

APRIL 2, 2009

**OVERVIEW OF EARLY CARE AND EDUCATION ACCESS AND AFFORDABILITY APPROACHES THROUGH FIRST THINGS FIRST, AND**

**RECOMMENDATIONS AND GUIDANCE FOR SCOPE OF WORK DEVELOPMENT**

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**GOAL: Increase access and affordability of quality early care and education  
FTF Standards of Practice Document – Access & Affordability Strategies**

**Opportunity and Need**

The Needs and Assets Reports from the state and regions show that some communities have early care and education available but often appropriate care is inaccessible to families due to cost; while others have too few early care and education options available to meet the needs of the community. Throughout the state, a pressing need for affordable or additional high quality infant and toddler care is noted. Early care and education programs also need additional resources to provide appropriate quality services for children with special needs.

The First Things First (FTF) strategic plan roadmap includes the goal area of “Increase access and affordability of quality early care and education.” This is to be accomplished wherever care or education is provided: in a home, a child care center, Head Start and Early Head Start, school-based program; and includes target populations of infants and toddlers, children three through five years, and children with special needs.

**Intended Population**

The intended target population of this funding is children (or programs which serve children) birth through age five, who are not enrolled in kindergarten, who reside or receive services within the Regional boundaries. Targeted funding may further include low-income families, infants and toddlers (children ages 0-35 months) or children with special needs.

**Approach**

To expand access to, and improve affordability of, high quality early care and education for infants and toddlers, preschool children and children with special needs, FTF efforts include the following three approaches:

1. Provide scholarships and/or stipends to help families afford access to quality early care and education.
2. Expand the capacity and access to regulated early care and education slots through planning and start-up grants.
3. Provide training and technical assistance so that providers include, serve and maintain children with special needs in early care and education programs.

Care for infants and toddlers was identified as a critical need in nearly every regional plan and therefore infant/toddler care has been integrated and noted as a priority, or optional target population, in all three strategies. Likewise care provided by child care homes has also been integrated.

Several Regional Partnership Councils have also planned for studies of this area of work. While it is evident that there is a critical need for additional information on the status of early care and education in the state of Arizona, studies should be part of a systematic approach so that data is comprehensive

across the state thereby maximizing precious dollars. In this document you will find guidance for studies and research to be approached through FTF, or the regions.

**PLEASE NOTE:** While these approaches will increase the access or affordability to early care and education, they are each intended to work in compliment with the First Things First quality initiative: Quality First. All regulated care or education programs are required to apply for enrollment in Quality First, or to demonstrate quality programming through accreditation by one of the state approved accreditation systems.

**APPROACH 1:**

**REGIONAL SCHOLARSHIPS AND/OR STIPENDS TO HELP FAMILIES AFFORD ACCESS TO QUALITY EARLY CARE AND EDUCATION**

First Things First will provide an estimated 11,000 Emergency Child Care Scholarships statewide beginning April 2009 to respond to the economic downturn and ensure children receive continuity of care. This is a temporary strategy planned through the end of June 2009.

**Note: Allocation of Regional Funds to Emergency Child Care Scholarships:** *It is important to note that child care centers and homes in all regions will receive Emergency Child Care Scholarships that will be distributed through the administrative home identified by FTF and follow the Emergency Child Care Scholarships Scope of Work. Additionally, Regional Partnership Councils are determining whether they will use regional funds to supplement the Emergency Child Care Scholarships. At this time (March 18, 2009) seven Regional Partnership Councils have decided to add regional funds to the statewide Emergency Child Care Scholarships. These funds will be used to:*

- *Expand the number of Emergency Child Care Scholarships in their region.*
- *Extend the period of time for the Emergency Child Care Scholarships in their region.*
- *Or, to both expand number and extend time of Emergency Child Care Scholarships in their region.*

In the approved Regional Funding Plans, thirteen Regional Partnership Councils also identified scholarships or stipends as a strategy with the goal to improving child development by providing greater access to high quality care. Councils allocated funding for strategies they referred to as scholarships, vouchers, tuition, stipends, and summer programs.

The amount of the scholarship or stipends varied. Some Regional Partnership Councils focused scholarships/stipends on care for infants and toddlers which Regions note is often more expensive, less accessible, and of lower quality. One Region earmarked scholarships to provide care for children with special needs, a population that faces tremendous challenges when seeking high quality full time care.

Other Regions focused scholarships on summer programs and proposed providing a grant to a specific program for teachers and supplies so that children who had been in a Head Start, preschool, or child care program during the school year would continue an enriched experience during the summer months, tuition-free.

Seven Regional Partnership Councils initially allocated \$800,000 for a Pilot Study. The study was to “pilot” scholarship programs and assemble data to be used to design an on-going FTF scholarship model. Because of the economic downturn, FTF has designed a scholarship program for the Emergency Response Child Care Scholarship program. As a result, the model has been completed and funding for a majority of the pilot studies has been moved to direct services in scholarships/stipends or other Access & Affordability strategies.

**Regional Scholarship-Stipend Model:** Regional Partnership Councils which allocated regional funds to scholarships, stipends or summer programs will be encouraged to allocate those funds in accordance with the standards of practice outlined in this document and the scholarship/stipend/summer programs logic model document.

The Statewide Emergency Child Care Scholarship Program and the Regional Scholarships/Stipends will align in the following ways:

- **Income Eligibility:** Both the Emergency Child Care Scholarships and Regional Scholarship/Stipend Programs will be for families with children from birth through age 5 whose household incomes are at or below 200% of the Federal Poverty Level (FPL). (See Appendix B.) Regions with special circumstances or target populations may specify other income eligibility. Children's proof of age and U.S. citizenship or legal residency is required.
- **Lawful, Quality Care:** Expanding access and affordability is implemented in conjunction with improving quality. FTF investments in both the Emergency and Regional Program should enhance the developmental needs of the child, preparing children for success in school and life. Participating centers and child care homes are required to be licensed, certified or operating within the bounds of the law in regards to regulation and be in good standing. Programs must be accredited through an Arizona recognized national accreditation system or have submitted their application to, or be participating in, Quality First.
- **Utilizing Existing Resources, such as Federal and State Funding, First:** Strategies focused on increasing access and affordability including scholarships must build on current resources and revenue streams. FTF funding will be used to augment and build capacity and quality in compliment to existing funding or support. Providers and administrative homes bear the responsibility for assuring that all resources (including DES subsidy) are exhausted prior to utilizing FTF funding. Providers/ administrative homes will be expected to demonstrate that other funding streams have been exhausted, and that existing supports will remain in place, when using FTF funds.

*See Appendix A of this document for model language and parameters from the Emergency Child Care Scholarship Program pertaining to policy and practice.*

**Variation between the Emergency Child Care Scholarships and Regional Scholarship/Stipend Program:**

- **Type of Cost Reimbursement:** Time was critical for allocation of the Emergency Child Care Scholarships, so flexibility on the type of cost reimbursement was not possible. The Regional Scholarship/Stipend Program may choose one or a combination of the following funding options:

**Scholarships** to reimburse a provider for the full or partial cost of child care based on a per child cost. Regional Scholarships should be allocated using data from the 2008 Market Rate Survey pertaining to the cost of care per age group and setting in their particular region. (The 2008 market rate survey document which shows regional information is available at [https://egov.azdes.gov/CMS400Min/InternetFiles/Reports/pdf/cca\\_market\\_survey\\_08.pdf](https://egov.azdes.gov/CMS400Min/InternetFiles/Reports/pdf/cca_market_survey_08.pdf))

The rates for child care centers for full time care is on page 15 and part time on page 18. The rates for approved homes are on page 25 for full time care and page 27 for part time care. Rates are available each the county of the state, with groupings of counties which align with the FTF Regions. It is recommended that scholarships be set at 90% of the rate labeled Median.

- The model provided by the Emergency Childcare Scholarship sets rates at 90% of the current (2008) market rate, with scholarships not to exceed the provider's usual and customary charges.
- **Stipends** The Regional Scholarship/Stipend Program will allow for a per day fixed amount that does not pay basic tuition, but provides an additional amount to pay for higher quality care.
- **Summer program** For areas where support for children prior to kindergarten entry has been identified as a particular need, the Regional Scholarship/Stipend Program will have the flexibility to support summer programming by providing tuition scholarships so that children receive opportunity in the summer preceding kindergarten to participate in a quality classroom environment to increase school readiness.
- **Parent Contribution:** For most early care and education programs, parent fees are the largest source of revenue, accounting for 60% of the total costs. For many parents, this is a barrier to high quality programs. Often a significant portion of families' incomes are going to the cost of early care and education. To address access and affordability for families, it is not the intent to eliminate the parent contribution but to make access to quality early care and education affordable and a reasonable proportion of a families total income. Therefore, strategies focused on increasing access and affordability should reduce, not eliminate the parent contribution, working to establish an affordable rate for families based on gross income. (This requirement is not in the Emergency Scholarships as it was a barrier to immediate implementation.) The Regional Scholarship or Stipends participants (administrative home oversees programs implementation) will request applicants to determine and institute methods for parental co-pays and/or participation. It is recommended that affordability strategies target parent fees which do not exceed 10% of a family's gross income.
- **Administrative Home:** Regions may choose an administrative home to administer their Regional Program. Regions will be provided with information on the administrative home of the Emergency Child Care Scholarships, as this may be the best choice. Administrative homes will have the same qualifications, responsibilities and liabilities as those in the Emergency Child Care Scholarships including the capacity to implement a scholarship/stipend program, the ability to understand complex program policies, public policy issues and the nature of the work including issues such as avoiding supplanting, and must participate in FTF reporting, data collection, and evaluation.
- **Parent Work/School Participation:** The primary focus of the Emergency Child Care Scholarships was to respond to the economic downturn by keeping families working or providing support so that they could quickly return to employment. The Regional Scholarship/Stipend Program will similarly allow flexibility to determine the work, job seeking or school requirements of parents whose children are receiving a scholarship or stipend. (Regions with special circumstances or target populations may specify other eligibility.)

**APPROACH 2:**  
**EXPAND REGULATED EARLY CARE AND EDUCATION AVAILABILITY THROUGH PLANNING AND START-UP GRANTS:**

There is limited access to high quality early care and education in Arizona. Access is even more difficult for infants and toddlers, in rural areas of Arizona and on Tribal lands. Often Head Start programs exist in rural areas and on Tribal lands, but even so, not enough and especially limited for infants and toddlers. There remains great need for full day, full year programming as well. Many providers report space as the most prohibitive barrier to providing care especially for infants and toddlers, where square footage and adult/child ratio requirements exceed those for children 3-5 years. Some areas of Arizona have little or no *regulated* child care, either in centers or homes, where many providers are not trained or certified.

FTF plans to expand access to high quality child care slots for preschool children, infants and toddlers and children with special needs by providing planning and start-up grants for early care and education programs. Funds may be used to support development of a plan and improvements to child care centers or family child care homes to create additional high quality slots or to license/certify and thereby improve the quality of existing slots. Applicants will demonstrate the need for additional early care and education slots and show a plan for how these slots will remain filled.

Grants for child care centers can include renovation and new construction to develop, expand or improve facilities to allow new child care centers and existing centers to expand enrollment especially for infant and toddler care and full day, full year care. Grants for family child care homes may include recruitment and support to expand the number of regulated/certified early care settings (targeted funding may require services for infants and toddlers; full day/full year services) minor renovation and equipment so that providers are able to become certified.

Opportunities to expand capacity and quality are in the following categories:

**Planning Grants for Child Care Centers:** Provides funds for child care centers to remodel or construct new or existing facilities to expand the number of child care slots for children birth through five (pre kindergarten). An administrative home will work with providers, construction professionals, regulating bodies, and others to plan and design the most effective way to expand the number of slots in either an existing center or in a new center. This may include planning and pre-development costs such as a feasibility study, business plan development, architectural services and other associated planning costs.

No start-up funds will be allocated without completed plans which include plans for sustainability of programming, operations and ongoing funding. Program projects will also be required to show proof of compliance with all local, state, or tribal government regulations for child care operations, business operations, construction or renovation. Additionally, projects will be required to comply with the appropriate regulations liability or insurance; and all in accordance with the regulations required when doing business with First Things First.

**Start-up Grants for Child Care Centers:** Provide funds for construction or remodeling of child care centers to expand of the number of available slots for children 0-5 (prior to kindergarten enrollment). Remodeling grants may be used to assist with start-up to defray costs associated with physical renovations, or purchase of equipment such as furniture and supplies, and other identified costs as outlined in the planning process.

New construction grants must be based on the appropriate and required plans, and require a 50% match to the FTF funding.

**Planning Grants for Child Care Homes:** Provides funds to recruit existing home care providers and people who would like to become a certified or regulated child care home provider. Grants will provide for coaching and mentoring to complete a plan that outlines the specific training, resources, minor re-modeling and/or equipment needed to complete licensing, certification and/or accreditation. This may include funding for outreach, recruitment, meetings, documentation, supplies, materials, travel and support networks with home based providers to maintain quality early education practices.

**Start-up grants for Child Care Homes:** Provides start-up grants that fund modifications as outlined in the planning document for child care homes to become certified, licensed or accredited. Support may include resources for requirements such as fingerprinting, regulatory application fees, T.B. tests, orientation training, CPR/First Aid, furniture and minor equipment or fencing, minor re-modeling, and/or training needed to meet certification, licensing or accreditation requirements. Start-up grants must be given based on a completed plan that includes the specific improvements necessary and those which are to be paid for by grant.

### **APPROACH 3:**

#### **INCLUDE, SERVE AND MAINTAIN CHILDREN WITH SPECIAL NEEDS IN EARLY CARE AND EDUCATION PROGRAMS BY PROVIDING TRAINING AND TECHNICAL ASSISTANCE**

Inclusive child care benefits children with special needs as well as typically developing children. Research suggests that including children with special needs with typically developing classmates supports the individual abilities, interests, temperaments, developmental rates, and learning styles of young children with disabilities.

The foundation of effective inclusion of children with special needs is high quality early childhood programs that ensure the participation of all children. In Arizona, finding early care and education settings inclusive of children with special developmental or health needs is particularly challenging.

Successful inclusion of special needs children promotes positive social emotional development through on-going training, on-site technical assistance, and support for staff. An effective approach is based on an assessment of the early care and education program on attitudes toward children with disabilities, knowledge of child development and the existing professional expertise of staff, followed by provision of training for child care staff by a knowledgeable individual using a reliable curriculum that is tailored to the needs of a particular center. This is followed by on-going training and technical assistance for child care teachers that supports them in their day to day questions with particular issues. In addition, the child care provider may need adaptive materials and should have effective referral and support networks in place with community agencies, social services, and school systems.

Ohio's Starting Point program established in 2000 is an example of a successful effort to promote inclusion of special need children in child care settings. Its purpose is to increase the number of providers who can care for children with special needs, increase access to special needs child care, and provide child care providers with the resources, knowledge and support to effectively care for children

with special needs. This program promotes stable placements for children and has demonstrated a retention rate of 80 percent of children with special needs in a placement for at least 6 months and 42 percent for a year or longer.

In addition, the federal Child Care Bureau has worked with several states to promote inclusion through a statewide, systemic approach. Ideally this knowledge should be integrated into the knowledge base of the child care community through specialty training tied to a system of career development. State working toward this goal include: Maryland's Project All Children Together, sponsored by the Epilepsy Association, which offers training through the community colleges on integrating children with special needs in child care settings; New Mexico's "When Children Soar with the Wind" which includes training on children with special needs; Tennessee's interagency model to provide ongoing support for child care providers serving children with disabilities through child care resource centers; Indiana's ladder of training opportunities that includes workshops on special care and are a requirement of the entry-level certificate; Vermont's training on children with disabilities through a consortium of 12 community child care agencies, and Oregon, which is incorporating competencies for care of children with special needs within training curricula and standards for all child care providers.

One curriculum or training model will not meet the needs of all providers. Resources for program design, curriculums and training models for child care staff include, but are not limited to:

- *Preparing Child Care Providers to Include Children with Disabilities*, The Easter Seals Training Modules
- *An Administrator's Guide to Preschool Inclusion*. Chapel Hill: University of North Carolina, FPG Child Development Center, Early Childhood Research Institute on Inclusion. Ruth Ashworth Wolery & Samuel L. Odom (2000).
- *Least Restrictive Environment Starter Kit*, West Ed, Center for Prevention and Early Intervention
- *Including Infants and Toddlers with Disabilities in Family Child Care*, Phylis Benner & Sandra Gellert (1997) & video *Yes, You Can Do It! Caring for Infants and Toddlers with Disabilities in Family Child Care*.
- Creative Curriculum (<http://www.creativecurriculum.net/>)
- *Designing an Early Intervention System*, Center on Human Development and Disability, University of Washington, Michael Guralnick, PhD.
- *Setting the Pace: Model Inclusive Child Care Centers Serving Families of Children with Emotional and Behavioral Challenges*, Research & Training Center, Portland State University (2003)
- *A Thinking Guide to Inclusive Child Care*, Disability Rights Wisconsin, Mark Sweet (2008);

To increase opportunities for children with special needs to attend high quality early childhood education, Regional Partnerships can provide grants for assessment of the early care and education program regarding training needs on inclusion, technical assistance, training, and special equipment for early care and education settings. Child care providers who receive this assistance should include children with special needs as 10 percent of total children enrolled. The administrative home, and programs participating must demonstrate that FTF funding would not diminish or replace, and will work in compliment with, other public or private financial support for early care and education, or for serving the needs of children with special health or developmental needs.

**Regional Studies:**

**Infant-Toddler Study:** High quality early care and education is available, but there is limited capacity and it is often beyond a typical families' budget. This is especially true for care for infant and toddler care which is often low quality and expensive. The Central Maricopa Regional Partnership Council allocated \$52,000 to determine the cost of infant/toddler care, assess the factors that influence family choice in terms of the quality of care and design an implementation plan for enhancing the capacity of care for infants and toddlers.

**Family Child Care Study:** Coconino and Navajo/Apache Regional Partnership Councils allocated \$100,000 for a family child care study. There are not enough child care slots to accommodate all eligible children. In Coconino there is a total capacity of 2,123 including Head Start, child care centers, and family and group homes. The region has an overall poverty rate of 30%. Northern Arizona Council of Governments (NACOG) Head Start reports that although over 11,000 children in the Coconino County (including the Navajo Nation) are eligible for Head Start services, only 500 Head Start slots are available (does not include tribal). The study will assess family choices about care, barriers to becoming a family child care home provider, and barriers to certification for family child care homes.

**Pilot Study:** To understand how best to increase access and affordability to quality early care and education, seven Regional Partnership Councils included \$800,000 for a Pilot Study in their original Regional Funding Plans (November 2008). The pilot study was designed to gain understanding of the impact of financial barriers to families who are or are not choosing to enroll their young children in high quality care, and if differences in parental choices exist based on affordability or other local or regional characteristics. However, because of the economic downturn, FTF has accomplished the design of a scholarship program. A model was completed and will be implemented statewide with approximately \$23 million of discretionary funding, beginning in April 2009. Due to the urgency of the economic downturn and that FTF completed a statewide scholarship design; many Regional Partnership Councils chose to reallocate their Pilot Study funding to one of the approaches outlined above.

At this time, two Regions are proceeding with the strategy of conducting a Pilot Study (La Paz/ Mohave and Central Phoenix). In this case the original design will continue, with the exception of ability to compare the regional methods with those of other regions.

To maximize all use of FTF funds and to ensure research conducted is well designed and part of a statewide efforts yet relevant to the region, studies conducted by Regional Partnership Councils will be designed in consultation with the by a FTF Evaluation Division.



## Appendix A

Scope of Work Model Language and Considerations for Regions  
Taken from Statewide Child Care Emergency Scholarship Program

1. The scholarships will be administered through qualified providers in First Things First Regional Partnership that have allocated funding to these strategies. It is critical, therefore, that the administrative home has the ability to work with providers in the identified region.
2. Experience: The administrative home should demonstrate sufficient experience in funding community-based providers by varying types and sizes including small and group home family providers, nonprofit providers, for profit providers, and other child care providers.
3. Communications and Public Relations: The administrative home must coordinate closely with First Things First regarding communications and public awareness. First Things First will establish all messaging guidelines for this strategy.
4. Regional strategies may differ, to varying degrees, from the child care emergency response funded by First Things First discretionary dollars, including the length of the program to extend beyond June 30, 2009.
5. Meeting Attendance: The administrative home is required to attend coordination meetings with First Things First to assure quick implementation and to problem-solve obstacles. Training and other meetings will require travel throughout the state. All travel-related costs should be included in the budget and calculated using the State of Arizona travel policy as described on the budget narrative worksheet.

**Emergency Scholarship Implementation Strategy**

Provider Participation: Successful implementation will include the need to quickly and strategically recruit centers and homes to participate. The administrative home will work closely with First Things First to operationalize items a. and b. and other selection criteria below so as not to set up a duplicative process. First Things First has identified provider eligibility for participation to include:

- a. Provider is regulated by DES, DHS, or if applicable, an Arizona Tribal Government, the Federal Government, or Military regulating body and is in good standing with the regulating body or bodies, as defined by First Things First, **and**
- b. Provider is accredited by one of the State of Arizona Board of Education approved accrediting bodies or by one of the bodies accepted by the Arizona Department of Economic Security to receive an enhanced reimbursement rate (American Montessori Internationale; National Association for the Education of Young children; The National Early Childhood Program Accreditation Commission; Association for Christian Schools International; American Montessori Society; National Accreditation Commission for Early Care and Education. For home-based child care: National Family Child Care Association; Council for Professional Development), **or**
- c. Provider is participating in Quality First or has applied for Quality First.
- d. In all cases, provider serves children in families earning 200% of Federal Poverty Level or less that are not eligible for and receiving for a DES child care subsidy. Due to the

temporary nature of this program, families eligible for a DES subsidy but placed on a waiting list are urged to remain on the waiting list and accept a DES subsidy if one is available to them.

In addition to meeting the eligibility criteria, selection for provider participation will be based on the specific regional priorities, but may include the following:

1. Geographic representation throughout each regional council area (the location of the provider, not the location of the families receiving scholarships);
2. Centers and homes that offer full-day, full-week, year-round services to meet the needs of working parents, and
3. Centers and homes that serve infants and toddlers.
4. Exceptions to these priorities will be determined by the administrative home in conjunction with First Things First to further the goals of this strategy and meet the needs of particular regions.

Accountability and Documentation: Successful implementation of the program will necessitate a high level of accountability and documentation.

1. Copies and documentation of family eligibility for scholarships is required and must be maintained at the provider level. Documentation must include any of the following: current pay stubs, written statement from employer, documentation of current receipt of public assistance such as KidsCare, Food Stamps, Free and Reduced Lunch Program, etc. If unemployed, a letter from previous employer whenever possible is required. For those who are self employed, the most recent Individual Income Tax Form 1040, Form 1099, or W-2 forms are required.
2. Scholarship Selection Process – Regions may determine priority for participation in the program. This may give priority to families who have experienced a decrease in income, job loss, or loss of other employment supports and who have a child or children from birth to age 5 who are in need of full-time care (not enrolled in kindergarten).
3. Number of slots funded per provider – May be adjusted based on regional funding and priorities. Councils may adopt the criteria used for the state emergency funding or develop with the administrative home criteria responsive to the needs of the region and amount of funding available.
  - a. Slots will be allocated based on the allocation for each Regional Partnership Council and the size of the provider:
    - i. Child Care Homes shall not exceed 1 slot per home.
    - ii. Small Centers (enrollment up to 50 children at any given time within the past 30 days) shall not exceed 5 slots per center.
    - iii. Medium Centers (enrollment of 51 to 150 children at any given time within the past 30 days) shall not exceed 10 slots per center.
    - iv. Large Centers (enrollment of 151 or more children at any given time within the past 30 days) shall not exceed 15 slots per center.

- v. Any exceptions to this policy, including expanding the number of available slots to particular providers, shall be determined by the administrative home in consultation with First Things First and based on the goals of this strategy and the needs of any affected region.
  - vi. Reassignment outside the regional council area must be approved by First Things First.
- b. Provider must agree to fill all slots and is accountable for 90% enrollment at any given time. When vacancies occur, the provider must immediately fill the slot with an eligible child. The provider may wish to contact the Child Care Resource and Referral to report that the slot is available.
- i. Each provider must develop and maintain a waiting list to assure that eligible children enter the program as vacancies occur.
  - ii. Providers will reimburse the administrative home for all slots not filled for a period exceeding 15 days.
  - iii. Unused slots are subject to reassignment to another provider by the administrative home (in the same regional council area).
  - iv. Providers must maintain daily sign in sheets to verify attendance.
- c. Attendance: In instances of chronic absenteeism by a child, the slot must be considered an enrollment vacancy. Chronic absenteeism is determined to be absence of more than 8 days in any month (part-time or full-time).
- i. If the absences are due to a physician documented illness or condition, no special action is required.
  - ii. If the absences are the result of an extenuating circumstance, the administrative home will make the determination regarding the slot in keeping with the goals of this strategy.

\*(note: Regions may consider that fewer days per month absence requires physician documentation)

4. Payment – A provider may at no time be reimbursed for more than their customary rate. In other words, the scholarship amount alone or in combination with a parent copayment cannot exceed the provider’s customary rate.
  - a. Scholarships may not be used to replace or supplant other funding sources including, but not limited to, DES, Head Start, EDBG, or other public or private scholarship programs.
  - b. The administrative home will develop a policy for instances where a participating home or center discontinues business or fails to participate in data submission requirements, proper record keeping or other program requirements.
5. Copayments may be assessed after July 1, 2009 as determined by the regional council.
6. Reimbursements – Providers will be paid a one-month advance in the full scholarship amount available per slot per age group and length of care status (part-time or full-time). During subsequent months, providers are required to document any difference in their actual, customary rate, less parent payments. Subsequent payments will be adjusted to reflect any overpayment for scholarships going back to the start of services and projecting forward.

7. Appeals process – The administrative home will be charged with developing an appeals process for providers and families who have complaints or grievances that need to be addressed.

Family Participation: The First Things First emergency scholarship is available to families earning 200% or less of the 2009 Federal Poverty Guidelines. The maximum number of scholarships available to any family is three. Families will complete a simple application designed specifically for emergency response scholarships that includes, at minimum, the following: Name of Parent(s) or legal custodian of child(ren), Name of Child(ren), Age of Child(ren), Address, Telephone Numbers, Income (documentation to be attached), Days and Hours of Activity (e.g. employment, training, etc.), Validation of Citizenship or Legal Residency of Child(ren), and a Signed Declarative Statement as to the truth and accuracy of the information, Signature, Date.

### **Budget**

The administrative home will be asked to maintain a line-item budget to report on budgets and expenditures.

Funding shall be limited to those items specifically listed in the proposed budget. Total funding may not be modified following award of the grant/contract. Requests for line item modifications, which do not change the total program funding, shall be requested in writing and shall only be made following receipt of written authorization from First Things First. Budget modifications among direct line items that do not exceed 10% of the total approved budget excluding the funds being allocated to provider agencies or pass through funds for sub agreements are allowed and do not require formal approval from First Things First.

In addition, the Administrative home shall submit the Disclosure of Other Funding (Attachment X) to First Things First within ten (10) days of the execution of this agreement. This list should include all other sources of funding currently received from other State or public agencies, Federal agencies, non-profit organizations and other sources that will be applied to the proposed program/strategy(ies). Note that statute ARS 8-1183 provides for a prohibition on supplanting of state funds by First Things First expenditures, meaning that no First Things First monies expended are to be used to take the place of any existing state or federal funding for early childhood development and health programs. In addition, the intent of First Things First funding is to address gaps and needs in the community rather than to fulfill budget shortfalls that may exist in any given year at the state or local levels.

### **Evaluation**

First Things First is committed to evaluation. Clear understanding of the impact of programmatic performance in both short and long term strategies is critical. Any evaluation efforts should be directly connected to the Goals, Key Measures, and the Performance Measures and should determine the extent to which the program has accomplished the stated goals and key measures, as follows:

#### **Addressing the Goal Area, Goal and Key Measures**

##### **First Things First Goal Area to be addressed:**

- Quality and Access

##### **First Things First Goals to be addressed:**

- First Things First will increase availability and affordability of early care and education settings.
- First Things First will improve access to quality early care and education programs and settings.

**First Things First Key Measures to be addressed:**

- Total number of children enrolled and vacancies in regulated early care and education programs as a proportion of total population 0-5.
- Current cost of early care and education for families as a proportion of the median income for a family of four.

The evaluation should also measure program fidelity by assessing which activities were implemented and the quality, strengths and weaknesses of the implementation. Administrative home agree to participate in the First Things First evaluation and will meet the requirements of the evaluation including, but not limited to, timely and regular reporting and cooperation with all First Things First evaluation activities. Timely and regular reporting of all performance and evaluation data includes the electronic submission (through the First Things First secure web portal) of performance measures and other evaluation data as proposed by the administrative home. Performance measure data must be submitted in its raw form (e.g. number of children served/proposed service number = 52 actual children served/50 proposed service number).

Cooperation with evaluation requirements includes active collaboration with First Things First evaluation. The provider must participate in data collection and reporting activities by tracking and reporting to First Things First data pertaining to participant attendance, enrollment, and demographic information, all of which must be maintained in a secure and anonymous manner.

Performance Measures are defined by First Things First to determine the key impacts of the strategies, programs and approaches being implemented. Applicants are expected to collect and report data to First Things First on the progress of achieving the Performance Measures. Performance Measures for purposes of this strategy are as follows:

**Performance Measures:**

- number of providers recruited/strategic target number
- number of providers receiving scholarships/number providers recruited
- number of families receiving scholarships/proposed service number
- number of children receiving scholarships/proposed service number
- Cost to parents/proposed target number
- number of parents reporting satisfaction (minimum questions provided by FTF staff)/strategic target number

See appendix XX for data submission requirements.

**Other data submissions:**

For all participating programs, submit monthly in a format determined by FTF:

License number or other regulatory information

Facility name

Address with zip+4

Facility type

Number of children enrolled

Usual and customary rate

Confidentiality of Records. The Grantee shall establish and maintain procedures and controls that are acceptable to First Things First for the purpose of assuring that no information contained in its records or obtained from First Things First or from others in carrying out its functions under the contract shall be used by or disclosed by it, its agents, officers, or employees, except as required to efficiently perform duties under the contract. Persons requesting such information shall be referred to First Things First. Grantee also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of the Grantee as needed for the performance of duties under the contract, unless otherwise agreed to in writing by First Things First.

Reporting. At a minimum grantees shall submit monthly evaluation data reports due by the 1<sup>st</sup> of the month and will submit evaluation data reports and enter data into the First Things First data system as determined by First Things First evaluation staff. Failure to submit timely reports will result in suspension of reimbursement. The report shall contain such information as deemed necessary by First Things First.

The administrative home must comply with the requirements set forth by the Tribal Government in relations to essential data collection and reporting. Data is to be used for First Things First reporting purposes. Data is used in aggregate form to profile the populations served by the program.

Data related to number of early care providers recruited and providing scholarships, number of families and children benefitted, parent satisfaction (one-time collected through a survey with minimum questions provided by First Things First) as well as dollar cost of care to parents will be submitted to First Things First for each Regional Partnership Council Area served. Data submissions will be monthly beginning on May 1, 2009. Parent survey data collection shall be conducted for submission before June 30, 2009. All data shall be submitted in a format determined by First Things First. First Things First will provide data submission forms and instructions for all data requirements.

Final Report: Administrative home will submit a final report containing the following information.

1. Identify successes and barriers to program implementation in the following categories:
  - a. Recruiting providers
  - b. Filling scholarship slots
  - c. Staffing the project
  - d. Collecting evaluation data
  - e. Other barriers
2. If this scholarship model were to be used in the future, what changes should be made?
3. Summary and reflection on required data collection as well as other data collected.

## Appendix B

<b>The 2009 Poverty Guidelines for the 48 Contiguous States and the District of Columbia</b>	
<b>Persons in family</b>	<b>Poverty guideline</b>
1	\$10,830
2	14,570
3	18,310
4	22,050
5	25,790
6	29,530
7	33,270
8	37,010
For families with more than 8 persons, add \$3,740 for each additional person.	

Note – The Federal Poverty Guideline is equal to 100% FPL.