

YAVAPAI REGIONAL PARTNERSHIP COUNCIL

REGIONAL SCHOLARSHIPS

Background: In fiscal year 2010, the Regional Partnership Council allocated \$480,151 for the provision of child care scholarships for the 8 month period from November 2009 through June 2010. Scholarships are based on 70% of the 75th percentile of the 2008 Market Rate Survey (\$420 per month for infant and toddler, \$360 per month for 3 to 5 year old and \$315 per month for childcare home).

Funding supports 137 scholarships which are provided to 22 centers and homes. Fifteen scholarship providers are currently enrolled in Quality First. The remaining 7 scholarship providers have applied for Quality First and were approved for scholarships under the original emergency scholarship program.

The Yavapai Region currently has funding for 19 (9 state-funded, 10 regionally-funded) providers to participate in Quality First. Seventeen of the 19 slots are currently filled. Additional regional funding will add another 10 Quality First slots in fiscal year 2011, bringing the total to 29.

A family's eligibility to receive a scholarship is determined by their household income (at or below 200% of the Federal Poverty Guidelines) and that they are employed, seeking employment or advancing their skills to attain or maintain employment. In addition, the Regional Council provided instructions that priority would be given to infants and toddlers, children in single parent families and children with special needs. Up to two children per family may receive a scholarship.

SFY2011: The Regional Partnership Council has indicated that they want to move away from providing scholarships to a provider stipend strategy. While provider stipends is an access and affordability strategy that is supported by First Things First, policy staff is recommending postponing implementation of the strategy until fiscal year 2012 to allow research on best practices to be completed.

To maintain 137 scholarships at the current reimbursement rate for 12 months would cost \$728,662. The Regional Council has allocated \$500,000 to this strategy in fiscal year 2011. This funding level will support 94 scholarships. Final reconciliation of fiscal year 2010 Emergency Scholarship expenditures has identified unused funds in the amount of \$33,041.59, that have been returned to the Region. In addition, it is estimated that approximately \$50,000 in Regional Scholarship funding will be unspent at the end of fiscal year 2010.

| FUNDING LEVEL | LESS ADMIN. (5.24%) | AVAILABLE FOR SCHOLARSHIPS (12 MONTHS) | AVAILABLE FOR SCHOLARSHIPS (MONTHLY) | ESTIMATED NO. OF SCHOLARSHIPS (/ \$420) | IMPACT ON NUMBER OF SCHOLARSHIPS |
|---------------|---------------------|--|--------------------------------------|---|----------------------------------|
| \$728,662 | \$38,182 | \$690,480 | \$57,540 | 137 | 0 |
| \$500,000 | \$26,200 | \$473,800 | \$39,483 | 94 | -43 |
| \$533,041 | \$27,931 | \$505,110 | \$42,092 | 100 | -37 |
| \$583,041 | \$30,551 | \$552,490 | \$46,041 | 110 | -27 |
| \$733,041 | \$38,411 | \$694,630 | \$57,886 | 138 | +1 |
| \$783,041 | \$41,031 | \$742,010 | \$61,834 | 147 | +10 |