



FIRST THINGS FIRST

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PUBLIC NOTICE OF MEETING OF THE

Arizona Early Childhood Development & Health Board

Pursuant to A.R.S. §8-1194(A) and A.R.S. §38-431.02, notice is hereby given to the members of the First Things First Arizona Early Childhood Development & Health Board, and to the general public that the Board will hold a **Regular Meeting open to the public on Tuesday, December 10, 2013 beginning at 8:00 a.m. The meeting will be held at the Hilton Garden Inn – Tucson Airport, 6575 South Country Club Road, Tucson, Arizona 85756.** Some members of the Board may elect to attend telephonically.

Pursuant to A.R.S. § 38-431.03 (A) (1), A.R.S. § 38-431.03(A) (2) and A.R.S. § 38-431.03 (A) (3), the Board may vote to go into Executive Session, which will not be open to the general public, to discuss personnel items, records exempt from public inspection and/or to obtain legal advice on any item on this agenda.

The Board may hear items on the agenda out of order. The Board may discuss, consider, or take action regarding any item on the agenda. The Board may elect to solicit public comment on any of the agenda items.

The meeting agenda is as follows:

1. Call to Order

Steve Lynn, Chair

2. Conflict of Interest

Steve Lynn, Chair

Board Members will Address Potential Conflicts of Interest Regarding Items on this Agenda.

3. Call to the Public

This is the time for the public to comment. Members of the Board may not discuss or take legal action regarding matters that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. §38-431.01(H), action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism, or scheduling the matter for further consideration and decision at a later date.

4. Consent Agenda

Steve Lynn, Chair

All items on the agenda that are in *italics, underlined*, and marked with an asterisk (*) are consent matters and will be considered by a single motion with no discussion. All other items will be considered individually. Any matter on the consent agenda will be removed from the consent agenda and discussed upon the request of any Board member.

Pursuant to A.R.S. § 38-431.03 (A) (1), A.R.S. § 38-431.03(A) (2) and A.R.S. § 38-431.03 (A) (3), the Board may vote to go into Executive Session, which will not be open to the general public, to discuss personnel items, records exempt from public inspection and/or to obtain legal advice on any item on this Consent Agenda.

- A. * Board Meeting Minutes October 1, 2013 (**Attachment #1**)
- B. * Statewide and Regional Partnership Council New and Revised Strategies, Grants and Contract Agreement Amendments and Inter-Governmental Agreements (**Attachment #2a Statewide and Multi-Regional Agreements and Amendments**) (**Attachment #2b New and Revised Strategies**)
- C. * Statewide Strategies Report (**Attachment #3**)
- D. * External Affairs Report (**Attachment #4**)
- E. * Tribal Affairs Report (**Attachment #5**)
- F. * Technical Changes to Strategies and Allotments (**Attachment #6**)
- G. * Quality First Update (**Attachment #7**)

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| 5. | Board Member Report/Update | Board Members |
| 6. | CEO Report/Update | Sam Leyvas, Interim CEO |
| 7. | Financial Update (Attachment #8)
(Presentation and Possible Discussion)
A. Agency Audit | Josh Allen, COO/CFO |
| 8. | Discussion and Possible Appointment of Regional Partnership Council Applicants (Possible Executive Session)
<i>Pursuant to A.R.S. § 38-431.03(A) (1) and A.R.S. § 38-431.03(A) (3), the Board may vote to go into Executive Session, which will not be open to the general public, to discuss personnel items and or to obtain legal advice regarding Regional Council applicants.</i> | Michelle Katona, CRO |
| 9. | Discussion and Possible Approval of RFGA Recommendations (Possible Executive Session)
<i>Pursuant to A.R.S. § 38-431.03(A) (2), the Board may vote to go into Executive Session, which will not be open to the general public, to discuss records exempt from public inspection. Pursuant to A.R.S. §41-2702(E), all information in the grant application is confidential during the process of evaluation.</i> | Michelle Katona, CRO |
| 10. | Kindergarten Developmental Inventory Update (Presentation and Possible Discussion) (Attachment #9) | Karen Woodhouse, CPO |
| 11. | Statewide Needs and Assets Report (Presentation, Discussion and Possible Vote) (Attachment #10) | Dr. Roopa Iyer, Sr. Director for Research Evaluation |
| 12. | Systems Collaboration – Child Protective Services Discussion | Board Members |
| 13. | Family Support Regional Evaluation (Presentation and Possible Discussion) (Attachment #11) | Harder + Company |
| 14. | Statewide Professional Development Update (Presentation and Possible Discussion) (Attachment #12) | Karen Woodhouse, CPO

Stephanie Golden, Professional Development Systems Specialist |
| 15. | Professional Development Regional Evaluation and Panel Discussion (Presentation and Possible Discussion) (Attachment #13) (Attachment #14) | McREL

Erin Lyons, Senior Director, Southeast Region;

Jessica Brisson, Regional Director Central Pima Regional Partnership Council;

Naomi Karp, Director of Professional Development, United Way of Tucson and Southern Arizona;

Marilynn Sando, Campus Program Manager, Pima Community College;

Amber Jones, Coordinator Project BEST, Child and Family Resources Inc.; |

16. **Discretionary Adhoc Committee and Budget Presentation (Presentation, Discussion and Possible Vote)**
(Attachment #15)

Adrian Weaver, Early Childhood Teacher
Cottonwood Enrichment Center;

Vivian Lewis, Head Start Teacher Tohono
O'odham Nation

Michelle Katona, CRO;

Josh Allen, COO/CFO;

Tony Bruno, South Pima Regional Council
Member;

Shanna Tautolo, Pascua Yaqui Regional
Partnership Council Member

17. **Discussion and Possible Action Regarding the Employment of a New CEO (Possible Executive Session)**

Pursuant to A.R.S. § 38-431.03(A) (1) and A.R.S. § 38-431.03(A) (3), the Board may vote to go into Executive Session, which will not be open to the general public, to discuss personnel items and or to obtain legal advice regarding the employment of a new CEO.

Board Members

Leslie Cooper, Legal Counsel

18. **April Board Meeting Logistics (Discussion and Possible Vote)**

Steve Lynn, Chair

19. **General Discussion**

The Board may engage in general discussion regarding items of possible interest as new business, regarding the agency's mission, goals, initiatives and priorities and strategies. The Board's discussion may include First Things First staff members. No official action will be taken at this time; any matters deemed appropriate for future action will be placed on a future agenda for deliberation and a possible vote.

Board Members

20. **Next Meeting – January 21-22, 2014 – Phoenix, Arizona**

Steve Lynn, Chair

21. **Adjourn**

A person with a disability may request a reasonable accommodation such as a sign language interpreter by contacting Kim Syra, Board Administrator, Arizona Early Childhood Development and Health Board, 4000 North Central Avenue, Suite 800, Phoenix, Arizona 85012, telephone (602) 771-5026. Requests should be made as early as possible to allow time to arrange the accommodation.

Dated this 2nd day December 2013

ARIZONA EARLY CHILDHOOD DEVELOPMENT & HEALTH BOARD



Kim M. Syra, Board Administrator



Arizona Early Childhood Development & Health Board

Draft Meeting Minutes

Call to Order

The Regular Meeting of the First Things First – Arizona Early Childhood Development and Health Board was held on Tuesday, October 1, 2013 beginning at 8:30 a.m. The meeting was held at the First Things First Office, 4000 N. Central Ave., Suite 800, Phoenix, Arizona 85012.

Chair Lynn called the meeting to order at approximately 8:35 a.m.

Members Present:

Steve Lynn, Dr. Pamela Powell, Nadine Mathis Basha, Cecil Patterson, Gayle Burns and Janice Decker

Members Present: (via phone)

Ruth Solomon

Members Absent:

Vivian Saunders

Ex-Officio Members Present:

Karla Phillips, Mary Ellen Cunningham and Brad Willis

Conflict of Interest

Chairman Lynn asked the Board members if there were conflicts of interest regarding items on this agenda. There were no conflicts at this time.

Call to the Public

No call to the public at this time.

Consent Agenda

A motion was made by Member Decker to approve the Consent, seconded by Member Patterson. Motion carried.

Board Member Report/Update

Member Decker advised the board that she will be retiring from her position with the March of Dimes effective mid-October.

Member Powell reported that the Arizona Town Hall on early childhood education and return on investment will be held on November 3-4-5-6, 2013 at the Grand Canyon.

Chairman Lynn reported to the board that during Secretary of Education Arne Duncan's recent trip to Arizona he was fortunate to sit on a panel to discuss early childhood with the Secretary and other community leaders. In addition there was an opportunity to discuss Quality First and tour a three star facility.

CEO Report

Sam Leyvas, Interim CEO, presented updates to the Board. The CEO report highlights are listed below:

- Race to the Top Early Learning Challenge Grant—the process is underway with an aggressive 6 week timeline. It was noted that Arizona is eligible for up to 52.5 M.
- Sr. Policy Fellow Dr. Peggy Stemmler was asked recently to serve as the interim CEO of the American Academy of Pediatrics the Arizona Chapter; she will be taking a short leave from the fellow position.
- The second Chair and Vice Chair Leadership Forum will be held on October 10, 2013 –connecting with leadership at the regional level with an opportunity at this meeting to discuss the public private partnership plan that is being presented today.

Financial Update

Josh Allen, COO/CFO, reported to the board the FY14 budget updates and recommendations for the FY15 budget including the FY15 regional allocations, statewide funding plan, and proposed statewide and regional allotments for evaluation.

A motion was made by Member Solomon to approve the FY14 budget updates as presented, seconded by Member Patterson. Motion Carried.

A motion was made by Member Decker to approve the FY15 budget including the FY15 regional allocations, statewide funding plan, and proposed statewide regional allotments for evaluation as presented in this report with the understanding we are now reducing the spend to a 10% variance, seconded by Member Burns. Motion carried.

Tribal Consultation Report

Beverly Russell, Sr. Director for Tribal Affairs, presented to the board the 2013 Tribal Consultation Summary Report. A formal consultation session was convened on August 15, 2013. Participants included Arizona Tribal Leaders and their representatives, representatives from the inter-Tribal Council of Arizona, Arizona Department of Health Services, Department of Economic Security and the Arizona Indian Oral Health Coalition. Ms. Russell summarized comments, concerns and recommendations of the participants. Board Members thanked Ms. Russell and recognized her achievement in building successful tribal relationships around the state.

Regional Council Survey

Michelle Katona, CRO, updated the board regarding the annual regional council survey. Ms. Katona stated that overall the results from the survey were very positive. The information from the survey will be used to initiate more robust leadership and learning plan for council members. This will also create the opportunity for advancing the work of regional councils, supporting members in their role of strengthening partnerships. There were 147 respondents representing 49% of the regional council positions filled.

Intervening Early Opportunity Assessment

Dr. Karen Peifer, Sr. Director for Children's Health, reported to the board on the intervening early opportunity assessment report. In 2012 First Things First partnered with St. Luke's Health Initiative and contracted with Dr. Charles Bruner, Director of the Child and Family Policy Center in Iowa, to assess Arizona's system that supports the developmental, behavioral and social needs of children ages birth to five. Dr. Peifer presented the finding in this assessment to the board.

Public Private Partnership Report

Sam Leyvas, Interim CEO, presented to the board the Public Private Partnership Report and recommendations of committee. The report outlines recommendations for expanding public private partnerships and generating various types of support including targeted goals, desired results and strategies.

A Motion was made by Member Mathis Basha to approve the public private partnership plan with the inclusion of an amendment to goal 1 (A) on page 3 amending to read \$25 million in federal grants, with the understanding as staff develops the work plan they bring back to the board, seconded by Member Decker. Motion carried.

Discussion and Possible Appointment of Regional Partnership Council Applicants

A motion was made by Member Patterson that the Board approve the appointment of Regional Council applicants as presented, seconded by Member Decker. Motion carried.

Discussion and Possible Approval of RFGA Recommendations

A motion was made by Member Powell to approve the RFGA recommendations as presented, seconded by Member Patterson. Motion carried.

Discussion and Possible Action Regarding the Employment of a New CEO

A motion was made by Member Mathis Basha to move into Executive Session at approximately 11:40 a.m., seconded by Member Burns. Motion carried.

A motion was made by Member Burns to close Executive Session and move into Regular Session at approximately 12:17 p.m., seconded by Member Decker. Motion carried.

A motion was made by Member Burns to approve the recommendations of the subcommittee, seconded by Member Decker. Motion carried.

General Discussion

Member Cunningham reported on the Director's blog – children with special needs and childcare centers as far as licensing and diapering. The blog included stories of families that were told that they could not be accepted into a childcare center and support to assist no child being excluded, and reminder that October is domestic violence month.

Next Meeting

The next Regular Meeting will be held on December 9-10, 2013 in Tucson, Arizona

Adjourn

There being no further discussion the meeting was adjourned at approximately 12:23 p.m.



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AGENDA ITEM: Statewide and Multi-Regional Agreements and Amendments

BACKGROUND: The attached document provides information on amendments for funding changes related to program strategies of Child Care Health Consultation and Recruitment – Loan Forgiveness and Stipends .

RECOMMENDATION: The interim CEO recommends approval of the proposed amendments and funding levels.



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December 2013

Program Strategies					
Funding Plan	Strategy Summary	Agreement Type	Prior Award	Amended Award	Difference
Statewide	Child Care Health Consultation (CCHC) <ul style="list-style-type: none">This proposed amendment removes CCHC services for the San Carlos Apache region from the contract with Maricopa County Department of Public Health as CCHC services for San Carlos Apache will now be provided by the Navajo County Public Health Services District (also see amendment below).	Agreement Type: Grant Agreement with the Maricopa County Department of Public Health Contract Effective Date: July 1, 2013 – June 30, 2014	\$1,040,149.50	\$1,022,796.74	(\$17,352.76)
Statewide	Child Care Health Consultation (CCHC) <ul style="list-style-type: none">This proposed amendment provides funding to the Navajo County Public Health Services District for CCHC services in the Navajo Nation, White Mountain Apache Tribe and San Carlos Apache regions.	Agreement Type: Grant Agreement with the Navajo County Public Health Services District Contract Effective Date: July 1, 2013 – June 30, 2014	\$8,697.00	\$64,246.00	\$55,549.00

<p>Multi-Regional</p> <p><i>Cochise Graham/Greenlee South Phoenix Central Pima Yuma</i></p>	<p>Recruitment – Loan Forgiveness and Stipends</p> <ul style="list-style-type: none"> This proposed amendment provides additional funding to the Arizona Department of Health Services for Recruitment – Loan Forgiveness and Stipends for three additional therapists in the South Phoenix region. 	<p>Agreement Type: Grant Agreement with Arizona Department of Health Services</p> <p>Contract Effective Date: July 1, 2013 – June 30, 2014</p>	<p>\$529,515.00</p>	<p>\$603,007.00</p>	<p>\$73,492.00</p>
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AGENDA ITEM: Regional Council New and Revised Strategies and Government Agreements

BACKGROUND: The following Regional Councils are requesting changes to their SFY14 funding Plans and have government agreements for approval.

Phoenix Regional Area: Gila River Indian Community and South Phoenix

Maricopa Regional Area: Salt River Pima-Maricopa Indian Community, Northwest Maricopa and Southeast Maricopa

West Regional Area: Yuma

Northeast Regional Area: White Mountain Apache Tribe and Navajo Nation

Letters from the Regional Council Chairs are included for your review and provide information on the request(s). A funding plan financial summary is provided to illustrate the changes to the overall funding plan.

RECOMMENDATION: The Interim CEO recommends approval of all the proposed strategies and funding levels, and agreements .



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Priscilla Foote

Vice Chair

Dale Enos

Members

Priscilla Antone
Brooklyn Dee
Lillian Franklin
Hon. Kami Hart
Melissa Madrid
Sandra Nasewytewa
Mary Tatum
Emily Warburton

December 3, 2013

Steven W. Lynn, Chairman
First Things First
4000 N. Central Avenue, Suite 800
Phoenix, Arizona 85012

RE: Gila River Indian Community Regional Partnership Council New Allotment for Community Awareness Strategy

Dear Chairman Lynn:

The Gila River Indian Community Regional Partnership Council has reviewed its current budget and at this time is requesting an addition to the SFY14 funding plan. This requested change is to reinstate the *Community Awareness* strategy utilizing SFY13 unspent funds. The Regional Council approved this recommendation at our September 26, 2013 meeting.

The Regional Council requests Board approval of the following strategy:

- **Community Awareness, with a \$700 Allotment**

The funding will support placement of four articles in SFY14 in the Gila River Indian News. This change will result in a better reflection of Gila River Indian Community Regional Council's vision and will not adversely impact the budget.

Thank you for your consideration.

Respectfully,

Priscilla Foote, Chair
Gila River Indian Community Regional Partnership Council



Proposed Funding Plan Summary

FY 2014 - Gila River Indian Community

		Total Allocation:				
		\$1,274,442				
Strategy	Original Allotment	Current Allotment	Proposed New Allotment	Awarded Amount	New NON-RFGAs	Recalculated Unawarded
Child Care Health Consultation	\$5,040	\$4,945	-	\$4,945		-
Community Awareness	-	-	\$700			\$700
Conference Scholarships	\$10,000	\$10,000	-	\$10,000		-
Family, Friends & Neighbors	\$50,000	\$50,000	-	\$50,000		-
Home Visitation	\$150,000	\$150,000	-	\$150,000		-
Media	-	-	-			-
Native Language Preservation	\$62,539	\$62,539	-	\$62,539		-
Parent Education Community-Based Training	\$100,650	\$100,650	-	\$100,000		\$650
Quality First	\$35,539	-	-			-
Quality First Academy	\$2,156	\$2,156	-	\$1,791		\$365
Quality First Child Care Health Consultation Warmline	\$95	\$95	-	\$95		-
Quality First Coaching & Incentives	\$32,219	\$32,219	-	\$32,219		-
Quality First Inclusion Warmline	\$479	\$479	-	\$479		-
Quality First Mental Health Consultation Warmline	\$493	\$493	-	\$493		-
Quality First Pre-K Scholarships	-	-	-			-
Quality First Scholarships	\$351,441	\$351,441	-	\$351,441		-
Quality First Warmline Triage	\$192	\$192	-	\$192		-
Scholarships TEACH	\$12,800	\$12,800	-	\$12,800		-
Statewide Evaluation	\$32,805	\$32,805	-	\$32,805		-
Summer Transition to Kindergarten	-	-	-			-
Total Allotment:		\$846,448	\$810,814	\$811,514	\$809,799	\$1,715
Total Unallotted:		\$463,628	\$462,928			



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Jennifer Quillen

Lorraine Salas, Ph.D.

Elizabeth McNamee

November 19, 2013

Steven W. Lynn, Chairman
First Things First Board
4000 North Central Avenue, Suite 800
Phoenix, Arizona 85012

RE: South Phoenix Regional Partnership Council SFY14 Funding Plan Modifications

Dear Chairman Lynn:

On behalf of the South Phoenix Regional Partnership Council, I am writing to request a modification to the SFY14 Regional Funding Plan.

Oral Health Strategy

The oral health strategy is implemented in South Phoenix through the existing oral health and screening services conducted at the WIC and immunization clinics. The Department of Health Services (ADHS) partners with the Office of Oral Health within the Maricopa County Department of Public Health to implement and pilot a unique "cost reimbursement" approach through AHCCCS. The Regional Council received a request from the grantee to increase the budget as it was incorrectly estimated. The increase will support the service delivery as intended in the contract.

Proposed Strategy Increase and Contract Amendment

For SFY14 the Regional Council proposes a \$3,000 increase to the strategy allotment and an amendment to increase the ADHS contract (ISA-RC014-13-0541-01-Y2) by \$83,611.

Family Resource Center Strategy

Several opportunities for expanding the Family Resource Center Strategy in the region exist. Potential opportunities include: additional parent education programming, additional literacy programming and a potential expansion of facilities through a public/private partnership. This allotment increase allows the Regional Council to consider opportunities, however, any changes to grants will require additional Regional Council and Board review and approval.

Proposed Strategy Increase

For SFY14 the Regional Council proposes an \$80,000 increase to the strategy allotment in order to expand the Family Resource Center services.

South Phoenix Regional Partnership Council

Recruitment- Stipends/Loan Forgiveness Strategy

In order to increase access for children to therapy services, the strategy provides educational-loan repayments and/or stipends for health professionals (i.e. Speech Language Pathologists, Occupational or Physical Therapists, Mental Health Specialists) who serve children 0-5. For the South Phoenix Region the strategy has been very successful, with 11 professionals currently enrolled. At this time the administrative home (AZDHS) has three therapists on the waiting list for our region and is not able to consider applications due to a lack of funding.

Proposed Strategy Increase and Contract Amendment

The South Phoenix Regional Council proposes an allotment increase of \$64,387 and an addition of \$73,492 to the existing statewide contract in order to expand the strategy implementation by three health professionals (for a total service number of 14 professionals) in SFY14,.

Home Visitation Strategy

The strategy is fundamental in the continuum of services offered to families in the region. This proposal is being made due to mandated staff raises of a singular grantee (Maricopa County Department of Public Health, MCDPH, was required by the County Board to provide 5% raises for all staff, including this Nurse Family Partnership grant). For this particular grant, without the increase in funding a cut would be necessary to services and an elimination of a .5 FTE position.

Proposed Strategy Increase and Contract Amendment

The Regional Council proposes a SFY14 allotment increase of \$20,000 and an amendment to the current MCDPH grant (FTF-RC014-13-0371-02-Y2) to increase by \$20,000.

The Regional Council met on October 15, 2013 and November 18, 2013 and approved the recommendations above. The South Phoenix Regional Partnership Council appreciates your consideration of this request.

Respectfully,



James Washington, MPH
Chair, South Phoenix Regional Partnership Council



Proposed Funding Plan Summary FY 2014 - South Phoenix

Total Allocation:		\$26,534,879					
Strategy	Original Allotment	Current Allotment	Proposed New Allotment	Awarded Amount	Proposed Amendment Amount	New Proposed Awarded Amount	Recalculated Unawarded
Care Coordination/Medical Home	\$1,298,555	\$1,298,555	-	\$965,669			\$332,886
Child Care Health Consultation	\$246,884	\$242,247	-	\$241,769			\$479
Community Awareness	\$15,000	\$15,000	-	\$15,000			-
Community Outreach	\$80,000	\$80,000	-	\$80,000			-
Comprehensive Preventative Health Programs	\$325,000	\$325,000	-	\$300,000			\$25,000
Court Teams	\$220,000	\$220,000	-	\$219,999			\$1
Developmental and Sensory Screening	\$350,000	\$25,000	-				\$25,000
Director Mentoring/Training	\$311,194	\$311,194	-	\$311,120			\$74
Family Resource Centers	\$1,200,000	\$1,162,970	\$1,242,970	\$1,158,627			\$84,343
Family Support Coordination	-	\$200,000	-	\$141,152			\$58,848
Family, Friends & Neighbors	\$700,000	\$700,000	-	\$700,000			-
FTF Professional REWARD\$	\$195,000	\$195,000	-	\$194,400			\$600
Home Visitation	\$2,300,000	\$2,300,000	\$2,320,000	\$2,299,082	\$2,319,082		\$918
Media	\$80,000	\$80,000	-	\$80,000			-
Mental Health Consultation	\$492,000	\$492,000	-	\$492,000			-
Needs and Assets	\$45,000	\$45,000	-	\$26,000			\$19,000
Oral Health	\$600,000	\$600,000	\$603,000	\$518,616	\$602,227		\$773
Parent Education Community-Based Training	-	-	-				-
Prenatal Outreach	\$550,000	\$550,000	-	\$549,994			\$6
Quality First	\$1,557,520	-	-				-
Quality First Academy	\$94,473	\$94,473	-	\$78,486			\$15,988
Quality First Child Care Health Consultation Warmline	\$4,637	\$4,637	-	\$4,637			-
Quality First Coaching & Incentives	\$1,412,024	\$1,412,024	-	\$1,412,024			-
Quality First Inclusion Warmline	\$21,010	\$21,010	-	\$21,010			-
Quality First Mental Health Consultation Warmline	\$21,610	\$21,610	-	\$21,610			-
Quality First Pre-K Mentoring	\$111,540	\$111,540	-	\$111,540			-
Quality First Pre-K Scholarships	\$1,186,310	\$1,769,196	-	\$1,769,196			-
Quality First Scholarships	\$5,683,292	\$5,028,109	-	\$5,028,109			-
Quality First Warmline Triage	\$8,404	\$8,404	-	\$8,404			-
Recruitment – Stipends/Loan Forgiveness	\$300,000	\$300,000	\$364,387	\$290,895	\$364,387		\$0
Regional Family Support Strategies	\$45,000	\$45,000	-	\$45,000			-
Scholarships TEACH	-	-	-				-
Service Coordination	-	\$37,030	-				\$37,030
Statewide Evaluation	\$929,920	\$929,920	-	\$929,920			-
Total Allotment:	\$20,384,371	\$18,624,918	\$18,792,305	\$18,014,257	\$18,191,360		\$600,945
Total Unallotted:		\$7,909,961	\$7,742,574				



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Vacant

December 3, 2013

Steven W. Lynn, Chairman
First Things First
4000 N. Central Avenue, Suite 800
Phoenix, Arizona 85012

Dear Chairman Lynn,

On October 15, 2013, the Salt River Pima-Maricopa Indian Community Regional Partnership Council voted to bring \$160,000 from the Home Visitation strategy to carry forward due to the strategy not being implemented.

The Salt River Pima-Maricopa Indian Community Regional Partnership Council is requesting that the Arizona Early Childhood Development and Health Board approve the Council's request to make the following changes to the Salt River Pima-Maricopa Indian Community Regional Partnership Council's SFY2014 Funding Plan as described below.

- Remove the amount of \$160,000 from the Home Visitation strategy and bring it to the carry forward amount, changing the allotment from \$160,000 to zero. The Regional Partnership Council determined that funding was not needed for this strategy based upon current home visitation resources in the Community.

This line item strategy reduction being brought to carry forward will allow the Salt River Pima-Maricopa Indian Community Regional Partnership Council to utilize this funding to benefit the region and strategically plan for SFY2015.

The Salt River Pima-Maricopa Indian Community Regional Partnership Council respectfully requests that the Arizona Early Childhood Health and Development Board approve the Council's request to make the changes outlined above to the SFY 2014 Funding Plan. The Council is confident that the proposed change is in the best interest of children and families in the Salt River Pima-Maricopa Indian Community Region, supports the Board approved priorities, and aligns with the Early Childhood System that First Things First is working to build.

Sincerely,

Virginia Loring, Council Chair
Salt River Pima-Maricopa Regional Partnership Council



Proposed Funding Plan Summary

FY 2014 - Salt River Pima Maricopa Indian

Total Allocation:		\$536,542					
Strategy	Original Allotment	Current Allotment	Proposed New Allotment	Awarded Amount	Proposed Amendment Amount	New Proposed Awarded Amount	Recalculated Unawarded
Community Awareness	\$4,000	\$4,000	-	\$4,000			-
Food Security	\$10,000	\$10,000	-	\$10,000			-
Home Visitation	\$160,000	\$160,000	\$0.00				\$0.00
Mental Health Consultation	\$30,750	\$30,750	-	\$30,750			-
Native Language Preservation	\$5,000	\$5,000	-				\$5,000
Parent Education Community-Based Training	\$98,315	\$98,315	-	\$98,315			-
Parent Outreach and Awareness	\$3,000	\$3,000	-				\$3,000
Reach Out and Read	\$1,500	\$1,500	-	\$1,348			\$152
Scholarships TEACH	\$16,500	\$16,500	-	\$16,500			-
Statewide Evaluation	\$8,456	\$8,456	-	\$8,456			-
Summer Transition to Kindergarten	\$18,000	\$18,000	-	\$18,000			-
Total Allotment:	\$355,521	\$355,521	\$195,521	\$187,369			\$8,152
Total Unallotted:		\$181,021	\$341,021				



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December 3, 2013

Steven W. Lynn, Chairman
First Things First Board
4000 North Central Avenue, Suite 800
Phoenix, Arizona 85012

Dear Chairman Lynn:

The Northwest Maricopa Regional Partnership Council would like to solicit your approval to make changes to the Regional Partnership Council's SFY 2014 Regional Funding Plan. The proposed changes include increasing funding to the Council's **Community Outreach and Family Resource Center** strategies.

Revised Strategy

The first proposed change to the Regional Partnership Council's SFY 2014 Funding Plan is an increase in funding to the **Community Outreach** strategy in the amount of \$6,000 for a total of \$83,000. The allotment increase was approved based on actual costs for the strategy, due to an increase in personnel costs for the 5% State employee pay increase as well as increased insurance costs.

The second proposed change to the Regional Partnership Council's SFY 2014 Funding Plan is an increase in funding to the **Family Resource Center** strategy in the amount of \$100,000 for a total of \$825,000. The allotment increase was approved with the intent that the Regional Partnership Council would contract with the Deer Valley Unified School District to provide Family Resource Center services in the Northwest Maricopa regional area. The proposed allotment increase will increase the Family Resource Center strategy target service unit by an additional 300 families for SFY14.

The proposed changes were voted on at the Northwest Maricopa Regional Partnership Council's September 20, 2013 and November 15, 2013 regular meetings. The attached *Funding Plan Summary* reflects how the proposed changes will impact the regional carry forward dollars.

The Northwest Maricopa Regional Partnership Council respectfully requests that the Arizona Early Childhood Development and Health Board approve the Regional Council's request to make the changes outlined above. The Regional Council is confident that the proposed changes are in the best interest of children and families in the Northwest Maricopa Region and support the Board approved priorities, aligning with the Early Childhood System that First Things First is working to build.

Thank you for your consideration.

Respectfully,

Dr. Deborah J. Pischke, Ed.D.
Northwest Maricopa Regional Partnership Council

Proposed Funding Plan Summary

FY 2014 - Northwest Maricopa

		Total Allocation:	\$16,242,699
Strategy	Original Allotment	Current Allotment	
Care Coordination/Medical Home		-	\$200,000
Child Care Health Consultation	\$171,234		\$168,018
Community Awareness	\$75,000		\$75,000
Community Outreach	\$77,000		\$77,000
Family Resource Centers	\$725,000		\$725,000
Family Support – Children with Special Needs		-	\$200,000
Food Security	\$100,000		\$100,000
Home Visitation	\$500,000		\$500,000
Media	\$200,000		\$200,000
Mental Health Consultation	\$492,000		\$492,000
Nutrition/Obesity/Physical Activity	\$650,000		\$650,000
Oral Health	\$400,000		\$400,000
Parent Education Community-Based Training	\$300,000		\$300,000
Quality First	\$1,117,565		-
Quality First Academy	\$60,592		\$60,592
Quality First Assessment	\$33,000		\$33,000
Quality First Child Care Health Consultation Warmline		\$3,216	\$3,216
Quality First Coaching & Incentives	\$1,028,625		\$1,028,625
Quality First Inclusion Warmline	\$15,650		\$15,650
Quality First Mental Health Consultation Warmline	\$16,098		\$16,098
Quality First Pre-K Mentoring	\$85,800		\$85,800
Quality First Pre-K Scholarships	\$2,133,912		\$1,360,920
Quality First Scholarships	\$3,569,728		\$4,082,420
Quality First Warmline Triage		\$6,260	\$6,260
Recruitment into Field	\$280,000		\$280,000
Scholarships non-TEACH	\$45,945		\$45,945
Scholarships TEACH	\$160,000		\$160,000
Service Coordination	\$75,000		\$75,000
Statewide Evaluation	\$673,913		\$673,913
To Be Determined			
Total Allotment:		\$12,995,538	\$12,014,457

Proposed New Allotment	Awarded Amount	New NON-RFGAs	Recalculated Unawarded
-			\$200,000
- \$167,679			\$339
- \$60,000			\$15,000
\$83,000	\$77,000		\$6,000
\$825,000	\$724,978		\$100,022
-			\$200,000
- \$100,000			-
- \$500,000			-
- \$200,000			-
- \$492,000			-
- \$650,000			-
- \$400,000			-
- \$300,000			-
-			-
- \$58,465			\$2,127
- \$33,000			-
-	\$3,216		-
- \$1,028,625			-
- \$15,650			-
- \$16,098			-
- \$85,800			-
- \$1,360,920			-
- \$4,082,420			-
-	\$6,260		-
- \$240,000			\$40,000
- \$45,945			-
- \$160,000			-
-			\$75,000
- \$673,913			-
-			-
\$908,000	\$11,481,969		\$638,488



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December 3, 2013

Steven W. Lynn, Chairman
First Things First Board
4000 North Central Avenue, Suite 800
Phoenix, Arizona 85012

Dear Chairman Lynn,

The Southeast Maricopa Regional Partnership Council is seeking your approval to make a revision to the Community Outreach strategy for SFY 2014.

Revised Strategy

The proposed change to the Regional Partnership Council's SFY 2014 Funding Plan is an increase in funding to the **Community Outreach** strategy in the amount of \$6,216.12. This would increase the allotment from \$77,000 to \$83,216. The allotment increase was approved based on actual costs for the strategy, due to an increase in personnel costs for the 5% State employee pay increase as well as increased insurance costs.

This change was voted on at the September 24, 2013 Regional Partnership Council meeting. The attached *Funding Plan Summary* reflects how the proposed changes will impact the regional carry forward dollars.

The Southeast Maricopa Regional Partnership Council respectfully requests that the Arizona Early Childhood Development and Health Board approve the Council's request to make the changes outlined above. The Regional Partnership Council is confident that the proposed changes are in the best interest of children and families in the Southeast Maricopa Region and support the Board approved priorities, aligning with the Early Childhood System that First Things First is working to build.

Thank you for your consideration.

Sincerely,

Dr. Julie Sallquist, Chair
Southeast Maricopa Regional Partnership Council



Proposed Funding Plan Summary

FY 2014 - Southeast Maricopa

		Total Allocation: \$15,903,700				
Strategy	Original Allotment	Current Allotment	Proposed New Allotment	Awarded Amount	New NON-RFGAs	Recalculated Unawarded
Care Coordination/Medical Home	\$480,000	\$240,000	-	\$239,999		\$1
Child Care Health Consultation	\$133,560	\$133,444	-	\$133,174		\$270
Community Awareness	\$40,000	\$40,000	-	\$35,000		\$5,000
Community Outreach	\$77,000	\$77,000	\$83,216	\$77,000		\$6,216
Director Mentoring/Training	-	\$160,000	-	\$156,725		\$3,275
Family Resource Centers	\$500,000	\$500,000	-	\$500,000		-
Family, Friends & Neighbors	\$90,000	\$90,000	-	\$90,000		-
Food Security	\$70,000	\$70,000	-	\$70,000		-
FTF Professional REWARD\$	\$250,000	\$200,000	-	\$200,000		-
Home Visitation	\$4,000,000	\$4,000,000	-	\$3,987,863		\$12,137
Media	\$50,000	\$50,000	-	\$50,000		-
Mental Health Consultation	-	\$738,000	-	\$738,000		-
Oral Health	\$300,000	\$300,000	-	\$288,600		\$11,400
Parent Education Community-Based Training	\$500,000	\$500,000	-	\$486,852		\$13,148
Physician Education & Outreach	-	-	-			-
Quality First	-	-	-			-
Quality First Academy	\$53,725	\$53,725	-	\$44,633		\$9,092
Quality First Child Care Health Consultation Warmline	\$2,508	\$2,508	-	\$2,508		-
Quality First Coaching & Incentives	\$802,988	\$802,988	-	\$802,988		-
Quality First Inclusion Warmline	\$11,948	\$11,948	-	\$11,948		-
Quality First Mental Health Consultation Warmline	\$12,289	\$12,289	-	\$12,289		-
Quality First Pre-K Mentoring	\$60,060	\$60,060	-	\$60,060		-
Quality First Pre-K Scholarships	\$1,258,646	\$952,644	-	\$952,644		-
Quality First Scholarships	-	\$3,057,249	-	\$3,057,249		-
Quality First Warmline Triage	\$4,779	\$4,779	-	\$4,779		-
Scholarships TEACH	\$88,800	\$88,800	-	\$88,800		-
Service Coordination	\$60,000	\$60,000	-	\$25,000		\$35,000
Statewide Evaluation	\$705,962	\$705,962	-	\$705,962		-
Total Allotment:	\$9,552,265	\$12,911,396	\$12,994,612	\$12,822,073		\$95,539
	Total Unallotted:	\$2,992,304	\$2,909,068			



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November 8, 2013

Steven W. Lynn, Chairman
First Things First
4000 N. Central Avenue, Suite 800
Phoenix, Arizona 85012

Dear Chairman Lynn:

The Yuma Regional Partnership Council recommends a change in the region's Food Security strategy. This change was approved by the Regional Council at their meeting on October 17, 2013.

The Regional Council has invested in a food security strategy to meet the needs of families and children in the region. Our food security strategy provides support to families participating in two priority areas in the region: early learning and family support.

The current allotment for this strategy is \$50,000. Services are delivered through a mixed delivery system. Families participating in the region's family support programs have access to food boxes and children receiving Pre-K scholarships receive food Back Packs. Food boxes are also available to families with young children who are not participating in other First Things First programs.

Access to nutritious food is a real and growing problem in the region. In our 2012 needs and assets report it stated that nearly half (45%) of the children in Yuma County lived in households without enough food, a figure that is much higher than in the State of Arizona (29%).

The Regional Council is recommending an increase in the allotment for this strategy from \$50,000 to \$62,900. The Regional Council further recommends an amendment to the existing grant agreement to reflect the increased allotment. The increase of \$12,900 is available through unallotted funds. The increase will insure that program services are available for the rest of this fiscal year. On behalf of the Yuma Regional Partnership Council, I thank you for your consideration of this request.

Respectfully,

Rev. Dr. Darren C. Hawkins, Chair
Yuma Regional Partnership Council

Proposed Funding Plan Summary

FY 2014 - Yuma

		Total Allocation:					
		\$9,189,459					
Strategy	Original Allotment	Current Allotment	Proposed New Allotment	Awarded Amount	Proposed Amendment Amount	New Proposed Awarded Amount	Recalculated Unawarded
Child Care Health Consultation	\$97,991	\$91,126	-	\$91,126			(\$0)
Community Awareness	\$35,000	\$35,000	-	\$35,000			-
Community Based Professional Development Early Care	\$200,000	\$200,000	-	\$200,000			-
Community Outreach	\$83,000	\$83,000	-	\$83,000			-
Expansion: Increase slots and/or capital expense	\$15,000	\$15,000	-	\$15,000			-
Family Support – Children with Special Needs	\$280,000	\$280,000	-	\$280,000			-
Family, Friends & Neighbors	\$150,000	\$150,000	-	\$150,000			-
Food Security	\$50,000	\$50,000	\$62,900	\$50,000	\$62,900		-
Home Visitation	\$1,458,774	\$1,458,774	-	\$1,184,583			\$274,191
Inclusion of Children with Special Needs	\$230,991	\$230,991	-	\$230,989			\$2
Media	\$109,263	\$89,263	-	\$89,263			-
Mental Health Consultation	\$123,000	\$123,000	-	\$123,000			-
Needs and Assets	\$25,000	\$25,000	-	\$18,865			\$6,135
Oral Health	\$303,266	\$303,266	-	\$303,266			-
Parent Education Community-Based Training	\$190,000	\$190,000	-	\$190,000			-
Parent Outreach and Awareness	-	\$20,000	-	\$20,000			-
Quality First	\$523,026	-	-				-
Quality First Academy	\$39,849	\$39,849	-	\$24,797			\$15,052
Quality First Child Care Health Consultation Warmline	\$1,840	\$1,840	-	\$1,840			-
Quality First Coaching & Incentives	\$446,127	\$446,127	-	\$446,127			-
Quality First Inclusion Warmline	\$6,638	\$6,638	-	\$6,638			-
Quality First Mental Health Consultation Warmline	\$6,828	\$6,828	-	\$6,828			-
Quality First Pre-K Mentoring	\$60,060	\$60,060	-	\$60,060			-
Quality First Pre-K Scholarships	\$1,012,704	\$952,644	-	\$952,644			-
Quality First Scholarships	\$1,163,829	\$1,018,420	-	\$1,018,420			-
Quality First Warmline Triage	\$2,655	\$2,655	-	\$2,655			-
Reach Out and Read	\$100,000	\$100,000	-	\$100,000			-
Recruitment – Stipends/Loan Forgiveness	\$87,330	\$87,330	-	\$87,330			-
Scholarships non-TEACH	\$55,000	\$55,000	-	\$55,000			-
Scholarships TEACH	\$52,800	\$52,800	-	\$52,800			-
Statewide Evaluation	\$267,233	\$267,233	-	\$267,233			-
Total Allotment:	\$7,177,204	\$6,441,844	\$6,454,744	\$6,146,464	\$6,159,364		\$295,380
	Total Unallotted:	\$2,747,615	\$2,734,715				



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December 10, 2013

Steven W. Lynn
First Things First Board
4000 N. Central Avenue, Suite 800
Phoenix, AZ 85012

RE: White Mountain Apache Tribe Regional Partnership Council Award for the Expansion, Start-Up and/or Capital Expense strategy

Dear Chairman Lynn,

On behalf of the White Mountain Apache Tribe Regional Partnership Council, I would like to request your consideration and approval for the addition of the Expansion, Start-Up and/or Capital Expense strategy to the SFY2014 regional funding plan

On October 11, 2013 the White Mountain Apache Tribe Regional Partnership Council met, considered, and approved funding for the Expansion, Start-Up and/or Capital Expense strategy in the amount of \$40,000.00. Carry forward funds will be used to implement the program. This is the initial year of funding, and the funds will support the expansion of one early child care and education center in the region.

The White Mountain Apache Tribe Regional Partnership Council recognizes the need for greater access to high quality early care and education programs in the region. In SFY2013 there were at least 190 children under the age of 6 on the waiting list to enroll in early care and education programs. Additionally in August 2013, Head Start estimated 400 plus students applied for 252 available Head Start slots. In SFY2013 there were seven regulated early child care centers in the region, with limited capacity to expand services. One of the centers closed in SFY14 due to cuts in federal funding. Due to the lack of early child care programs specifically in zip code 85926 the Regional Council identified it as a priority area within the region.

Thank you for your consideration.

Sincerely,

Laurel Endfield

Chair

White Mountain Apache Tribe
Regional Partnership Council



Proposed Funding Plan Summary

FY 2014 - White Mountain Apache Tribe

Total Allocation:		\$1,849,166					
Strategy	Original Allotment	Current Allotment	Proposed New Allotment	Awarded Amount	Proposed Amendment Amount	New Proposed Awarded Amount	Recalculated Unawarded
Child Care Health Consultation	\$7,560	\$7,418	-	\$896			\$6,522
Community Awareness	\$40,000	\$40,000	-	\$40,000			-
Expansion Start-Up and/or Capital Expense			\$40,000				\$40,000
Family Support – Children with Special Needs	\$135,000	\$135,000	-	\$135,000			-
FTF Professional REWARD\$	\$40,000	\$40,000	-	\$39,150			\$850
Native Language Preservation	\$100,000	\$100,000	-				\$100,000
Oral Health	\$130,000	\$130,000	-	\$80,000			\$50,000
Parent Outreach and Awareness	\$300,000	\$300,000	-				\$300,000
Quality First	\$48,583	-	-				-
Quality First Academy	\$2,947	\$2,947	-	\$2,448			\$499
Quality First Child Care Health Consultation	\$142	\$142	-	\$142			-
Quality First Coaching & Incentives	\$44,045	\$44,045	-	\$44,045			-
Quality First Inclusion Warmline	\$655	\$655	-	\$655			-
Quality First Mental Health Consultation	\$674	\$674	-	\$674			-
Quality First Scholarships	\$124,874	\$124,874	-	\$124,874			(\$0)
Quality First Warmline Triage	\$262	\$262	-	\$262			-
Reach Out and Read	\$105,000	\$105,000	-	\$105,000			-
Scholarships non-TEACH	\$20,000	\$20,000	-	\$20,000			-
Scholarships TEACH	\$40,000	\$40,000	-	\$40,000			-
Statewide Evaluation	\$44,857	\$44,857	-	\$44,857			\$0
Total Allotment:	\$1,184,599	\$1,135,874	\$40,000	\$678,003			\$497,871
Total Unallotted:		\$713,292					



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November 13, 2013

Steven W. Lynn, Chairman
First Things First Board
4000 North Central Avenue, Suite 800
Phoenix, Arizona 85012

Dear Chairman Lynn:

The Navajo Nation Regional Partnership Council is seeking your approval to enter into an agreement with Diné College in the amount of \$32,780 for the Scholarship non-TEACH strategy. Through this partnership with Dine College the Regional Council is advancing their ongoing goal to expand access to early education professionals to pursue credentials and degrees in early childhood education and development in the region.

The program will focus on the preparation of early childhood educators who are skillful in promoting linguistically and culturally responsive teaching and child development services that are focused on Navajo immersion methodologies. The target population for this strategy is early education professionals and individuals who want to pursue degrees in early childhood, with at least a high school diploma and who intend to work and remain in the region.

A cohort of 20 early childhood teacher candidates will be recruited and provided with scholarships for tuition, fees, and books to prepare them for an associate of arts degree in early childhood at Diné College in Tsaile, Arizona. The cohort of students will begin classes in the spring of 2014, which will include one summer session in June 2014.

The total allotment for this Agreement in SFY14 is \$32,780 with an initial funding period of January 1, 2014 through June 30, 2014. Based on performance and continuation of the strategy by the Regional Council there are two potential renewals.

- 1st renewal period: July 1, 2014– June 30, 2015
- 2nd renewal period: July 1, 2015– June 30, 2016

The Navajo Nation Regional Partnership Council respectfully requests that the Arizona Early Childhood Development and Health Board approve the Council's request. The Regional Council is confident that the proposed Agreement is in the best interest of children and families in the Navajo Nation region. Thank you for your consideration.

Respectfully,

Harry Martin, Chair
Navajo Nation Regional Partnership Council



Proposed Funding Plan Summary

FY 2014 - Navajo Nation

		Total Allocation:					
		\$13,119,178					
Strategy	Original Allotment	Current Allotment	Proposed New Allotment	Awarded Amount	Proposed Amendment Amount	New Proposed Awarded Amount	Recalculated Unawarded
Child Care Health Consultation	\$60,486	\$59,350	-	\$7,166			\$52,184
Community Awareness	\$50,000	\$50,000	-	\$50,000			-
Community Outreach	\$80,000	\$80,000	-	\$80,000			-
Expansion: Increase slots and/or capital	\$500,000	\$500,000	-				\$500,000
Family, Friends & Neighbors	\$200,000	\$200,000	-	\$200,000			-
Food Security	\$280,000	\$280,000	-	\$280,000			-
FTF Professional REWARD\$	\$67,500	\$67,500	-	\$67,500			-
Home Visitation	\$850,000	\$389,966	-	\$389,966			-
Media	\$65,000	\$65,000	-	\$65,000			-
Native Language Preservation	\$400,000	\$400,000	-				\$400,000
Needs and Assets	\$20,000	\$20,000	-				\$20,000
Nutrition/Obesity/Physical Activity	\$600,000	\$600,000	-	\$600,000			-
Oral Health	\$300,000	\$300,000	-	\$300,000			-
Parent Outreach and Awareness	\$100,000	\$85,369	-	\$85,060			\$309
Quality First	\$385,123	-	-				-
Quality First Academy	\$23,360	\$23,360	-	\$19,407			\$3,953
Quality First Child Care Health Consultation	\$1,136	\$1,136	-	\$1,136			-
Quality First Coaching & Incentives	\$349,147	\$349,147	-	\$349,147			-
Quality First Inclusion Warmline	\$5,195	\$5,195	-	\$5,195			-
Quality First Mental Health Consultation	\$5,343	\$5,343	-	\$5,343			-
Quality First Scholarships	\$1,306,715	\$1,306,715	-	\$1,306,715			-
Quality First Warmline Triage	\$2,078	\$2,078	-	\$2,078			-
Reach Out and Read	\$72,698	\$72,698	-	\$72,698			-
Recruitment – Stipends/Loan Forgiveness	\$66,420	\$66,420	-	\$66,420			-
Scholarships non-TEACH	\$750,000	\$750,000	-	\$357,875		\$32,780	\$359,345
Scholarships TEACH	-	-	-				-
Statewide Evaluation	\$202,332	\$202,332	-	\$202,332			-
Total Allotment:		\$6,742,533	\$5,881,609	-	\$4,513,038	\$32,780	\$1,335,791
Total Unallotted:		\$7,237,569					



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AGENDA ITEM: Statewide and Signature Strategies Report

BACKGROUND: The Statewide and Signature Strategies Report provides updated financial information on FY 2014 expenditures processed as of November 21, 2013, and program performance information through FY 2014 Quarter 1 for strategies funded through statewide program funds, and other signature strategies and programs developed or substantially supported by First Things First.

RECOMMENDATION: The interim CEO recommends approval of this report.

Statewide and Signature Strategies Report December 2013

Strategy	Funding Source	FY 2014 Allotted Amount	FY 2014 Awarded Amount	FY 2014 Expended Amount	FY 2014 Contracted Service #	FY 2014 Actual Service #	Comments
Quality First Pre-K Scholarships	FTF Regions	\$8,891,471	\$8,771,130	\$4,385,565			Pre-Kindergarten Scholarships help low-income families access high-quality center and classroom-based programs for their children during the two years prior to kindergarten entry. These scholarships are available to public school and community-based early care and education providers and this strategy includes mentoring to facilitate systemic partnerships between public schools and community-based providers. The grantee receives a deliverable-based payment for this strategy.
					Total FTF-funded pre-K slots: 1,290	Total FTF-funded pre-K slots: 1,283	
Quality First Pre-K Mentoring	FTF Regions	\$552,981	\$552,981	\$276,490			
					Private community partner pre-K sites: 45	Private community partner pre-K sites: 20	
					Public community partner pre-K sites: 67	Public community partner pre-K sites: 60	
Quality First Coaching & Incentives	FTF Regions	\$13,634,510	\$13,634,510	\$6,817,254			Quality First is a comprehensive initiative that provides support, funding and education to qualified centers and homes to improve the quality of early care and education for children younger than five years. The Quality First model includes assessment, coaching, T.E.A.C.H., Child Care Health Consultation and financial incentives for quality improvement. The rating component of Quality First is being implemented in FY12.
					Centers: 726	Centers: 632	
					Homes: 238	Homes: 182	

Statewide and Signature Strategies Report December 2013

Strategy	Funding Source	FY 2014 Allotted Amount	FY 2014 Awarded Amount	FY 2014 Expended Amount	FY 2014 Contracted Service #	FY 2014 Actual Service #	Comments
					Rating Only: 7	Rating Only: 49	
	Total	\$13,634,510	\$13,634,510	\$6,817,254			
					Regional: 971	Regional: 863	
Scholarships TEACH	FTF State	\$2,974,780	\$2,974,780	\$317,350			T.E.A.C.H. ARIZONA is a comprehensive scholarship program that provides early care and education professionals with access to college coursework leading to a degree or certificate in early childhood education. T.E.A.C.H. provides financial support for books, tuition, travel stipends and time off from work to attend class and complete assignments, and a financial bonus upon completion of college coursework.
					Participating scholars: 640	Participating scholars: 494	
	FTF Regions	\$952,100	\$952,100	\$94,775			T.E.A.C.H. ARIZONA is a comprehensive scholarship program that provides early care and education professionals with access to college coursework leading to a degree or certificate in early childhood education. T.E.A.C.H. provides financial support for books, tuition, travel stipends and time off from work to attend class and complete assignments, and a financial bonus upon completion of college coursework.
					Participating scholars: 265	Participating scholars: 123	
	Total	\$3,926,880	\$3,926,880	\$412,125			
					Participating scholars: 905	Participating scholars: 586	
FTF Professional REWARD\$	FTF Regions	\$1,876,750	\$1,869,950	\$923,950			FTF Professional REWARD\$ helps retain good teachers to promote continuity of teachers and caregivers working with young children.

Statewide and Signature Strategies Report December 2013

Strategy	Funding Source	FY 2014 Allotted Amount	FY 2014 Awarded Amount	FY 2014 Expended Amount	FY 2014 Contracted Service #	FY 2014 Actual Service #	Comments
							REWARD\$ offers financial awards to early childhood teachers based on educational achievement, wages earned and hours worked per week and requires a commitment from participants to remain in their current employment. There are eight tier levels with corresponding awards that range from \$200 to \$2000 dollars.
					Incentive awards distributed: 1,752		
Quality First Scholarships	FTF Regions	\$45,175,215	\$44,821,593	\$22,358,808			Quality First Scholarships help low-income families who are working, looking for work or improving their work skills through training or education afford high quality learning programs for their young children. These scholarships are available to early care and education providers enrolled in Quality First (or on the waiting list) and support providers in maintaining a quality program. The grantee receives a deliverable-based payment for this strategy.
					Scholarship slots for children 0-5 years: 7,007	Scholarship slots for children 0-5 years: 5,717	
Parent Kits - statewide	FTF State	\$1,599,303	\$1,949,303	\$943,714			Arizona Parent Kits are given statewide to all families with newborns as they leave the birthing hospital or center. The kits include an 80-page Arizona Parents Guide, six DVDs on early childhood development and health topics and a new book for parents to read with their baby.
					Kits distributed: 65,000	Kits distributed: 18,018	
Birth to Five Helpline	FTF State	\$100,000	\$100,000	\$20,316			The Birth to Five Helpline free service using a toll-free number (1-877-705-KIDS) with experts

Statewide and Signature Strategies Report December 2013

Strategy	Funding Source	FY 2014 Allotted Amount	FY 2014 Awarded Amount	FY 2014 Expended Amount	FY 2014 Contracted Service #	FY 2014 Actual Service #	Comments
							to answer any family's questions or address concerns on early childhood development for infants, toddlers and preschoolers. Questions can also be submitted online at www.swhd.org/get-help/birth-to-five-helpline .
						Calls received: 384	
Child Care Health Consultation	FTF Regions	\$2,767,524	\$2,546,027	\$503,881			Child Care Health Consultants are nurses and child health experts who work with early care and education settings to provide teachers and staff with information and guidance to assure the health and safety of children in the program. This strategy provides onsite, email and phone consultation, staff training and referrals to community health resources. This strategy is delivered in a tier model: tier 1 is telephone technical assistance; tier 2 is on-site expert mode; and tier 3 is on-site comprehensive services.
					Centers: 740		
					Homes: 286		
						Non-QF Centers: 15	
						Non-QF Home: 22	
						Regional Centers: 278	
						Regional Home: 77	
						Centers: 740	Centers: 293
		Total				Homes: 286	Homes: 99
Mental Health Consultation	FTF Regions	\$4,589,750	\$4,581,750	\$1,059,677			Early childhood mental health consultation (ECMHC) is an evidence-based strategy proven

Statewide and Signature Strategies Report December 2013

Strategy	Funding Source	FY 2014 Allotted Amount	FY 2014 Awarded Amount	FY 2014 Expended Amount	FY 2014 Contracted Service #	FY 2014 Actual Service #	Comments
							to support the social and emotional development of all children in early care and education settings. MHC support providers to respond to children with behavioral challenges in the classroom. MHC is a service provided to the child care providers and it is designed to enhance all of the relationships in a child care program.
					Centers: 212	Centers: 259	
					Homes: 49	Homes: 13	
Oral Health	FTF State	\$150,000	\$150,000	\$22,319	N/A. Project reports and deliverables are received per terms of the contract.		Oral Health Referral Database strategy intends to create a web based portal with a database of dental providers for families seeking low cost or free oral health services for their children. In addition to linking families to public clinics and providers that have traditionally served uninsured and underinsured populations, this database will also provide linkage to private providers willing to donate their time or provide reduced cost services. The oral health referral database will be available statewide, with urban and rural resources. This strategy also includes outreach to dental providers to engage their participation as a referral source, and promotion to families and other caregivers about the availability of the website to locate affordable oral health services.
Capacity Building	FTF State	\$300,000	\$300,000	\$20,783	N/A. Project reports and deliverables are received per terms of the contract.		The Capacity Building strategy has two phases: Phase 1 consists of developing a capacity building approach and a capacity-building plan. Phase 2 begins implementation of the planned

Statewide and Signature Strategies Report December 2013

Strategy	Funding Source	FY 2014 Allotted Amount	FY 2014 Awarded Amount	FY 2014 Expended Amount	FY 2014 Contracted Service #	FY 2014 Actual Service #	Comments
							capacity building strategies. The planning phase includes an environmental scan; developing a comprehensive approach to capacity building for multiple agencies with various competencies; and producing a final report and plan for implementation in Phase 2.
Communities of Practice	FTF State	\$122,927	\$122,927		N/A. Project reports and deliverables are received per terms of the contract.		The Communities of Practice strategy is funded to improve coordination among FTF grantees, across disciplines and geographical areas. The project began with a needs assessment among FTF grantees in 2013 and is now in the implementation phase which includes development and launch of a web portal that will support community of practice formation, communications, education, and sharing of best practices. The implementation strategy includes a series of meetings in major population centers and targeted outreach to regions to support grantees implementing specific FTF strategies.



FIRST THINGS FIRST

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AGENDA ITEM: External Affairs Update

BACKGROUND: The attached report provides information and updates on progress related to external affairs. The report is segmented into several focus areas, including:

- Community Outreach
- Government Affairs
- Communications
- Tribal Affairs (see report under separate cover)

RECOMMENDATION: For informational purposes only.

Communications

Earned Media

There were 96 earned media hits since our last report to the Board. This reflects the on-going work of our Communications and Community Outreach staff, as well as process improvements implemented by the External Affairs Division to better track earned media placements. For example, we are now able to track placements in radio, community newsletters and industry publications, which often were undercounted in our previous efforts. A couple of notable placements include:

- An interview on KNAU-Radio by Dr. Pam Powell, First Things First Board Vice Chair, on the importance of universities focusing on early childhood; the role of FTF; the challenges facing early childhood education in Arizona and the nation; how early childhood investments benefit our state; and, how individuals can get involved with FTF.
- A 30-minute interview on Radio Disney by South Phoenix Community Outreach Liaison Rachel Egoro on the importance of early childhood in efforts to improve reading. The interview included tips on what families can do to promote language and literacy with their infants, toddlers and preschoolers. This partnership also gave FTF the opportunity to submit a short public service announcement (PSA) promoting early literacy that Radio Disney will air periodically during its local broadcasts for 3 months starting in January 2014.
- And, a story on native language preservation efforts between the Coconino Regional Council and the Hopi Tribe that was featured on the front page of the *Navajo-Hopi Observer*.

In addition, there were five columns submitted by Interim CEO Sam Leyvas to the *Arizona Republic* that likely ran in 5-8 Community sections each on topics including: the importance of teaching gratitude to young children; using holiday traditions as early learning moments; taking the fear out of Halloween for infants, toddlers and preschoolers; preventing early childhood obesity; and how simple toys and time with adults are the best gifts for children 5 and younger.

Social Media

Public engagement through our social media channels has grown exponentially. FTF now has almost **26,000 friends on Facebook, up by almost 4,500 since our last report, and almost 1,000 followers on Twitter, up by 56 since our last report.**

Community Outreach

- A Champion incorporates core messaging about the importance of early childhood into her conversation with congressional staff during a visit to Capitol Hill.
- A Friend, who connected with FTF during a presentation to their Kiwanis Club, refers us to speak to other active community members in a neighboring Kiwanis Club.
- After attending a presentation, an audience member becomes a Supporter by regularly sharing early childhood materials and fact sheets with teenage students in her American Red Cross child care safety course.

Whatever shape it takes, community engagement is a critical component of our efforts to build public awareness of, and support for, the importance of early childhood. As the First Things First Strategic Communications Plan outlines, the Community Outreach team has begun an intentional focus on community engagement to ensure that Friends, Supporters and Champions have the tools and support they need to take action on behalf of young children.

Approaching our community engagement efforts in a systemic way helps ensure sustainable success in this important piece of the larger strategic communications plan. After establishing a three-tiered program which offers a range of engagement levels, a comprehensive list of calls-to-action for each of the three-tiers has been created. In addition, specific engagement-related statewide and regional benchmarks have been established.

These benchmarks will measure the progress of awareness-building and communication efforts as well as how well organizing tactics are working to deepen the engagement of supporters. The benchmarks include:

1. Each community outreach staff member will recruit at least 20 people per month at the Friend level. This will increase to at least 30 people per month in FY15 and at least 40 people per month in FY16.
2. Based on the total number of Friends recruited in the benchmark above, the team will move 25% of this total number of Friends to Supporters per quarter.
3. Based on the total number of Supporters moved in the benchmark above, the team will move 12.5% of this total number of Supporters to Champions per quarter.
4. At the regional level, each community outreach staff member will secure at least one referral per month from a Friend for FTF to present to another group or to share information at an event. This benchmark will increase to at least two referrals per month in FY15 and at least three referrals per month in FY16.
5. Each community outreach staff member will secure at least one commitment per month from Supporters or Champions to represent FTF at outside events. That will increase to at least two commitments per month in FY15 and at least three commitments per month in FY16.

A comprehensive review of the community engagement program can be found in Appendix F of the First Things First Strategic Communications Plan.

Government Affairs

Federal Update

Senator Harkin (Iowa) along with Representatives George Miller (California) and Richard Hanna (New York) recently introduced early childhood legislation known as Start Strong for America's Children.

Generally speaking, the bill has three main components:



An early childhood Champion recently shared core messages about the importance of early childhood during visit to Capitol Hill.

- Provides grants to states to expand high-quality preschool, building on their current state-funded preschool delivery system (there are also grants for states that do not yet invest in or need to raise the quality of their standards for preschool);
- Provides grants to create Early Head Start/child care partnerships to improve the quality of and expand access to high-quality child care for infants and toddlers; and
- Calls for the expansion of the voluntary home visiting program for infants and toddlers.

The bill also speaks generally to the following areas:

- Using high-quality, research-based and developmentally appropriate standards and assessments in all settings (and avoiding inappropriate use of testing);
- Building on the use of existing state systems to deliver preschool programs in high-quality child care, Head Start, and school settings;
- Ensuring that programs engage families and support children’s comprehensive needs;
- Attracting and retaining teachers by helping them to gain the specialized knowledge required and earn degrees in early childhood education, including improved compensation; and
- Strengthening families by providing access to voluntary home visiting in the critical infant and toddler years.

A gap in the current version of the legislation is in the area of state-based quality rating and improvement systems. More specifically, there is no mention of how this legislation – and it’s nod to national accreditation – would interact with state-based QRIS systems like Arizona’s Quality First program. We are still reviewing and researching the legislation to gauge its potential impact.

Tribal Affairs

See full report under separate cover.

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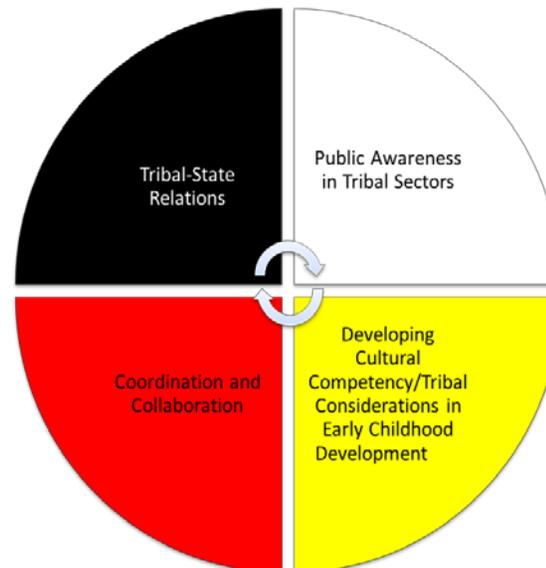
AGENDA ITEM: Tribal Affairs Update

BACKGROUND: The attached table provides information on the activities related to tribal affairs for the months of October through November 2013. The first column lists four categories that indicate the overall content areas that summarize tribal affairs for this reporting period. These areas include:

- Tribal-State Relations
- Public Awareness Efforts in Tribal Sectors
- Developing Cultural Competency/Tribal Considerations in Early Childhood Development
- Coordination and Collaboration

The second column provides a brief summary of the activities and accomplishments.

RECOMMENDATION: For informational purposes only.



TRIBAL AFFAIRS STATUS REPORT
October-November 2013

Project Type	Description
Tribal-State Relations	<p>The Senior Director of Tribal Affairs, Beverly Russell, presented information on Arizona’s Race to the Top Early Learning Challenge to the tribal leaders in attendance at the Inter-Tribal Council of Arizona Tribal Leader’s meeting on October 3, 2013. As a result of this presentation, the Inter-Tribal Council of Arizona provided a letter of support to accompany Arizona’s RTT-ELC grant application.</p> <p>This reporting period FTF progressed with approval processes to collect and analyze tribal data related to the school readiness indicators for the purposes of setting regional benchmarks. As a part of this process, Tribal Affairs dialogued with the White Mountain Apache Tribal Council during this reporting period. The White Mountain Apache Tribe passed a resolution supporting data acquisition for regional benchmarking purposes during this reporting period. Thus far, four tribes have approved data agreements with FTF related to this effort.</p> <p>In October the Senior Director of Tribal Affairs consulted with the San Carlos Apache Tribe to discuss their role as a “targeted region” in the 2013 Race to the Top Early Learning Challenge grant applications. As a result of this meeting, the tribe agreed to be included in the grant and provided a letter of support to accompany the application.</p>
Public Awareness Efforts in Tribal Sectors	<p>First Things First staff traveled to Rapid City, South Dakota to attend the National Indian Education Association Convention (NIEA). Regional Directors from the Navajo Nation and the Hualapai Tribe regions joined the Senior Director of Tribal Affairs to present on the connection between early literacy and the FTF funded Native Language Preservation strategies. First Things First also hosted a breakout session on tribal data partnerships. Additionally, the Senior Director of Tribal Affairs served as a panelist at the Presidential Session on Early Childhood Education at this convention. As a follow up to this event the Executive Director of the National Indian Education Association has made preliminary plans to visit FTF funded programs implemented on tribal lands during her next visit to Arizona.</p>
Tribal Considerations in Early Childhood Development	<p>In observance of Native American Heritage Month (November), Tribal Affairs engaged FTF staff in a learning activity designed to promote cultural awareness while offering staff an opportunity to learn more about the history of this month of recognition and FTF’s continuing partnerships with Arizona tribes.</p>
Coordination and Collaboration	<p>This reporting period Tribal Affairs participated in a roundtable discussion with the Casey Foundation and other Indian education organizations on issues surrounding school safety, behavioral and mental health, education, juvenile justice, social services, law enforcement, and child welfare as it relates to policy recommendations and implementation guidance around effective school discipline policies and practices. Tribal Affairs was able to discuss the importance of early learning as foundation for success.</p>

The following projects are currently in progress by Tribal Affairs:

- Tribal Affairs has initiated dialogue with Arizona Tribes to discuss their decisions for participation in First Things First as outlined in the FTF statute.
- Tribal Affairs and Evaluation are in the process of formulating a comprehensive FTF tribal data policy.



FIRST THINGS FIRST

AGENDA ITEM: Technical Adjustments to FY14 Statewide and Regional Funding Plans

BACKGROUND: According to the Guidance adopted by the Board of First Things First in its September 2010 meeting, staff has completed technical adjustments to funding plans for clerical errors and nomenclature adjustments to allotments and contract amounts approved by the CFO/COO.

CEO RECOMMENDATION(S):

Interim CEO recommends the approval of technical adjustments to the FY14 Regional Funding Plans and awards as presented.

DETAIL:

Clerical Error Adjustments -

- None to report at this time.

Nomenclature Adjustments –

- None to report at this time.

Award/Allotment Adjustments –

Adjustments have been made to the following awards/allotments:

- **LaPaz/Mohave Region - Quality First Scholarships**
In February 2013, the LaPaz/Mohave Regional Partnership Council approved for any unexpended FY13 dollars in the Quality First Scholarship strategy to be amended into the FY14 allotment and award in order to maintain as many scholarships in the region as possible. The unexpended amount was \$103,975 which results in an increase to the FY14 LaPaz/Mohave Quality First Scholarship allotment and award from \$346,973 to \$450,948 and an amendment to the Quality First Scholarship statewide contract (FTF-STATE-14-0440-01) from \$44,717,618 to \$44,821,593.



FIRST THINGS FIRST

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AGENDA ITEM: Quality First Update on Estimated Ratings for Enrolled Providers, Providers on the Wait List, and Age Ranges of Enrolled Children

BACKGROUND: The attached documents provide an updated report of Quality First enrollment data and estimated quality ratings on currently enrolled providers.

All Quality First Ratings are based on three measures: (1) ERS- Environmental Rating Scales (ECERS, ITERS, and FCCERS); (2) Classroom Assessment Scoring System – CLASS (Domains: Emotional Support, Instructional Support, and Classroom Organization); and (3) QF Point Scale that measures Staff Qualifications, Administrative Practices, and Curriculum and Child Assessment. This report includes providers whose ratings are now public, as well as providers who are in the process of completing one or more of the three assessments. Ratings for providers with an incomplete assessment process are considered as *preliminary Quality First Ratings*.

Current data from the Quality First data system shows 32% of providers at 3 – 5 Stars.

September 2013	November 2013	% Change
Providers: 864	Providers: 874	+1.2%
Children: 45,547	Children: 46,302	+1.7%
Waitlist: 308	Waitlist: 335	+8.8%
Ratings*:	Ratings**:	
1 Star: 22	1 Star: 24	+9.1%
2 Star: 587	2 Star: 572	-2.6%
3 Star: 173	3 Star: 187	+ 8.1%
4 Star: 63	4 Star: 72	+ 14.3%
5 Star: 18	5 Star: 17	- 5.6%

*1 provider has a pending rating and is not included in the star level breakdown

** 2 providers have a pending rating and are not included in the star level breakdown

RECOMMENDATION: The CEO presents this update for information only.



Quality First Eligible Applicant and Enrolled Participant Data Report

Regional Partnership Council	Wait List	Full Participation	Rating Only	Infants*	Toddlers*	2 Yr Olds*	3Yr Olds*	4 Yr Olds*	5 Yr Olds*	Total Enrollment 0 - 5*
Central Maricopa	43	38	10	304	477	660	862	1315	216	3834
Center	42	35	10	303	467	651	853	1308	214	3796
Home	1	3		1	10	9	9	7	2	38
Central Phoenix	10	62		286	488	548	865	973	208	3368
Center	10	60		281	484	544	863	972	208	3352
Home		2		5	4	4	2	1		16
Central Pima	65	76	7	261	454	678	792	931	275	3391
Center	48	54	7	237	425	642	766	907	273	3250
Home	17	22		24	29	36	26	24	2	141
Cochise	1	37		51	84	121	268	285	67	876
Center	1	22		45	64	94	244	272	61	780
Home		15		6	20	27	24	13	6	96
Coconino	8	19		42	92	93	141	136	27	531
Center	7	15		37	82	84	133	133	24	493
Home	1	4		5	10	9	8	3	3	38
Cocopah Tribe			1				4	9	7	20
Center			1				4	9	7	20
Home										
Colorado River Indian Tribes		2		5	5	5	56	133		204
Center		2		5	5	5	56	133		204
Home										
East Maricopa										
Center										
Home										



Quality First Eligible Applicant and Enrolled Participant Data Report

Regional Partnership Council	Wait List	Full Participation	Rating Only	Infants*	Toddlers*	2 Yr Olds*	3Yr Olds*	4 Yr Olds*	5 Yr Olds*	Total Enrollment 0 - 5*
Gila		8		15	17	15	65	122	42	276
Center		5		12	16	10	61	118	40	257
Home		3		3	1	5	4	4	2	19
Gila River Indian Community		2		10	10	19	39	32		110
Center		2		10	10	19	39	32		110
Home										
Graham/Greenlee	1	7		7	23	23	88	128		269
Center	1	5		3	21	20	87	127		258
Home		2		4	2	3	1	1		11
Hualapai Tribe										
Center										
Home										
La Paz/Mohave	6	17		27	52	93	266	355	122	915
Center	6	17		27	52	93	266	355	122	915
Home										
Navajo Nation	8	4		8	8	4	91	71	40	222
Center	8	4		8	8	4	91	71	40	222
Home										
Navajo/Apache	4	3		1	4	10	27	28	6	76
Center	3	2			2	8	26	25	5	66
Home	1	1		1	2	2	1	3	1	10
North Phoenix	7	88		515	816	1201	1422	1870	597	6421
Center	6	81		510	809	1191	1407	1861	596	6374
Home	1	7		5	7	10	15	9	1	47



Quality First Eligible Applicant and Enrolled Participant Data Report

Regional Partnership Council	Wait List	Full Participation	Rating Only	Infants*	Toddlers*	2 Yr Olds*	3Yr Olds*	4 Yr Olds*	5 Yr Olds*	Total Enrollment 0 - 5*
North Pima	7	31		175	256	426	511	669	125	2162
Center	2	27		168	254	420	507	665	124	2138
Home	5	4		7	2	6	4	4	1	24
Northeast Maricopa	18	18	3	148	233	352	405	456	58	1652
Center	18	18	3	148	233	352	405	456	58	1652
Home										
Northwest Maricopa	35	64	15	357	593	821	1223	1757	565	5316
Center	35	57	15	351	582	817	1212	1753	563	5278
Home		7		6	11	4	11	4	2	38
Pascua Yaqui Tribe		2		1	2		3	3		9
Center										
Home		2		1	2		3	3		9
Phoenix North										
Center										
Home										
Phoenix South										
Center										
Home										
Pima North										
Center										
Home										
Pima South	1	74		114	236	371	741	1016	163	2641
Center	1	33		91	176	310	691	981	151	2400
Home		41		23	60	61	50	35	12	241



Quality First Eligible Applicant and Enrolled Participant Data Report

Regional Partnership Council	Wait List	Full Participation	Rating Only	Infants*	Toddlers*	2 Yr Olds*	3Yr Olds*	4 Yr Olds*	5 Yr Olds*	Total Enrollment 0 - 5*
Pinal	1	33		67	151	180	379	626	227	1630
Center	1	28		65	142	172	368	617	223	1587
Home		5		2	9	8	11	9	4	43
Salt River Pima Maricopa Indian Community										
Center										
Home										
San Carlos Apache		7		12	28	16	77	178	2	313
Center		6		9	27	15	77	177		305
Home		1		3	1	1		1	2	8
Santa Cruz	14	5		1	3	4	20	40	1	69
Center	4	1					13	33		46
Home	10	4		1	3	4	7	7	1	23
South Phoenix	1	80		235	339	484	892	1742	288	3980
Center	1	56		209	292	441	858	1717	279	3796
Home		24		26	47	43	34	25	9	184
Southeast Maricopa	68	52	9	302	490	626	906	1311	188	3823
Center	66	43	9	294	478	611	875	1256	184	3698
Home	2	9		8	12	15	31	55	4	125
Southwest Maricopa	21	24		97	201	293	352	597	135	1675
Center	16	20		95	195	289	351	593	132	1655
Home	5	4		2	6	4	1	4	3	20
Tohono O'odham Nation		4		1	11	15	59	83	5	174
Center		4		1	11	15	59	83	5	174

Quality First Eligible Applicant and Enrolled Participant Data Report

Regional Partnership Council	Wait List	Full Participation	Rating Only	Infants*	Toddlers*	2 Yr Olds*	3Yr Olds*	4 Yr Olds*	5 Yr Olds*	Total Enrollment 0 - 5*
Home										
White Mountain Apache Tribe		1		13	23	15	18	12		81
Center		1		13	23	15	18	12		81
Home										
Yavapai	5	31		64	130	169	307	388	93	1151
Center	4	27		61	118	158	300	379	92	1108
Home	1	4		3	12	11	7	9	1	43
Yuma	11	36	4	61	104	121	221	486	120	1113
Center	1	16	4	51	73	96	202	475	116	1013
Home	10	20		10	31	25	19	11	4	100
Statewide Total	335	825	49	3180	5330	7363	11100	15752	3577	46302

*Enrollment data is self reported by Child Care provider.

Quality First Preliminary Star Level for Enrolled Providers by Regional Partnership Council

Regional Partnership Council	1 Star	2 Star	3 Star	4 Star	5 Star	Unknown	Total
Central Maricopa		27	11	8	1	1	48
Central Phoenix	3	50	7	1	1		62
Central Pima	2	52	20	6	3		83
Cochise	4	23	5	4	1		37
Coconino	1	11	5	2			19
Cocopah Tribe							
Colorado River Indian Tribes							
Gila		5	3				8
Gila River Indian Community							
Graham/Greenlee		6	1				7
La Paz/Mohave		13	3	1			17
Navajo Nation							
Navajo/Apache							
North Phoenix	2	61	21	2	2		88
North Pima		19	5	4	3		31
Northeast Maricopa		14	5	2			21
Northwest Maricopa	2	45	18	11	3		79
Pascua Yaqui Tribe							
Pima South	2	45	19	7	1		74
Pinal	1	24	8				33
San Carlos Apache		7					7
Santa Cruz		3	2				5
South Phoenix	5	53	13	7	2		80
Southeast Maricopa		44	10	7			61
Southwest Maricopa	1	15	6	1		1	24
Tohono O'odham Nation							
White Mountain Apache Tribe							
Yavapai		22	7	2			31
Yuma	1	19	14	6			40
Total	24	572	187	72	17	2	874

Note: Regional partner councils' provider ratings are suppressed for confidentiality reasons, as the total providers enrolled within this regional area is less than 5.



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AGENDA ITEM:

FY13 Fiscal Year End Audit

CEO RECOMMENDATION(S):

- Accept the FY13 Audit

DISCUSSION:

Attached is the FY13 Fiscal Year End Audit. There were no significant/major findings as part of the audit. The included financials show that FTF's position remains relatively constant with last year.

Also attached is the management letter related to the audit. Within this letter, no recommendations on FTF's business practices were made by the external audit team this year.



Board of Directors
Arizona Early Childhood Development and Health Board

We have audited the financial statements of Arizona Early Childhood Development and Health Board for the year ended June 30, 2013, and have issued our report thereon dated September 26, 2013. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and Government Auditing Standards as well as certain information related to the planned scope and timing of our audit. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under Auditing Standards Generally Accepted in the United States of America

As stated in our engagement letter dated April 24, 2013, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your responsibilities.

Our responsibility for the required supplementary information accompanying the financial statements, as described by professional standards, is to apply certain limited procedures consisting of inquiries of management about methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement.

As part of our audit, we considered the internal control of Arizona Early Childhood Development and Health Board. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. Such matters are communicated in the remainder of this letter or have previously been communicated during other phases of the audit. However, the standards do not require us to design procedures specifically to identify such matters.

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Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Arizona Early Childhood Development and Health Board are described in Note 1 to the financial statements. No new accounting policies were adopted and application of existing policies was not changed during the year ended June 30, 2013. We noted no transactions entered into by the Agency during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Due to the nature of the Agency and its funding sources, there are no estimates that are particularly sensitive.

The disclosures in the financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We identified no audit adjustments for the year ended June 30, 2013.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 26, 2013.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Agency's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Agency's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the required supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements in accordance with auditing standards generally accepted in the United States of America, the method of preparing it has not changed from the prior period. We compared and reconciled the required supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We do not express an opinion or provide assurance on the required supplementary information.

This communication is intended solely for the information and use of Arizona Early Childhood Development and Health Board's Board of Directors and management and is not intended to be and should not be used by anyone other than these specified parties.

Henry & Horne LLP

Casa Grande, Arizona
September 26, 2013



FIRST THINGS FIRST

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John Huppenthal

Superintendent ADE

Interim Chief Executive Officer

Sam Leyvas

September 26, 2013

Henry & Horne, LLP
1115 E Cottonwood Lane, Suite 100
Casa Grande, AZ 85112

We are providing this letter in connection with your audit of the financial statements of Arizona Early Childhood Development and Health Board ("Board"), which comprise the respective financial position of the governmental activities and each major fund, as of June 30, 2013, and the respective changes in financial position for the year then ended, and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United State of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We, confirm, to the best of our knowledge and belief, as of September 26, 2013, the following representations made to you during your audit.

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated April 24, 2013, including our responsibility for the preparation and fair presentation of the financial statements and for preparation of the supplementary information in accordance with the applicable criteria.

2. The financial statements referred to above are fairly presented in conformity with U.S. generally accepted accounting principles and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.

3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

4. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions we used in making accounting estimates are reasonable.
6. All events subsequent to the date of the financial statements and for which US GAAP requires adjustment or disclosure have been adjusted or disclosed. No events, including instances of noncompliance, have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to, or disclosure in, the aforementioned financial statements.
7. We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of the Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
8. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
9. We have no knowledge of any fraud or suspected fraud affecting the entity involving:
 - a. Management,
 - b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on the financial statements.
10. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, analysts, regulators, or others.
11. We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
12. We have made available to you all financial records and related data.
13. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
14. The Board has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities or equity.
15. We are responsible for compliance with the laws, regulations, and provisions of contracts and agreements applicable to us, including tax or debt limits and debt contracts; and we have identified and disclosed to you all laws, regulations and provision of contracts and agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.

16. There are no violations or possible violations of budget ordinances, laws or regulations, (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and agreements, tax or debt limits, and any related debt covenants, if applicable, whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, or for reporting on noncompliance.
17. As part of your audit, you assisted with preparation of the financial statements and related notes. We have designated an individual with suitable skill, knowledge, or experience to oversee your services and have assumed all management responsibilities. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.
18. The Board has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
19. The Board has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
20. We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
21. The financial statements properly classify all funds and activities.
22. All funds that meet the quantitative criteria in GASBS No. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
23. Interfund balances have been appropriately classified and reported.
24. Provisions for uncollectible receivables, if applicable, have been properly identified and recorded.
25. Expenses have been appropriately classified in or allocated to functions and programs, and allocations have been made on a reasonable basis.
26. Revenues are appropriately classified within program revenues or general revenues.
27. Deposits and investments are properly classified as to risk and are properly disclosed.
28. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period.
29. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
30. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.

31. The following, if any, have been properly recorded or disclosed in the financial statements:
- a. Related party transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties.
 - b. Guarantees, whether written or oral, under which the District is contingently liable.
 - c. All accounting estimates that could be material to the financial statements, including the key factors and significant assumptions underlying those estimates and measurements. We believe the estimates and measurements are reasonable in the circumstances.
32. We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with generally accepted accounting principles, and we have not consulted a lawyer concerning litigation claims or assessments.

Signed: _____

Title: _____

CFO/COO

HENRY & HORNE, LLP
CERTIFIED PUBLIC ACCOUNTANTS

ARIZONA EARLY CHILDHOOD DEVELOPMENT
AND HEALTH BOARD

FINANCIAL STATEMENTS

Year Ended June 30, 2013



ARIZONA EARLY CHILDHOOD DEVELOPMENT AND HEALTH BOARD

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Arizona Early Childhood Development and Health Board
Phoenix, Arizona

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of Arizona Early Childhood Development and Health Board ("Board"), of the State of Arizona, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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As discussed in Note 1, the financial statements of the Arizona Early Childhood Development and Health Board, State of Arizona, are intended to present the financial position, and the changes in the financial position of only that portion of the aggregate remaining fund information of the State of Arizona that is attributable to transactions of the Arizona Early Childhood Development and Health Board. They do not purport to, and do not, present fairly the financial position of the State of Arizona as of June 30, 2013, or the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of Arizona Early Childhood Development and Health Board, of the State of Arizona as of June 30, 2013, and the respective changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 8 and 19 through 20, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 26, 2013, on our consideration of the Arizona Early Childhood Development and Health Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Arizona Early Childhood Development and Health Board's internal control over financial reporting and compliance.

Henry & Horne LLP

Casa Grande, Arizona
September 26, 2013

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2013**

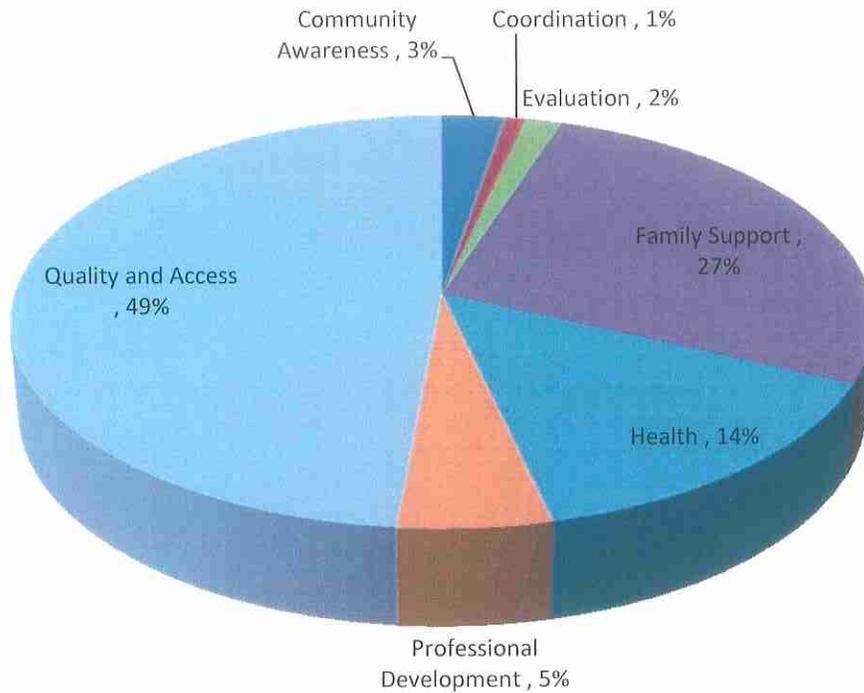
The discussion and analysis is designed to provide an analysis of the Arizona Early Childhood Development and Health Board's (Health Board's) financial conditions and operating results and to also inform the reader on the Health Board's issues and activities.

Financial Highlights

Key financial highlights for fiscal year 2012-2013 are as follows:

- Program spending totaled \$ 132.3 million in the following Goal Areas:

**AZ Early Childhood Development and Health Board
Goal Area Expenditures**

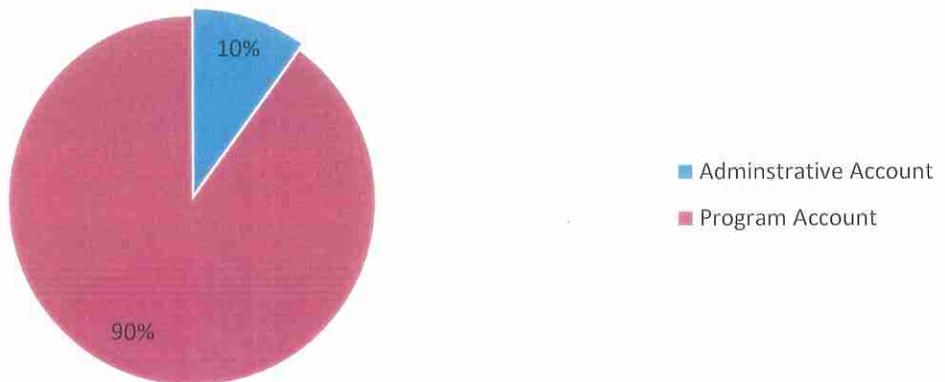


Fiscal year 2013 program expenditures were allocated to these goals areas throughout the state. The Quality and Access goal is in place to increase the availability, quality and diversity of learning environments that support children's language and literacy development, emotional well-being, health and safety. This includes Quality First, the Health's Board's signature program that has engaged more than 900 center and home based child care providers in efforts to improve the quality of the early education services they provide. The Professional Development goal area focuses on developing a comprehensive and well-articulated professional development system within Arizona for teachers who work with infant, toddlers and preschoolers. Professional development strategies also address increasing those teachers access to college coursework and/or degrees so that they are better prepared to engage young

minds. Under the Health goal areas, funds are allocated to improve children's health by increasing the number of children with continuous medical, mental health and dental insurance coverage and expanding access to medical and dental homes, increasing medical professionals' use of best practice guidelines for preventive medical, oral and mental healthcare, and expanding the use of early screening to identify children with developmental delays. Funds allocated to the Family Support goal area support the goal to expand families' access to the information, services and supports they need to help their young children achieve their fullest potential. The overall goal for Coordination is to facilitate coordination among the federal, state, private and tribal system related to early childhood development and health to ensure a common understanding of the systems, share ownership in ensuring access to services for all children and maximize resources. A multi-level system of research and evaluation strategies were implemented under the Evaluation goal area to be responsive to the information needs of varied stakeholder groups including the First Things First Board, Regional Partnership Council, directors and members, and Arizona citizens. Finally, the goal of Community Awareness is to use a variety of community-based activities and materials to increase public awareness of the critical importance of early childhood development and health.

- Revenue continues to be recorded in the following accounts:

AZ Early Childhood Development and Health Board Revenue



In fiscal year 2013, \$13.24 million of a total of \$132.4 million of tobacco tax funds collected were deposited in the Administrative account, as required by law.

Overview of the Financial Statements

The Health Board's basic financial statements comprise two components: 1) fund financial statements, and 2) notes to financial statements. This report also contains supplementary information in addition to the basic financial statements themselves.

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Health Board uses accounting to ensure and demonstrate compliance with finance-related legal requirements. The Health Board's financial information is reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting, which measure cash and other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Health Board's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the Health Board's projects.

Notes to the financial statements

The Notes to the Financial Statements provide additional information that is essential for a full understanding of the data provided in the statements.

Financial Analysis

The following table and analysis discuss the financial position and changes to the financial position for the Health Board as a whole as of and for the year ended June 30, 2013.

Balance Sheet

The following table reflects the condensed Balance Sheet as of June 30, 2013.

Condensed Balance Sheet (in Thousands)

	Program Fund	Admin Fund	Non-major Funds	Total
Total assets	\$ 354,155	\$ 84,396	\$ 1,296	\$ 439,847
Total liabilities	16,165	817	1,239	18,221
Total fund balances	<u>\$ 337,990</u>	<u>\$ 83,579</u>	<u>\$ 57</u>	<u>\$ 421,626</u>

Total assets have decreased from fiscal year 2012. This is mainly due to a lower ending cash balance at the end of the year.

Changes in Fund Balances

The following table presents a summary of the changes in fund balance for the year ended June 30, 2013.

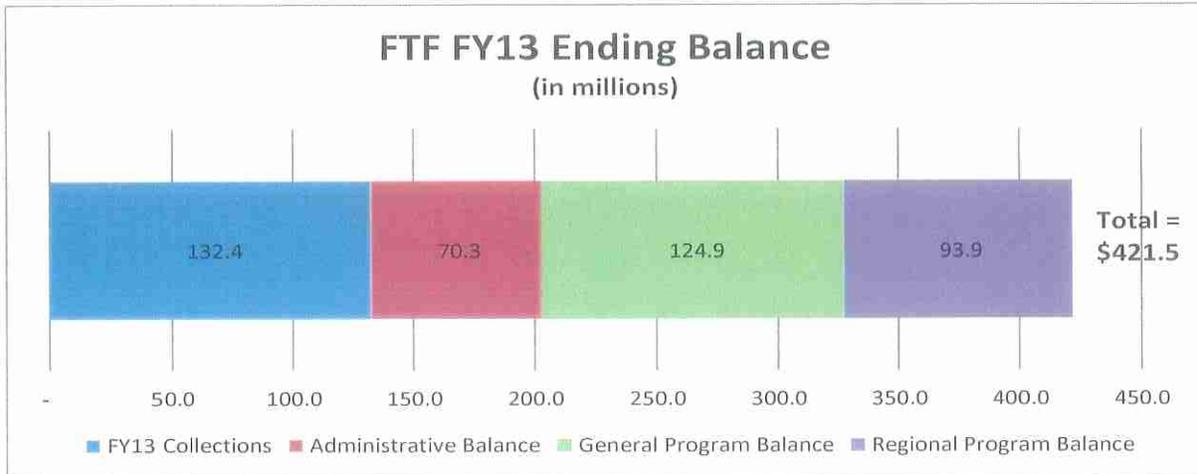
Condensed Revenues, Expenditures and Changes in Fund Balances
(in Thousands)

	Program Fund	Admin Fund	Non-major Funds	Total
Program revenues				
Tobacco tax	\$ 113,191	\$ 12,577	\$ -	\$ 125,768
Investment earnings	5,998	666	51	6,715
Grants		1	499	500
Total revenues	<u>119,189</u>	<u>13,244</u>	<u>550</u>	<u>132,983</u>
Expenditures				
Personal and related expenditures	2,237	9,581	104	11,922
Professional services	1,775	1,080	179	3,034
Travel	61	387	31	479
Aid to others	124,462	16	1,249	125,727
Other expenditures	3,721	1,973	11	5,705
Total expenditures	<u>132,256</u>	<u>13,037</u>	<u>1,574</u>	<u>146,867</u>
Excess of revenues over expenditures	(13,067)	207	(1,024)	(13,884)
Transfers in	-	-	1,073	1,073
Beginning fund balances	<u>351,057</u>	<u>83,372</u>	<u>8</u>	<u>434,437</u>
Ending fund balances	<u>\$337,990</u>	<u>\$83,579</u>	<u>\$ 57</u>	<u>\$421,626</u>

While FTF ended the fiscal year in a positive position in relation to the final approved budget, FY13 marks the second year in which total agency fund balance reduced some \$12.9 million.

Despite the overall drop in fund balance, the decline was not nearly as significant as what would have occurred had 100% of allotted budgets been successfully spent (particularly in the Program area). The actual drop in fund balance was \$23.7 million less than budgeted.

FTF ended the fiscal year with \$421.5 million. Of this amount, \$132.4 million are current year collections which serve as the base for FY15's expenditure budget. This leaves a marginal fund balance of \$289.1 million of which \$70.3 is in the Administrative Account, \$124.9 million is in the general Program Account, and \$93.9 is held within regional fund balances.



Financial Analysis of the Health Board’s Funds

The Health Board maintains fund accounting to demonstrate compliance with budgetary and legal requirements. The following is a brief discussion of financial highlights from the fund financial statements.

Governmental Funds

The focus of governmental fund financial statements is to provide information on the near-term inflows, outflows and balances of spendable resources. The Health Board maintains two major governmental funds 1) program funds and 2) administrative fund.

The Program Fund is the main operating fund of the Health Board and is used in furtherance of the objectives set forth in Arizona Revised Statutes, Title 8, Chapter 13.

The Administrative Fund is used to pay administrative expenses.

Budgetary Highlights

When the initiative passed creating FTF (in November 2006), it dictated tax revenues would begin to be collected and accrue to the agency starting January 1, 2007 (six months into FY07). The timing of when the agency would begin spending funds was also outlined in statute, with full spending to begin in FY10. Statute created several allowances for earlier spending, but statute expressly acknowledged a “development phase.” Annual collection of tobacco tax revenue and interested income form the basis for the budget the Board is responsible for setting each year for the subsequent year (per ARS 8-1184). In setting this budget statute directs the Board to determine the total amount of funds necessary to support the administrative and program (statewide and regional) funding needs. Once this total spending budget is set, statute then guides how the funds within the Program area will be allocated.

Economic and Other Factors

Tobaccos Revenues

FTF has historically projected tobacco revenues would decline over time. However, in June 2012 the FTF Board was presented the findings from economic analysis it had request be completed by the L. William Seidman Research Institute, W. P. Carey School of Business at ASU. This analysis concluded that FTF's Tobacco Tax collections will not fall as radically as previously considered. In fact, relative stability can be expected from this fund source assuming quite modest and realistic returns (in subsequent years) in population growth and economic conditions. As the Board adopted a new sustainability plan that assumes tobacco collections levels which are stable and actually slightly above FY12 levels. These projections and the associated modeling done by the L. William Seidman Research Institute will be monitored in the coming years to assess and assure their accuracy.

In reviewing FY13 collections, FTF Board has determined a relatively less aggressive tobacco collection projections being made for the current year. These projections are still in line with the tax modeling work done by ASU's School of Business, but instead of being based on the "expected" figures they are based on the "lower" band. Based on these figures (\$125.8 million FY13 actuals and \$122.2 million FY14 budget), FTF is projecting a decrease (\$3.6 million) in collections next fiscal year, however it represents only a very moderate decrease over FY13's collection totals

Investment Income

The Health Board has been investing its funds in a low yield and highly liquid investments pool since inception. Now that the agency has been established and start-up costs have been covered, a substantial fund balance has grown. In order to take advantage of this balance, the Health Board has sought other, higher yielding investments options to bring in greater interest income. FTF implemented a new investment strategy with the Treasurer's office that continues yield at much higher rate of return (as planned/anticipated), with FTF receiving over a half million dollars in one month. This strategy will help to counter the eventual spend down of the agency's fund balance.

Financial Contact

The Health Board's financial statements are designed to present users with a general overview of the finances and to demonstrate accountability. If you have any questions about the report or need additional financial information, please contact Liz Barker Alvarez, Vice President for Communications (602) 771-5063.

ARIZONA EARLY CHILDHOOD DEVELOPMENT AND HEALTH BOARD
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2013

	Program Fund	Administrative Fund	Non-major Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 339,518,484	\$ 82,893,706	\$ 654,871	\$ 423,067,061
Tobacco tax receivable	6,568,121	729,792	-	7,297,913
Other receivables	7,564,571	-	-	7,564,571
Due from other agencies	-	-	359,913	359,913
Grants receivable	-	-	281,027	281,027
Due from other funds	503,610	772,678	-	1,276,288
TOTAL ASSETS	\$ 354,154,786	\$ 84,396,176	\$ 1,295,811	\$ 439,846,773
LIABILITIES AND FUND BALANCES				
Liabilities				
Grants/other payables	\$ 16,104,683	\$ 109,002	\$ 485,303	\$ 16,698,988
Accrued liabilities	38,877	204,070	2,179	245,126
Due to other funds	21,150	503,610	751,528	1,276,288
TOTAL LIABILITIES	16,164,710	816,682	1,239,010	18,220,402
Fund balances				
Restricted	337,990,076	83,579,494	56,801	421,626,371
TOTAL FUND BALANCES	337,990,076	83,579,494	56,801	421,626,371
TOTAL LIABILITIES AND FUND BALANCES	\$ 354,154,786	\$ 84,396,176	\$ 1,295,811	\$ 439,846,773

See accompanying notes.

ARIZONA EARLY CHILDHOOD DEVELOPMENT AND HEALTH BOARD
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended June 30, 2013

	Program Fund	Administrative Fund	Non-major Funds	Total Governmental Funds
REVENUES				
Tobacco tax	\$ 113,191,236	\$ 12,576,804	\$ -	\$ 125,768,040
Investment earnings	5,997,669	666,408	51,103	6,715,180
Grants and donations	-	733	499,406	500,139
TOTAL REVENUES	119,188,905	13,243,945	550,509	132,983,359
EXPENDITURES				
Current:				
Personal services	1,615,092	7,063,082	77,653	8,755,827
Employee related expenditures	621,454	2,518,006	26,210	3,165,670
Professional-outside services	1,774,987	1,079,881	179,143	3,034,011
Travel in-state	51,581	319,890	3,071	374,542
Travel out-of-state	9,749	66,780	28,448	104,977
Aid to others	124,462,229	16,013	1,249,233	125,727,475
Other operating expenditures	3,641,162	1,645,433	7,988	5,294,583
Non-capital equipment	79,559	312,593	2,781	394,933
Capital equipment	-	15,348	-	15,348
TOTAL EXPENDITURES	132,255,813	13,037,026	1,574,527	146,867,366
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(13,066,908)	206,919	(1,024,018)	(13,884,007)
OTHER FINANCING SOURCES (USES)				
Transfers in from other state agencies	-	-	1,072,561	1,072,561
Total other financing sources (uses)	-	-	1,072,561	1,072,561
Net change in fund balances	(13,066,908)	206,919	48,543	(12,811,446)
FUND BALANCES				
BEGINNING OF YEAR	351,056,984	83,372,575	8,258	434,437,817
FUND BALANCES END OF YEAR	\$ 337,990,076	\$ 83,579,494	\$ 56,801	\$ 421,626,371

See accompanying notes.

ARIZONA EARLY CHILDHOOD DEVELOPMENT AND HEALTH BOARD
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Early Childhood Development and Health Board (Board) is an agency of the State of Arizona (State). The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units for one or more individual funds and not the overall government. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Reporting Entity

The Board was established by Ballot Proposition 203 (Prop 203) in the November 7, 2006, State of Arizona general election to provide programs and services to pre-kindergarten children and their families for the purpose of assisting child development by providing education and other support, including parent and family support programs, child care, preschool, health screenings and access to preventive health services. As required by Arizona Revised Statutes (A.R.S.) §16-651, on December 7, 2006, the Governor issued the Governor Issues Elections Proclamation declaring Prop 203 into law immediately and effectively creating the Board.

The Board is part of the State of Arizona's reporting entity. However, the fund financial statements are intended to present solely the transactions of the Board for the current year. These statements do not present the financial position or changes in financial position of the State. The State issues a publicly available Comprehensive Annual Financial Report (CAFR). Copies of the CAFR are posted on the Arizona Department of Administration's General Accounting Office's (GAO) Web site at www.gao.state.az.us or can be obtained by contacting the GAO at 100 North 15th Avenue, 3rd Floor, Suite 302, Phoenix, Arizona, 85007.

The A.R.S. §8-1186 requires an annual audit of the Board's funds, accounts, and sub-accounts by an independent certified public accountant within 120 days after the end of the fiscal year. The accompanying financial statement serves as the basis for this audit.

Fund Balances – Governmental Funds

As of June 30, 2013, fund balances of the governmental funds are classified as follows:

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Interfund Receivables and Payables

Interfund receivables and payables represent short-term cash loans at year end. All such balances are expected to be repaid in the next fiscal year.

ARIZONA EARLY CHILDHOOD DEVELOPMENT AND HEALTH BOARD
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus/Basis of Accounting

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Board considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Tobacco tax income associated with the current fiscal period is considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Grants and similar awards are recognized as revenues as soon as all eligibility requirements imposed by the grantor or provider have been met. Other revenue is not susceptible to accrual because generally they are not measurable until received in cash.

The Board reports the following major special revenue funds:

Program Fund – A.R.S. §8-1181(D) requires that 90 percent of monies received pursuant to A.R.S. §42-3371 shall be deposited into the Program Fund. Monies deposited into this fund are to be used in furtherance of the objectives set forth in Prop 203.

Administrative Fund – Ten percent of the monies received by the Board pursuant to A.R.S. §42-3371 shall be deposited into an Administrative Fund. Monies deposited into the Administrative Fund are used to pay administrative expenses, including the Board's staff salaries.

The focus of the governmental fund financial statements is on major funds rather than reporting fund by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. The Board's non-major funds are as follows:

Other Special Revenue Funds

Private Gifts Fund
Grant Monies Fund
Federal Grants Fund

Cash and Cash Equivalents

Cash represents amounts in demand deposits and amounts held in trust by financial institutions. The funds held in trust are available to the Board upon demand. Cash equivalents are defined as short-term (original maturities of three months or less), highly liquid investments that are 1) readily convertible to known amounts of cash and 2) so near maturity that they present insignificant risk of changes in value because of changes in interest rates.

ARIZONA EARLY CHILDHOOD DEVELOPMENT AND HEALTH BOARD
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment Valuation

Arizona Revised Statutes (ARS) authorize the Board to invest public monies in the State Treasurer's Local Government Investment Pool. As required by GASB Accounting Standards Codification, investments are reported at fair value which is the amount at which financial instruments could be exchanged in a current transaction between willing parties.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 2 CASH AND INVESTMENTS HELD BY THE STATE TREASURER

All cash is deposited or invested with the Arizona State Treasurer (Treasurer). The Treasurer is part of the State's financial reporting entity and issues a separately published Annual Financial Report. A copy of the Treasurer's Annual Financial Report can be obtained from its Web site at www.aztreasury.gov or by contacting the Treasurer's Office at 1700 West Washington St., 1st Floor, Phoenix, AZ, 85007-2812.

A.R.S. requires state agencies' monies to be deposited with the Treasurer, and further requires those deposits to be invested in various pooled funds. Cash and investments held by the Treasurer represent the Board's portion of those monies. The Treasurer invests idle monies of the state agencies in internal investment pools (Pool 3 and Pool 16) and distributes interest to the participants. Interest earned from these invested monies is allocated monthly based on the average daily balance. Participant shares in the pool are purchased and sold based on the net asset value of the shares, and a participant's portion of the pool is not identified with specific investments. Accordingly, the Board's portion of these deposits and investments approximates the Board's value of pool shares.

The Treasurer's internal investment Pool 3 and Pool 16 are not required to be registered (and are not registered) with the Securities and Exchange Commission under the Investment Company Act of 1940. In accordance with A.R.S. §35-311, the State Board of Investments reviews the activities and performance of the pool monthly.

ARIZONA EARLY CHILDHOOD DEVELOPMENT AND HEALTH BOARD
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2013

NOTE 2 CASH AND INVESTMENTS HELD BY THE STATE TREASURER

At June 30, 2013, the Board's deposits with the Treasurer were as follows:

	Program Fund	Administrative Fund	Non-major Funds	Total
Cash	\$ 10,321,077	\$ 2,417,932	\$ 654,871	\$ 13,393,880
Investments-Pool 3 & Pool 16	329,197,407	80,475,774	-	409,673,181
	<u>\$ 339,518,484</u>	<u>\$ 82,893,706</u>	<u>\$ 654,871</u>	<u>\$ 423,067,061</u>

NOTE 3 RETIREMENT AND PENSION PLAN

Arizona State Retirement Plan

Plan Description. The Arizona State Retirement System (ASRS) administers a cost sharing multiple-employer defined benefit pension plan that covers employees of the Board. The ASRS is governed by the Arizona State Retirement System Board according to the provisions of ARS Title 38, Chapter 5, Article 2. Benefits are established by state statute and generally provide retirement, death, long-term disability, survivor, and health insurance premium benefits. ASRS issues a publicly available report that includes financial statements and required supplementary information.

The report may be obtained in writing at Arizona State Retirement System, 3300 N. Central Avenue, P.O. Box 33910, Phoenix, Arizona 85067-3910 or by calling 602-240-2200 or 1-800-621-3778.

Funding Policy. The Arizona State Legislature establishes and may amend active plan members' and the Board's contribution rates. For the year ended June 30, 2013, active ASRS members were required by statute to contribute at the actuarially determined rate of 11.14% (10.9% retirement and .24% long-term disability) of the member's annual covered payroll and the Board was required by statute at the actuarially determined rate of 11.14% (10.25% retirement, 0.65% for health insurance premium, and 0.24% long-term disability) of the members' annual covered payroll. The Board's contributions to ASRS for the years ended June 30, 2013, 2012, and 2011 were \$872,525, \$816,089 and \$722,862, respectively.

Years ended June 30,	Retirement	Health Insurance	Long-term Disability	Total
2013	\$ 802,818	\$ 50,910	\$ 18,797	\$ 872,525
2012	749,980	47,871	18,238	816,089
2011	661,218	43,298	18,346	722,862

ARIZONA EARLY CHILDHOOD DEVELOPMENT AND HEALTH BOARD
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 4 RESTRICTED FUND BALANCE

The Board has restricted fund balances in the Program Fund and Administrative Fund due to voter-imposed legislation which imposed a state-wide tobacco tax to provide funding for quality early childhood development and health. The Non-major Fund balance is restricted due to grantor restrictions imposed at the time grants are awarded.

NOTE 5 INTERAGENCY SERVICE AGREEMENT

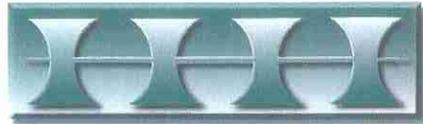
The Board executed an interagency service agreement with the Arizona Department of Health Services ("ADHS") in the amount of \$1,456,478 to provide financial support to the Board for costs associated with securing evidence-based early intervention home visitation services through the Nurse Family Partnership and/or Health Families models to eligible women in identified Community Health Analysis Areas in Arizona. Transfers into the Board's accounts for year ended June 30, 2013 amounted to \$1,072,561, including \$359,913 due from ADHS to the Board at June 30, 2013. The Agreement is effective through September 30, 2015.

ARIZONA EARLY CHILDHOOD DEVELOPMENT AND HEALTH BOARD
PROGRAM FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
Year Ended June 30, 2013

	Budgeted Amounts		Variance with Final Budget-
	Original & Final	Actual Amounts	Positive (Negative)
REVENUES			
Tobacco tax	\$ 120,464,100	\$ 113,191,236	\$ (7,272,864)
Investment earnings	5,474,603	5,997,669	523,066
TOTAL REVENUES	<u>125,938,703</u>	<u>119,188,905</u>	<u>(6,749,798)</u>
EXPENDITURES			
Current			
Personal services	1,662,199	1,615,092	47,107
Employee related expenditures	626,015	621,454	4,561
Professional and outside services	4,106,376	1,774,987	2,331,389
Travel in-state	229,213	51,581	177,632
Travel out-of-state	10,905	9,749	1,156
Aid to others	223,229,605	124,462,229	98,767,376
Other operating expenditures	594,477	3,641,162	(3,046,685)
Non-capital equipment	11,390	79,559	(68,169)
TOTAL EXPENDITURES	<u>230,470,180</u>	<u>132,255,813</u>	<u>98,214,367</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(104,531,477)	(13,066,908)	91,464,569
FUND BALANCE BEGINNING OF YEAR	<u>351,056,984</u>	<u>351,056,984</u>	<u>-</u>
FUND BALANCE END OF YEAR	<u>\$ 246,525,507</u>	<u>\$ 337,990,076</u>	<u>\$ 91,464,569</u>

ARIZONA EARLY CHILDHOOD DEVELOPMENT AND HEALTH BOARD
ADMINISTRATIVE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
Year Ended June 30, 2013

	Budgeted Amounts		Variance with Final Budget-
	Original & Final	Actual Amounts	Positive (Negative)
REVENUES			
Tobacco tax	\$ 13,384,900	\$ 12,576,804	\$ (808,096)
Investment earnings	608,289	666,408	58,119
Grants and donations	-	733	733
	<u>13,993,189</u>	<u>13,243,945</u>	<u>(749,244)</u>
TOTAL REVENUES			
EXPENDITURES			
Current			
Personal services	8,104,358	7,063,082	1,041,276
Employee related expenditures	3,052,905	2,518,006	534,899
Professional and outside services	642,987	1,079,881	(436,894)
Travel in-state	333,569	319,890	13,679
Travel out-of-state	73,443	66,780	6,663
Aid to others	-	16,013	(16,013)
Other operating expenditures	1,925,283	1,645,433	279,850
Non-capital equipment	182,241	312,593	(130,352)
Capital	-	15,348	(15,348)
	<u>14,314,786</u>	<u>13,037,026</u>	<u>1,277,760</u>
TOTAL EXPENDITURES			
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(321,597)	206,919	528,516
FUND BALANCE BEGINNING OF YEAR	<u>83,372,575</u>	<u>83,372,575</u>	<u>-</u>
FUND BALANCE END OF YEAR	<u>\$ 83,050,978</u>	<u>\$ 83,579,494</u>	<u>\$ 528,516</u>



HENRY & HORNE, LLP
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

The Board of Directors and the Executive Director
Arizona Early Childhood Development and Health Board
Phoenix, Arizona

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of Arizona Early Childhood Development and Health Board, Arizona (Board), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Arizona Early Childhood Development and Health Board's basic financial statements, and have issued our report thereon dated September 26, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Arizona Early Childhood Development and Health Board's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Board's internal control. Accordingly, we do not express an opinion on the effectiveness of Arizona Early Childhood Development and Health Board's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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Scottsdale, AZ 85253-4517
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Casa Grande
1115 E. Cottonwood Lane
Suite 100
Casa Grande, AZ 85122-2950
(520) 836-8201
Fax (520) 426-9432

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Arizona Early Childhood Development and Health Board's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Henry & Herne LLP

Casa Grande, Arizona
September 26, 2013



FIRST THINGS FIRST

Ready for School. Set for Life.

AGENDA ITEM: Presentation of *On Track: Ensuring School Readiness for Arizona's Children*, a report from the Kindergarten Developmental Inventory Stakeholder Taskforce and update on development of a K-3 Assessment System.

BACKGROUND: Over the past year, the Arizona Department of Education (ADE), working in collaboration with the State Board of Education, First Things First and the Virginia G. Piper Charitable Trust have led efforts to move forward on developing and implementing a Kindergarten Entry Assessment, which once adopted in Arizona, will be called the Kindergarten Developmental Inventory (KDI). These partners convened a KDI Stakeholder Taskforce, an advisory group funded by the Piper Trust to help raise issues that should be considered when planning for the KDI. The KDI Taskforce completed the attached report that describes key considerations related to the KDI instrument, professional development and training that will be needed, and communication strategies.

In addition to these efforts to set the stage for a KDI, Arizona also joined with nine other states and three nationally recognized research partners in a consortium to enhance a state-of-the-art system for assessing young children's learning in the early elementary grades. Supported by a \$6.1 million Enhanced Assessment Grant from the U.S. Department of Education, these states, with North Carolina as the lead state, are developing a K-3 formative assessment that includes a KEA.

RECOMMENDATION: For informational purposes only.

ARIZONA UPDATE

KINDERGARTEN DEVELOPMENTAL INVENTORY AND THE K-3 FORMATIVE ASSESSMENT CONSORTIUM

First Things First (FTF) is committed to understanding and improving children’s health and development from birth to the beginning of kindergarten. The adoption of our 10 School Readiness Indicators (attached) that address health, development, and education for young children are explicitly designed to evaluate Arizona’s progress on eliminating disparities in child outcomes and closing the opportunity and readiness gap. The first of these 10 indicators is a kindergarten entry assessment (KEA) across the five domains of learning. A KEA provides families, teachers and schools with a holistic look at what children know and are able to do. This indicator will also be used in conjunction with the other nine indicators to inform how well Arizona is doing to improve school readiness, and where further supports should be targeted.

Over the past year, the Arizona Department of Education (ADE), working in collaboration with the State Board of Education, FTF and the Virginia G. Piper Charitable Trust have led efforts to move forward on developing and implementing a KEA, which once adopted in Arizona, will be called the Kindergarten Development Inventory (KDI). These partners convened a KDI Stakeholder Taskforce, an advisory group funded by the Piper Trust to help raise issues that should be considered when planning for the KDI. The KDI Taskforce included a diverse group of early childhood experts, K-12 administrators and teachers, (including those from schools in tribal communities), policymakers, program directors, faculty from Arizona’s higher education institutions and nonprofit executives from varied geographic communities across Arizona. The KDI Taskforce completed a report (available on the FTF webpage) that describes key considerations related to the KDI instrument, professional development and training that will be needed, and communication strategies. The Taskforce will continue to provide significant and beneficial input on the KDI instrumentation during the development process and will be able to facilitate communication with families, educators and stakeholders across the state.

In addition to these efforts to set the stage for a KDI, Arizona also joined with nine other states and three nationally recognized research partners in a consortium to enhance a state-of-the-art system for assessing young children’s learning. Supported by a \$6.1 million Enhanced Assessment Grant from the U.S. Department of Education, these states, with North Carolina as the lead state, are developing a K-3 formative assessment that includes a KEA. This K-3 assessment process will begin at kindergarten entry with a KEA, generating a

FIVE DOMAINS OF LEARNING

1. physical well-being and motor development;
2. social and emotional development;
3. approaches toward learning;
4. language and literacy development; and
5. cognitive development and general knowledge.

Child Profile of children’s learning and development, and continue through third grade. Through this project, those who care about education in the critical early elementary years will have a user-friendly, effective resource for generating clear information on where children are in their learning and where they need to go next. In order to realize this goal, the consortium is designing an assessment process with the following essential features:

- **Formative in nature**— that is, rather than being used only to sum up what children already have and have not achieved, the assessment results will *guide instruction and give teachers and students a meaningful tool for adjusting teaching and learning.*

Consortium Partners States

North Carolina (lead)
Arizona
Delaware
District of Columbia
Iowa
Maine
North Dakota
Oregon
Rhode Island
South Carolina

Research Organizations

BUILD
Child Trends
SRI

Stand-alone KEAs, which provide summary snapshots of children’s functioning at one moment in time, are not always designed to inform instruction going forward into the kindergarten year; the Consortium approach of embedding a KEA in a formative assessment

process that extends to third grade will help to ensure that all assessment information, including KEA results, will be viewed as actionable data – information that teachers and students can put to practical use in their classrooms and that families can use to support learning at home.

- **Defines learning holistically and accounts for children’s diverse learning styles.** The assessments will address five key domains of children’s educational development. Consistent with this broad coverage, the assessment will draw on many different kinds of evidence (for example, observations, conversations, work samples, and tasks) from many different sources to shed light on students’ learning progress. The assessment will be appropriate, relevant and useful for all children, including children with disabilities and English Language Learners.
- **Teacher friendly.** The system will use *smart technologies* – innovative technological solutions – to help collect, analyze, interpret, score, and access data. Not only will these technologies reduce burdens on teachers who are asked to provide information to be used in the assessments, but even more important, the technologies will make it easier for teachers to draw on assessment information to inform their practice.
- **Family and student friendly.** In recognition of families’ unique knowledge of their own children and how they are developing, the K-3 assessment will provide opportunities for families to contribute to the assessment process, which will strengthen teachers’ understanding of the children in their classroom.
- **Builds on existing state work to develop KEAs and other educational assessments.** North Carolina, the lead state for the Consortium, has developed a K-3 formative assessment that includes a KEA. As Arizona works to design our common assessment system, we will view the North Carolina system as a starting-point upon which to build, refine, and enhance. While Arizona is very enthusiastic about the opportunity to participate in the development of the Consortium’s K-3 assessment, state procurement law will require ADE to conduct a competitive procurement process to select a KEA for adoption, and this assessment system will be able to be one of the assessments considered.
- **Relies on stakeholder engagement.** This project will utilize the collective knowledge and expertise of the Arizona KDI Taskforce to design and expand a stakeholder engagement process that will build greater buy-in, input and support across diverse constituencies and assure consistent communication and consultation with important stakeholders regarding key decisions in the assessment development and enhancement process.

Over the next year, Arizona will actively participate in the Consortium standards alignment (including the Arizona Early Learning Standards) and assessment development, and will contribute to and review new materials that emerge from the project – for example, any new standards, examples of evidence of learning to be used in assessments, professional development materials, and drafts of the new assessment instrument. In FY 2015, initial pilot tests in a small number of schools will begin with the draft assessment. More extensive field testing is anticipated in FY 2016, as well as convening state experts to review assessment materials, and conducting focus groups and other in-depth forums with parents, teachers, administrators and other constituencies to explain and develop support for the assessments. Arizona will then conduct a formal procurement process to select a common KDI instrument and develop a plan to phase in the assessment and make it available statewide.

*On Track: Ensuring School Readiness
for Arizona's Children*



*A Report to the Arizona Department of Education
from the Kindergarten Developmental Inventory
Stakeholder Taskforce*

Report Authors: Susan Perkins Fry, MA, MPH and Catherine Scott-Little, PhD
November 2013



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Ready for School. Set for Life.



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Introduction



The need for information about the status of children’s development and learning at the start of formal schooling is clear. However, while there is a growing volume of large-scale kindergarten readiness assessment efforts in states and local communities, few resources have been invested in developing assessment tools that address the full range of domains of early learning and child development, and the multiple purposes of such assessments ... With proper resources and informed leadership, states can implement kindergarten readiness assessments as a key resource in a nationwide effort to support healthy development, early learning, and school success for all young children.

— Moving Forward with Kindergarten Readiness Assessment Efforts
The Council of Chief State School Officers (CCSSO)

There is growing momentum among states to collect student data around the time that children enter kindergarten. Often known as Kindergarten Entry Assessments (KEA) or Kindergarten Readiness Assessments, the interest in such assessments has grown because state-level policymakers recognize the value to teachers, children, and their families of data collected during this pivotal transition period in children’s lives—as children begin their formal education in the K-12 school system. Momentum for Kindergarten Entry Assessments has also grown as the federal Race to the Top–Early Learning Challenge grant incentivizes KEA activities. As a result, more than 40 states either have or are planning KEA data collection systems (Scott-Little, 2012).



In early 2013, Arizona embarked on the process of developing its own KEA, which will be named the Kindergarten Developmental Inventory (KDI). Through the guidance of the KDI partners - the Arizona Department of Education (ADE), the Arizona State Board of Education, First Things First (FTF), and Virginia G. Piper Charitable Trust – a Kindergarten Developmental Inventory Stakeholder Taskforce was convened with the goal of providing recommendations to ADE and FTF on the process for developing a KDI in Arizona.

The goal of the stakeholder process was to gather feedback and recommendations on the following questions:

- What are the appropriate and inappropriate uses of a KDI?
- What are the key considerations and expectations related to the assessment tool (validity, psychometrics, administration, etc.)?
- Where are there opportunities for alignment with the early learning system and grades 3-12 assessments?
- What needs to be considered related to the demographics and diversity of the population of kindergarten students in Arizona?
- What guidance is needed around professional development for teachers and school administrators and to ensure the reliability and validity of implementation?
- What messaging and communication are needed for families, educators, and policymakers?

Through three in-person Stakeholder Taskforce meetings, feedback and suggestions were gathered from a diverse group of early childhood experts, K-12 educators and administrators, policymakers, and others (please refer to the appendix for a list of KDI Stakeholder Taskforce members).

This report outlines key considerations for an Arizona KDI planning process, along with suggestions related to KDI implementation. In addition, this report offers background information on Kindergarten Entry Assessments (KEAs) – why they are important and what other states are currently implementing.

Background Information



Before moving forward with the development of a KDI in Arizona, it is important to understand the national KEA movement presently taking place, in addition to Arizona's current early childhood assessment process and kindergarten assessment process.

KEA BACKGROUND INFORMATION

KEAs are being implemented because they can provide a number of potential benefits for educational systems, as well as for individual teachers and students. The potential benefits states envision for KEAs include:

- Opportunities to help kindergarten teachers get to know students and their families more quickly at the beginning of the school year.
- Data that teachers can use to better understand individual student strengths and weaknesses so they can plan individualized educational experiences to build on the student's strengths and address specific developmental areas in which the student may need additional support.
- Information that can be used to identify developmental areas in which a cohort of children generally is doing well and areas in which children are not doing as well. This information can be used to provide clues about how well the state's early childhood resources have supported children's development and learning, and inform programs about potential gaps or weaknesses in services provided to children and families before kindergarten entry.
- Data that can be used to identify teachers' professional development needs. For instance, teachers may need additional professional development on how to support student development and learning in the areas where KEA data indicate children are not doing so well.

Across the country, states' KEAs vary in how they collect student data, and in the types of information collected. Some states, such as Colorado and Delaware, use commercially available assessment tools, while other states like California, Connecticut, and Hawaii, have developed their own assessment tool. The KEAs in all states collect student data within a couple of months of starting kindergarten, and a few, such as Maryland and Ohio, will have

KEA systems that collect data more than once over the course of students' kindergarten year or beyond (North Carolina proposes collecting data into third grade). All states rely on the kindergarten teacher to collect at least some of the data included in their KEA, and several states also collect information from families. For instance, Delaware has developed a parent questionnaire and Washington includes a parent interview as part of the KEA process. Some states, such as Maryland and Ohio, are developing computer technology to help teachers collect and use the KEA data (Wat, Bruner, & Hanus, 2012).

States also are planning on using a variety of strategies to support teachers as they implement the KEA. All states provide initial training on the assessment tool and how to administer it with children. Some offer this training at the state level, while others such as Kentucky envision regional training centers. Some offer on-going technical assistance and a few provide or intend to provide coaches to work with teachers as they implement the KEA (Wat, Bruner, & Hanus, 2012). Looking across the country, it is clear that KEAs are increasingly common and, though the way they are implemented varies, states clearly are investing significant resources to design and implement assessment systems to collect data from children at the time they enter kindergarten.

BACKGROUND ON ARIZONA'S CURRENT EARLY CHILDHOOD AND K-3 ASSESSMENT

Arizona's current early childhood assessment process

Currently, screening and monitoring are taking place in various ways within Arizona's early learning community, with the goal of providing information about children that can be beneficial to providers and families. Preschoolers, particularly those receiving special education services in public school programs or in Head Start, are assessed using Teaching Strategies Gold, the tool that the Arizona State Board of Education has adopted for universal use within its preschool programs. The information that is gathered can help to inform instruction and give teachers the information they need to support child learning and aid in facilitating early intervention that may be necessary.

FTF also supports early childhood assessment through its Quality First program. The goal of Quality First, Arizona's Quality Improvement and Rating System for Early Care and Education Programs, is to improve the early care and education in Arizona so young children can begin school safe, healthy, and ready to succeed. FTF does not currently mandate the use of a specific tool within its Quality First sites, but it does require that all of its four-and five-star Quality First sites (five star being the highest quality site) conduct an assessment that aligns with the Arizona Infant Toddler Developmental Guidelines and the Arizona Early Learning Standards.

Spotlight: Mindy Zapata



Mindy Zapata was a member of the KDI Stakeholder Taskforce and is Southwest Human Development's Early Head Start and Head Start Director. She oversees and manages both programs that work in partnership with families to ensure children are ready for school success. Mindy has more than 1,000 children in her programs, which are based in five metro Phoenix school districts.

Mindy believes that a KDI can help children, families, and teachers with the transition to kindergarten. "What a KDI would offer to the Head Start community is an opportunity to deepen those transition activities that occur already." These transition activities include classroom visits prior to the start of the school year and parent preparation around Common Core. A KDI would allow kindergarten teachers and preschool teachers to work closely with families, and children to align practices."

In addition to informing kindergarten teachers, Mindy believes that a KDI would be useful for preschool teachers. "The early childhood field is deepening its knowledge about some of the global capacities that preschoolers need as they enter the classroom," she says. "We aren't as strong in math and science literacy. And so KDI data flowing back to the preschool side could inform the curriculum that is done with the students. A KDI would identify where there are curricular gaps in early childhood. And then in a developmentally appropriate manner, we could strengthen the instructional practices happening in preschool. Students would then be better academically rounded when they enter kindergarten."

Finally, Mindy feels that a KDI would help to bring together the early childhood community with the K-12 community. "The other exciting byproduct of a KDI is that it would create an atmosphere of common ground with our public-school partners. With assessments, it is high stakes, and sometimes that is not a unifying factor; it becomes a segregating factor in education. A KDI would allow for an important union with early childhood and primary educators to see the developmental continuum. There are significant changes that happen as children move into kindergarten. The KDI offers the opportunity for practitioners, families, and communities to build a system that starts them on the path for positive school success from the very beginning."

While FTF has not yet selected a universal tool for use in its Quality First programs, it anticipates selecting a tool that will align with an Arizona KDI, and also align with any first- and second-grade assessments that are developed, and the third-grade assessment that is aligned to college and careers readiness standards that will be used beginning in the 2014-15 school year. This alignment is important because the information generated from early childhood and K-3 assessments offers early learning providers and the K-12 system an opportunity to collaborate more closely. This collaboration can help build partnerships that will support student success across the learning continuum, and offer a unique opportunity for early learning professionals and kindergarten teachers to work together to ensure a smooth transition as children and their families enter the K-12 system.

While the primary purpose of a KDI in Arizona is to provide teachers with information for instructional purposes, a secondary purpose is to provide aggregate data that can be used to monitor trends across cohorts of students, thus providing information that can be very helpful to the early childhood community. A KDI can serve as a “marker” of students’ early learning, and since it will encompass all five domains (physical and motor development, social and emotional development, approaches to learning, language development and cognitive development), a holistic picture of the student can be created. With the data captured as students enter kindergarten, early childhood instructional practices can be strengthened and tailored, and any gaps in services that may exist can be filled.

Arizona’s current kindergarten assessment process

Arizona has a number of initiatives underway to support teachers and promote children’s success in the early elementary grades. For example, a state-level school readiness committee is developing a definition of kindergarten readiness to guide the early childhood community and the K-12 education system’s efforts to promote smooth and effective transitions to kindergarten. The definition stipulates that children’s general knowledge as well as their ability to regulate their behavior and emotions, and to demonstrate positive approaches toward learning are all important for their future success in school.

Arizona’s young children will demonstrate school readiness through the essential domains of language and literacy development, cognition and general knowledge (including early mathematics and early scientific development), approaches toward learning (curiosity, initiative, persistence, creativity, problem-solving and confidence), physical well-being and motor development, and self-regulation of attention and emotion. Intentional development of skills and knowledge in these domains establishes a critical foundation for children to engage in and benefit from opportunities to learn.

– Arizona School Readiness Committee

Please note that this definition is a draft, and has not yet been vetted by the community. It is subject to change even before vetting begins.

ADE has also taken steps to provide guidance to teachers on what students should learn and what teachers can do to improve instruction in the early grades. The Arizona K-12 Academic Standards define what students should know and be able to do in subject areas such as science, social studies, and physical education, and include the Common Core Standards in Mathematics and English Language Arts. One goal for these standards is to ensure that children develop skills and knowledge that will prepare them for success in the

21st century. Arizona has also recognized the importance of children's early reading skills and has implemented a series of early reading initiatives known collectively as Move on When Reading. Legislative statutes require that schools provide effective reading instruction that is informed by diagnostic screenings and ongoing measures of students' progress in learning to read. Schools must develop and implement a comprehensive plan for how they will provide effective K-3 literacy instruction, and beginning in the 2013-14 school year, are required to retain third-graders who score a "falls far below" on the Arizona Instrument to Measure Standards (AIMS) assessment.

Along with these efforts to define what students should learn and to promote effective instruction in the early grades, Arizona has recognized the need for assessments to provide information on children's knowledge and skills at all grade levels. Good assessments that are aligned with the standards that define what children should know and be able to do are key components of effective instruction. The Arizona State Board of Education is committed to a process that will look closely at several college and career ready (CCR) assessments to find one that best fits with Arizona's requirements, and provides useful information for teachers working with children in third grade and beyond. The KDI planning process extends this investment in assessments that can inform instruction down into kindergarten.

The current emphasis on providing better support for students in kindergarten through third grade is a high priority and is a response to the need for better assessments. In the absence of a statewide assessment to guide kindergarten teachers as they make instructional decisions about students, many districts have implemented their own assessments. There is great variability across the state in how students are assessed and how the information from the assessments is used. Therefore, the KDI partners believe there is a need for a statewide assessment to be used in kindergarten to:

- Provide a state-level picture of how Arizona's children are doing when they enter kindergarten
- Inform intentional instruction in a more consistent way across the state, so teachers can meet individual student needs more effectively
- Provide families with information on children's skills and knowledge
- Guide professional development for teachers
- Support more effective partnerships between early childhood programs and kindergarten programs by providing data that teachers and administrators from both educational communities can use.

Spotlight: Michelle Novelli



Michelle Novelli, a member of the KDI Stakeholder Taskforce, is a kindergarten teacher at Killip Elementary School in the Flagstaff Unified School District. She has taught at Killip for fourteen years, and has been a kindergarten teacher at Killip for nine years. Michelle is a strong supporter of a KDI for a number of reasons. First and foremost, she feels that collecting a broad spectrum of data can be very useful to kindergarten teachers at the start of the school year, especially if it goes beyond just math and literacy assessment.

“I would like to see something that goes beyond academics and includes the social-emotional piece. I really like having the five domains included in the KDI,” she says.

In addition, Michelle’s school has a high transiency rate. Roughly 30% of the students who start the school year in her classroom will be gone by the end of the year. For this reason, she feels that a universal KDI, conducted in all schools across Arizona, would be very useful. “Being a Title I school, Killip Elementary has a high transiency rate. So students we start with may be at a different school within a few months. Having something statewide would be very useful. That consistency would be very helpful for teachers.”

When asked how she would make use of the information generated from a KDI, Michelle says that there are myriad ways that it could impact teachers, students, and parents.

“There are so many ways to use KDI information. When you get that initial information on a student, it is so important to be positive about what each child knows and focus on strengths, not deficits. If I have solid information that someone is lacking in knowledge, then I know that we have a lot of preschool building to do before we do other work like kindergarten Common Core. When we know where they are at, we can honor and respect that, and work from that foundation. We don’t have to work from improper information and we won’t get so frustrated with the student. It’s a win-win. It helps with intervention, enrichment, and day-to-day classroom work. The more we know, the better we can do for our students.”

Setting the Stage for the KDI



PURPOSE OF THE ARIZONA KDI

In the fall of 2011, Arizona applied for the Race to the Top Early Learning Challenge – a federal grant jointly issued by the U.S. departments of Education and Health and Human Services. The Governor’s Office, Arizona Department of Education, First Things First, and Virginia G. Piper Charitable Trust jointly agreed to advance a plan that would begin phasing in a KEA by school year 2014-15. Included in that plan was \$3 million in development funds from Virginia G. Piper Charitable Trust.

Though Arizona was not a successful applicant, the application prompted additional conversations among a set of core partners – ADE, the Arizona State Board of Education, FTF, and Virginia G. Piper Charitable Trust – about the state’s implementation of a KDI. All parties agreed that given the implementation of Arizona’s Common Core Standards and Move on When Reading, and the essential learning that occurs in kindergarten, it is important that kindergarten teachers have an assessment tool that guides instructional strategy. In addition, with First Things First implementing Quality First – a statewide quality improvement and rating system – now more than ever, alignment between preschool and early elementary grades is essential.

The small group of core partners that met regularly agreed on several items. First, in Arizona the KEA would be referred to as the Kindergarten Developmental Inventory (KDI). Second, a common purpose statement would be developed and adopted, and on August 17, 2012, the KDI Purpose Statement was written. It reads as follows:

To provide a kindergarten developmental inventory tool that allows parents, teachers and administrators to understand the extent of a child’s learning and development at the beginning of kindergarten to provide instruction that will lead to the child’s academic success. The tool that is developed or adopted will align with the *Arizona Early Learning Standards* and *Arizona’s Common Core Standards* for kindergarten, cover all essential domains of school readiness (physical and motor development, social and emotional development, approaches to learning, language development, and cognitive development) and will be reliable and valid for its intended use.

The partners also agreed that the key next step in the process was to convene a larger group of stakeholders to serve in a core advisory capacity as the partners moved forward. Thus, the KDI Stakeholder Taskforce was created in January 2013.

KDI STAKEHOLDER TASKFORCE

In early 2013, the KDI partner group identified 24 KDI stakeholders and invited them to participate as members of the KDI Stakeholder Taskforce. The stakeholders were a diverse group, including early childhood experts, K-12 administrators and teachers, policymakers, program directors, professors from Arizona's higher-education institutions, and nonprofit executives. In addition, a diverse geographic composition of stakeholders represented communities across Arizona including Chandler, Coolidge, Flagstaff, Glendale, Mesa, Mohave Valley, Phoenix, Surprise, Tempe, Tucson, Window Rock, and Yuma.

Three in-person Stakeholder Taskforce meetings were held between March and July 2013. Each five-hour meeting was held at the Virginia G. Piper Charitable Trust offices in Phoenix. The meetings began with the presentation of background information and progressed to a facilitated discussion. The goal of each meeting was to gather feedback and suggestions around one of the three key issues related to a KDI – the inventory or tool, professional development (PD), and communication. Reaching consensus around these issues was not the goal of the meetings. Rather, the primary purpose was to document stakeholder feedback and ideas related to these three key issues. The meeting topics were as follows:

KDI Stakeholder Taskforce Meeting #1 – March 28, 2013

- Overview: What is a KDI and why is a KDI important?
- Overview: What are other states doing around KEAs? What is happening nationally?
- Facilitated Discussion: What are your initial thoughts about the KDI planning and design process? What are your ideas related to KDI instrumentation considerations? What are your thoughts related to the KDI implementation process?

KDI Stakeholder Taskforce Meeting #2 – May 23, 2013

- Overview: What is an inventory?
- Overview: What does professional development currently look like in Arizona?
- Facilitated Discussion: What issues need to be considered when selecting an inventory? What does a comprehensive KDI professional development plan look like?

KDI Stakeholder Taskforce Meeting #3 – July 1, 2013

- Overview: Washington State's Kindergarten Entry Assessment (WaKIDs) communication strategies and lessons learned
- Facilitated Discussion: With whom are we communicating about a KDI? What issues need to be considered with a KDI communications plan? What strategies should be used to communicate about a KDI?



As mentioned previously, the stakeholders discussed three key areas of KDI development – the inventory, professional development, and communications. A summary of each conversation is below, including the stakeholders’ key considerations and recommendations on each of the three topics.

THE DEVELOPMENTAL INVENTORY

During the discussion around the potential KDI inventory, participants provided input on the following aspects of an inventory tool: types of information to be gathered from an inventory, potential users of the information, usefulness of the information for the intended users, appropriateness for Arizona’s population, types of assessments, administration of the inventory, feasibility issues, and psychometric properties. The discussion yielded seven major recommendations.

1. Stay focused on the purpose statement to ensure that the KDI will assess all developmental domains and yield information that teachers can use for differentiated instruction.

- While most districts currently conduct some form of assessment prior to the start of kindergarten, or soon after the school year begins, most of the assessments are academic, and do not cover multiple domains. The stakeholder group was interested in gathering information outside of what is typically gathered, in an effort to create a holistic picture of each child’s strengths coming into kindergarten.

2. Users of the KDI should include teachers, parents, administrators, Response to Intervention (RTI) specialists, Individual Education Plan (IEP) teams, and researchers; they need to ensure that the results are useful to them.

- The stakeholders placed repeated emphasis on the importance of parent involvement in the KDI process. “The KDI assessment is an opportunity to help parents not view this assessment as a gatekeeper – what’s wrong with my child and what am I doing wrong? – but it’s an opportunity to identify their expectations, thoughts, and strengths around their child. And that can engage the school in conversations to move forward on the child’s behalf.” – KDI stakeholder
- It was strongly recommended that school administrators and others who closely interact with the child be included in the KDI process.

3. *The KDI needs to provide a learning profile for each child that is immediately available. Consider offering results on a tablet or other type of technology.*

- The stakeholders were in agreement that time is of the essence when it comes to the processing of assessment data. Teachers, parents, administrators, and others cannot wait weeks for data to be processed. Sophisticated technology is needed to ensure that results are quickly available to everyone making use of the information. “Scoring needs to be electronic, so data immediately gets sent off and information is received in a timely fashion. Then it becomes a useful tool. We need a user-friendly technology format with immediate feedback. If teachers have to wait weeks for data, you won’t get much buy-in from them.” – KDI stakeholder
- According to one kindergarten teacher, “The kindergarten classroom is a crazy, overwhelming, and chaotic environment, and it’s my job to figure out where the children are all at. The academics will fit in eventually, but the bigger question is how ready are they to be there – to listen to stories, to get along with the kids next to them, to be separated from their parents or caregivers. It’s important to have that quick understanding of what the child knows. If we are just walking around with question marks, it’s hard to get busy working in the classroom. There’s not much time with 180 days. We can’t waste it by not knowing where kids are academically and developmentally.” – KDI stakeholder
- In addition, a KDI stakeholder suggested that, “Good teaching comes from data. Data-based instruction as well as intervention and enrichment makes for good teaching. With data, we will know our students, their strengths and what we can do to support them as learners. If we get quality data early on, then no time is wasted getting kids college and career ready. The more we know, the better we can do for our students.” – KDI stakeholder

4. *Administration of the KDI cannot take too much time for teachers who are already overloaded with responsibilities.*

- The KDI should fit within assessments that teachers are already doing. “The KDI must be relatively quick to administer, with fast results, but thorough enough to give a snapshot of the child entering the classroom. And whatever is created or used must fit in with other assessment already going on in the classroom.” – KDI stakeholder
- The KDI should not require teachers to do extensive analysis on their own; that must be done by a computer program or other means.

5. *All learners must be included, especially children with special needs and students who are English-language learners.*

- Stakeholders felt that validity in languages other than English is very important to the success of a KDI. “In Indian communities, it’s important in the KDI that the questions are worded in a way to validate the cultural knowledge being instilled by parents. I would caution, if you want buy-in with the Native American community, you have to be sensitive. There has to be some way to capture their cultural background – do they know

Spotlight: Jacquelyn Power



Jacquelyn Power was a member of the KDI Stakeholder Taskforce and is the superintendent and principal for the Blackwater Community School on the Gila River Indian Reservation. The school has roughly 410 students, preschool through fifth grade. Since the school includes a preschool, some of the students entering kindergarten each school year have previously attended Blackwater's preschool. This makes for a unique situation when it comes to a KDI – not only can a KDI inform Blackwater's kindergarten teachers, but Jacquelyn also believes that

it can provide data that can be useful in preschool curriculum development. “How does our preschool line up with state norms, and how do we need to adjust our preschool? Data trumps everything. It's neutral and tells us what direction we need to go. And any information that would be uniform across the board would be helpful to establish an instructional plan for each child.”

Jacquelyn believes strongly in the importance of parent involvement, and she sees the KDI as a means for engaging parents in their child's education. “This is a critical tool for involving parents in being an active part of their child's education. The more you engage parents in an open dialogue with the information, the more they will want to be involved. Any time you can give parents more information about what they have done well, and what they can expect in kindergarten, you are miles ahead in building the relationship between parents and the school.”

Jacquelyn feels that a KDI needs to be cost-effective, and results need to be generated quickly. Teachers and parents need immediate feedback. They can't wait weeks to receive information to inform instruction that has already begun. “There has to be an eye on the cost for the school, so it's within the range of similar assessments. And the scoring needs to be electronic, so data immediately gets sent off, and information is received right away.”

Finally, Jacquelyn has stressed that a KDI needs to be culturally sensitive. “In Native American communities, it is important that KDI questions are worded in a way to validate the cultural knowledge being instilled that parents are working on with their kids.

With Native American communities working hard to revitalize their language in their communities, the assessment needs to respect that. Perhaps the assessment could be translated into those languages. Otherwise, it just becomes another test that everyone has to take. It won't capture the gifts that they bring to the classroom.”



their native alphabet? With Indian communities working hard to revitalize their languages in their communities, the assessment needs to respect that. Perhaps the assessment could be translated into those languages? Otherwise, it just becomes another test that everyone has to take. It won't capture the gifts that each child brings to the classroom."— KDI stakeholder

6. The KDI should have a strong observational component, but also include some one-on-one direct assessments, rating scales, and parent reports.

- The stakeholder group had different opinions on how best to structure the assessment. Some felt that one-on-one assessment typically works best, and others felt that would be asking too much of teachers.
- Parent involvement was also supported, although recommendations on how best to include parents differed. "This is a single point in time, a starting point, and who better to give up-front information than the parent or guardian – this could include baseline information related to kindergarten readiness, and that would be given to the child's teacher."— KDI stakeholder.

7. Make strong psychometric properties a high priority in selecting an inventory.

- All stakeholders were in agreement that selecting or creating an inventory that is reliable and valid for its intended use is extremely important. Having the right people at the table during the inventory selection or development process will help to ensure that the inventory is valid and reliable.

PROFESSIONAL DEVELOPMENT (PD)

Following the inventory conversation, the Stakeholder Taskforce offered suggestions and recommendations regarding professional development that would be needed to successfully implement a KDI. The overarching question posed to stakeholders was, "What do we need to do to create a comprehensive KDI professional development system in Arizona?" Specific questions included: "What types of professional development would be needed?," "How should professional development be implemented?," "What challenges should be expected in the development and implementation of a professional development plan?" The discussion around professional development yielded nine major recommendations.

1. *Examine best practices and what other states are and are not doing around PD.*

- A few states have already implemented KEAs, or are in the process of implementing them, and they have learned lessons that Arizona can benefit from. Researching existing KEAs and spending time learning about their professional development plans can help Arizona develop and launch a comprehensive plan that will be well received by teachers, administrators, and others. Stakeholders suggested, “Look at the evidence for what is effective PD. Take a walk through the good and vigorous PD to see what works, what are the best practices. Just going to a workshop or looking at something online is not necessarily going to work with a KDI.” – KDI stakeholder

2. *Make clear why and how this assessment will be beneficial for teachers.*

- Teacher support for a KDI is obviously a very important component of its success. Helping them to see how the information collected from a KDI can be useful to them is a vital step in the training for and implementation of a KDI.

3. *Get teacher buy-in.*

- Ask teachers what types of PD would be most useful to them.
- Include teachers in the selection or development of the inventory, so they can sell it to their colleagues.
- Select enthusiastic teachers for the pilot group, as they will bring other teachers on board.
- Be cognizant of when training is offered to teachers, given the timelines that work best for them.

4. *Provide PD to school administrators and others who might be involved in the administration of the KDI.*

- “Administrators are the ones who make sure that the PD is taking place. They are the accountability factor in all of this. They make sure this is being administered.” – KDI stakeholder
- Administering the inventory does not involve just kindergarten teachers. Many individuals will be involved, and they need to understand the inventory and their roles and responsibilities around its administration. These individuals include Instructional Technology (IT) staff who will be supporting the KDI’s data processing, curriculum specialists who work with teachers, administrators who will support teachers as they administer the KDI, etc. All of these individuals need PD on the KDI so that they can support teachers as they implement the assessment.

5. *Build on the technology, tools, and other PD strategies that are already available and being used – webinars, Q&A, mentoring, etc.*

- “Accessibility (maybe through webinars) will be important for PD. Asking teachers to leave their classrooms for PD might be a stretch, especially in the smaller districts. Teachers don’t always have the luxury of leaving the classroom.” – KDI stakeholder

Spotlight: Whitney Crow



Whitney Crow was a member of the KDI Stakeholder Taskforce and is the superintendent of the Mohave Valley Elementary School District, a small rural district located in Northwestern Arizona. Whitney feels strongly that the early foundation of preschool and kindergarten pays huge dividends as children get older and move forward on the K-8 continuum, and any data that can be generated early on can be very important to the education process. “Assessing the full spectrum of kindergarteners will help to bring to light different things for our kindergarten teachers and for parents, too. A KDI will begin to open up data that we have never had, but bigger districts have had in the past. Developing a system to provide information and the necessary PD will be a huge addition to any information that we have ever had, especially in our little rural area.”

Whitney says that a KDI is important for two primary reasons. A KDI will help to guide birth-to-5 programs and what is done to prepare young children for kindergarten. And it will provide kindergarten teachers with useful data that will allow them to tweak instruction to meet the needs of each individual child. “At the beginning of the school year, solid, accurate data for little kids is hard to come by. We spend a long time teaching teachers how to read data, but there isn’t a lot of it for the kindergarten teachers other than DIBELS (the Dynamic Indicators of Basic Early Literacy Skills), which is reading only. A KDI would be the full spectrum of developmental areas for little ones. Access to that data can make our kindergarten teachers more efficient and effective in teaching.”

Whitney feels that the greatest challenge of implementing a KDI will be professional development for teachers or others implementing the KDI. “I think we are going to have to do some professional development with our early childhood teams so they understand what the assessment is and how we can make use of the data. The more we know, the better we can prepare kids as they move through kindergarten. If we can start kids on the right path or get them there as quickly as possible, it’s much easier than trying to play catch-up.”

- “I think ADE did a fantastic job around PD with Common Core. They came to us. The presenters were very strong. They knew their stuff and could field questions. I don’t know anyone who attended the training with me who didn’t think that it was a great training.”– KDI stakeholder
- “Offer multiple ways to access PD.”– KDI stakeholder

6. Consider doing PD on “targeted domains” with which teachers are less familiar or comfortable.

- Many teachers have received a significant amount of PD related to some of the areas that will be covered in the KDI, such as early literacy and mathematics. The KDI may also include domains that teachers are less comfortable with because they have not had as many opportunities for PD in these areas (e.g., social, emotional, and physical development). It might be beneficial to target more KDI PD toward domains that have received less attention.

7. Emphasize how the KDI will align with Common Core.

- Remind teachers that this is not an add-on to their work. Rather, this is a part of their prior and current work. “We aren’t giving you more things to do. What we are trying to do is help you to see that when you do this, it will help you with the implementation of the Common Core.”– KDI stakeholder

8. Pilot the KDI, selecting different school settings with different populations, and testing different PD models to determine what works best.

- There must be a clear path for piloting and implementation, so there are no questions about next steps.

COMMUNICATIONS

At the final Stakeholder Taskforce meeting, stakeholders were asked to provide feedback on two key areas of a KDI communications strategy: With whom do we need to be communicating? And how do we communicate – what are effective communication strategies for a KDI in Arizona? Findings from the stakeholder group included the following:

With whom are we communicating?

There was a feeling among the stakeholders that a core set of messages needs to be developed for EVERYONE. The core messaging should answer the following questions:

- What is the purpose of a KDI and what is it meant to do?
- For what purposes are the generated data going to be used?
- Who will have access to the information that is generated?

In addition, the KDI stakeholder group developed a list of specific groups of constituents with whom KDI messaging would need to be focused.

1. Families and Parents

- “We need to help parents understand that this is their data. We need to convey it in a way so that parents are empowered.”– KDI stakeholder

- “We have trained parents to be scared of the data that is generated in the education system. But when we go to the pediatrician, we want more information, and we aren’t scared of that. We need to structure the KDI in the same way, so parents are not intimidated by the information.”– KDI stakeholder

2. *Early Childhood Providers*

- “Early childhood teachers need to know that they are appreciated and we value their role in this process.”– KDI stakeholder
- “We need to communicate with the early childhood community to be sure they understand about the learning continuum, so they can explain it to parents.”
– KDI stakeholder

3. *Kindergarten Teachers*

- Kindergarten teachers need to understand that a KDI can provide useful data and information that can inform them about each of their students, and help drive individualized instruction. “With a KDI, teachers can get a map of what types of individualized teaching can be helpful for each student.”– KDI stakeholder

4. *Higher Education*

- “Intentional engagement and articulation with higher education are critical for them to understand the purpose of a KDI, and how they train the college students who might ultimately be implementing this.”– KDI stakeholder
- “I think that higher education needs to be more a part of the day-in and day-out work that happens in school districts so that they (higher education) are better informed. If this tool is introduced, the higher-education community needs to be brought on board.”
– KDI stakeholder

5. *Tribal Leaders*

- “We need to do some soul searching about how a KDI will impact the tribal communities of Arizona before it is developed and implemented.”– KDI stakeholder
- “The conversation goes beyond just communication strategies with the tribal communities. There needs to be more thought put into looking at strengths that can come from cultural heritage, and how those can be incorporated into the KDI.”
– KDI stakeholder

Other groups that were mentioned by the stakeholders included school staff, policymakers, and potential funders.

Stakeholders were also asked to make recommendations on how to communicate about a KDI and what effective communication strategies are for a KDI in Arizona. The following responses were documented:

1. *Start by developing a communications plan to serve as an overarching road map.*
2. *Develop core messaging that can then be targeted for individual groups.*
3. *Plug into existing avenues for communicating the message:*

- Affinity groups • Barcode for additional information • Billboards • Doctors’ offices
- Summer camps • WIC offices • Public forums and public information systems
- Children and youth nonprofit organization such as Boys and Girls Clubs, YMCAs, museums, libraries, etc.



SPECIAL CONSIDERATIONS

While the additional considerations listed below have been mentioned previously in the report, it is important to note the emphasis that the stakeholders placed on these particular considerations. These issues were themes that the stakeholders discussed across the three meetings that seemed to be particularly important in the group's discussions.

- Include parents as part of the KDI assessment process.
- Include higher education in KDI development and implementation.
- Develop a culturally appropriate KDI for the diverse populations of Arizona.
- Use a strengths-based approach in a KDI assessment.
- Emphasize cost-effectiveness for school districts with purchasing and implementing a KDI.
- Emphasize quick/immediate turnaround time with data, so teachers and parents do not have to wait for results.
- Align and integrate the KDI with Common Core.

Spotlight: Dawn Craft



Dawn Craft is the state affiliate board president for the Arizona Association for the Education of Young Children (AzAEYC) and she is the early childhood education coordinator at Paradise Valley Community College. Dawn feels strongly that parents need to be included in their child's education as much as possible. "Parents are a wonderful resource to the system. They are experts around their child, and they are the ones who want to help their child succeed in school. The KDI is a great opportunity to have parents better understand

their child. Information will be generated that will help engage a parent in understanding how the system works. This is an opportunity to help them learn about how things currently work – an education opportunity for parents, and a marketing opportunity for the school system to engage parents in a positive way."

Dawn always hopes to see the early childhood community work more closely with the public education K-12 system, and she sees the KDI as a means for drawing together the two groups. "What I see as a potential great thing about a KDI is that it would engage the work with 3- to 5-year-olds with the public education world. The early childhood community and K-12 system would work together for the good of kids and families."

In addition, Dawn feels that higher education needs to be more thoughtfully included in the K-12 education process, including the development and implementation of a KDI. "Higher education is training the next crop of teachers and educators. They need to be involved in the KDI development process, so that future teachers are well trained on the importance of a KDI, how to implement a KDI, how to use the data and information collected from a KDI, and how to communicate the information to parents."

Related Activities



ADE recognizes that potential development and implementation of a KDI requires many steps. The completion of the KDI Stakeholder Taskforce process, including this report, provides a foundation for moving forward. Currently, other related activities outside of the KDI Stakeholder Taskforce process are underway or are being planned. The related activities are described below.

ADE REQUEST FOR INFORMATION

Simultaneous with the KDI Stakeholder Taskforce planning process, ADE issued a Request for Information (RFI) in May 2013 to solicit information and data from vendors of kindergarten developmental assessments that met the following purpose:

To provide a kindergarten developmental inventory tool that allows parents, teachers, and administrators to understand the extent of a child's learning and development as they enter kindergarten and throughout the ensuing school year to provide instruction that will lead to the child's academic success. The tool that is developed or adopted will align with the Arizona Early Learning Standards and Arizona's Common Core Standards for kindergarten, cover all essential domains of school readiness (physical and motor development, social and emotional development, approaches to learning, language development, and cognitive development) and will be reliable and valid for its intended use.

ADE anticipates that the information received through the RFI process will inform the KDI selection or development process in the coming months.

FEDERAL KEA - EAG GRANT WITH NORTH CAROLINA CONSORTIUM

Simultaneous with the KDI Stakeholder Taskforce planning process, the U.S. Department of Education (ED) published a final Notice Inviting Applications (NIA) for the Enhanced Assessment Instruments Grants (EAG) Program – Kindergarten Entry Assessment Competition. A notice of intent to apply was due June 24, 2013, and proposals were due July 8, 2013. North Carolina took the lead in building a K-3 state consortium and gave Arizona an opportunity to participate. Arizona committed to participate in this particular

consortium, and federal funds were recently awarded. Other states participating in the consortium with Arizona include Delaware, Iowa, Maine, North Carolina, North Dakota, Oregon, Rhode Island, and the District of Columbia. South Carolina is a self-funded collaborating partner.

Arizona Public Information Sessions

ADE recognizes that while suggestions and recommendations have been gathered from the KDI Stakeholder Taskforce, additional opportunities are needed to share information with stakeholders. Information sharing activities are planned in the coming months including public information sessions that will be conducted across the state. These sessions will offer ADE an opportunity to talk with educators, parents, and others about the KDI.

KDI Pilot Program Application Process

In the future, ADE also anticipates having an application process for pilot programs. Using pilot sites during the KDI development process will allow ADE the chance to try out a potential inventory and undertake professional-development activities for teachers, administrators, and others who might be involved in a KDI implementation process.

Targeted Professional Development

Finally, ADE anticipates conducting targeted professional development during the 2014-15 school year to strengthen knowledge around early learning standards and the link to Common Core, and on how to use assessment data to pave the way for implementation of a KDI. It is likely that this PD will follow a similar model to the Common Core PD that was well received by teachers and administrators across Arizona.

Conclusion

Across the country, states are acknowledging the importance of understanding children's developmental status as they enter kindergarten to ensure an effective response to their instructional needs. Arizona's KDI partner group is no exception, as they have recognized the importance of the development of a KDI in Arizona. In addition, they understand that the development and implementation of a KDI will be a significant effort within the state. The KDI Stakeholder Taskforce was convened early in the planning process to provide stakeholder input on three key issues: the KDI tool, PD, and communications. This stakeholder input is invaluable as the state moves forward with next steps related to the development of a KDI that will benefit the early childhood community, the K-12 education system, and all children and families across Arizona.

Acknowledgements

Thank you to the KDI Stakeholder Taskforce members for the time and expertise that they contributed to the process. Their candor and willingness to share their thoughts and recommendations throughout the past nine months is greatly appreciated. In addition, a special thank you goes to the KDI Stakeholder Taskforce partners for their leadership during the Taskforce process. The KDI stakeholder group would not exist without the commitment of these partners – the Arizona Department of Education, the Arizona State Board of Education, First Things First, and Virginia G. Piper Charitable Trust. Special thanks to the leadership of those organizations:

John Huppenthal, Superintendent of Public Instruction – Arizona Department of Education

Kathy Hrabluk, Associate Superintendent – Arizona Department of Education

Amy Corriveau, Deputy Associate Superintendent – Arizona Department of Education

Vince Yanez, Executive Director – Arizona State Board of Education

Christine Thompson, Deputy Director – Arizona State Board of Education

Sam Leyvas, Interim CEO – First Things First

Karen Woodhouse, Chief Program Officer – First Things First

Rhian Allvin, Former CEO – First Things First, Current Executive Director – National Association for the Education of Young Children (NAEYC)

Marilee Dal Pra, Vice President of Programs – Virginia G. Piper Charitable Trust

Thank you to the Virginia G. Piper Charitable Trust for their conceptual visions and financial support of the KDI Stakeholder Taskforce. Finally, the expertise of the Taskforce's two national consultants and one local consultant was pivotal to the success of the stakeholder group. Many thanks to those consultants, Dr. John M. Love, Chair, FTF National Early Childhood Research and Evaluation Advisory Panel, Dr. Catherine Scott-Little, Associate Professor, University of North Carolina at Greensboro, and Susan Perkins Fry, Director, SPF Consulting, LLC.

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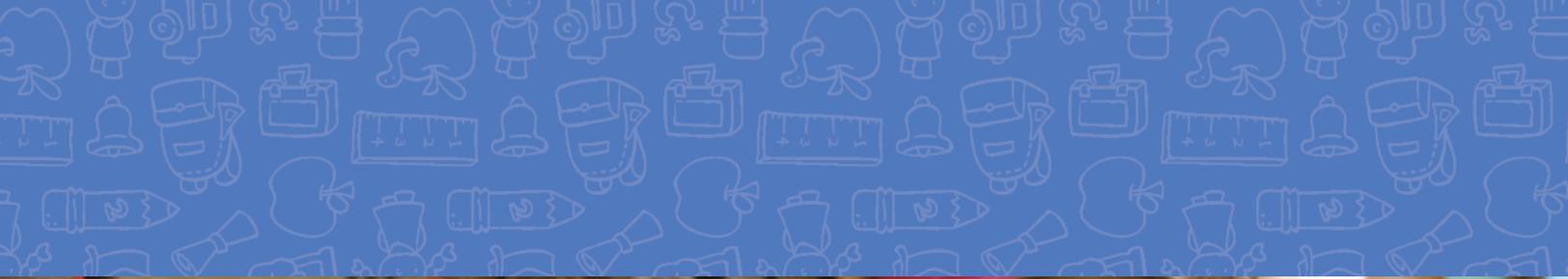
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On Track: Ensuring School Readiness for Arizona's Children
is available on the following websites:

Arizona Department of Education | www.azed.gov

First Things First | www.azfff.org

Virginia G. Piper Charitable Trust | www.pipertrust.org



FIRST THINGS FIRST

Ready for School. Set for Life.

AGENDA ITEM: FY 2013 Statewide Needs and Assets Assessment, *Building Bright Futures, Arizona's Early Childhood Opportunities.*

BACKGROUND: This statewide assessment is prepared biennially for the Board per ARS §8-1192(A)(1). Included in the FY 2013 assessment report are:

- A topical essay on the status and importance of oral health in children under age 5;
- A summary of key trends in the data that incorporates indicators of child and family well-being (demographic, economic conditions, health and safety; and education); and
- Statewide and county data tables that incorporate data related to specific First Things First goal areas.

RECOMMENDATION: The interim CEO recommends approval of this assessment report.



FIRST THINGS FIRST

Ready for School. Set for Life.

AGENDA ITEM: Results of regional evaluation on Family Support and Literacy strategies for the South Phoenix, Santa Cruz, Cochise, Central Pima and North Pima regions.

BACKGROUND: This strategy evaluation was commissioned and funded by the regions in FY 2013 to assess and inform the effectiveness, impact, and relative merits of the regional family support and literacy strategies being funded in those regions. The evaluation was conducted by Harder and Company for a total cost of \$380,000.

RECOMMENDATION: The interim CEO presents this report for information only.

Evaluation Study of Family Support and Literacy Strategies in Five First Things First Regions

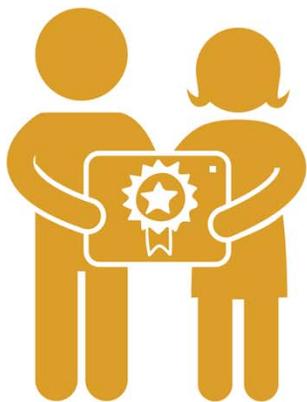
The Arizona Early Childhood Development and Health Board
December 10, 2013



First Things First Family Support & Literacy

VISION

ALL ARIZONA'S CHILDREN ARE
READY TO SUCCEED



IN SCHOOL AND IN LIFE

STRATEGIES



PARENT EDUCATION COMMUNITY-BASED TRAINING



HOME
VISITATION

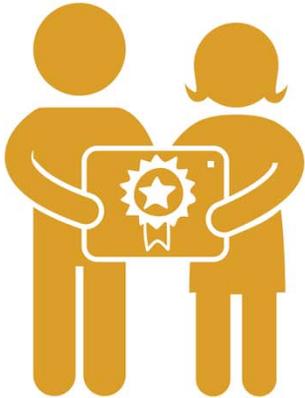
FAMILY
RESOURCE
CENTER



First Things First Family Support & Literacy

VISION

ALL ARIZONA'S CHILDREN ARE
READY TO SUCCEED



IN SCHOOL AND IN LIFE

STRATEGIES



PARENT EDUCATION COMMUNITY-BASED TRAINING



HOME
VISITATION

FAMILY
RESOURCE
CENTER



OUTCOMES

STRONG
STABLE FAMILIES

- Connected to community
- Understand early child development
- Meet young children's emotional and developmental needs

SUPPORTED
THRIVING CHILDREN

- Experience regular learning, language and literacy activities
- Develop language, social, emotional and self-regulatory capacities
- Have strong, nurturing and positive relationships

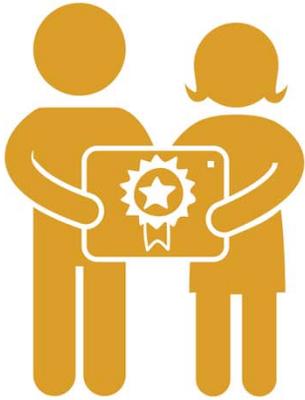
SAFE
NURTURING HOMES

- Offer literacy-rich environments
- Provide for children's health, security and wellbeing

First Things First Family Support & Literacy

VISION

ALL ARIZONA'S CHILDREN ARE
READY TO SUCCEED



IN SCHOOL AND IN LIFE

STRATEGIES



PARENT EDUCATION COMMUNITY-BASED TRAINING



HOME
VISITATION

FAMILY
RESOURCE
CENTER



DIMENSIONS OF EVALUATION

1. DESIGN



2. CAPACITY



3. IMPLEMENTATION



4. EFFECTIVENESS



5. SYSTEMS



6. RESOURCES



DIMENSIONS OF EVALUATION

1. DESIGN



Designed to meet the needs of children and families in the region.

2. CAPACITY



Consists of programs with the capacity to provide accessible, high-quality family support services within local communities.

3. IMPLEMENTATION



Consists of programs that are implemented as designed and intended, and are a good fit with local conditions.

4. EFFECTIVENESS



Consists of programs that play a key role in improving the lives of children and families.

5. SYSTEMS



Contributes to “early childhood system-of-service” capacity building within the region.

6. RESOURCES



Optimizes available resources to meet regional family needs for supports that strengthen positive child development and school readiness.

Rating Scale Overview

EMERGING

Refinement needed

ESTABLISHED

Significant progress

ADVANCED

Superior achievement

NOT RATED

Insufficient evidence

Each dimension includes a set of specific, related sub-dimensions. Data is analyzed for each sub-dimension and a rating is assigned.

Overview of Data Sources



We collected data from:

- Families receiving family support services
- Grantees/sub grantees
- *First Things First* staff
- Regional Partnership Council members
- Non-FTF providers
- Neighborhood and community organizations
- Secondary data sources, e.g., Needs & Assets, Funding Plans, quarterly reports

Dimensions of Evaluation Ratings

1. DESIGN



Designed to meet the needs of children and families in the region.

2. CAPACITY



Consists of programs with the capacity to provide accessible, high-quality family support services within local communities.

3. IMPLEMENTATION



Consists of programs that are implemented as designed and intended, and are a good fit with local conditions.

4. EFFECTIVENESS



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5. SYSTEMS

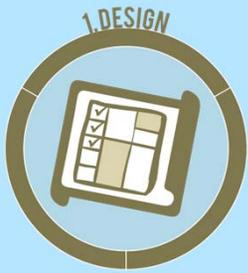


Contributes to “early childhood system-of-service” capacity building within the region.

6. RESOURCES



Optimizes available resources to meet regional family needs for supports that strengthen positive child development and school readiness.



Designed to meet the needs of children and families in the region.

1.1

Fits local needs

1.2

Demonstrates system-of-care values

1.3

Addresses identified service gaps

1.4

Aligns with *First Things First* intent



Consists of programs with the capacity to provide accessible, high-quality family support services within local communities.

2.1

Reflects strong intellectual capital

2.2

Represents well-developed social capital

2.3

Involves organizations engaged in capacity building

2.4

Is accessible to local families



Consists of programs that are implemented as designed and intended, and are a good fit with local conditions.

3.1

Adheres to program specifications

3.2

Executes design faithfully

3.3

Maintains sufficient family participation

3.4

Delivers programs in a quality manner

3.5

Engages participants

3.6

Complements existing services

3.7

Adapts to local context



Consists of programs that play a key role in improving the lives of children and families.

4.1

Builds pre-literacy skills and competencies

4.2

Improves child health

4.3

Increases child safety

4.4

Supports positive parenting practices

4.5

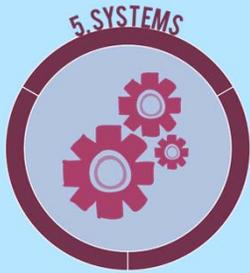
Expands parent knowledge of child development and behavior

4.6

Contributes to family stability

4.7

Promotes strong family relationships



Contributes to “early childhood system-of-service” capacity building within the region.

5.1

**Builds shared
technical
capacity**

5.2

**Grows
collective
knowledge**

5.3

**Coordinates
services**

5.4

**Promotes
community
partnerships**



Optimizes available resources to meet regional family needs for supports that strengthen positive child development and school readiness.

6.1

Maximizes use of resources

6.2

Provides appropriate service level for cost, leads to additional gains

6.3

Leverages other family supports



Consists of programs that are implemented as designed and intended, and are a good fit with local conditions.

3.1	3.2	3.3	3.4	3.5	3.6	3.7
ADVANCED	ESTABLISHED	ESTABLISHED	ADVANCED	ADVANCED	ADVANCED	ESTABLISHED
Adheres to program specifications	Executes design faithfully	Maintains sufficient family participation	Delivers programs in a quality manner	Engages participants	Complements existing services	Adapts to local context
Home Visitation ADVANCED	Home Visitation ADVANCED	Home Visitation ESTABLISHED	Home Visitation ADVANCED	Home Visitation ADVANCED		Home Visitation EMERGING
Family Resource Center ADVANCED	Family Resource Center ESTABLISHED	Family Resource Center ADVANCED	Family Resource Center ADVANCED	Family Resource Center ADVANCED		Family Resource Center ADVANCED

Overall Portfolio Rating

SOUTH PHOENIX

HOME VISITATION

FAMILY RESOURCE CENTER

ESTABLISHED

This graphic features a large brown archway containing the text 'SOUTH PHOENIX' in blue. Below the archway are two circular icons: one for 'HOME VISITATION' showing a house, and one for 'FAMILY RESOURCE CENTER' showing a family silhouette. At the bottom of the archway is a dark brown bar with the word 'ESTABLISHED' in white.

<p>1. DESIGN</p> <p>ADVANCED</p>	<p>2. CAPACITY</p> <p>ADVANCED</p>	<p>3. IMPLEMENTATION</p> <p>ADVANCED</p>
<p>4. EFFECTIVENESS</p> <p>ADVANCED</p>	<p>5. SYSTEMS</p> <p>EMERGING</p>	<p>6. RESOURCES</p> <p>ESTABLISHED</p>

Overall Portfolio Rating

SANTA CRUZ

HOME VISITATION

FAMILY RESOURCE CENTER

ESTABLISHED

This graphic features a large semi-circular frame containing two smaller circular icons. The left icon shows a house and is labeled 'HOME VISITATION'. The right icon shows a family of four (two adults and two children) under a roof and is labeled 'FAMILY RESOURCE CENTER'. Below these icons, the word 'ESTABLISHED' is written in a dark blue banner.

<p>1. DESIGN</p> <p>ADVANCED</p>	<p>2. CAPACITY</p> <p>ADVANCED</p>	<p>3. IMPLEMENTATION</p> <p>ESTABLISHED</p>
<p>4. EFFECTIVENESS</p> <p>ADVANCED</p>	<p>5. SYSTEMS</p> <p>EMERGING</p>	<p>6. RESOURCES</p> <p>EMERGING</p>

A 2x3 grid of colored boxes, each containing a number, an icon, and a rating. The ratings are: 1. Design (Advanced), 2. Capacity (Advanced), 3. Implementation (Established), 4. Effectiveness (Advanced), 5. Systems (Emerging), and 6. Resources (Emerging).

Overall Portfolio Rating



COCHISE
HOME VISITATION
ADVANCED

The graphic features a large brown archway. Inside the arch, the word "COCHISE" is written in blue. Below it, "HOME VISITATION" is written in a smaller font above a circular icon of a house. At the bottom of the arch, the word "ADVANCED" is written in white on a brown background.

<p>1. DESIGN</p>  <p>ADVANCED</p>	<p>2. CAPACITY</p>  <p>ADVANCED</p>	<p>3. IMPLEMENTATION</p>  <p>ADVANCED</p>
<p>4. EFFECTIVENESS</p>  <p>ESTABLISHED</p>	<p>5. SYSTEMS</p>  <p>ESTABLISHED</p>	<p>6. RESOURCES</p>  <p>ADVANCED</p>



Overall Portfolio Rating

CENTRAL PIMA

HOME VISITATION

PARENT EDUCATION COMMUNITY-BASED TRAINING

ADVANCED

The logo for Central PIMA is a large, stylized archway. Inside the archway, there are two smaller arches. The left one is labeled 'HOME VISITATION' and contains an icon of a house. The right one is labeled 'PARENT EDUCATION COMMUNITY-BASED TRAINING' and contains an icon of a family of five people. Below the archway, the word 'ADVANCED' is written in a dark blue rounded rectangle.

<p>1. DESIGN</p> <p>ADVANCED</p>	<p>2. CAPACITY</p> <p>ADVANCED</p>	<p>3. IMPLEMENTATION</p> <p>ADVANCED</p>
<p>4. EFFECTIVENESS</p> <p>ADVANCED</p>	<p>5. SYSTEMS</p> <p>ADVANCED</p>	<p>6. RESOURCES</p> <p>ADVANCED</p>

A 2x3 grid of colored boxes, each representing a different category. Each box has a title at the top, an icon in the center, and the word 'ADVANCED' at the bottom. The categories are: 1. DESIGN (olive green, tablet icon), 2. CAPACITY (brown, wrench and screwdriver icon), 3. IMPLEMENTATION (green, star icon), 4. EFFECTIVENESS (teal, family icon), 5. SYSTEMS (purple, gears icon), and 6. RESOURCES (dark blue, scale icon).

Overall Portfolio Rating

NORTH PIMA

HOME VISITATION

PARENT EDUCATION COMMUNITY-BASED TRAINING

ADVANCED

This graphic features a large semi-circular frame containing two smaller circular icons. The left icon shows a house and is labeled 'HOME VISITATION'. The right icon shows a line of people and is labeled 'PARENT EDUCATION COMMUNITY-BASED TRAINING'. Below the frame, the word 'ADVANCED' is written in a dark blue rounded rectangle.

<p>1. DESIGN</p> <p>ADVANCED</p>	<p>2. CAPACITY</p> <p>ADVANCED</p>	<p>3. IMPLEMENTATION</p> <p>ADVANCED</p>
<p>4. EFFECTIVENESS</p> <p>ESTABLISHED</p>	<p>5. SYSTEMS</p> <p>ADVANCED</p>	<p>6. RESOURCES</p> <p>ADVANCED</p>

A 2x3 grid of colored boxes, each containing an icon, a category name, and a rating. The categories and ratings are: 1. Design (Advanced), 2. Capacity (Advanced), 3. Implementation (Advanced), 4. Effectiveness (Established), 5. Systems (Advanced), and 6. Resources (Advanced).

Dimensions of Evaluation Ratings

Questions?

1. DESIGN



Designed to meet the needs of children and families in the region.

2. CAPACITY



Consists of programs with the capacity to provide accessible, high-quality family support services within local communities.

3. IMPLEMENTATION



Consists of programs that are implemented as designed and intended, and are a good fit with local conditions.

4. EFFECTIVENESS



Consists of programs that play a key role in improving the lives of children and families.

5. SYSTEMS



Contributes to “early childhood system-of-service” capacity building within the region.

6. RESOURCES



Optimizes available resources to meet regional family needs for supports that strengthen positive child development and school readiness.



FIRST THINGS FIRST

Ready for School. Set for Life.

AGENDA ITEM: Progress Update report on the Professional Development Two-Year Strategic Plan for FY 2013 – 2014.

BACKGROUND: During 2012, a statewide group of early childhood stakeholders, convened by First Things First and functioning as a working group of The BUILD Arizona initiative, engaged in a collaborative planning process.

The working group, also known as the Professional Development Work Group (PDWG) developed Arizona’s Early Childhood Professional Development System Framework and Two-Year Strategic Plan for FY 2013 – 2014 to develop Arizona’s early childhood professional development system. The Plan is available on the [FTF website](#).

The Plan identifies three areas of high-priority system initiatives for early childhood degrees and credentials, a framework for workforce knowledge and competencies, and a workforce registry and professional development website. This report provides an update on progress made towards implementation of these initiatives.

RECOMMENDATION: The CEO presents this update for information only.

Early Childhood Professional Development Strategic Plan Update December 2013

Beginning in January 2012, a statewide group of early childhood stakeholders, convened by First Things First and functioning as a working group of The BUILD Arizona initiative, engaged in a collaborative planning process.

The working group, also known as the Professional Development Work Group (PDWG) developed Arizona's Early Childhood Professional Development System Framework and Two-Year Strategic Plan for FY 2013 – 2014 to develop Arizona's early childhood professional development system. The Plan was presented to the FTF Board in January 2013 and is available on the [FTF website](#).

The Plan identifies three areas of high-priority system initiatives. The following information provides an update on progress made towards implementation:

1. Degrees and Credentials

Initiative 1:

- Adopt or develop an early childhood Prior Learning Assessment (PLA) that is eligible for college credit.

Planning Phase: Jan – Dec 2013

An implementation plan including a cost analysis, budget, benefits for participating institutes of higher education and sustainable funding plan will be completed by December 31, 2013. Community colleges willing to participate in an initial implementation phase will be identified.

Implementation Phase: Jan – Dec 2014

Implementation with Phase 1 colleges begins July 2014.

Initiative 2:

- Develop an Associates of Arts in Early Childhood Education Degree (AAECE) that can be implemented at any Arizona community college.

Planning Phase: Jan – Sept 2013

Key community college and university decision-makers were convened in May 2013 by BUILD and FTF to learn about the AAECE and other initiatives of the strategic plan. FTF staff met individually with 13 of the community colleges and universities across the state and a group meeting with Maricopa Community College leadership is scheduled for early 2014. Three private universities are also interested in the AAECE and meetings will be arranged in 2014.

Central Arizona College, Eastern Arizona College, Northland Pioneer College and Northern Arizona University worked with the PDWG to develop an AAECE initial phase plan to present to their respective curriculum committees. This plan includes a crosswalk showing alignment between each institution's AAECE coursework, the National Association for the Education of

Young Children (NAEYC) Standards for Early Childhood Professional Preparation, Arizona Department of Education Coursework Content for Teacher Certification, and the Interstate Teacher Assessment and Support Consortium and draft articulation agreements.

Institutionalization Phase: Sept 2013 – May 2014

AAECE faculty at initial phase sites will guide the AAECE through the curriculum adoption process at their respective institutions (although all community college and university faculty may also begin this process if their institution wishes to do so). During this phase, appropriate articulation agreements will be signed by community colleges and university representatives.

Due to curriculum committee processes and timelines, the AAECE degrees will not complete the approval process until September, 2014 for the following academic year. If faculty do not meet their curriculum committee's deadline, they will have to wait until the following year to submit for approval and an additional year before offering the degree, assuming it is approved.

2. Workforce Knowledge and Competency (WFKC) Framework

Initiative 3:

- Develop a comprehensive WFKC framework and disseminate/integrate across Professional Development system.

Phase 1: Develop WFKC Framework and Career Lattice Jan-Dec 2013

The initial draft has been developed and vetted through public forums and focus groups. An online survey was also used to obtain comments on the draft. The vetting process resulting in some significant revisions to the career lattice; the revised lattice and final version of the WKCF will be presented to the PDWG in early December. Then another round of vetting on the revised framework and lattice will occur before finalizing by end of December 2013.

Phase 2: Jan 2014

Begin initial phase of dissemination plan including posting on Professional Development website and distribution to early childhood faculty.

3. Registry and Website

Initiatives 4 and 5:

- Design, develop, and launch an early childhood Professional Development website and a workforce registry.

Phase 1: Planning Jan-Mar 2013

A survey of potential website and registry users was conducted and informed the selection of software for the registry function and design for the website. Registry One was selected as the software (which includes system development) and a website designer was also selected. Still to be completed are the selection of the administrative home for the website and registry, including a staffing plan and sustainability funding. Arizona's Race to the Top – Early Learning Challenge Grant includes funding for the registry and website for the next four years.

Phase 2: Development and Implementation Mar 2013 – July 2014

The website design has been vetted consistently with the PDWG during development and final edits are in process with the site going live by December 31, 2013.

The registry development will continue through March 2014, as is currently on target to release a beta launch by June 2014 and full launch by FTF Summit in August 2014.



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- AGENDA ITEM:** Results of regional evaluation on Early Childhood Education Professional Development strategies for the Central Pima region.
- BACKGROUND:** This strategy evaluation was commissioned and funded by the Central Pima region in FYs 2013-2014 to examine the extent to which the Early Childhood Education Professional Development strategy is successfully implemented and advances desired outcomes in the Central Pima region, and to assess the effectiveness, accessibility, and match of Professional Development needs with professional development opportunities and strategies being funded in the region. The evaluation was conducted by McREL for a total cost of \$125,000.
- RECOMMENDATION:** The interim CEO presents this report for information only.



FIRST THINGS FIRST

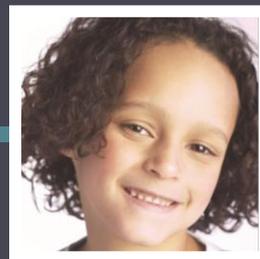
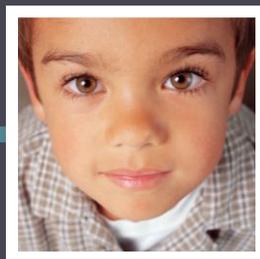
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Mid-Continent
Research for
Education and
Learning
(McREL)

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*Making a
Difference*

EVALUATION STUDY: ARIZONA EARLY CHILDHOOD WORKFORCE PROFESSIONAL DEVELOPMENT STRATEGIES



DECEMBER 10, 2013

FIRST THINGS FIRST
BOARD MEETING

BACKGROUND

Targeted Evaluation Study

Conduct a targeted evaluation to examine the role an approach or program plays within a suite of strategies, and how it advances or hinders the overall strategic effort of early childhood workforce development.

GUIDING QUESTIONS



Actionable Evidence for Central Pima Regional Partnership Council

- How does the Community-Based Professional Development (CBPD) strategy (i.e., CoP model) meet the needs of current early childhood professionals, as well as individuals aspiring to work in the early childhood education field?
- Does the CBPD strategy (i.e. CoP model), as implemented, align with FTF and field-based expectations and standards of quality?
- In what ways does the CBPD strategy (i.e., CoP model), alone or in combination with other regional PD strategies (i.e., T.E.A.C.H., non-T.E.A.C.H. Pathways, REWARD\$, Quality First) develop improved competencies and strengthen the early childhood workforce?

GUIDING QUESTIONS



Actionable Evidence for Central Pima Regional Partnership Council

- In what ways does the CBPD strategy (i.e., CoP model) contribute to early childhood system building in Central Pima?
- Are the available resources sufficient for meeting the needs of early childhood professionals?
- What level of resources will be required to expand the reach of CoPs and to ensure fiscal sustainability over time?

DATA COLLECTION METHODS AND SOURCES

- Multiple sources of data were collected to provide more relevant and useful data for decision-making



Program Documents

61 Monthly CoP Reports



Focus Groups

27 CoP members



Interviews

3 Upstream Stakeholders (FTF and UW)
8 Midstream Stakeholders (CoP Coordinators)



Surveys

116 PD Strategy Participants
13 CoP Administrators



Financial Data

Regional Council Funding Plans
CoP Annual Budgets and Monthly Reports

PROVIDING USEFUL & ACTIONABLE INFORMATION



How does the CBPD strategy (i.e., CoP model) meet the needs of current early childhood professionals, as well as individuals aspiring to work in the early childhood education field?

- PD strategy participants and CoP Administrators –
 - Improving outcomes for children by increasing the quality of care and education in the classroom and/or provider setting considered the most important goal of PD in the region
- CoPs are meeting the needs of early childhood professionals by providing access to subject matter experts, hands-on learning experiences, and opportunities to network with their peers that could be tied to college credit
- High levels of satisfaction with overall CoP experience

NEXT STEPS: MEETING NEEDS AND GOALS

Continue to prioritize the CoP model as a PD program in the FTF suite of strategies to meet the needs of early childhood professionals empowering them to make meaningful changes in the classroom



PROVIDING USEFUL & ACTIONABLE INFORMATION



Does the CBPD, as implemented, align with FTF and field-based expectations and standards of quality?

- CoPs provide PD opportunities to early childhood professionals as intended and have a respectful and collaborative culture
- 54% of members reportedly receive college credit tied to participation; however, complete data were not reported
- Nearly 80% of CoP members indicated that they received some sort of coaching
- Location and transportation were cited as barriers by members and CoP coordinators alike to participation, recruitment, and retention

NEXT STEPS: ALIGNMENT WITH STANDARDS AND EXPECTATIONS

Examine strategies to increase collaboration between CoP coordinators and early childhood program administrators to recruit staff who need PD support

Examine ways to increase PD session accessibility to support access in underserved regions

Ensure that future studies of CoP implementation include all FTF regions to better assess the potential barriers to participation and ways to increase access in these particular areas



PROVIDING USEFUL & ACTIONABLE INFORMATION



In what ways does the CBPD strategy (i.e., CoP model), alone or in combination with other regional PD strategies (i.e., T.E.A.C.H., non-T.E.A.C.H. Pathways, REWARD\$, Quality First) develop improved competencies and strengthen the early childhood workforce?

- Participation positively changed member and administrator practices
- Coaching added value to participation and helped members apply their learning more effectively in the classroom
- 35% of CoP members in the current study participate in at least one other PD strategy and they rank the CoP model as most effective
- Common outcome data (e.g., teacher, child, classroom) is not currently available, preventing more direct comparisons of improvements in competencies and classroom practices across PD programs

NEXT STEPS: CHANGES IN PRACTICE

Conduct studies in which common child and classroom quality indicators can be collected to better understand the impact of the suite of PD strategies in strengthening the early childhood workforce

Ensure that common outcome data are collected as part of a statewide workforce registry to better understand how pre-service and in-service PD opportunities contribute to increased effectiveness in the classroom

PROVIDING USEFUL & ACTIONABLE INFORMATION



In what ways does the CBPD strategy (i.e., CoP model) contribute to early childhood system building in Central Pima?

- Administrators agreed that CoPs have positively contributed to changes in the early childhood system.
- System building includes:
 - cohort and collaborative aspects of CoP model
 - increase their retention in the field
- REWARD\$ participants were much less likely to agree that participation in REWARD\$ would increase their retention
- T.E.A.C.H. and non-T.E.A.C.H. Pathways participants indicated that these strategies were important for them to obtain higher credentials
- Quality First participants generally had positive perceptions of the activities and support provided through PD components of the program

NEXT STEPS: CHANGES IN EC SYSTEM

Consider ways to track non-CoP member information for future strategic planning purposes, as funding may be reaching an even larger number of early childhood professionals than is currently reported

Future studies should examine retention in the field as a result of participation in each PD program to further assess system improvements, as well as cost effectiveness



PROVIDING USEFUL & ACTIONABLE INFORMATION



Are the available resources sufficient for meeting the needs of early childhood professionals?

- FTF funding for Central Pima's PD strategies is expected to decline from a high of \$2.9 million in SFY2011 to an estimated \$2.5 million for SFY2015
- About half of the CoP coordinators reported that they do not receive adequate financial support for their CoP activities
 - Grantees reported that they either had to scale back the scope of their programs as originally envisioned or would be able to provide higher quality programming or serve more participants with greater funding
- CoPs had the lowest per-participant cost, yet PD strategy participants ranked the CoP model as most effective
- CoPs also serve the majority of participants in the Regional Council's PD strategies
- The largest share of CoP funding, 43%, was used to fund paid staff

NEXT STEPS: AVAILABLE RESOURCES

The Regional Council should consider prioritizing its PD programs with PD goals in mind, and align its FTF resource allocations with this prioritization

Based on the available evidence, the CoP model may be the most cost-effective of the Regional Council's PD programs and may warrant a greater proportion of available PD funding

PROVIDING USEFUL & ACTIONABLE INFORMATION



What level of resources will be required to expand the reach of CoPs and to ensure fiscal sustainability over time?

- Trends in the use of tobacco products and tobacco tax revenues suggest that the current method of funding the Regional Council's PD strategies, may be inadequate in the long term without state policy intervention or developing other revenue streams.
- The Regional Council will need an additional \$1.7 million by the year 2020 to continue funding existing strategies at current service and participation levels.
- The cost of annually increasing participation rates in the current PD strategies through 2020 by 5% is estimated to be \$1.4 million over the no-cost projection referenced above. A 10% annual increase through 2020 is estimated to cost \$2.9 million.

NEXT STEPS: SCALE AND SUSTAINABILITY

The Regional Council should consider exploring other sources of revenues to complement its FTF revenues and/or support its grantees by looking for public/private partnerships



PROVIDING USEFUL & ACTIONABLE INFORMATION



Finding: Data limitations

- The McREL evaluation team encountered instances in which data collection and reporting quality could be improved to yield more reliable and valid study conclusions
 - It is not clear if all coordinators define PD content consistently
 - Definitions of CoP membership are inconsistently applied across CoPs
 - Lack of common child and teacher outcomes tracked across all providers and reporting in a common data system
 - Most budgets and expense reports are submitted in text documents such as Word or PDF

NEXT STEPS: DATA LIMITATIONS

FTF, in collaboration with UWTSa, should determine common definitions for CoP membership, coaching sessions, and more detailed descriptions of PD topics and then track these systematically in a common database

There is a need to improve implementation and financial reporting of CoPs. To improve tracking and analysis capability, it is recommended that all data be submitted in spreadsheet form, such as Excel to FTF

It is also recommended that UWTSa begin to input all financial and monthly CoP reports from sub-grantees into a central database, and also collect and database the more detailed expenditure information submitted on CoP Payment Request Forms





LOOKING FORWARD: FUTURE STUDIES

- Include tribal communities in future data collection to better assess the potential barriers to participation and ways to increase access.
- Include common child and classroom quality indicators to better understand the impact of the suite of PD strategies in further strengthening the early childhood workforce.
- Consider ways to track non-CoP member information for future strategic planning purposes to further assess reach and impact.
- Examine retention in the field as a result of participation in each PD program to further assess system improvements, as well as cost effectiveness.

A young girl with curly hair, wearing a grey sweater over a white collared shirt, is raising her right hand in a classroom. She is smiling and looking towards the camera. In the foreground, the back of another person's head is visible, slightly out of focus. The background shows a brick wall and a window with a white frame. A semi-transparent grey box is overlaid on the right side of the image, containing the text "Questions?".

Questions?

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AGENDA ITEM: Early Care and Education Professional Development Regional Panel Presentation

BACKGROUND: In 2008, the Central Pima Regional Partnership Council prioritized professional development of early childhood professionals as one of its focus areas, and envisioned a system of comprehensive professional development that would be offered through a new, innovative approach. Subsequently, the Innovative Professional Development Strategy was created to provide comprehensive and meaningful professional development opportunities that focus on a cohort model, or Community of Practice, that encourage peer-facilitated learning and that bring subject matter experts (i.e. visiting faculty, published authors, researchers, etc.) to the region's early childhood educators. These professional development opportunities are also tied to college credit if the participants are continuing their path towards college degrees. In its second year of implementation, the program expanded into the South Pima region; in SFY 2013, the program now known as Great Expectations, expanded to North Pima, Pascua Yaqui Tribe and Tohono O'odham Nation Regional Councils with a funding allotment of \$1,159,093.

The panel presentation to the Board will include an overview of the origin and implementation of the strategy, as well as remarks from several key stakeholders:

- **Jessica Brisson:** Ms. Brisson has served as the Regional Director of the Central Pima Regional Partnership Council since October 2008.
- **Naomi Karp:** Ms. Karp is the Director of Professional Development at the United Way of Tucson and Southern Arizona, and oversees the Great Expectations program. Ms. Karp has served on the North Pima Regional Partnership Council since its inception in 2008.
- **Marilynn Sando:** Ms. Sando serves as Campus Program Manager at Pima Community College, where she has worked since 1994. Ms. Sando has served on the Pascua Yaqui Tribe Regional Partnership Council since its inception in 2008.
- **Amber Jones:** Ms. Jones is an employee of Child and Family Resources, Inc. and serves as the Coordinator of Project BEST, the Community of Practice that focuses on improving and expanding the quality of infant and toddler care. Ms. Jones has served on the North Pima Regional Partnership Council since 2010.
- **Adrian Weaver:** Ms. Weaver is an early childhood teacher at Cottonwood Enrichment Center, located in the Vail Unified School District. She is also a participant in the Las Familias Community of Practice and represents the South Pima region.
- **Vivian Lewis:** Ms. Lewis is a Head Start teacher for the Tohono O'odham Nation. A recent graduate of Prescott College's Early

Childhood Education program, Ms. Lewis is currently participating in the Tohono O'odham Community College Community of Practice, which focuses on kindergarten transition strategies for tribal children.

RECOMMENDATION: Presented for information purposes.



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AGENDA ITEM: Discretionary Funding

BACKGROUND: In 2012 the Board commissioned an analysis of the tobacco tax revenue to assess future revenue estimates. This analysis was used to revise the sustainability model established by the Board which is utilized when setting the annual budget including the draw on the fund balance. In addition, the Board reviewed an analysis of the regional carry forward balance. During this financial review the Board determined that they also wanted to have a discussion on how discretionary funding is currently allocated. It was determined that this discussion would occur after the regional council chairs and vice chairs had the opportunity to review and discuss how discretionary funding was allocated. In October 2012, the chairs and vice chairs took up this topic at their leadership forum and also held discussions with their regional councils. Feedback was compiled across the 31 regional councils and reviewed at the February 2013 leadership forum. An *ad hoc* committee was convened to review the feedback and develop a set of considerations to present to the Board.

The report that follows includes the set of considerations from the *ad hoc* committee.

RECOMMENDATION: This is a discussion item only.

**Regional Council Discretionary Ad Hoc Committee
Report to the Board
December 10, 2013**

Background and Purpose

In 2012 the Board commissioned an analysis of the tobacco tax revenue to assess future revenue estimates. This analysis was used to revise the sustainability model established by the Board which is utilized when setting the annual budget including the draw on the fund balance. In addition, the Board reviewed an analysis of the regional carry forward balance. During this financial review the Board determined that they also wanted to have a discussion on how discretionary funding is currently allocated. It was determined that this discussion would occur after the regional council chairs and vice chairs had the opportunity to review and discuss how discretionary funding was allocated. In October 2012, the chairs and vice chairs took up this topic at their leadership forum and also held discussions with their regional councils. Feedback was compiled across the 31 regional councils and reviewed at the February 2013 leadership forum. The feedback document is included at the end of this report. It was determined that an Ad Hoc Committee be convened to review the feedback from the regional councils and develop a set of considerations to present to the Board at their December 2013 meeting.

Since SFY11 the Board has allocated discretionary funding in three ways:

1. Ensuring every regional council could implement at least one strategy, and for some very small tribal regions they allocated discretionary funding so that this was possible.
2. Using the frontier definition from the federal government to provide additional discretionary funding to assist rural and large geographic regions with implementing strategies.
3. Continuing the formula allocation based upon the number of children 0 through 5 in poverty. Every Regional Council receives an allocation based upon this formula.

Committee Members

The following regional council members served on the Ad Hoc Committee.

- | | |
|-------------------------|--------------------|
| 1. Harry Martin | Navajo Nation |
| 2. Kathy Watson | Yavapai |
| 3. Dr. Michael Reed | Cocopah Tribe |
| 4. Nancy Mongeau | La Paz/Mohave |
| 5. Tony Bruno | South Pima |
| 6. Shanna Tautolo | Pascua Yaqui Tribe |
| 7. Toby Urvater | Central Phoenix |
| 8. Rev. Shawn Buckhanan | Cochise |
| 9. David Schwake | Southwest Maricopa |

Considerations for the Board

The Discretionary Ad Hoc Committee met three times to review the feedback from the regional councils and determine the considerations to the present to the Board. Before finalizing the report for the Board the considerations were reviewed with the regional council chairs and vice chairs at their October 2013 leadership forum in which there was consensus for the Ad Hoc Committee to proceed with the identified considerations.

Based upon review of the feedback provided by the Regional Councils the Committee has two considerations for the Board which are as follows:

1. Regional councils are in the best position to determine how to address the needs of the regions and build on existing infrastructure and assets in place. To ensure that the regional councils have the most flexibility in making decisions with the funding allocations the current process for distributing the discretionary funding should be maintained.
2. Re-examine how the frontier definition is applied, and based upon the updated census data (2010 census), determine if additional regions meet the definition.

Should the board change how the discretionary funding is allocated the Board should consider the following:

1. The distribution of the discretionary funding should not be a competitive process for regions
2. Any changes should be in alignment with 3 year funding plan cycles

The table below illustrates the percentage of funding that is discretionary for each regional council.

	FY15 Allocations						
	<i>Formula Driven Total</i>	<i>Discretionary Total</i>	<i>Receives Supplemental Discretionary</i>	<i>Receives Frontier Discretionary</i>	<i>Discretionary as % of Formula</i>	<i>Total Allocation</i>	<i>Discretionary as % of Allocation</i>
<i>Cochise</i>				x	54%		35%
	1,653,917	900,460				2,554,377	
<i>Coconino</i>				x	55%		35%
	1,534,246	837,777				2,372,024	
<i>Cocopah</i>			x	x	351%		78%
	16,035	56,338				72,373	
<i>Colorado River Indian Tribes</i>				x	52%		34%
	182,692	94,983				277,675	
<i>East Maricopa</i>					22%		18%
	6,926,668	1,489,391				8,416,059	
<i>Gila</i>				x	54%		35%
	464,097	250,721				714,818	
<i>Gila River Indian Community</i>					35%		26%
	406,731	142,367				549,098	
<i>Graham/Greenlee</i>				x	55%		36%
	562,831	311,546				874,377	
<i>Hualapai Tribe</i>			x	x	246%		71%
	32,309	79,535				111,844	
<i>La Paz/Mohave</i>				x	54%		35%
	2,428,786	1,305,187				3,733,973	
<i>Navajo Nation</i>				x	52%		34%
	2,492,177	1,305,146				3,797,324	
<i>Navajo/Apache</i>				x	55%		35%
	974,581	532,570				1,507,152	
<i>Northwest Maricopa</i>					26%		20%
	8,360,687	2,155,130				10,515,817	
<i>Pascua Yaqui Tribe</i>				x	51%		34%
	141,227	72,246				213,473	
<i>Phoenix North</i>					29%		22%
	11,672,683	3,353,583				15,026,267	
<i>Phoenix South</i>					32%		24%
	13,493,826	4,257,634				17,751,460	
<i>Pima North</i>					27%		21%
	7,882,626	2,158,064				10,040,690	
<i>Pinal</i>					23%		18%
	4,619,838	1,042,325				5,662,164	
<i>Salt River Pima-Maricopa Indian Community</i>					26%		21%
	95,920	24,917				120,837	
<i>San Carlos Apache</i>				x	51%		34%
	426,267	218,252				644,519	
<i>Santa Cruz</i>				x	53%		35%
	840,828	448,961				1,289,789	
<i>South Pima</i>				x	54%		35%
	4,062,971	2,214,030				6,277,001	
<i>Southeast Maricopa</i>					22%		18%
	8,692,898	1,874,988				10,567,887	
<i>Southwest Maricopa</i>					23%		19%
	3,819,028	873,132				4,692,160	
<i>Tohono O'odham Nation</i>				x	51%		34%
	334,342	171,354				505,695	
<i>White Mountain Apache Tribe</i>				x	52%		34%
	518,479	268,463				786,942	
<i>Yavapai</i>				x	54%		35%
	2,078,846	1,130,287				3,209,133	
<i>Yuma</i>				x	54%		35%
	3,296,431	1,767,934				5,064,366	
Regional Total	88,011,968	29,337,323			33%	117,349,290	25%

Summary of Feedback from Regional Councils on Discretionary Funding February 2013

Questions presented to the regional councils for further discussion and feedback: If discretionary funding or a percentage of discretionary funding were set aside for regional councils to submit proposals as part of their funding plans for consideration by the Board for areas such as capacity building, research, and innovation, cross regional coordination, public/private partnerships, taking a strategy or set of strategies to scale, what are your reactions to this? What are the considerations and implications of this? What other considerations do you want to put on the table for discussion around discretionary funding?

Below is a summary of the feedback compiled by the regional councils regarding the discretionary funding. Overall, the feedback reflects that the regional councils prefer that the methods currently used to allocate the discretionary funding remain in place at this time. Regional Councils did identify ideas for how the discretionary funding could be allocated differently and provided criteria and considerations for those ideas. In addition, there is support for an ad hoc committee to be convened to further review and provide recommendations to the Board.

Major reasons identified for not changing the way discretionary funding is allocated

- It is too soon to determine how best to allocate discretionary funding:
 - Need much more information about the ramifications of each possible option and how that would impact the regions;
 - A few more years would give regional councils the ability to determine which strategies and/or approaches best fit with this type of funding.

- Current method of allocating the discretionary funding is fair, equitable and working:
 - Comfortable with the way they are currently allocated;
 - Overall, the consensus was to keep it equitable and “as is”;
 - The current formula works well and equally distributes funds to regions;
 - Likes the idea of using some of the discretionary funds for Capacity building, research and innovation, cross regional coordination, public/private partnerships and/or taking strategies to scale, however the discretionary funds used for these ideas should remain at the current regional level (calculated at the regional level using population and poverty data);
 - Appreciate the spirit of collaboration and coordination that is occurring cross-regionally and is helping to maximize funds and support neighboring regional councils that may not have the funds.

- A change to the discretionary funding would be a significant concern to the rural regions:
 - Rural Regions need to have the Frontier Adjustment as the funds are built into the funding plan to sustain strategies;
 - The Frontier Adjustment allows rural regions to address the higher cost associated with hiring and retaining qualified staff, the cost of travel necessary to implement work in the region, and be able to have the funding necessary to support the capacity building and infrastructure development needs that exist;
 - Rural regions face many challenges in implementing strategies such as geographic challenges of remoteness, transportation, and the great need that children and families have for support and resources across large geographic areas;

- Discretionary funding has supported rural areas in building capacity and bringing programs to scale. Discretionary funds constitute a third of the allotment and the loss of these funds could impact the ability to build capacity and to bring programs to scale in rural areas.
- A change in the discretionary funding could significantly impact a region's allocation and ability to address needs of the region:
 - The Council is very concerned that if our funding amounts go down in any way we will have extreme problems in maintaining any type of a system in the area;
 - If our discretionary funding is no longer provided to the regional council, it will reduce the size of our budget tremendously, by about one third;
 - This will impact the number of children we will be able to serve;
 - Rural regions require more funds to effectively build capacity and provide services to rural children;
 - Concerned about a reduction or complete removal of discretionary funding from the allotment. Discretionary funding comprises about a third of the base allocation and they feel that the potential loss of a third of the annual budget would have a negative effect on their ability to provide services and resources to children and families as they move forward.
- There is a concern about putting in place a competitive process:
 - A competitive process will favor regions with more capacity and perpetuate a "haves" and "have-nots" situation;
 - Competitive grants would place smaller regions at a disadvantage. These regions don't have the capacity that larger regions do to write grants and to use existing regional capacity for new projects;
 - Unintended consequences may arise with the approval of a proposal/application process, such as:
 - Other regional councils that have proposals that are unfunded feeling animosity towards those that have proposals approved;
 - Capacity of regional councils may vary in the area of developing proposals.
- Some level of concern that this is a punitive action for regional council's that have not spent funds:
 - There was an analogy about "discretionary funding" is a reward for those regions that are able to spend funds more easily because they don't have capacity or scalability issues;
 - It was acknowledged that if there are regions that continue to maintain large carry forward balances that it does present challenges, especially as there are most likely other regions that do have the ability to more fully utilize funding. So while there is an understanding for the need and desire to utilize funds to the fullest and most efficient and effective extent possible, there are concerns about the potential loss of funds in their region;
 - There is a feeling that "if we don't spend it, we won't get it"this may lead to unwise planning decisions on the part of regional councils so that they can maintain their overall budgets.
- Additional comments:
 - There is no fair way to rework the distribution of discretionary funds that could not be challenged;
 - Though the regional council was not loudly in favor, they are willing to entertain a shift in the way these funds are distributed, bearing in mind there is always initial resistance to change, even if the change produces an improved outcome.

Concepts on how discretionary funding could be re-allocated

- Continue to use the current funding formula but for the Board to consider establishing categories or themes for how discretionary monies can be used. The amount that needs to be allocated to a category or theme should increase gradually. If a region includes one or more of the themes in their funding plan then the region receives the funding.
Examples:
 - Funds used for specific goal areas such as Quality First; To develop/improve the services for children with identified special needs who don't qualify for AzEIP;
 - Evaluation;
 - Funds for regional council's benchmarks being evaluated;
 - Taking priority strategies to scale.
- Consider discretionary dollars to be used to promote coordination within regions, cross regionally and for neighboring tribes to develop strategies together. The structure/process would be governed by all the chairs of First Things First regions included in the collaborative effort and decisions would be based on what is in the best interest of the entire cross regional area rather than a single region.
- Invest in Public Private Partnerships: Consider using the discretionary money for matching funding as various grants require some sort of matching of funds which would be a great use for discretionary dollars; FTF funds could be used to leverage other public private partnerships.
- Consider Funding Innovation and Research at a local level. There are various examples of that include professional development, dual language learners, etc.
- Using discretionary funding for one time needs or short term needs. Use as part of a systems building mechanism as long as it is going to achieve what is sustainable and systematic. If one time funding for a project becomes an option, what has to be looked at is the future impact and how this will advance the system; Setting aside a lesser amount of discretionary dollars for working on systems-building may be favorable option though a small pot of funds should be considered.
- Takes a small portion of the pot and makes it competitive:
 - Reluctant to see competition between regional councils because there can be winners and losers which can cause animosity between the regional councils;
 - Consider having rural regions earn extra 'points' or somehow be given additional weight so that the field is still somewhat level when proposals are reviewed for funding decisions. There is concern that proposals from rural regions would not be viewed in the same light as proposals from larger urban regions as a function of the overall cost to conduct the work – the more children there are, the more the work would likely cost, and with limited funding to go around, the fear is that rural regions would lose out because the numbers that might be impacted would likely be smaller;
 - Criteria identified:
 - Consideration should be given to who will carry out work and how a proposed program will be implemented if regional council drafts a proposal to be awarded funds;
 - Ensure that a sufficient amount of financial resources are distributed to see impact;
 - Equitable practices in how funding is issued need to be put in place;
 - Continue this approach for at least three years.

- Expand Frontier Adjustment
 - Consider using discretionary funds primarily in rural areas (due to considerations about urban areas having more funds for strategies);
 - Allocate funds to tribal regions to counter-balance the low census counts;
 - Consider adding to the “Frontier” formula the extended rural areas of Southwest Maricopa, for example Gila Bend. Towns in Southwest Maricopa do receive extra federal funding considerations for their location and the fact that other adjacent rural areas are being served by these center towns, i.e. Sentinel, Paloma, Dateland.
- Allocate funds to build capacity in rural areas, for prioritized goal areas, to address barriers that are impeding the implementation of new programs.
- Develop guidelines on how discretionary funding can be most effectively utilized, i.e., provide a distinction between “long-term” base funding and more “temporary funding”.

Forming an ad hoc committee

- There is broad support to form an ad hoc committee to review the feedback from regional councils on discretionary funding and provide a recommendation on how to proceed, taking into account the various perspectives from all of the regional councils, to the Board.
 - Would like to see a group of representatives from regional councils across the state that is representatives of urban, rural and tribal regions and the flexibility to participate via live meeting or conference calls.

Should changes be made, considerations for how to roll this out

- Any changes to current the funding formula should be presented to regional councils well before any changes are made.
- If the Board does change the funding formula – please do not do it all at once - don’t take discretionary dollars all at one time.
- Board needs to phase in whatever process it decides.
- If changes that could have significant impact on regional funding should be made in the future, it would be important that they be made in alignment with the three year funding plan cycle.

Questions Raised

- Have we explored what other states have done?