



# FIRST THINGS FIRST

*Ready for School. Set for Life.*

02-21-2013 CCHS Attachment 3

AGENDA ITEM: Quality First Child Care Scholarships

BACKGROUND: To ensure First Things First funds are used most efficiently and children in need have access to early care and education, Valley of the Sun United Way (Grant Partner) continually analyze utilization of Quality First Child Care Scholarships and expenditures. The most recent analysis shows that funds will remain at the end of the fiscal year (June 30, 2013) for Cochise County. To address this, Valley of the Sun United Way has developed a plan to allocate additional scholarships to providers.

All providers that are currently enrolled are receiving additional scholarships for the remainder of SFY2013 throughout SFY2014. The Quality First centers and homes that are currently pending and in application status will also receive additional scholarships through the remainder of SFY2013 throughout SFY2014.

RECOMMENDATION: The Regional Director presents this as informational purposes only.



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## **Factors that caused a large amount of unexpended dollars in the Scholarship Program:**

1. The Quality First Child Care Scholarships budget was based off a weighted statewide average cost of \$6,056 for centers and \$4,365 for homes per scholarship. Cochise is in District 6, the reimbursement rates for District 6 are well below the statewide average and for 1 and 2 star providers (1 and 2 Star Providers do not receive the same reimbursement rate of centers at 3, 4 and 5 Stars). Within Cochise specific weighted average costs are only \$4,685 for centers and \$4,211 per home, respectively.
2. The budget also assumed all funded providers would deliver scholarships. Cochise started the year with over 19 vacancies in the Quality First program, thus scholarships were not being utilized.
3. As a result of #1 and #2 – many providers who were using scholarships moved to “double” scholarships being offered to families.
4. Infant Care – only 6 providers enrolled in the Quality First program are serving infants and of these 6, infants are just a fraction of their scholarship enrollment. This further accentuates the issue raised in #1 as part of how the weighted average was calculated assumed that infants would be more consistently served. Within Cochise not a lot of providers serve infants – hopefully, the future pending enrollments will be able to serve this population.

## **Solution to the Above:**

1. Valley of the Sun United Way (Grant Partner) will provide “triple” the model but will look at spending down the unexpended funds over two fiscal years (SFY13 and SFY14). Please note: in order for this approach to completely exhaust the scholarship allotments for both fiscal years, Cochise providers enrolled in Quality First would have to maximize the usage of all of their “tripled” awards beginning February 1, 2013 all the way through June 30, 2014.

## **Current Status:**

Quality First selection of pending and application status:

December Selection: 5 Centers and 4 Homes

February Selection: 2 Centers and 2 Homes

With the above selections: all 43 slots will be filled and hopefully centers/homes will start using all scholarships provided; thus ensuring a reduction in expenditure.



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Valley of the Sun  
United Way



January 30, 2013

«Provider\_Name»  
«Street\_Address»  
«City», «State» «ZIP»

Dear «Site Name»,

Thank you for your partnership in providing scholarships to families in your community so that children have access to early care and education with providers focused on improving quality. To ensure First Things First (FTF) funds are used most efficiently and children in need have access to early care and education, we continually analyze utilization of Quality First Child Care Scholarships and expenditures. Our most recent analysis shows that funds will remain at the end of the fiscal year (June 30, 2013). To address this we are allocating additional scholarships to providers.

Effective February 1, 2013, your program will have an additional <<additional slots>> full time scholarships for a total of <<2013 Total revised slots>> full time scholarships to use for eligible children. Providers receiving additional slots in the region of Cochise have been authorized by First Things First to keep these additional scholarship slots through June 2014, providing your program remains enrolled in Quality First and funding continues to be available. We hope that you will take advantage of these additional scholarships and fill them as soon as possible.

If you have any questions or feel you cannot fill these additional slots please email the VSUW Child Care Scholarship team at [RegionalScholarships@vsuw.org](mailto:RegionalScholarships@vsuw.org) or call us at 602-240-6324 or 866-973-0012. Thank you for being part of the Quality First Program. We look forward to working with you in distributing these additional scholarships to eligible children.

Sincerely,

VSUW FTF Child Care Scholarship Team