FIRST THINGS FIRST

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TO: Arizona Early Childhood Development and Health Board

FROM: Yavapai Regional Partnership Council

DATE: March 4, 2010

RE: Strategy Approval for Yavapai 2011 Funding Plan

Maintaining Early Care and Education Scholarships

During the development of the regional funding plan for SFY 2011, the Yavapai Regional Partnership Council discussed the strategic direction they wanted to take to support and expand quality early care and education in the region. In addition to decisions about expanding regional funding for Quality First and T.E.A.C.H., the Regional Council allocated funds to maintain Child Care Health Consultation and Mental Health Consultation. These strategies were approved by the State Board at its January 26, 2010 Board meeting.

The Regional Council, however, wanted time to further explore and develop other access and affordability strategies that would be responsive to the needs in the region. The Regional Council allocated $700,000 to the general area of access and affordability for which State Board approval has not been requested. The Regional Council indicated interest in utilizing $500,000 of the allocation to transition away from their early care and education scholarship program into a provider stipend program. The remaining $200,000 is earmarked for the development of a strategy to expand infant and toddler care in the region.

At this time, the Yavapai Regional Partnership Council would like to request approval to maintain early care and education scholarships at a funding level of $583,041. A scholarship program was implemented in the Yavapai Region in November 2009, upon the conclusion of the emergency scholarship program. While the Regional Council believes scholarships to be an effective way to support families and child care providers, especially during these difficult economic times, they were hoping to move to a provider stipend strategy that would directly connect reimbursement with quality, rather than to specific children. In investigating components of an effective provider stipend strategy, it was learned that research into best practices and the development of First Things First standards of practice for provider stipends has not yet occurred. First Things First Policy staff has, therefore, recommended that the Regional Council continue with the scholarship strategy for an additional year. Based on this recommendation, the Regional Council voted at their February 24, 2010 meeting to utilize the $500,000 previously allocated to provider stipends for scholarships in FY2011. Additionally, the Regional Council increased the allocation for scholarships by $83,041, which is made up of $33,041 in unexpended SFY2010 funds from emergency scholarships and $50,000, the amount estimated to be unexpended at the end of SFY2010 for regional scholarships.

The Yavapai Regional Partnership Council respectfully requests approval to maintain their early care and education Scholarships at a funding level of $583,041 in fiscal year 2011.

Anne Babinsky

Anne Babinsky, Chairperson
Yavapai Regional Partnership Council

FIRST THINGS FIRST

The right system for bright futures

YAVAPAI REGIONAL PARTNERSHIP COUNCIL
2011 FUNDING PLAN SUMMARY—REVISED

Regional Allocation 2011: $3,899,633
Carry Forward from 2010: $172,078
Funding Available for Allocation in 2011: $4,071,711

Prioritized Needs	Goal Area	Proposed Strategies	Portion of Regional Allocation	Recommendation to the Board
There is no mechanism to coordinate services, identify and address gaps in service, reduce duplication, or ensure families are referred to the services that best fit their needs. Child care providers lack professional education, including non-credit education and training.	Coordination	Strategy 1: Family Support Collaborative	$70,000	Approved January 26, 2010
Many parents do not have the information they need to be the best parents possible. Many parents living in rural communities do not have access to services or information they need to be the best parents possible. There is a high level of teen pregnancy in the region and a need for teen parent support. High-risk families need additional support to address child abuse, substance abuse and family violence prevention. Support for infants and toddlers with the highest risk factors in foster care is lacking. Existing home visiting programs do not have the capacity to serve all of the families that qualify or need their services. Many uninsured children are eligible for public health insurance yet have not yet applied.	Family Support, Health	Strategy 2a: Parenting Education	$280,000	Approved January 26
		Strategy 2b: Nurse Home Visitation for High Risk Infants and Toddlers in Foster Care	$110,000	Approved January 26
		Strategy 2c: Home Visitation Programs	$1,085,000	Approved January 26
		Strategy 2d: Home Visiting Coordination	$0	Approved January 26
		Strategy 2e: Health Insurance Outreach and Enrollment Assistance	$100,000	Approved January 26

There is not enough quality care for infants and toddlers. There is not enough affordable, quality child care available throughout the region	Quality and Access	Access and Affordability • Child Care Scholarships • Infant and Toddler Care	 $583,041 $200,000	Recommend Approval of Child Care Scholarships in the amount of $583,041
There is not enough affordable, quality child care available throughout the region.	Quality and Access	Strategy 5: Child Care Health Consultation	$240,000	Approved January 26
Support for infants and toddlers with the highest risk factors in foster care is lacking.	Coordination	Strategy 6: Court Team	$49,500	Approved January 26
There is not enough affordable, quality child care available throughout the region.	Quality and Access	Strategy 7: Quality First	$543,100	Approved January 26
There is little public awareness of existing programs.	Coordination, Communication	Strategy 8: Parent Awareness	$35,000	Approved January 26
Child care providers lack professional education, including non-credit education and training.	Professional Development	Strategy 9: T.E.A.C.H.	$63,492	Approved January 26
There is a lack of mental health consultation services available.	Quality and Access	Strategy 12: Mental Health Consultation	$240,000	Approved January 26
Many parents living in rural communities do not have access to services or information they need to be the best parents possible. There is a high level of teen pregnancy in the region and a need for teen parent support. High-risk families need additional support to address child abuse, substance abuse and family violence prevention.	Family Support and Coordination	Strategy 13: Community Impact Project (United Way Partnership)	$30,000	Approved January 26
Statewide - economic and employment recession	Family Support	Strategy 14: Emergency Food Boxes	$45,000	Approved January 26, 2010
There is inadequate public awareness of the importance of early brain development.	Communication	Communication	$25,000	HOLD
		Subtotal of Expenditures	**$3,699,133**	
		Fund Balance	**$372,578**	
		Grand Total	**$4,071,711**	

Summary Financial Chart SFY 2010-2012

Revenue	SFY 2010	SFY2011	SFY 2012 Estimated	Total
FTF Total Allocation for the SFY	$3,419,308	$3,899,633	$3,899,633	$11,218,574
Fund Balance (carry forward from previous SFY)	N/A	$172,078	$372,578	
Total Available Funds	$3,419,308	$4,071,711	$4,272,211	
Strategies	**SFY 2010** OBLIGATED	**SFY 2011** PLANNED	**SFY 2012** ESTIMATED	**Total**
1 Family Support Collaborative	$30,000	$70,000	$70,000	$170,000
2a Parenting Education	$176,850	$280,000	$280,000	$736,850
2b Nurse Home Visitation for Infants and Toddlers in Foster Care	$74,770	$110,000	$110,000	$294,770
2c Home Visitation Programs	$935,000	$1,085,000	$1,235,000	$3,255,000
2d Home Visiting Coordination	$0	$0	$0	$0
2e Health Insurance Outreach and Enrollment Assistance	$ Removed	$100,000	$100,000	$200,000
3 Expand Infant and Toddler Care	$ Removed	Removed	Removed	$0
4a Access and Affordability Pilot Study	Removed	Removed	Removed	$0
4b Scholarships	$480,151	Removed	Removed	$480,151
4c Access and Affordability (Infant & Toddler Care and Provider Stipends)	New in SFY2011	$783,041	$700,000	$1,400,000
5 Child Care Health Consultation	$200,000	$240,000	$240,000	$680,000
6 Court Team	$40,000	$49,500	$49,500	$139,000
7 Quality First	$266,000	$543,100	$814,650	$1,623,750
8 Parent Awareness	$30,000	$35,000	$35,000	$100,000
9 T.E.A.C.H.	$45,200	$63,492	$63,492	$172,184
10 Child Care Study	$50,000	Removed	Removed	$50,000
11 Head Start	$250,000	Removed	Removed	$250,000
12 Mental Health Consultation	$100,000	$240,000	$360,000	$700,000
13 Community Impact Project	New in SFY2011	$30,000	$60,000	$90,000
14 Emergency Food Boxes	$42,000	$45,000	$45,000	$132,000
Emergency Scholarships	$517,259	Removed	Removed	$550,300
Communication	$0	$25,000	$25,000	$50,000
Needs and Assets	$10,000	$0	$10,000	$20,000
Evaluation	$0	$0	$0	$0
Subtotal Expenditures	$3,247,230	$3,699,133	$4,197,642	$11,094,005
Fund Balance (carry forward)	$172,078	$372,578	$74,569	
Total	$3,419,308	$4,071,711	$4,272,211	

Yavapai Regional Partnership Council

STRATEGY WORKSHEET

Strategy Name: Early Care and Education Scholarships

Scholarship program to support families' access to quality, affordable child care.

The Yavapai Regional Partnership Council has identified that there is not enough affordable quality child care available throughout the region. A number of strategies have been adopted to address the quality of care provided by regulated early care and education centers. These quality strategies include: Quality First, Child Care Health Consultation and Mental Health Consultation. However, many working families have limited access to these quality services because they are unable to afford the cost of quality care. The Early Care and Education Scholarship strategy has been implemented to provide financial support to low-income, working families with children in quality early care and education settings.

According to the Yavapai Region's 2008 Needs and Assets Report, the median household income for families living in Yavapai County in 2006 was 15 percent less than the median income for Arizonans in general. ($40,649 and $47,265 respectively) While the current state unemployment rate is 8.9 percent, the unemployment in the Prescott Metropolitan Area is slightly higher, at 9.2 percent. Unemployment data for the entire Yavapai Region is not available, but is assumed to be 9.2 percent or higher. The Yavapai Regional Council has concluded that families in the region continue to experience financial hardship that impacts their ability to afford quality care.

In November 2009, upon conclusion of the emergency scholarship program, the Yavapai Regional Partnership Council implemented a regionally-funded early care and education scholarship program. In SFY2010, the Regional Partnership Council funded 137 scholarships. These scholarships are provided to twenty-two centers and homes. Fifteen scholarship providers are currently enrolled in Quality First. The remaining seven scholarship providers have applied for Quality First and were approved for scholarships under the original emergency scholarship program. It is anticipated that these seven providers will be enrolled in Quality First in SFY2011 when an additional ten early care and education centers are added through regional funding.

The Regional Partnership Council proposes to continue the early care and education scholarship program in SFY2011. Scholarships will continue to be reimbursed at their current rate of $420 per month for infant and toddler, $360 per month for 3 to 5 year old and $315 per month for childcare home. A family's eligibility to receive a scholarship will be 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.

The current allocation for this strategy is $583,041. This amount will allow the Regional Council to maintain 110 scholarships, twenty-seven less than in SFY2010. The Regional Council will re-evaluate the funding level when additional information about unexpended 2010 funds is available.

Lead Goal:

FTF will increase availability and affordability of early care and education settings.

FTF will improve access to quality early care and education programs and settings.

Key Measures:

Current cost of early care and education for families as a proportion of the median income for a family of four.

Target Population:

Families with children birth through five who meet the scholarship criteria and receive child care at an approved early care and education provider.

	SFY 2011 **July 1, 2010 – June 30, 2011**	**SFY 2012** **July 1, 2011 - June 30, 2012**	**SFY 2013** **July 1, 2012 - June 30, 2013**
Proposed Service Numbers	Minimum of 110 scholarships offered through 22 quality providers	TBD	TBD

Performance Measures:

- Number of providers recruited/strategic target number
- Number of providers receiving scholarships/number providers recruited
- Number of children receiving scholarships/proposed service number
- Number of families receiving scholarships/proposed service number
- Cost to parents/proposed target number

- Number of parents and providers reporting satisfaction (minimum questions provided by FTF staff)/strategic target number

SFY 2011 Expenditure Plan for Proposed Strategy	
Allocation for proposed strategy	$ 583,041

Budget Justification:

It is anticipated that Valley of the Sun United Way will continue to serve as administrative home for this program. An administrative fee of 5.24% ($30,551) is charged by the administrative home.

Scholarships will be reimbursed 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).

Parents are responsible for any remaining difference between the scholarship amount and the usual and customary charges for child care services in the center.