
	AGENCY FOR WORKFORCE INNOVATION <b>Office of Early Learning</b>		
	SUBJECT FILE: 206.03	POLICY NUMBER: OEL-PI-0028-05	
	UNIT: Program	STAFF CONTACT: Katherine L. Dresser, (850) 921-3213	
	ISSUE DATE: August 5, 2005	DEPUTY DIRECTOR: Gladys W. Wilson	

**Subject:** Substantial financial interest in early learning programs

**Summary:** Private-sector business members and certain other members appointed to early learning coalitions may not have, and their relatives may not, have a “substantial financial interest” in the design or delivery of the VPK program or the coalition’s school readiness program. This program instruction establishes that an individual has a substantial financial interest if he or she owns, is employed, or was recently employed by a public or private entity that has a financial relationship with, or that may directly benefit from the policies of, the Early Learning System.

This revised program instruction specifies which individuals of a school district or public school have a substantial financial interest.

**References:** Section 411.01(5)(a)7., F.S.

**Purpose:** To establish standards for determining whether a coalition member, relative, or business entity has a substantial financial interest in the design or delivery of the VPK program or a coalition’s school readiness program

This program instruction replaces OEL-PI-0004-05.

**Background:** The VPK law (ss. 1002.51-1002.79, F.S.) prohibits the appointment to an early learning coalition of private-sector business members who have, or whose relatives have, a substantial financial interest in the design or delivery of the VPK program or the coalition’s school readiness program. The VPK law requires the Agency for Workforce Innovation to “establish criteria for appointing private-sector business members.” The law further requires that these criteria include standards for determining whether a member or relative has a substantial financial interest in the design or delivery of the VPK program or the coalition’s school readiness program (s. 411.01(5)(a)7., F.S.).

**Instructions: (1) *Substantial financial interest.***—A coalition member, relative,<sup>1</sup> or business entity has a substantial financial interest in the VPK program or an early learning coalition’s school readiness program, if:

- (a) The coalition member, relative, or business entity, has direct or indirect ownership of more than 5 percent of the total assets or capital stock, cumulatively, of one or more of the proscribed sources listed in (2) below; or
- (b) During the prior 2 years, more than 5 percent of the gross income of the coalition member, relative, or business entity was derived, cumulatively, from one or more of the proscribed sources listed in (2) below.

**(2) *Proscribed sources.***—The following proscribed sources shall be used to determine whether a coalition member, relative, or business entity has a substantial financial interest in the VPK program, or in an early learning coalition’s school readiness program, under (1) above:

- (a) The Agency for Workforce Innovation, the Office of Early Learning, the former Florida Partnership for School Readiness, the Department of Education, or the contractor or subcontractor of any of these agencies.
- (b) An early learning coalition, former school readiness coalition, or a coalition’s or former coalition’s fiscal agent, central agency, contractor, or subcontractor.
- (c) A school district’s or public school’s preschool program for children from birth until eligibility for admission to kindergarten in a public school under s. 1003.21(1)(a)2., F.S. (*see* (3) below).
- (d) A child care facility licensed under s. 402.305, F.S., a family day care home licensed or registered under s. 402.313, F.S., a large family child care home licensed under s. 402.3131, F.S., a nonpublic school exempt from licensure under s. 402.3025(2), F.S., or a faith-based child care provider exempt from licensure under s. 402.316, F.S.
- (e) A private prekindergarten provider delivering the VPK program.
- (f) A school readiness provider delivering an early learning coalition’s school readiness program.
- (g) The National Council for Private School Accreditation, the Commission on International and Trans-Regional Accreditation, the Florida Association of Academic Nonpublic Schools, or an accrediting association that is a member of any of these organizations.
- (h) A vendor of educational materials or supplies, including, but not limited to, books, curricula, or equipment.

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<sup>1</sup> The program instruction (*see* paragraph (2)(b) of OEL File 206.02) for the appointment of private-sector business members cites the definition of “relative” in s. 112.3143, F.S.:

“Relative” means any father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, or daughter-in-law.

(i) An organization of which the membership is composed 10 percent or more of individuals or business entities listed in (a)-(h).

(3) ***School district and public school personnel.***—A school district’s or public school’s preschool program is considered a proscribed source under (2)(c) above for a coalition member or relative, if the member’s or relative’s income was derived from employment in an elected or appointed position in the school district or public school which is responsible for:

- (a) Financial decisions affecting the preschool program, including the development of the preschool program’s budget or the disbursement of funds for the preschool program;
- (b) Recommendation or adoption of rules, regulations, or policies relating to the operation of any aspect of the preschool program;
- (c) VPK or school readiness program instruction, curriculum development, or service delivery; or
- (d) Management of the preschool program’s operations or personnel, or for personnel carrying out the responsibilities described in (a)-(c) above.

**Replaces:** This program instruction replaces, and makes the following substantial change to, OEL-PI-0004-05:

- Specifies which individuals of a school district or public school have a substantial financial interest in early learning programs.

**History:** *Original.*—OEL-PI-0004-05 (March 24, 2005). *Revised.*—OEL-PI-0028-05 (August 5, 2005).

PLEASE DIRECT QUESTIONS AND COMMENTS TO THE STAFF CONTACT LISTED ABOVE.

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