there were no deteriorating financial conditions noted.

Pursuant to Chapter 119, Florida Statutes, this management letter is a public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this letter is intended solely for the information and use of the board of trustees of St. Petersburg College, the management of St. Petersburg College Collegiate High School, and the State of Florida Office of the Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Gregory, Sharer & Stuart, P.A.

A handwritten signature in black ink that reads "Gregory, Sharer + Stuart, P.A." with a stylized flourish at the end.

St. Petersburg, Florida
October 8, 2010