

Strategy #: 19

Strategy Name: Child Care Scholarships

Strategy Description: Fund a number of full-time, full-year child care scholarships that will be available to cover a portion of the cost of child care for families at or below 200 percent of the Federal Poverty Level and are: attending community college courses or other job training courses to become more employable, on work furlough or otherwise under-employed, unemployed and actively searching for work, employed, or a combination of these

The unemployment rate within the Navajo/Apache Region is continuing to rise as a result of the nation-wide economic down-turn; however, the rate is increasing in this region at a faster rate than the rest of the State of Arizona. The most current estimate of the unemployment rate is close to 13 percent in both Navajo and Apache Counties.¹ Additionally, history indicates that economic recovery will be much slower in this region. The rising unemployment rate, combined with the fact that 42 percent of Arizona families earn less than 200 percent of the Federal Poverty Level (FPL)², is creating a set of circumstances that are devastating to many families, which means difficult choices are being made when a family's budget is stretched beyond its limits.

In the spring of 2009, First Things First received authority to allocate a significant amount of money to create the Emergency Child Care Scholarship Strategy on a statewide level so that a measure of security in the form of stable child care would be available to families who had been affected by the economic crisis. The Navajo/Apache Regional Partnership Council also allocated significant funds to this emergency relief strategy for the provision of additional Emergency Child Care Scholarships within the region. The community response to this emergency relief strategy has been very positive; this strategy has allowed many families to access stable, quality child care, and many child care centers to remain open.

The Navajo/Apache Regional Partnership Council is intent on supporting high-quality, positive experiences for children. Having stable, high-quality child care available for families is vitally important to children's development, health and safety. The Regional Partnership Council further believes that because child care should be viewed as a valuable commodity, it should not be provided free of charge and that families should be required to bear a portion of the cost of that care. A benchmark that can be used to develop a formula to determine the amount of each scholarship is to consider that families should be required to pay no more than 10 percent of their income to the cost of child care. Therefore, the Navajo/Apache Regional Partnership Council proposes to utilize a formula based on the current 2008 Child Care Market Rate Survey. The amount of the scholarship will be set at 70 percent of the 75th percentile that child care providers charge for this region. The Navajo/Apache Regional Partnership Council proposes to use the existing administrative home, Valley of the Sun United Way.

The Navajo/Apache Regional Partnership Council proposes to fund a number of child care scholarships that will be made available to child care centers and homes to cover the partial cost of care for infants, toddlers and preschoolers. This child care scholarship will have the following requirements for eligibility:

- Families must utilize any and all other sources of child care subsidy and assistance, preschool

¹ Arizona Department of Revenue , Workforce Revenue Data (March 2009)

² Navajo/Apache 2008 Needs and Assets Report, page 38

programming through local school district programs, Head Start, or other opportunities for child care as the first payer.

- If a family qualifies for DES Child Care Subsidy, they must enroll with DES and be placed on the waiting list. If a DES-funded child care slot becomes available for that child, they must transition to the DES-funded slot and off of the regionally funded scholarship.
- Reimbursement through this scholarship will be capped at 20 days per month, with an allowance for 5 absences. A child who does not meet specified attendance requirements will be removed from the scholarship program.
- Available to child care centers and homes who are currently (as of December 9, 2009) receiving Emergency Child Care Scholarships
- Available to cover the partial cost of care for children from families at or below 200 percent of the FPL
- A maximum of two scholarships may be awarded to any one family.
- Scholarships will be available to centers in the following break-down:
 - Quality First* Participants:
 - Medium: 6 Small: 5 Homes: 1
 - Quality-First* eligible, but not yet participating:
 - Small: 5 Homes: 1
- Parents must be either: be employed at less than 200 percent FPL, unemployed and actively searching for work, under-employed (part-time, on furlough), attending job training or re-training courses, or attending course work at a university or community college. The administrative home, working with providers, will be required to develop a tracking system for these elements.
- Parents will be required to pay the difference between the scholarship amount and the provider's usual and regular child care fees.

Lead Goal: Quality and Access

Goals:

- FTF will increase access to quality early care and education programs and settings.
- FTF will increase the availability and affordability of early care and education settings.

Key Measures:

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

Target Population:

Children from families at or below 200 percent FPL who meet the following: are employed, under-employed or unemployed and are actively searching for work, or are attending job training, re-training, or college level courses with the intent of improving their employment prospects in this current economy

	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	15 infants/toddlers 22 preschoolers	15 infants/toddlers 22 preschoolers	15 infants/toddlers 22 preschoolers

Performance Measures:

- # scholarships awarded/# proposed

SFY 2011 Expenditure Plan for Proposed Strategy

Allocation for proposed strategy	\$180,000
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Budget Justification:

A total of \$180,000 is allocated to this strategy, with the following break-down:

\$ 9,432 Administrative costs figured at 5.24%

\$75,050 Infant-toddler scholarships (44% of available funds, birth through 35 months)

\$95,518 Preschool scholarships (56% of remaining funds, ages three through five and not yet in kindergarten)