

Impacting Young Lives Throughout Arizona

FIRST THINGS FIRST

2019 ANNUAL REPORT



Dear Fellow Arizonans:

First Things First represents a commitment Arizonans made to our youngest children – that they would have the support they need to start school healthy and ready to succeed. As the following pages describe, we continue to make great strides in fulfilling that commitment, including:

- The percentage of child care and preschool programs meeting or exceeding rigorous quality standards increased from 25% in 2013 to 76% this year;
- Funded programs continue to improve the lives of young children statewide, including thousands of children who have access to quality child care and preschool or receive screenings to identify potential learning challenges; and
- Partnerships with state agencies have preserved millions of dollars in federal child care funds that otherwise would have been lost.

These pages also reveal ways in which FTF is working to maximize early childhood funds, including:

- Working with state partners to share costs and eliminate duplication;
- Using detailed revenue projections to guide FTF spending;
- And finding ways to partner with business, philanthropy, local governments and even individual donors to invest in young children.

But among all that good news lies our on-going challenge: many young children in Arizona face significant barriers to their success, including poverty, trauma and lack of access to needed resources. These needs are so much more than any one organization can confront, but not more than we can do together. If we want our youngest children to arrive at kindergarten prepared, each of us will have to re-double our efforts to help them get a strong start, in school and in life.

We invite you to partner with your local FTF regional council to learn more about the young children in your area; the efforts already underway to promote their health and learning; and ways that you may be able to join the movement to get kids ready for school and set for life!

Sincerely,



GERALD SZOSTAK
Board Chair

A handwritten signature in black ink, appearing to read 'G Szostak'.



MARILEE DAL PRA
Chief Executive Officer

A handwritten signature in black ink, appearing to read 'Marilee Dal Pra'.



Table of Contents

Investing In Today's Workforce - and Tomorrow's	4
About First Things First	8
A Snapshot of Arizona's Children	10
Our Impact At-A-Glance	15
Family Support	16
Early Learning	17
Health	17
Success in Improving Quality Early Learning Continues	18
Health Strategies Emphasize Prevention and Early Intervention	29
Professional Development Key for Those Working with the Youngest Children	38
Information & Support Meet Families Where They Are At	41
Improving Outcomes for Abused and Neglected Children	44
Regional Council Acknowledgments	46
Statewide Financial Report	50
Appendix A	62
Endnotes	66

Investing in Today's Workforce - and Tomorrow's



Investing in AZ's Economic Development Starts in Early Childhood

About half of U.S. children born to economically struggling families are up to two years behind their peers by the time they enter kindergarten.^{1,2}

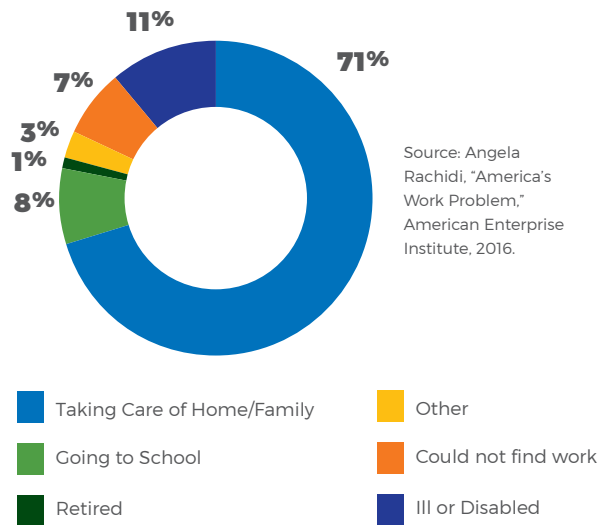
This gap widens as children progress through school, resulting in poor performance, increased need for remediation and high dropout rates.^{3,4}



Nonworking Poor with Children Under Age 5: Reason for Not Working

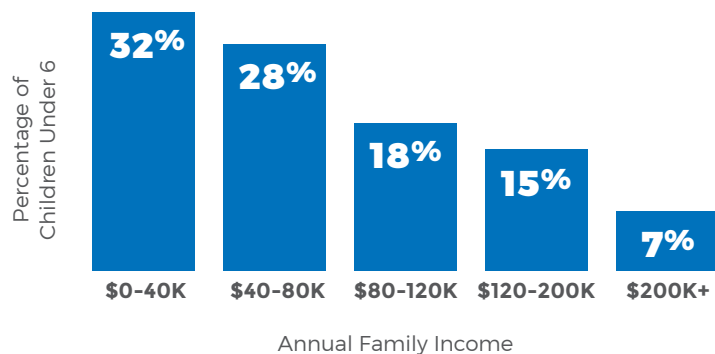
Many children arrive at kindergarten underprepared because they come from a household in which all adults are working, yet lack adequate access to care that provides a quality early learning environment (which, at about \$10,000 per year⁵, can cost as much as tuition at Arizona universities). In fact, about 70% of nonworking poor adults cite “taking care of family” as the reason they are not in the workforce⁶, and more than half of the parents who drop out of college cite “family commitments” as the reason (three-quarter of these also said access to child care would have made a difference).^{7,8}

Many parents are put in the tough situation of choosing between the need to work or complete their education and the need to care for their children. This creates strain on employers who increasingly report a loss of work hours and productivity as parents have to juggle inconsistencies that come from inadequate child care.



Children Under 6 By Family Income

Source: U.S. Census Bureau, 2016



Today's employers also are struggling to find workers with the right set of skills for today's workplace – skills that go beyond the technical or job-specific and more toward the quality workplace interactions, like teamwork, communication, problem-solving and follow-through on commitments. Recent studies that show many employers look for these “soft skills” as they consider candidates and these skills will become increasingly important for the jobs of the future.⁹ Those skills start to develop at birth and are taught, promoted and strengthened through quality early learning experiences.

High quality child care is a powerful two-generation approach to economic development.

- For young children, it ensures they have the opportunity to grow and learn in their earliest years of life, and are able to thrive in kindergarten and beyond when they become the future workforce
- For parents, it increases opportunities to participate in the labor force, or complete education and advanced training.
- For employers, it boosts productivity; and helps them to attract and retain talent.¹⁰

Early education is also a sound public investment, with up to a \$16 return for every \$1 invested, including reduced costs for remediation, criminal justice and social welfare, and increased earnings.¹¹ Ensuring that all children have access to quality early learning is a responsibility we all share. Arizonans made a significant contribution to that vision when they created First Things First.



About First Things First

Created by a 2006 citizen's initiative, First Things First is one of the critical partners in creating a family-centered, comprehensive, collaborative and high-quality early childhood system that supports the development, health and early education of Arizona children birth to age 5. The work of First Things First focuses on seven main areas, including:

Quality Child Care and Preschool

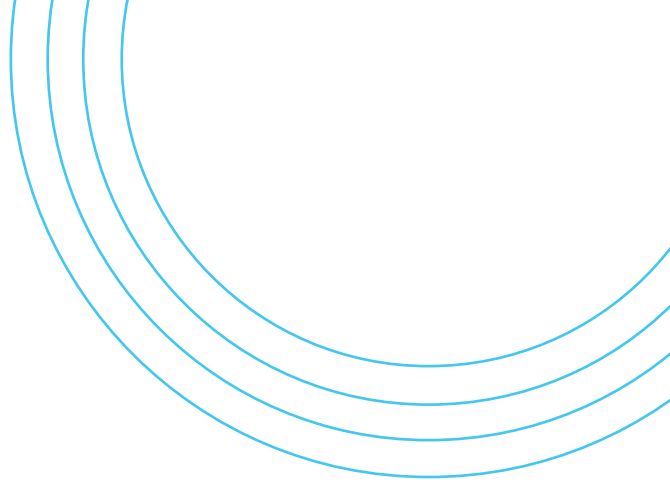
Children with access to high quality early learning do better in school and are more likely to graduate. FTF funds researched-based quality improvements that help children thrive, including learning environments rich in language and literacy, coaching for early learning professionals to better engage young learners and developmentally appropriate learning materials. Scholarships also are funded to help more infants, toddlers and preschoolers access quality early care and learning.

Strengthening Families and Early Literacy

Families are a child's first and best teachers. FTF programs give parents options when it comes to supporting their child's health and learning. Services are voluntary and provided at levels that meet the family's needs, from community-based parenting education to voluntary, evidence-based home visitation programs delivered in the home from a nurse or parent educator to address a variety of parenting situations, like grandparents raising grandchildren, parenting children with special needs or families with multiple births.

Preventive Health

Undetected or untreated health issues in the early years can impact learning later on. Left unaddressed, developmental delays and chronic medical conditions can become serious learning problems that require more costly interventions. FTF funds preventive developmental and sensory screenings, parent education and referrals to existing services to ensure that kids arrive at kindergarten healthy and ready to succeed. FTF also funds oral health screenings and application of fluoride varnish to prevent tooth decay and subsequent dental issues that are a leading cause of school absence later on. In addition, FTF funds strategies to connect families to health care options in their communities, as well as efforts to coordinate the services children receive for maximum benefit.



Teacher and Workforce Training and Development

A child's relationships with early caregivers impact whether her brain will develop in ways that promote learning. Children 5 and younger learn differently than school-age children. The quality of early learning depends on the education and skills of the teacher. FTF funds scholarships and other educational support to expand the skills of professionals working with infants, toddlers and preschoolers. In addition, FTF funds a variety of evidence-based consulting models to help early childhood educators improve health practices in early care settings and better support children's mental and behavioral health.

System Coordination

Collaboration among system partners maximizes resources and effectiveness. At the state and regional levels, FTF works with early childhood system partners – like state agencies, tribal governments, philanthropic organizations, businesses and providers – to maximize funding, reduce duplication and ultimately improve outcomes for young children. These collaborations also promote the on-going development and continuous quality improvement of a statewide early childhood system that supports the health and development of all young children in Arizona.

Parent and Community Engagement

We all have a shared responsibility to help children arrive at school prepared to succeed. FTF works with families, caregivers and community leaders to build awareness of the importance of early childhood and steps they can take to support the education and health of young children in their communities.

Research and Accountability

Measuring effectiveness and promoting continuous quality improvement relies on robust, accurate data. Data collected by FTF and its partners are used to inform decision-making, monitor FTF-funded grant partner performance, enhance program effectiveness and measure the impact of FTF-funded strategies or the collective investments of Arizona's early childhood system.

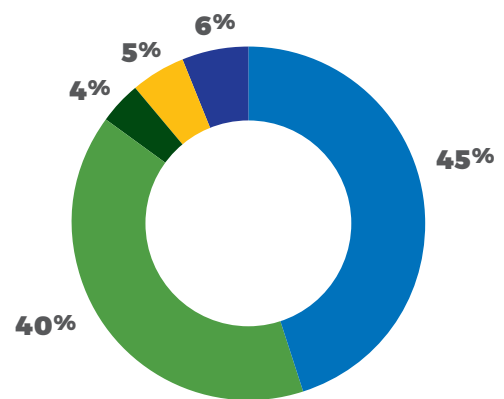
A Snapshot of Arizona's Children

Demographics

Number of kids under 6 in Arizona **520,556**

Ethnic breakdown of kids under 6

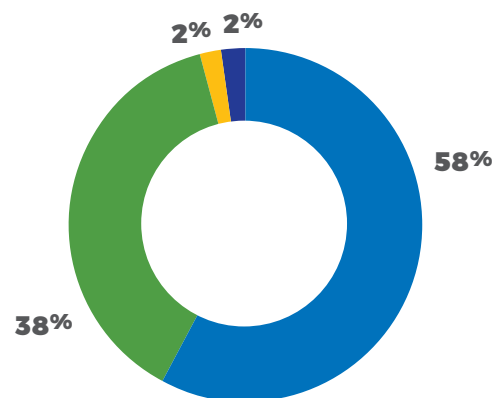
- Hispanic or Latino
- White, not Hispanic
- Black or African American, not Hispanic
- American Indian, not Hispanic
- Other (including children of two or more races), not Hispanic



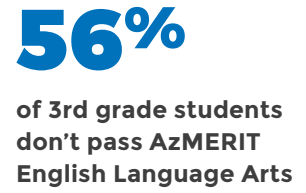
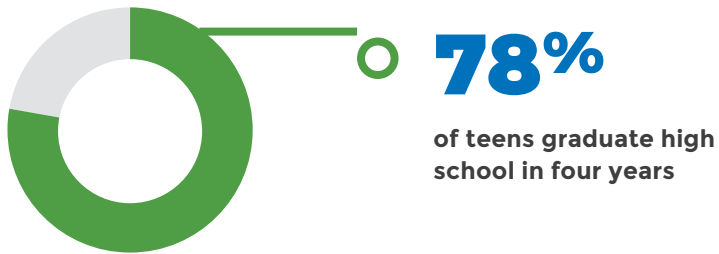
Households with kids under 6 **384,441**

Living arrangements of kids under 6

- Living with two married parents or step-parents
- Living with one unmarried parent or step-parent
- Living with relative(s), but not with parent(s) and/or step-parent(s)
- Living with unrelated person(s) /other living arrangements



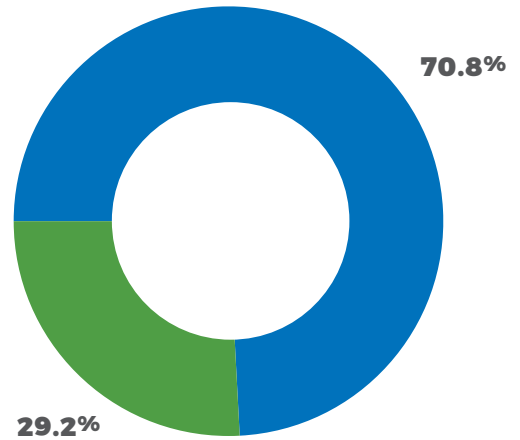
Education



Health and Well-Being

- Did not receive timely developmental screenings
- Received timely developmental screenings

Children ages 10 months to 5 years who received developmental screenings during a health care visit (2011-2012 - most recent survey available)



33.5% of children 19-35 months without all recommended vaccinations

27% kindergarteners have untreated tooth decay

11.1% children ages 1-5 years with tooth decay or cavities

6% of children birth to age 6 lack health insurance

17.9% of children under 6 with 2+ ACEs

25.8% of children with one ACE

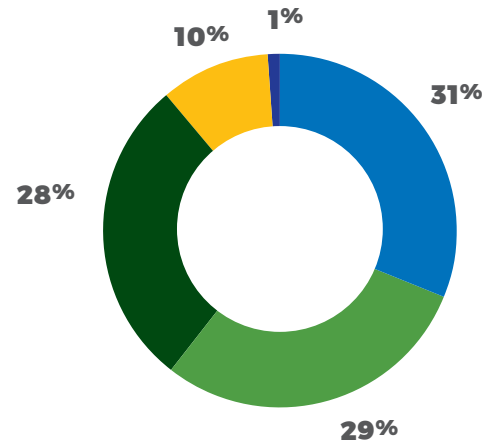
5,468 Number of children (0-5 years) entering out-of-home care in fiscal year 2018

Economics

Percentage of young kids in poverty **26%**

Employment status of parents with young kids

- Children living with two parents, both in labor force
- Children living with one parent, in labor force
- Children living with two parents, one in labor force and one not
- Children living with one parent, not in labor force
- Children living with two parents, neither in labor force




60% Percentage of children whose parents are in the labor force

26% babies born to mothers under 18 years old

6% babies born to mothers under 20 years old

Median annual income for families with at least one child birth to age 17, by family type

Married-couple families	\$80,533
Families headed by a single male	\$38,650
Families headed by a single female	\$26,907



Making A Difference for Arizona's Children and Families

First Things First efforts to support the health and learning of children birth to 5 years old are making an impact in several areas, including: strengthening families in their role as their child's first teachers; improving the quality of and access to early learning; expanding access to screenings that detect health or learning challenges early on; and increasing the skills of those working with the youngest children.

Our Impact At-A-Glance

Young children with high quality experiences have been shown to have increased vocabulary, better language, math and social skills, more positive relationships with classmates and higher scores on school-readiness assessments. In short, these children are better prepared for school.

Family Support

- 13,395** Families received referrals to needed services through family resource centers.
- 10,372** Families attended activities to increase their awareness of core areas of family functioning and children's development.
- 4,140** Families with young children (birth-5 years old) participated in voluntary home visiting programs proven to reduce parental stress levels, increase connections to community supports, and improve children's cognitive, motor, behavioral, and socio-emotional development.
- 210** Families successfully graduated from home visiting programs this year.
- 64,190** Families of newborns left the hospital with the Arizona Parent Kit, filled with tips to help them support their child's health and learning.
- 1,380** Parents and other caregivers participated in evidence-based trainings designed to improved knowledge of parenting practices and children's development.



Early Learning

- 62,215** Young children received their early education from child care and preschool providers committed to continuous quality improvement of their early learning programs through Quality First.
- 45,278** Infants, toddlers and preschoolers were in early learning programs that met or exceeded Quality First's rigorous standards.
- 9,179** Children from low-income families received high quality early education with the help of a Quality First child care scholarship.
- 1,313** Early childhood educators received college scholarships to improve their qualifications for working with infants, toddlers and preschoolers.
- 1,337** Relatives and other community caregivers completed a series of trainings to increase their understanding of children's development and strategies to support young children's health and learning.

Health

- 17,181** Children received screenings to detect vision, hearing and developmental issues and prevent learning challenges later on.
- 4,693** Children received referrals to further assess for developmental delays/sensory issues and possible treatment or early intervention services.
- 16,837** Children received fluoride varnish applications to protect against early childhood tooth decay.
- 24,664** Children received a screening to detect tooth decay, which left undetected and treated could cause damage to permanent teeth, impaired speech development and failure to thrive.
- 136** Referrals were given to children for services to address their mental/behavioral health needs.
- 458** Child care and preschool providers received consultation proven to enhance teachers' confidence in dealing with students' social-emotional needs, improve teacher-child relationships and prevent expulsions.

Success in Improving Quality Early Learning Continues

The quality of early learning environments can have a profound effect during the first five years of life. Longitudinal studies, spanning more than 40 years, demonstrate that quality care and education from birth to age 5 results in higher IQ scores, higher school graduation rates and lower crime rates.^{12,13} Young children with high quality experiences have been shown to have increased vocabulary, better language, math and social skills, more positive relationships with classmates and higher scores on school readiness assessments. In short, these children are better prepared for school.^{14,15}

High quality early childhood programs include: skilled teachers that know how to engage young learners; indoor and outdoor environments that are safe, child-centered, stimulating and well-stocked with developmentally appropriate materials; predictable and balanced daily schedules and routines; evidence-based, culturally responsive curriculum; supportive assessments of each child's progress; and ample opportunities for family involvement in their child's education.

The child care options currently available in Arizona's communities can vary widely when it comes to the quality of care and education provided. This puts a substantial burden on families, who must find and accurately assess prospective providers to find good care for their children at an affordable price. But even the concept of "good" remains vague without an accepted standard of quality. The Arizona entities that license and certify child care settings (including the Arizona Department of Health Services, the Arizona Department of Economic Security, the U.S. military and tribal governments) work to ensure that these settings meet basic health and safety requirements.

Though meeting health and safety requirements continues to be a critical requirement for supporting young children, a growing body of research also underscores the importance of

quality in early learning settings in supporting young children's school readiness, including stimulating and developmentally appropriate environments, positive adult-child interactions and established administrative practices. In order to provide more quality early learning environments for Arizona's young children, early childhood system partners identified the need to create enhanced standards for early care settings that addressed quality criteria including health and safety. The quality standards, based on best practice literature, were to include research-based criteria such as adult-child ratios, group size, qualified personnel, evidence-based curriculum, etc. Stakeholders also identified the need to create a systemic effort to help child care and preschool settings understand and meet those standards and to help more children access high quality settings.

That is why First Things First created Quality First – Arizona's Quality Improvement and Rating System – to establish a unified, measurable standard of care, inform parents on their local providers' proximity to that standard, improve quality and promote school readiness. Quality First participating providers receive supports to improve and maintain the quality of their programs. These supports may include: individualized coaching and specifically targeted technical assistance, incentive grants and professional development scholarships.

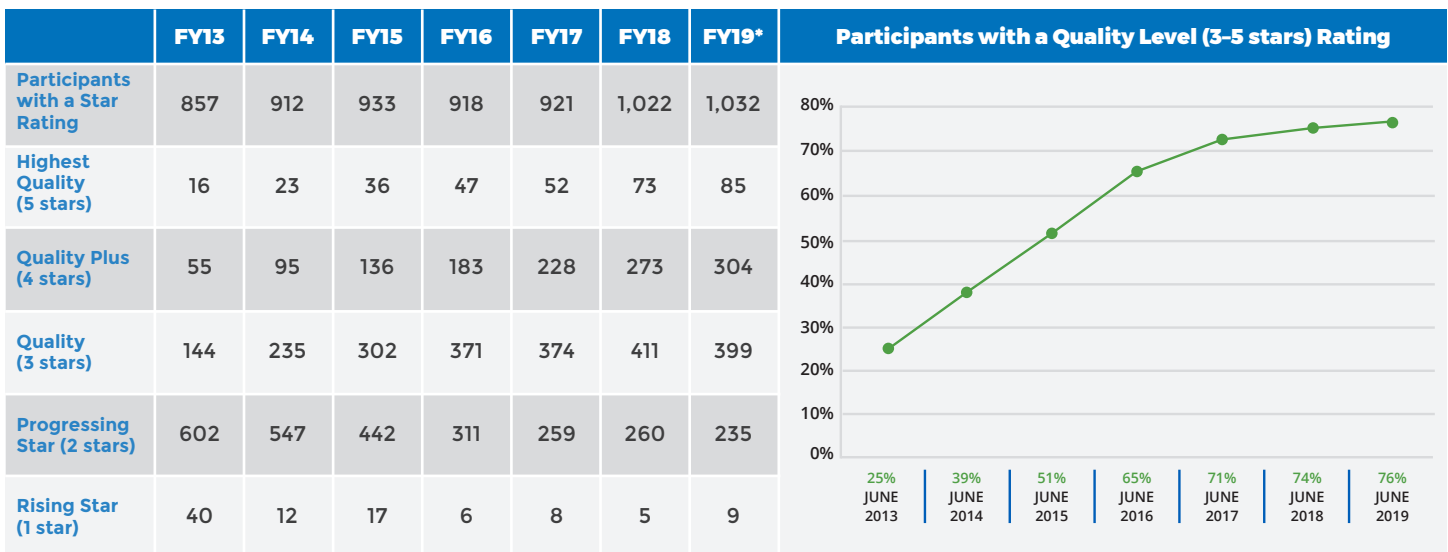
The latest data indicate that Quality First continues to significantly improve the quality of early learning options available to Arizona's families (See Figure 1). When programs were first rated (2013), 25% of 857 participating rated providers met or exceeded quality standards (3-5 star rated). Over the past six years, both enrollment and quality levels have improved among providers participating in Quality First. In 2019, 76% of 1,032 participating rated providers met or exceeded quality standards. This means that 45,278 children in Arizona were in early learning programs that meet or exceed quality standards, an increase of 85% since 2015 (24,420 children). More simply stated, the number of children with access to quality early learning as a result of Quality First has almost doubled since 2013.

When combined with providers who continue to work diligently on enhancing the quality of their child care and preschool programs, Quality First has ensured that more than 62,000 children throughout the state have access to a higher standard of early education. Almost 73% of those children are in early learning settings that meet or exceed quality standards.

Appendix A demonstrates quality improvement region-by-region.

First Things First also prioritizes access to quality early learning programs by funding Quality First scholarships. This evidence-based strategy provides financial assistance in the form of scholarships for children from low-income families (200% of Federal Poverty Level and below) to attend quality early care and education programs. The intended outcome for children and families is increased access to quality early care and education settings that promote readiness for kindergarten. In addition, scholarships support continuity of care for children so that previously formed supportive relationships with caregivers can remain in place. In state fiscal year 2019, Quality First Scholarships helped 9,179 infants, toddlers and preschoolers throughout Arizona access a higher standard of early learning. Fifty-six (56%) of the children (5,146 infants, toddlers and preschoolers) were able to remain with the same provider for nine months of the year or longer, another hallmark of quality care.

Figure 1. Quality Improvement and Rating System Progress and Outcomes



Quality First providers are publicly rated once they have received at least two assessments (typically around two years of Quality First participation). In order to provide the most comprehensive data possible, these figures include data for both publicly rated programs and not publicly rated programs (those who have been in Quality First less than two assessment cycles).

* Data are provided for all rated Quality First providers, regardless of funding source.

First Things First Helps Providers in Underserved Areas Maintain Quality Focus After Federal Grant Expires

First Things First is one of several state agency partners working to expand quality early learning opportunities for Arizona's youngest children. In 2015, Arizona was one of five states that received a federal Preschool Development Block Grant (PDG) totaling \$80 million over federal fiscal years 2017–2020. The main goal of the grant, which was awarded to the Arizona Department of Education (ADE), was to expand quality preschool in underserved areas. Federal program administrators emphasized that PDG funding was seed money – intended to establish or expand preschool opportunities in underserved areas and give time for those programs to secure stable long-term funding.

To ensure children served had access to the type of quality early learning programs proven to improve child outcomes, the federal government required preschool programs created or expanded through the PDG be enrolled in their state's early learning quality improvement and rating system; in Arizona's case, Quality First. Through a partnership with ADE, the programs participating in PDG were enrolled in Quality First, giving those programs access to resources that: ensured their settings were rich in language and literacy opportunities; expanded teachers' skills in working with young

learners; enhanced the programs' ability to meet the social-emotional needs of students; promoted the inclusion of children with special needs; and provided developmentally appropriate learning materials.

During SFY19, Arizona was notified that, while the federal PDG grant would continue, the focus of the program was going to shift from funding individual sites to helping states develop strategic plans and infrastructure for expanding quality early learning opportunities. Arizona was awarded a \$1.4 million grant over one year to support those efforts. While those funds will help Arizona plan for continued preschool expansion in the long term, it raised some questions whether the existing programs would continue to operate in fiscal year 2020 and whether they would be able to continue their participation in Quality First.

FTF is committed to ensuring that early learning programs available to children are of high quality, and worked with ADE, system partners and providers to identify opportunities where the PDG providers could continue to pursue their quality improvement efforts. There were 72 programs participating in PDG who were at risk of losing Quality First support due to the reduced funding and wanted to remain in the program. Sixty-three (63) programs were able to continue participating in Quality First through support from FTF. An additional six programs were able to continue in the program with support from a small amount of ADE/PDG funding that remained at the end of the grant. FTF continues to work with the remaining four providers to identify opportunities at the local level to support their ongoing focus on quality improvement.



Arizona was awarded a \$1.4 million grant to expand quality early learning.



Quality Early Learning Gets A Boost From Federal Funds

At the same time that state and community partners were working through the decrease in PDG funds, Arizona was planning for a historic increase in federal Child Care Development Fund (CCDF) dollars – about \$56 million per year for the next two years. CCDF funds are administered by the Department of Economic Security (DES), which uses the funds to provide child care subsidies for a number of purposes, including: ensuring that low-income working families have access to safe, reliable child care (which enhances their ability to work and may reduce instances of abuse or neglect because children are not left to be cared for in unsafe environments), and to provide child care for families providing temporary placement to children in the child welfare system (such as foster families and relatives). Through the federal funds, participating child care and preschool providers are reimbursed for the care they provide to children. Any costs of care not covered by the subsidies are either absorbed by the provider or passed on to the family.

Although the amount of child care subsidy funds available for Arizona to support struggling families increased dramatically, one thing stayed the same: the CCDF grant requirement that

the State provide both Maintenance of Effort (MOE) and matching funds. Specifically, Arizona cannot claim an almost \$37 million portion of the total CCDF grant (\$184 million) unless the State expends \$30 million in non-federal dollars on child care-related activities. Historically the State met the MOE and matching requirement with State General Fund dollars appropriated by the Legislature to DES for additional child care vouchers. State and federal funds approved by the legislature for child care subsidies (excluding CCDF), reached a high point of \$69.1 million in fiscal year 2008. Due to significant reductions in General Fund revenues resulting from the economic recession, the Legislature drastically reduced state appropriations for child care subsidies. In fiscal year 2012, all General Fund appropriations to child care vouchers were eliminated. Some funding has since been restored. The Legislature's elimination of General Fund appropriations to child care vouchers in 2012 resulted in the State's inability to meet the CCDF's maintenance of effort and matching requirements, thus threatening the loss of tens of millions of dollars for child care vouchers annually.

In order to continue to access Arizona's full allotment of CCDF dollars, FTF collaborated with the Governor's Office and DES in establishing a Memorandum of Agreement to count FTF investments as the required match. These expenditures have included the various components of quality improvement efforts – including assessing programs, coaching

providers on quality improvement and professional development for early educators to expand their skills working with young children – as well as Quality First scholarships. Throughout the 10 years this MOA has been in place (see Figure 2), Arizona has been able to leverage nearly \$378 million in federal child care funds that otherwise would have been lost.

Figure 2. First Things First Investments Preserve Millions in Federal Child Care Funds

Federal Fiscal Year	FTF Match Provided	Federal Child Care Subsidy Dollars Drawn Down as Result of FTF-DES MOU
2011	\$10 M	\$40.5 M
2012	\$30 M	\$37.9 M
2013	\$30 M	\$37.6 M
2014	\$30 M	\$37.5 M
2015	\$34 M	\$37.8 M
2016	\$30 M	\$37.6 M
2017	\$30 M	\$37.4 M
2018	\$30 M	\$38.1 M
2019	\$30 M	*\$36.7 M
2020	*\$30 M	*\$36.7 M
TOTAL	\$284 M	\$377.8M

**projected*

The growing importance of this collaboration on the child welfare system's outcomes is clear. Between 2010 and 2015, Arizona saw explosive growth in the number of children in out-of-home care due to abuse or neglect. Between June 2010 and the middle of 2015, the total number of children in out-of-home care grew by 67%. While the number of children in out-of-home care has decreased in the last few years, in 2018, there were still 13,418 children in out-of-home care, including 5,739 children under 6 years old. As a result of this on-going challenge, the percentage of children birth to age 5 served by the child care subsidy program

who are involved with the child welfare system increased dramatically. In 2011, 28% of young children served by the program were involved with the child welfare system; by 2018, that number was 38 percent. By ensuring that Arizona is able to draw down all available CCDF funds and by working to improve the quality of care in licensed and certified child care and preschool settings, FTF is helping to promote quality early learning for thousands of Arizona's youngest children, including those in out-of-home care whose foster families use DES child care vouchers.

In 2019, this collaboration among system partners also was reflected in how Arizona chose to spend its increased infusion of federal dollars. Based on a recommendation from DES, Governor Doug Ducey championed the use of the federal funds to provide access to child care subsidies to approximately 5,000 more children and to reduce out-of-pocket costs for families by increasing provider payments an average of 30 percent. In addition, the reimbursement rate to providers meeting quality standards, including providers who earn 3-5 stars in Quality First, were increased even further (a new enhanced rate of 5% for 3-star providers and maintenance of a 10% enhanced rate for 4-star providers and 20% for 5-star providers). This is significant because many facets of quality – such as hiring and retaining highly skilled educators – increase provider costs. Without

adequate reimbursement, providers might be forced to choose between high quality and passing on costs to struggling families. Although reimbursement rates continue to lag behind the actual costs to provide quality early learning, the recent investments reflect a continued commitment by system partners to support improved quality in early learning and greater access to quality settings for some of the state's most vulnerable children.

In 2011, 28 percent of young children served by the program were involved with the child welfare system; by 2018, that number was 38 percent.



Pilot Program Uses Participant Feedback to Make Improvements Along the Way

Higher child care subsidy reimbursement rates are crucial to helping early learning settings provide quality care, but support is also crucial. Quality First has already demonstrated its ability to help providers improve the quality of their early learning settings. But, even a successful program can find ways to improve. Based on the results of prior studies and recommendations from an advisory committee comprised of parents, providers and experts, Quality First is testing modifications to some components of the program. The field test, known as the Quality First Redesign, is funded in part by DES and an \$800,000 grant from the W.K. Kellogg Foundation. The goal is to determine whether the modified program continues to improve quality across program types. Through the field test, data about the usage of quality supports such as technical assistance and financial incentives is being captured and will inform future cost modeling discussions for quality improvement supports. Current FTF funding available covers the costs for approximately one-third of the state's licensed or certified providers to participate in Quality First.

The Redesign includes increased initial information to providers about Quality First's program standards and what their participation will require; tools to help providers assess areas in which they may want to focus quality improvement efforts; and on-demand technical assistance across a greater variety of topics. A total of 64 providers statewide in SFY19 were involved in the field test and an emphasis was placed on programs in under-served areas and settings that serve high percentages of at-risk children, such as children living in poverty or involved with the child welfare system. The selected sites encompass 16 communities throughout the state, including partnerships with five tribal nations.

In addition to an evaluation spanning the entire three years of the Redesign, data and feedback are being collected at interim points and are being used to make improvements while the Redesign is in progress. In this manner, those interim enhancements can become part of the overall evaluation of the field test and benefit existing participants. Among the changes made in the first 18 months based on ongoing findings from the implementation are:

- Instead of eight separate trainings on core concepts (such as early standards and the tools used to assess quality), the trainings have been consolidated into one comprehensive session. In addition, "watch parties" are being hosted to encourage participants to come together after hours, view the information and discuss the content.
- A common theme technical assistance professionals have heard is that administrative supports (such as maintaining appropriate child to staff ratios or office work, such as collecting tuition, paying bills, etc.) are needed in order to focus on the quality improvement process. As result, technical assistance staff will be trained on how to provide support in those areas.
- Lastly, interim results of the Redesign are being shared with system partners to identify areas in which collaboration can increase effectiveness. For example, by counting a quality assessment already completed by Head Start sites toward Quality First assessment, program costs can be reduced and classrooms are spared the disruption of two assessments.



FTF staff will continue to learn from Redesign participants and adjust the program accordingly. The Redesign is in its third and final year. Results of the pilot evaluation are expected in 2021. In addition to evaluating the Redesign, First Things First also has initiated a series of studies to ensure that Quality First is improving child outcomes. The studies, based on the recommendations of a panel of national experts, are being done in several phases. Phase One (completed in 2017) found that:

- Quality First providers tend to improve their ratings between ratings.
- The Quality First Rating Scale does differentiate between various levels of quality.
- Perceptions of Quality First components are general positive among participants, staff and community partners.
- And, FTF's data system collects the information necessary to support program improvement efforts.¹⁶

Subsequent studies will include examination of the comprehensive array of Quality First program components, fidelity of implementation of program components, and the contribution of program components—alone and in combination—to improve quality. Subsequent studies also will assess differences in quality between Early Care and Education (ECE) programs at various levels on the Quality First rating scale (or with no rating), and to what extent changes in quality are associated with improved child outcomes.

The results of the Redesign field test and the trio of studies will be shared with system partners and will be used to inform program improvement efforts in the future.





Local Governments Eyeing Future Investments in Early Childhood

In the 2017-2018 school year, the City of Tempe (located in the FTF East Maricopa Region) launched a city-funded initiative to expand preschool availability for approximately 300 children from low-income families. The move was prompted by a study that showed two-thirds of the city's kindergarteners scored lower than expected in reading and language. In order to ensure more children arrived at kindergarten prepared for success, the city invested \$6 million over two years to provide high-quality preschool to 3- and 4-year-olds from low-income families (defined as those living at or below 200% of the Federal Poverty Level).

When it came to ensuring that those environments were of high-quality, the city looked to First Things First's successful quality improvement initiative, Quality First. Through support from the Virginia G. Piper Charitable Trust, the city enrolled all its 20 Tempe PRE classrooms into Quality First, where they receive coaching, assessment and other supports to continuously improve the quality of early learning provided to the children they serve. To further support improved outcomes for young children, the city also provides expanded professional development opportunities to

teachers and staff in Tempe PRE classrooms. In addition, students' families are enrolled in the Triple P parenting program, and children receive extended care after school and during the summer.

According to the program's Year 1 progress report to the Tempe City Council, baseline data show that Tempe PRE students are typically below their expected developmental level in all domains when they enter preschool. For example, in the social-emotional domain, 76% of students performed lower than expected; in the cognitive domain, 64% of students were performing lower than expected. "At the end of program year one, most children shifted from performing below their expected developmental level to meeting or exceeding developmental expectations in all domains," the report stated. "Most prominently, the percentage of children meeting or exceeding social-emotional and literacy developmental expectations increased between baseline and the end of Year One, suggesting that social-emotional and literacy skills may be particularly sensitive to time spent in preschool."¹⁷

Based on the initial results, the Tempe City Council in December 2018, decided to provide an additional year of program funding to allow the city to explore financing options to continue the program in the long-term. Growing awareness of the importance of the early years, the significant quality improvement infrastructure available through Quality First and the success of innovative funding approaches like Tempe PRE are prompting other local governments in Arizona to consider early learning investments. Those include:

LAUNCH Flagstaff

A coalition of community partners committed to providing all children in their area with a world-class education. The group has petitioned the Flagstaff City Council and the Coconino Board of Supervisors to jointly invest \$800,000 per year to support high quality preschool for about 90 4-year-olds from low-income families. The group looked at data that showed that even with the combined investments of First Things First, Head Start and area schools, there were still almost three 4-year-olds in the community for each preschool slot available. They estimated that Flagstaff would need to subsidize five preschool classrooms to address the gap and recommended the city/county partner with the Flagstaff Unified School District and utilize existing classroom space within targeted school buildings. The group's proposal includes requirements that the added classrooms participate in Quality First (the state's child care and preschool quality improvement and rating system) and that evaluation requirements be put in place to gather data on the impact of the local investment in early learning. According to the LAUNCH Flagstaff website, the City of Flagstaff and the Coconino Board of Supervisors have each pledged \$70,000 toward the 3-year pilot. The Wharton Foundation has pledged an additional \$150,000. A community coalition, including the Wharton Foundation and the Flagstaff Chamber of Commerce, will be working to raise the remaining funds needed to launch to pilot in January 2020.

Pima County Preschool Investment Program

In 2017, Tucson citizens placed an initiative on the city ballot to use city tax funds to expand preschool opportunities within the city. Although the initiative ultimately failed at the ballot, it succeeded in raising awareness of the need for high-quality preschool in the area, and it galvanized community leaders to work together to expand those opportunities. Their resulting recommendation was the Pima Preschool Investment Program (PCPIP), an effort to use county dollars to fund preschool for all low-income 4-year-olds in the Pima area. The recommendation included the requirement that children supported through the program attend quality early learning settings (as defined by earning 3-5 stars in Quality First, achieving national accreditation or being a Head Start program) and that the amount of assistance result in no co-pays for families. The Pima County Board of Supervisors heard the proposal and has directed staff to explore potential financing models to support expansion of preschool in Pima County.



Quality Child Care: A Powerful Tool in a 2-Generation Approach to Self-Sufficiency

The Pima County One-Stop Career Center is known for providing comprehensive workforce development programs. But a few years ago, career center officials began to notice that parents with young children were having difficulty completing a program that would help them secure better paying jobs for one main reason: lack of dependable, affordable child care.

"They discovered that reliable child care for the parents in the program was a major barrier to graduation and, ultimately, to them accessing the job market," said Marcia Klipsch, then chair of the First Things First Pima North Regional Council.

Barriers to finding quality child care often affect a family's ability to maintain employment. In Pima County, 29% of children birth to age 5 live in poverty. The need becomes more apparent when you realize the high cost of child care. In 2014, the average cost of full-time infant care ranged from \$4,822 to \$17,062 per year, which is between 24% and 63% of median income for a single-mother household.

Realizing that this barrier hit so many parents, Pima County, along with Pima Community College and the United Way of Tucson and Southern Arizona, turned to First Things First as the expert in early childhood to try and find a support for these families in need. Together, they formed the Family Engagement Network, a coalition designed to bridge the gap in access to affordable quality child care for children while parents participate in programs to improve their access to better-quality jobs.

The Family Engagement Network recently received a \$70,000 national grant from Boston Medical Center's Vital Village Network supported by the Robert Wood Johnson Foundation to increase support for the coalition's work. Through this funding, the FTF Pima North and Pima South regions, Pima Community College's



Health Profession Opportunity Grant Program and Pima County One Stop's Employment and Training Program, will be able to advance their efforts.

Through the coalition, the college provides parents with the Career Pathway Program education, the career center provides parents with workforce development resources and the FTF regional councils are funding Quality First scholarships to help more low-income families afford quality child care.

Over the next 18 months, the Family Engagement Network will receive guidance from Boston Medical Center's Networks of Opportunity for Child Wellbeing (NOW) Learning Community, which are designed to build leadership development for community residents, increase civic engagement, and rapidly scale and spread innovations to improve community wellbeing.

The funds will help FTF, the college and the career center reduce barriers and make it easier for families to access the child care scholarships to enroll their child in a high quality early education center, which should make it easier for the parent to continue job training classes.

"A positive impact will be felt at all levels for the families," Klipsch said. "The babies, toddlers and preschoolers will be receiving a high quality education experience to prepare them for kindergarten. There will be decreased family stress knowing that the child is being cared for in a safe and quality environment and parents come out with new skills that will lead to a job with a livable wage."

Health Strategies Emphasize Prevention and Early Intervention

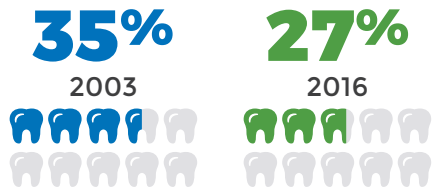
Tooth decay – the single most common chronic childhood disease – can cause lasting harm to a child’s health and impact their cognitive and social development. As a child enters school, it can lead to missed school days, inability to focus, anxiety and other factors that affect academic success.

Given the link among early oral health, child well-being, school readiness and academic performance, FTF and early childhood stakeholders statewide set a collective goal of reducing the percentage of children age 5 with untreated tooth decay to 32% by 2020. As a result, since fiscal year 2010, FTF has invested almost \$33 million in efforts to prevent early childhood caries and promote positive oral health practices in families and communities. This includes providing more than 352,000 oral health screenings and more than 301,000 fluoride varnishes to children birth to age 5 through SFY19. FTF’s work also includes oral health promotion for parents and caregivers to build their awareness of the importance of early childhood oral health; and, outreach and education to early care and education programs, and dental and medical clinics to enhance system capacity to care for the needs of young children.

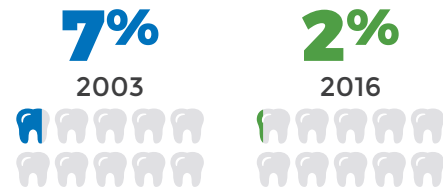
More than 352,000 oral health screenings and 301,000 fluoride varnishes to children birth to age 5 through SFY19.

The Healthy Smiles Healthy Bodies study, released in 2016, showed that the prevention efforts of FTF, the Department of Health Services (DHS) and other early childhood system partners were paying off. For example:

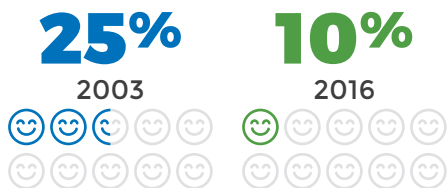
% of Arizona’s kindergarteners with untreated decay.



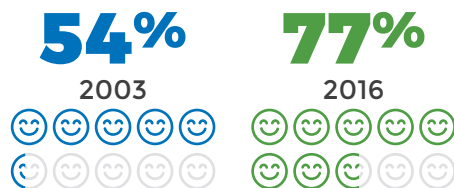
% of kindergarten children sitting in a classroom with dental pain.



% of young children who had never been to a dentist was cut by more than half.



% of percentage of Arizona’s kindergarten children with a dental visit in the previous year.



% of kindergarteners needing urgent dental care because of pain or infection.¹⁸

While FTF and its partners were encouraged by those results, the survey also revealed several on-going challenges, including on-going high levels of tooth decay among young children; specific groups of young children whose tooth decay rates are disproportionately high; and, high numbers of children (about 1 in 5) whose parents have dental insurance, but are unaware of their dental benefits.

Addressing those issues requires collaboration and coordination among multiple partners. In the past year, progress has been made in several areas including:

- First Things First, DHS, the Arizona Health Care Cost Containment System (AHCCCS) and representatives of the managed care plans that contract with AHCCCS have worked together to leverage Medicaid funds to reimburse community providers performing oral health screenings and application of fluoride varnishes. The effort began as a pilot program in the FTF Phoenix South region in 2017, expanded to all regions in the Maricopa County area in 2018, and now has been implemented statewide. The reimbursement allows the providers to reinvest funds to expand services, outreach and education to more young children and pregnant women statewide.
- Professional development and training to improve the quality of the oral health screening. Community grantees providing oral health screening receive training to ensure that there is consistent screening across providers. This, in turn, results in more consistent referrals for follow-up to dentists and more reliable data on the oral health status of children. The providers also have been trained on motivational interviewing. This method for better engaging families results in a higher likelihood that families will apply the information they receive during outreach and education efforts.
- In order to demonstrate the on-going impact of oral health investments and identify areas for continuous quality improvement, in SFY19, FTF implemented a data system that is being used by all the funded grant partners implementing oral health strategies and includes child and outcome data. In addition, extensive training and support were provided to grant partners to ensure quality data collection.



In addition to systemic improvements, individual regions across the state are implementing efforts to address specific oral health challenges in their communities. For example:

Navajo Apache Regional Partnership Council is supporting the leadership and collaboration of partners involved in the Navajo-Apache-Gila Oral Health Coalition to strengthen efforts aimed at improving access to oral health care for young children. The region is also working with a consultant to assess existing system capacity and identify needed changes that would improve access to oral health care for young children living in the region. The regional council wishes to build the capacity of practices within the general dentistry community to address the oral health needs of children younger than age 5. Over the long run, the region is also looking to:

- Leverage funding to further enhance the system of oral health care for young children;
- Identify and address policy or procedural barriers that limit the ability of providers to address the oral health needs of young children;
- Generate awareness of the oral health needs of young children; and
- Recommend and support actions to increase the Navajo/Apache region's oral health workforce capacity.

The East, Southeast, Northwest and Southwest Maricopa Regional Councils with Phoenix North and South regional councils are seeking to conduct a comprehensive analysis of opportunities to improve access to preventive oral health care for young children and pregnant women in Maricopa County. With the assistance of a consultant, they will be identifying policy issues that both support and hinder access to oral health care for families with young children and pregnant women and developing a detailed action plan for addressing such policy issues. These regions also wish to identify successful initiatives, both inside and outside of Arizona, that have been developed to integrate oral health within primary pediatric care and obstetric care and develop a detailed action plan for implementing oral health within primary pediatric and obstetric care. These regions will also be examining opportunities to incorporate tele-dentistry into more remote practices.



SUCCESS STORY

Healthy Teeth, Healthy Me

Most recently, the Cochise Regional Partnership Council is funding a public awareness campaign aimed at helping parents and caregivers understand the importance of children attending regular preventive dental visits with a dentist beginning at first tooth eruption or by age one (1) and building awareness of existing insurance coverage and benefits so more caregivers will take advantage of their young child’s oral health benefit.

The region had funded oral health screenings and the application of fluoride varnishes through community-based sites like child care centers and preschools for several years. Although the strategy was successful, the regional council realized that many families were not following up with a dentist for regular care. The 2016 oral health report pointed to a possible reason why: while 80% of young children in the region are served by the Arizona Health Care Cost Containment System (AHCCCS), about 1 in 4 parents in the area surveyed said they did not realize that coverage included dental benefits. The regional council spent 10 months reviewing grant partner reports, analyzing data and the needs and capacity of the region, and engaging stakeholders in the region before

arriving at a different approach: the public awareness campaign.

The campaign builds off of available, bilingual messaging and materials from Sesame Street’s Healthy Teeth, Healthy Me campaign, which features a variety of familiar characters and includes resources, tips and activities for parents. It capitalizes on the use of a variety of media, including social media, digital advertising and radio. The campaign launched in February 2019 to coincide with National Children’s Dental Health Month and yielded impressive initial results in its first few months: Google and Facebook ads were seen 172,000 times and garnered more than 600 visits to the program’s website.

The region is working with the Chiricahua Health Center – the largest medical provider in the area – to obtain data and anecdotal information about the impact the campaign may be having on the number of young children seen by pediatric dentists and the status of children’s oral health. Future work will include baseline and subsequent annual surveys to determine whether the campaign is changing behaviors in oral health practice in the home and usage of dental benefits.



**healthy teeth,
healthy me™**



did you know?

Tooth decay is the most common chronic disease faced by young children.

46% of young children in Cochise County have experienced tooth decay*

Tooth decay early in life puts kids at risk for all sorts of future problems:

- Damaged permanent teeth
- Impaired speech development
- Reduced self-esteem

Early Detection Vital to Addressing Developmental Delays

The early years of life are crucial for a child's health and development. In fact, 90% of a child's brain development occurs before kindergarten. The quality of care that children receive between birth and age 5 impacts whether they will develop in healthy ways. Healthy development means that children of all abilities are able to grow up in a safe and loving home where their social, emotional and educational needs are met.¹⁹

From birth to age 5, children should reach certain milestones in how they play, learn, speak, behave and move. Skills such as taking first steps, speaking words or phrases and emotional self-regulation are considered developmental milestones. While each child is unique and will develop at his or her own pace, developmental milestones give a general idea of what typical development looks like and what is reasonable

to expect as a child grows. A child who consistently does not meet the guideposts of healthy development may have a developmental delay. Developmental delays can be a sign of one of two things – either an area where a child needs additional support in order to meet developmental milestones, or a sign of a potential lifelong issue that could significantly

impact a child's long-term learning and well-being (developmental disability). The National Survey of Children's Health shows that certain populations of children are at higher risk for developmental delays, and a review of Census data shows that Arizona has high percentages of children in the at-risk populations (including 26% of young children living in poverty).

The quality of care that children receive between birth to age 5 impacts whether they will develop in healthy ways.

Surveillance of a child's healthy development – including regular, quality developmental screening and referral for further assessment and follow-up services, as warranted – ensures that any potential learning and development issues are identified early enough for the child to get the maximum benefit of intervention services and supports. Early intervention treatments and therapies have the highest success rates when they are provided to children as early as possible in their development. And, children at risk for delays who are screened are more likely to receive early intervention services than unscreened peers.²⁰ Without routine screening, only an estimated 30% of children with developmental issues are identified before they reach kindergarten.²¹



In Arizona, a child's growth and development are followed through a partnership between families, non-profit and public agencies, health care providers, early educators and other professionals who may work with a family, such as home visitors. Each partner plays a key role in working with families to support a child's healthy growth and development. Coordinating and aligning the work of these various collaborating partners is crucial in order to ensure that:

- Children receive timely and appropriate screenings and referrals;
- Appropriate prevention, early intervention and treatment services are available; and
- Children receive the support and services they need to achieve healthy development.

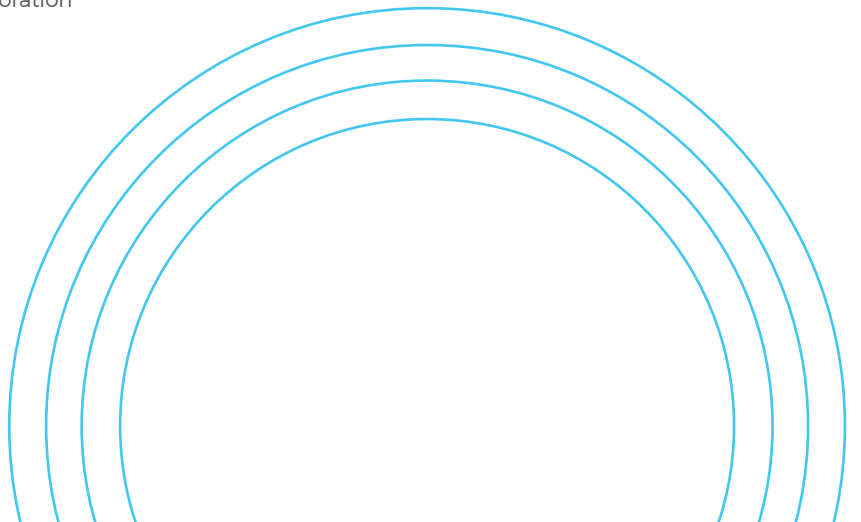
The early intervention system is complex and can be difficult for families to navigate with the many partners, various policies and numerous practices that drive the provision of services – including screening, assessment and evaluation, and services and therapies – and the delivery of services across the health care, education and social services sectors. Due to its complexity, it is critical that families have a comprehensive, integrated, coordinated and effective early intervention system of services for their children with developmental concerns, delays and disabilities no matter when, where or how they enter the system.

Toward the goal of increasing effectiveness of this complex system, First Things First has convened the many system partners who work with families to identify potential developmental issues and provide services to children with developmental delays. The initial collaboration

focused on identifying the system partners doing early intervention work and common challenges they faced, including: families accessing multiple screenings; difficulties engaging families in screening processes; varying levels of quality in completing screenings; untimely or inappropriate referrals for follow-up; lack of supports for children with mild to moderate delays; lack of service providers, particularly in rural communities; and insufficient coordination among the various agencies/providers working with the same children and families.

As a result of that work, the state agencies and partners have identified 13 system-wide strategies to identify and improve Arizona's system for meeting the developmental needs of young children. The strategies are focused on improving policies and coordination, screening practices and evaluation/assessment processes; professional development and capacity building in order to strengthen the workforce; support for children with mild to moderate delays; and how to identify, improve upon and increase existing interventions, resources and supports for families.

The state agencies and partners have identified 13 system-wide strategies.



Recently, the First Things First Board convened a panel of the state agency partners diligently addressing the strategies to provide an update on this work and further explain some of the challenges each partner faced, but also to highlight some of the progress made as a result of the collaborative structure in place to improve the system for young children.

Among the successes shared were:

- The Arizona Early Intervention Program (AzEIP) and the Arizona Department of Education (ADE) have been working together to enhance the skills and understanding of screening staff to ensure that the appropriate families are referred for follow-up evaluation. As a result, the percentage of families referred to the program who are not approved for services has decreased from 17 percent to two percent.
- AzEIP also has moved to a team-based approach to serving children birth to 3 years old with developmental delays and their families. The team includes all the providers who work with the family, including educators and therapists. Based on the child's needs, the family decides which provider will lead their team. In addition, AzEIP is focused on providing services in the child's home whenever possible, since it is the child's natural environment and allows the family to grow in their ability to meet the child's needs at home.
- ADE is piloting a program with about 10 school districts statewide to increase the number of children with special needs who are served in inclusive settings. When children with special needs are segregated, they may receive services to address their specific cognitive or physical delays, but they don't have as many opportunities to grow socially and emotionally – two factors that are crucial to their success in school. Through the pilot, the department works with special education teachers, general education teachers and support staff to build their understanding of how to work together to ensure all children in the inclusive setting are successful. In one district piloting the program, the number of preschools serving children with special needs in segregated classrooms has dropped from around 1,000 to about 400.

The main focus of the system partners' collaboration is to identify these types of successes and build on them to improve the way the entire system functions for young children and their families. Although much work remains to be done, one panel participant summarized the impact of this renewed emphasis on coordination and collaboration:

“We have been breaking down the silos over the past couple of years, which is really huge for us. Five years ago, we weren't in this position. All of our state agencies and our programs were very siloed and working very separately. And, now, with all the great leadership we have at the state level, everyone is really wanting to ensure that children and families are our focus ... Reducing duplication and expanding on what's working well – that's definitely an area that we're all focusing on.”

Jenee Sisroy, Arizona Early Intervention (AzEIP) Program Administrator/Part C Coordinator
with the Division of Developmental Disabilities at Department of Economic Security

Helping Early Educators Meet the Social-Emotional Needs of Children

Research demonstrates that young children's social-emotional skills promote school readiness and future academic success.^{22,23,24} Children with poorer socio-emotional skills may benefit from positive early education experiences that could help facilitate their transition into formal schooling.²⁵ Unfortunately, children with socio-emotional and behavioral problems may be more at-risk for expulsion from early education programs. Given the high rate of expulsion in preschool and child care programs,²⁶ First Things First has prioritized an evidence-informed Early Childhood Mental Health Consultation (ECMHC) strategy to promote positive transition practices and reduce expulsion rates for children in Arizona.

The ECMHC strategy is intended to help early childhood education professionals more effectively interact with children and their families through consultation with trained mental health professionals. Based on evidence found in research on ECMHC programs, ECMHC is effective in preventing and reducing challenging classroom behaviors, improving teacher skills and lowering preschool expulsion rates.²⁷

Mental Health Consultants (MHCs) are mental health professionals with expertise in children's social and emotional development who collaborate with early care and education providers. With early care and education providers, MHCs conduct activities that promote early childhood socio-emotional competence and development as well as problem-solve specific child and family issues. ECMHC has primarily been implemented in licensed child care centers or homes; however, ECMHC services can also be provided to professionals providing Home Visitation services or those involved in Family, Friend and Neighbor (FFN) programs. The evidence demonstrating that ECMHC is effective

at promoting positive social and emotional outcomes and reducing negative outcomes, has led many states to incorporate the practice in efforts to improve the quality of early learning settings, like child care and preschool.

First Things First has incorporated ECMHC into Arizona's quality improvement and rating system, Quality First. The program –referred to as Smart Support – is administered through a partnership with a community-based organization. More than 450 providers in 20 regions of the state had access to the ECMHC program to help them address issues at the child, staff or program levels.

ECMHC is not a therapeutic service for children; it works to enhance the ability of teachers and programs to address the varied social-emotional needs of children, thus improving outcomes for all children. There are a variety of situations in which programs might request or be offered ECMHC:

- Child-Focused Consultation: working with adults, including teachers and families, to understand a specific child's behavior and ways to address the child's needs through an individualized plan;
- Classroom-Focused Consultation: working with a specific teacher to identify attitudes, beliefs, practices and conditions that may be undermining quality relationships between teachers and children; and,
- Program-Focused Consultation: working with program leadership, like directors, to ensure their early learning practices and/or policies benefit of all of the children and adults in that setting.

ECMHC consultants are typically experienced master's level professionals from disciplines such as social work, counseling, and marriage and family therapy. Some also have advanced degrees in early education or early childhood special education. They typically visit programs weekly and might address issues at the child, classroom or program level, depending on their agreement with the program leadership and staff.

A four-year evaluation of Smart Support released in 2016 and performed by the Institute for Child Development Research and Social Change found that ECMHC services resulted in improved outcomes for children, teachers and programs.²⁸ Specifically, data collected from teachers in preschools and child care centers with ECMHC Smart Support demonstrates:

- Improved classroom emotional climate;
- Increases in teacher knowledge of social emotional development;
- Closeness increased and conflict decreased in teacher-child relationships;
- Prevention of child expulsion;
- Increased teacher confidence in ability to handle challenging behaviors; and
- Increases in children's self-regulation.

A recent study on the ECMHC focused on examining how the relationship between the mental health consultant and the educator impacted outcomes for the teacher and the students. Specifically, the study examined whether a cultural/ethnic match between the two impacted their relationship and outcomes. The study found that a cultural match between the consultant and educator only impacted the child's attachment to the teacher. In all other areas, whether the mental health consultant had expertise working with diverse populations was the factor that significantly impacted the relationship with the teacher, improvements in teacher-child conflict, and improvements in children's attachment, self-control and initiative.²⁹

The findings demonstrate that FTF's investment in ECMHC has had a positive impact on young children in participating programs. In a state as diverse as Arizona, the most recent study also highlights the importance of ensuring mental health consultants are supported in their efforts to achieve cultural competency. The results of both evaluations inform on-going efforts to improve the quality of early learning settings, particularly the ability of early care and education providers to address the social-emotional needs of young children.



Professional Development Key for Those Working with the Youngest Children

The professional development needs of early childhood professionals may vary greatly. Some may have very little knowledge of early childhood development and health. Some may be pursuing a college certificate or degree in early childhood. And, others may already have degrees, but need to continue their education in order to keep up with the latest early childhood research or best practice. FTF supports the education and on-going professional development of those teaching young children in a variety of ways, including providing access to college scholarships and funding professional development opportunities in communities across Arizona. The scholarships help with the cost of tuition, fees and books. Depending on the area of the state, individuals can receive support to finish their Child Development Associate credential, an associate degree or a bachelor's degree in early childhood or a related field. In SFY19, 1,313 early childhood educators received college scholarships to improve their qualifications for working with infants, toddlers and preschoolers.

In addition to financial assistance, some early educators may need the support of their colleagues in order to further their knowledge, skills or education. FTF funds community-based professional development for these teachers that emphasizes learning through communities of practice. In SFY19, 1,160 professionals were supported through these community-based efforts. In Pima County, the FTF-funded grant partner, United Way of Tucson and Southern Arizona has named its communities of practice Great Expectations for Teachers, Children, Families and Communities. The program works to improve teachers' knowledge of children's learning and development from birth to age 5. Participants also can earn college credit that could lead to a degree in early childhood. Great Expectations has been implemented in southern Arizona since 2009. In the 10 years following its inception, the number of associate's degrees earned annually through Pima Community College more than doubled (from 22 to 47). The program now includes 17 communities of practice totaling more than 650

members and spanning communities in Pima and County, as well as the Pascua Yaqui Tribe and the Tohono O'odham Nation.³⁰

But, in Arizona, many young children are not cared for in formal settings and the early childhood workforce that may be working with them includes health professionals and parent educators. Because of the myriad of issues these professionals may encounter, they need opportunities to expand their knowledge and skills that is more flexible and responsive to changes in community/family characteristics.

One specific portion of the early childhood workforce is home visitors. Home visitors engage families, assess children's development, provide information and activities with which parents can support their child's health and development, and connect families to resources to meet their needs. They work with families of diverse cultures, economic circumstances and educational levels. Among the issues families may be struggling with are economic hardships,

isolation, parenting multiple children or children with special needs, family violence, mental health issues and substance abuse. Providing robust professional development opportunities for these professionals is crucial to their ability to meet families where they are at and help them enhance their family functioning and promote children's health and learning.

First Things First is one member of the Strong Families Alliance – comprised of various organizations throughout the state that support children and families. Feedback received from Alliance partners has illustrated the need for increased professional development for home visitors in order to support and address the various needs of the families served. State agency and community partners are working together to expand professional development opportunities and includes:

Early Childhood Mental Health Consultation – seven FTF regions – Coconino, Graham/Greenlee, Hualapai Tribe, Navajo Nation, Phoenix North, Phoenix South and Yavapai – are expanding ECMHC (see previous section) to home visitors. This will give staff working with families in their homes expanded skills in meeting the social-emotional needs of young children, particularly those impacted by early childhood trauma. In addition, in fiscal year 2020, FTF, in partnership with the Arizona Health Care Cost Containment System (AHCCCS), the Department of Health Services, the Department of Child Safety and Southwest Human Development, is planning to provide monthly infant and early childhood mental health consultation to teams of home visitors working with families who have children who were exposed to opioids in the womb or parents who are known or suspected to be struggling with opioid misuse. The consultants can staff cases with the visitors and can help build the capacity of home visitors to engage in difficult conversations with parents and to make successful referrals when needed. The trainings will be funded through a federal grant to AHCCCS.

Ages and Stages Questionnaire (ASQ) Train the Trainers – The ASQ is the most widely used developmental screening tool by home visitors. Furthermore, home visitation is offered throughout the state in rural and tribal communities. Thus it is critical that home visitors have access quality training on how to conduct developmental screenings which is a core component of home visitation programs.

Co-funded by FTF and DHS, this training was provided to a very diverse group of individuals serving families, including home visitors, child care health consultants, staff supporting families of children with special needs, staff of the Arizona Early Intervention Program, and staff from the Arizona Chapter of the American Academy of Pediatrics. Each participant is taught how to correctly use – and teach others to use – the developmental screening tools. Equally important, they are taught how to engage families, partner with them in the assessment of their children, talk to families positively about any concerns identified in the assessments, refer them appropriately for follow-up services, and provide families with activities with which they can support their children's optimal development.

Seven FTF regions – Coconino, Graham/Greenlee, Hualapai Tribe, Navajo Nation, Phoenix North, Phoenix South and Yavapai – expand ECMHC

Life Skills Progression training – This training is specifically for staff in the Parents As Teachers (PAT) home visitation program. Life Skills Progression is one of four tools staff can use in their work and addresses family functioning. While home visitors are initially trained by their program model, resources for on-going training can be hard to come by. In talking with FTF grant partners, the need for this training repeatedly came up and FTF recognized the opportunity to bring the PAT providers together, build capacity across the partners and host a joint training with the implementing partners.



SUCCESS STORY

Supporting Substance Exposed Newborns and Their Families

Funded through a grant from Blue Cross/Blue Shield, FTF will work with DHS and the Department of Child Safety (DCS) to develop trainings for home visitors on how to recruit, serve and retain families who are impacted by opioid abuse. Substance use during pregnancy is a complex public health problem often resulting in significant negative consequences for a woman and her newborn. Within the past two years, DCS has seen a 15% increase in the number of cases with substance exposed newborn tracking characteristics. There Substance Exposed Newborn Safe Environment (SENSE) program to provide services for families after the birth of a substance exposed infant. This innovative program brings together a diverse service team that includes social services, case management, substance abuse abatement, home visitation and a nurse home visitor.

A one-day professional development training currently exists for the SENSE service team that focuses broadly on the legal aspects impacting families with substance exposed newborns and the implementation of the SENSE program.



After evaluation and feedback was collected from training attendees, several areas were identified that could significantly improve the effectiveness of the training for the home visitation providers who continue supporting families beyond this short-term, intensive intervention program. In addition, as discussions around the need to develop an expanded substance-exposed newborn (SEN) training curriculum surfaced during system partner coordination meetings, DHS also expressed a common desire to provide a more accessible and impactful professional development training for nurses who provide home visits through their High Risk Perinatal Program/ Newborn Intensive Care Program.

Utilizing the aforementioned training evaluation feedback, FTF in collaboration with DHS and DCS will oversee the development, facilitation, and evaluation of an expanded SEN training module specifically tailored to support the professional development needs of home visitation providers engaging families with substance use risk factors. Once developed, the expanded training will be delivered to the SENSE home visitor providers and HRPP/NICP home visiting nurses through in-person training events across the state. FTF will partner with the Arizona State University Center for Child Well-Being to modify the newly developed training module into a user-friendly online learning lab format with the goal of increasing the training's accessibility and ability to engage with participants to provide ongoing support and share resources.

The final aspect of the project includes a SEN provider training module inclusive of a robust evaluation and assessment of the in-person training and the online learning lab component. This evaluation will inform any changes needed to improve the training and online learning lab before making the training available to a wider variety of home visitation providers across the state. In the second phase of this project, FTF would provide expanded access to the SEN training and the online learning lab tool to the larger community of home visitation providers.

Information & Support Meet Families Where They Are At

Great attention is given in researching the differences between today's parents of young children – the millennial and Gen Z generations – and previous generations. In terms of parenting, one thing that distinguishes today's parents from prior generations is the extent to which they rely on digital sources for information. Based on literature reviews, data analysis and surveys about today's parenting styles and needs, FTF in 2016 identified a clear opportunity to better reach Arizona's diverse parents and caregivers with trustworthy, supportive early childhood information through a robust digital content strategy.

Since then, the FTF website has been re-designed with improved content and functionality, including being compatible with smartphones. In 2017, FTF began regularly distributing and promoting digital content that offered even greater insight into the types of information and delivery mechanisms today's parents respond to. In 2019, FTF launched its Find Programs application on the website. This user-friendly tool allows parents and caregivers to search for FTF-funded programs by type and ZIP code.

The tool also reflects FTF's on-going commitment to ensuring that parents can easily access to information they need and want. FTF continues to produce diverse material like short videos, blog posts and infographics. All of these content pieces are tagged by subject matter, providing the user with an easy way to learn more about a topic they're interested in. By clicking on a tag, users are served a list of other pages or posts on that same topic. This is critical for today's parents and caregivers who are accustomed to accessing digital information by using search functions and will often seek information when they are in a problem-solving frame of mind and want information on specific topics served up to them easily. Tagged content allows easy access to relevant and useful information that is related to the initial topic which drew them there, prompting the user to engage further with more content.

FTF also has continued its podcast series titled PARENTZ Pod. Each episode of the podcast features a different expert from across the state sharing information on a specific topic. The episodes that were created in SFY19 included topics like: programs available through FTF, the importance of vision screening and how to spot stress in infants and toddlers.



PARENTZ
POD

But, producing great content alone is not enough to ensure it gets seen by those who need it most. The competition for parents' attention in digital spaces is immense. Because of this, FTF has implemented a variety of strategies aimed at broadening the reach of all its digital content. First, FTF continues to work to grow its reach on social media. Our audience on Facebook now totals more than 142,000 and five to ten weekly posts generate thousands of reactions (likes, comments, clicks) and shares per month. To supplement the successful Facebook and Twitter channels, FTF launched an Instagram account in August 2017. Posts here focus on engaging images paired with short early childhood messages and parenting tips and information. Another critical element is an investment in placing content strategically and prominently in those digital spaces that parents frequent – otherwise known as digital advertising. Visit FirstThingsFirst.org for links to

all FTF social media sites and to read the latest First Things blog posts for parents and caregivers.

FTF continues to give parents and caregivers the opportunity to access high quality early childhood information through its monthly FTF e-newsletter for parents and caregivers of young children. The "First Things" newsletter delivers FTF videos and blog posts about a wide range of parenting and early childhood topics via email, which remains an important and effective distribution method for digital content. Topics range from tracking children's development and the appropriate use of technology to promoting interest in math and science with developmentally appropriate toys like blocks. The subscriber list has grown to 12,800 through a mix of sign-ups through our website as well as targeted enrollment efforts by FTF's Community Outreach team.

Some notable accomplishments in the reach of FTF's digital content include:

- First Things Blog received 68,000 page views, more than double the previous year.
- 40 original content pieces appeared on the blog, with most families accessing the information via social media. Video content was most popular with visitors, and blog readers spent more time on the site than typical users.
- Digital Parent Kit received 70,000 page views, driven mostly through digital ads.
- The Find Programs applications received 24,000 visits since being launched in December 2018.

FTF continues to build partnerships which help to feature and share FTF content. Beginning in 2019, partnerships have been established with many local pediatrician offices and other health offices to show compilations of FTF videos in waiting rooms.

As well as sharing general content to help increase families' understanding of the importance of early childhood and awareness of available resources, FTF also implemented a focused awareness campaign on the specific topic of quality early learning. This campaign, titled "Givers of Care," shared the message

that quality interactions matter and that all caregivers have to opportunity to give young children the gifts of early learning, including curiosity, confidence, creativity, persistence and more. The campaign also included messaging about Quality First to increase awareness of this statewide quality child care improvement program. The campaign delivered more than 82 million impressions statewide through a mix of traditional and digital advertising. Most importantly, FTF was able to measure 521,652 click-throughs from digital ads to the FTF website.



PARENTS PLAYBOOK

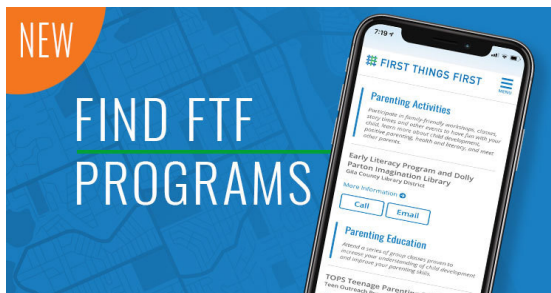
QUALITY TIME

In addition to putting high-quality early childhood information at the fingertips of today's parents, FTF supports efforts to help parents get help from early childhood development specialists in the moment. Administered by Southwest Human Development and funded through FTF, the Birth to 5 Helpline is a free service available to all Arizona families with young children, as well as parents-to-be, with questions or concerns about their infants, toddlers and preschoolers. Early education professionals may also take advantage of this free service.

Monday through Friday from 8 a.m. to 8 p.m. They can also leave a voicemail, submit their questions online or text their questions anytime. The Helpline is staffed by early childhood professionals highly-trained in areas such as: parenting, child development, infant and early childhood mental health, early care and education and early intervention/disabilities. Caregivers can ask about anything, including sleep problems, fussiness or colic, challenging behaviors, feeding and nutrition, developmental milestones and parenting questions.

Birth to Five 
HELPLINE
877.705.KIDS

"Nothing Out of the Question"



The Helpline is staffed by highly-trained early childhood specialists.

Improving Outcomes for Abused and Neglected Children

When young children experience abuse or neglect such as, family violence, poor nutrition, housing instability and infrequent health care, their ability to learn and succeed can be compromised.³¹ According to Harvard University's Center on the Developing Child, research demonstrates that chronic stress, often induced by abuse and neglect, can have adverse effects on neurobiology, some of which hinder cognitive development as well as setting the autonomic nervous system on high alert causing poor responses to normal environmental cues.³² Studies have shown that stable, responsive environments for children can help ameliorate the consequences of abuse and neglect, and improve learning, behavior and health outcomes later on in life.³³ Infants are the largest group of children to enter, remain and re-enter the child welfare system.³⁴ While child abuse and neglect in infancy and toddler-hood can negatively impact development,³⁵ research suggests that the early years present an unparalleled window of opportunity to intervene.³⁶ Effective and developmentally appropriate interventions and services can improve outcomes for children. Juvenile and Family Court judges are faced with making difficult decisions, especially those regarding maltreated infants and toddlers, that

may have long-term implications for children's emotional, developmental and physical health. The age distribution of infants and toddlers in out of home care has remained fairly consistent over the years, with about half of the children entering foster care being less than 1 year old. First Things First's Court Team strategy is intended to improve outcomes for infants, toddlers and their families in the child welfare system. Through increased knowledge about appropriate developmental practices, training, shared planning, systems improvement, and regular consultation with child and family agencies, local communities can better support infants, toddlers and their families in the Juvenile Court system. Court Teams focus on improving communication and collaboration amongst the courts, child welfare, and other child serving organizations to allow them to more easily share information, expedite services and provide developmentally appropriate solutions for infants and toddlers. Court Teams are led by a judge who specializes in child welfare cases and is uniquely positioned to bring stakeholders - including families, child welfare officials and community providers - together to focus on protecting children from further harm.

Court Team Goals are Achieved by Developing Court-Community Teams to:

- Raise awareness of the developmental needs of maltreated infants and toddlers;
- Ensure that case plans support the developmental needs of the youngest children;
- Promote a permanency plan that results in stable placements for the youngest children with foster families, relatives, or other caretakers; and,
- Ensure that there is a continuing focus on child well-being when young children are returned to parents, relatives or other caretakers.

Research on the Outcomes for Young Children Under the Jurisdiction of Juvenile Courts That Utilize Court Teams Has Shown:

- A significant increase in the services provided to eligible children and their parents, particularly in access to health care and early intervention services;
- Decrease in the number of foster home moves for infants and toddlers;
- An increase in parent-child visits; and,
- An increase in relative/kinship placements.³⁷

There are Court Teams operating at various levels in all 15 Arizona counties. Much of the success of Court Teams depends on having the resources necessary to promote ongoing collaboration and learning. Currently, FTF supports Court Teams impacting the East Maricopa, La Paz/Mohave, Navajo/Apache, Northwest Maricopa, Phoenix North, Phoenix South, Southeast Maricopa and Yavapai regions. In addition, FTF is a partner in a community collaboration that supports a Court Team in the Gila River Indian Community Region of First Things First. In SFY19, 70 infants and toddlers involved with the child welfare system benefitted from targeted and timely services to meet their unique developmental needs through the Court Teams supported by FTF.

Research, funded by FTF and completed by Arizona State University's Center for Child Well-Being demonstrates that the FTF-supported Court Team model implemented in Maricopa County, also known as Cradle to Crayons (C2C), has had a positive impact on infants and toddlers in the child welfare system. The research focuses specifically on the Court Teams operated by the Maricopa County Juvenile Court in collaboration with and partially funded by the First Things First Phoenix North and Phoenix South regional partnership councils.

A 2016 report (which analyzed data for young children involved in the child welfare system from 2010-2014) found that children involved in Cradle to Crayons achieved permanency more quickly and had lower instances of subsequent reports of abuse or neglect or re-entry into the

foster care system.³⁸ A more recent report found that those improvements continue and are following children over time. Specifically, the latest report found that:

- When children with removals greater than 8 days were followed for up to 12 months past their reunification date, results showed a pattern of improvement over time with C2C implementation with reductions in both re-report and re-entry rates. The 2016 cohort had much lower re-report (3.7%) and re-entry (3.4%) rates than the 2010 pre C2C cohort (14.5% and 13.2%, respectively). On the whole both re-report and re-entry rates have been steadily declining since the time of C2C implementation.
- Of special note, children in families who received C2C clinical services (a bundle of five services inclusive of Resource Coordination, Family Time Coaching, Trauma Therapy, Child/Parent Psychotherapy, and the Bridge Program) were significantly more likely to reunify, whereas children from families that did not receive C2C clinical services were much more likely to achieve permanency through adoption. Clinical services are effectively supporting parents and keeping families together.³⁹

These positive findings point to improved lifetime outcomes for the most vulnerable and at risk children in the child welfare system, and to substantial immediate and long-term cost savings.

Celebrating Champions for Children

These dedicated citizens represent the many facets of our community, including parents, educators, child care professionals, health care providers, tribal communities, faith representatives, business leaders and philanthropists.



Regional Council Acknowledgments

At FTF, decisions about which early childhood programs are funded locally are informed by recommendations to the state Board from regional partnership councils comprised of community volunteers. These dedicated citizens represent the many facets of our community that have a stake in our young children's success, including parents, educators, child care professionals, health care providers, tribal communities, faith representatives, business leaders and philanthropists. Each member dedicates an estimated 120 hours each year to study the needs of their communities and work with local stakeholders to identify priorities for funding.

Regional Council Members Recognized for Reaching 10 Years of Service

Being a regional council member goes beyond the work done in meeting rooms. Each member – in their professional and personal lives – works to connect others in their community with the work of FTF, whether building awareness of the importance of early childhood among audiences ranging from families to policymakers, or establishing community partnerships that help to expand or enhance the local supports for young children or their families. Although members serve staggered four-year terms, many individuals apply for and are selected to serve additional terms. In SFY19, there were eight individuals statewide who celebrated 10 years of service to young children in their communities. They join 45 individuals acknowledged for this milestone last year. The quotes below symbolize the passion, expertise and commitment exemplified by these dedicated public servants. FTF thanks and celebrates these amazing champions for children.



Cheryl Conde

Tohono O’odham Nation, Early Learning Professional

“What I find most rewarding about serving on a regional council is knowing that we are bringing much-needed services to our young children. WE have to provide the foundation for them to be successful in school and in life.”

Gloria Flores-Lopez

Colorado River Indian Tribes, Business Owner

“I’m so busy, with my business and my family. But, I make time to serve on our regional council because I know our children need it. I don’t want to be the person complaining; I want to be part of the solution. I want to influence what people know and are willing to do for young children. I only had one child, but I also have nieces and nephews, and my community has children. They are all mine. I can use my voice to stand for them.”

John Jensen

Pascua Yaqui Tribe, Philanthropy

"When you invest in early childhood – particularly in our small community – it's easy to see the results. We visit the library and can see the difference the support in making for parents and their children. Everyone always says they want their kids to have a better life than they did. When we invest in early childhood, we're able to actually see that happen."

Melisa Lunderville

Santa Cruz

"As a school administrator, I'm keenly aware of the impact our regional investments make because I can see that children are ready when they arrive at kindergarten and can track their progress as they go through school. But, the difference isn't just in the children. Their families are so much more engaged; they feel welcomed and appreciated as partners in their child's learning, because they already worked with early educators or staff in other early childhood programs to get their kids ready for school."

Joseph Mease

Tohono O'odham Nation,
School Administrator

"I love that we are preparing children for school and we're preparing their teachers. That's how you impact generations to come. Our young children are our future; when we prepare them to do well in school, we're starting to prepare them to do well in our communities."

Ricardo Perez

Yuma

"Regional councils really show what can be achieved when people come together to talk through issues and find solutions. We also can show our community how everyone plays a part in improving the lives of young children, including businesses. When we invest in early childhood, we help the employees we have today and tomorrow."

Debra Winlock

Coconino

"As one of seven children, my parents didn't have the time to spend reading with us. I think that played a role in each of our journeys. I was the only one to go to college, and as I learned, I became so aware of how important those early years were. I decided I wanted things to be different - not just for my kids, but for all kids. My work and my service on the regional council help me be part of making that difference."

Mario Ybarra

Yuma

"As an educator, I believe early childhood education is a must for any society. I am privileged to work with amazing staff and a dedicated group of professionals on the regional council who have made early childhood a priority and who are deeply committed to strong collaboration with our partners in order to improve outcomes for young children. By investing in early childhood, we will ensure the success of the next generation of leaders for our community."





Sustaining Our Impact

By keeping administrative expenses low and focusing on strategies that work to improve outcomes for children, First Things First is making a difference for kids today. And our strategic approach to financial planning and investments means that support will be available to Arizona's young children for years to come – despite significant decreases in revenue.

Statewide Financial Report

Investments in early childhood development and health programs and services that help prepare children for success in kindergarten and beyond.

A Strategic Approach to Sustaining Arizona's Early Childhood Investment

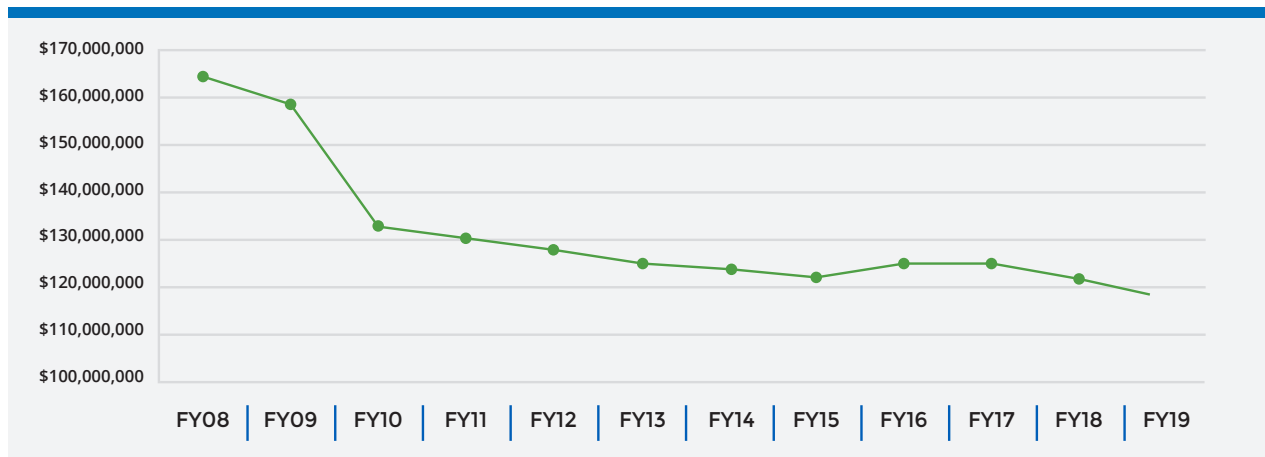
For many of us, a 25% drop in income would be cause for significant alarm. Whether the reduction is associated with good news (like retirement) or an unforeseen challenge (like unemployment), it takes a great deal of intentional planning, discipline and, sometimes, sacrifice, in order to ensure that we are able to meet our financial goals or obligations after a sharp drop in income.

This is precisely the situation First Things First faced when – shortly after it was established by voters with tobacco taxes as its primary funding source – there was a sharp decline in tobacco revenue. In fact, between its first and third full years of operation – fiscal year 2008 and fiscal year 2010 – FTF saw an almost 20% drop in revenue. That downward trend continued and appeared to be somewhat leveling off, until

this fiscal year (2019), when FTF saw its annual tobacco revenue drop by \$6.4 million (5%) from the previous year – the single largest annual decrease since 2008.

This latest decrease puts annual revenue at FTF an unprecedented \$49 million (30%) less than when it was originally established by Arizonans.

Figure 3: First Things First Annual Tobacco Tax Revenue



On its own, that figure is staggering. But, coupled with Arizona Department of Administration estimates that the population of children birth to age 5 in Arizona is expected to increase from the current 550,000 to approximately 648,000 by 2030 (18%),^{40,41} it raises the question: how can FTF continue to provide high quality programs to Arizona children and families, especially when it can't raise taxes, pull from other fund sources or sell property?

For many government entities, that sharp decrease in revenue would be met with immediate and severe reductions in programs and services for young children. But, as noted by the Arizona Auditor General in 2016,

The First Things First Board has taken various steps to plan for and manage its sustainability in light of its declining revenue.

Among steps FTF has taken are:

First Things First didn't spend all its revenue right away.

Because FTF was a completely new organization, it took time for the governor to appoint the first Board, for that Board to meet with communities to see how they wanted the state divided for services, and to do the detailed research/data gathering that would inform which early childhood programs are funded in local communities. This allowed a sustainability fund to develop (not unlike the state's rainy day fund).

First Things First strategically invested its funds to draw interest and offset revenue declines.

Just like the state General Fund, FTF revenues are held in accounts with the State Treasurer, who invests those dollars to draw additional income. The corresponding funds are then deposited back into the appropriate FTF accounts.

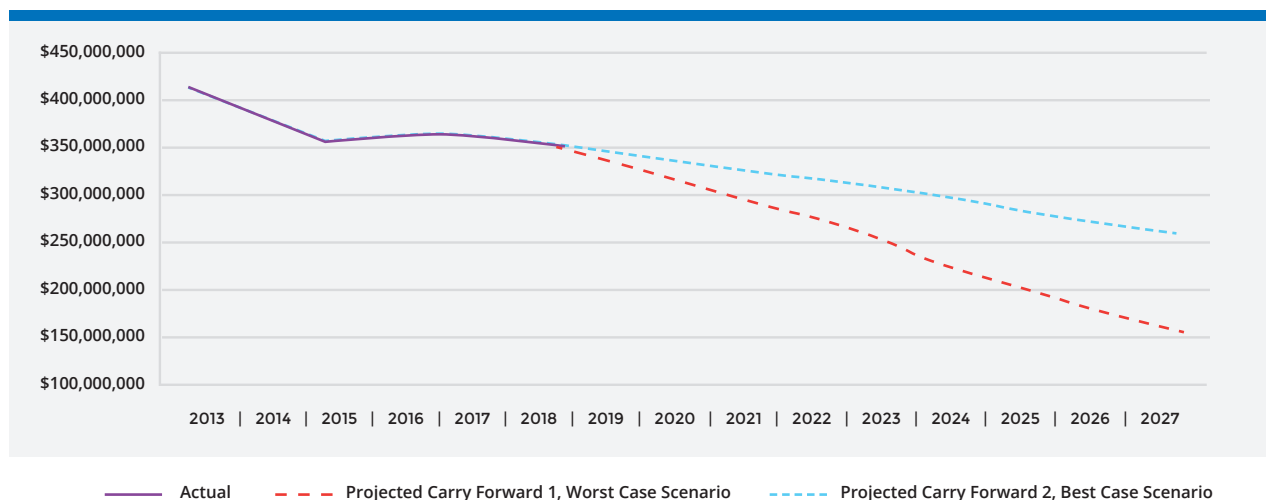
First Things First commissioned research that projected future tobacco revenue.

Working with Arizona State University, FTF funds regular research reports that project what future tobacco collections will look like. The projections look at population fluctuations, changes in smoking behavior and the impact of market forces, like vaping. This strategy also was highlighted in the 2016 Auditor General's positive finding.

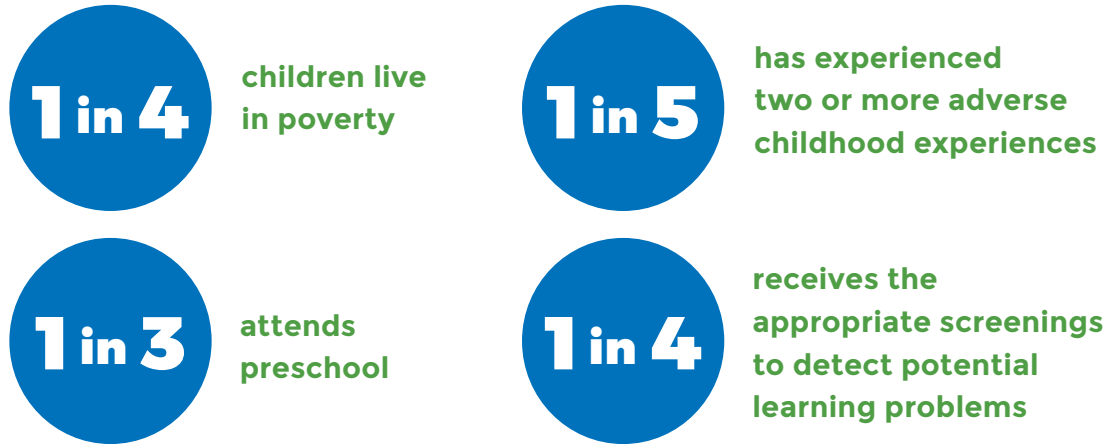
First Things First took a conservative approach to the projections and re-aligned its spending to its available revenue.

The FTF Board established a set level of spending in order to prevent yearly disruptions in services to children and families as revenues fluctuate. Based on current projections, First Things First estimates this level of spending can be maintained through fiscal year 2027, at which time the sustainability fund will have been exhausted.

Figure 4: Projected spend down of First Things First Sustainability Fund (based on current projections)



As previously mentioned, the population of children continues to grow. Currently, the tobacco revenue to First Things First amounts to about \$221 per child. At the same time, children birth to age 5 face mounting challenges, including:



First Thing First continues to do everything in its power to increase the resources available to support young children's health and learning, including, promoting increased public spending at the federal state and local levels; applying for public or private grants; and accepting donations from philanthropic organizations or individuals (see next section).

But no amount of temporary grant funding or charitable giving can make up for the loss of support that has resulted from declining tobacco revenue and the resulting cuts in programs and services at the state level. FTF will continue to work with communities, business leaders and elected officials to build awareness of the importance of early childhood and ensure that we are all doing our part to get kids ready for kindergarten. Because we all benefit when Arizona children are ready for school and set for life!





Expanding Opportunities for Early Childhood Investments

Investing in early childhood health and learning is a responsibility we all share, because we all benefit when young children arrive at kindergarten prepared to be successful. The data and stories presented in this report detail the early childhood investments made by First Things First and the impact of those investments on young children and their families. This report also details significant challenges First Things First and young children face, including:

- The tobacco revenue that funds FTF programs is steadily declining;
- Current revenue is about \$221 per child birth to 5 in Arizona;
- The population of young children is expected to increase dramatically in the next decade;
- And, young children face mounting challenges, including poverty, childhood trauma and lack of access to preschool and other supports.



The previous section details how the First Things First Board has strategically planned to maximize the funds available to support young children's health and learning. But, no one organization can meet the needs of kids birth to age 5 in our state. In 2017, a 50-member Task Force comprised of community leaders tasked FTF with working with policymakers, state agencies, businesses, philanthropy and individuals to leverage additional early childhood investments. The Board's Strategic Partnerships and Investments plan includes:

- Working with policymakers and state agencies to maximize available federal funds and promote additional public investment;
- Identifying federal and state grant opportunities;
- Cultivating relationships with national and local foundations;
- And, providing opportunities for businesses, philanthropic organizations and individuals to contribute to the early childhood system, based on their specific priorities.

FTF's efforts already have achieved significant success, including:

- Over the past 10 years, an agreement with FTF allows the state to leverage investments FTF already makes in quality early learning in order to leverage \$378 million in federal child care funds that otherwise would have been lost (see Page 22).
- At the urging of early childhood champions and with the leadership of Governor Doug Ducey, an additional \$252 million in federal child care funds has been leveraged to provide higher quality child care to more children (see Page 21).
- A 2014 W.K. Kellogg Foundation grant provided crucial research and infrastructure development to improve the quantity and quality of information being provided to families through social media and other digital sources (see Page 41).
- A 2016 grant from the W.K. Kellogg Foundation is helping to test improvements to the state's child care quality improvement and rating system – Quality First – that may lead to program savings and allow more early learning settings to participate (see Page 24).
- And, most recently, FTF and its state partners were awarded a grant from the Blue Cross Blue Shield Foundation of Arizona to develop training to expand the knowledge and skills of professionals across several public and private programs working with substance exposed newborns and their families (see Page 40).

Late in fiscal year 2019, a new opportunity for early childhood investment was launched: the Early Childhood Scholarship Fund. The fund – which is managed by the Arizona Community Foundation – will be used to help more children 5 and younger from low-income families access quality child care and preschool. These quality early learning programs can cost as much as college tuition, putting them out of reach for many children who need them most.

The Early Childhood Scholarship Fund was established through a seed grant from FTF founder Nadine Mathis Basha (\$25,000). Recently, the Steele Foundation also made a substantial contribution to the fund (\$100,000). Every year, both the interest earned by the fund and donor contributions will be invested into FTF's Quality First Scholarship program, expanding access to early learning for more children.

FTF recognizes that no amount of charitable giving can replace adequate public investments in early learning. But, charitable giving can provide research to inform continuous improvement of services to children and families, help test innovations that yield costs savings and/or improved outcomes for young kids, and provide additional support to those most in need. By creating pathways for individuals, businesses and philanthropic organizations to do their part to support young children, FTF hopes all Arizonans can find and embrace their role in getting all children in our state ready for school and set for life!



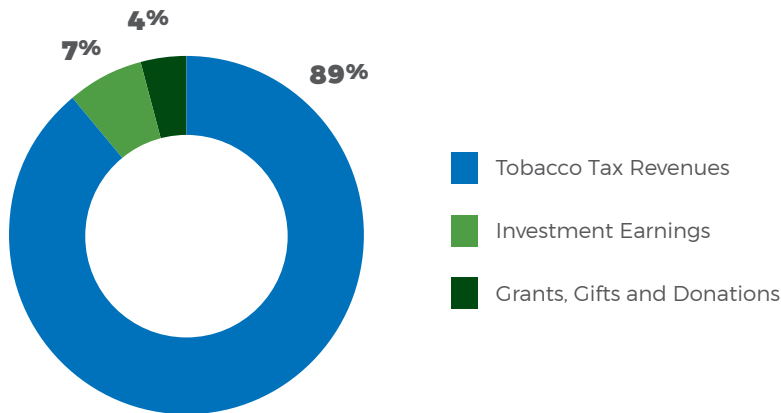
First Things First is the only state funding source dedicated exclusively to the beginning of the education continuum, from birth to age 5. Emphasis is placed on getting services directly to children, families and professionals through a network of community providers.

In fiscal year 2019, First Things First received approximately \$129,331,713 in revenue, with tobacco tax revenues accounting for approximately \$115,337,473. Additionally, FTF received \$8,913,824 from investment earnings and \$5,080,416 from gifts, grants and donations. The First Things First Board has strategically planned to ensure the sustainability of FTF's early childhood investments by commissioning independent projections of tobacco revenue,

adopting a sustainability plan and working with both public and private entities to leverage funds and maximize the resources available for early childhood programs. Investments in early childhood development and health programs and services that help prepare children for success in kindergarten and beyond constituted approximately 93% of spending in FY2019. Administrative expenses are kept low – 7% in FY2019.

FY2019 Revenue by Source

Tobacco Tax Revenues	\$115,337,473
Investment Earnings	\$8,913,824
Grants, Gifts and Donations	\$5,080,416
TOTAL	\$129,331,713



Note: Financial data presented are based on a modified accrual accounting methodology and are unaudited at time of publication and, as such, are subject to change.

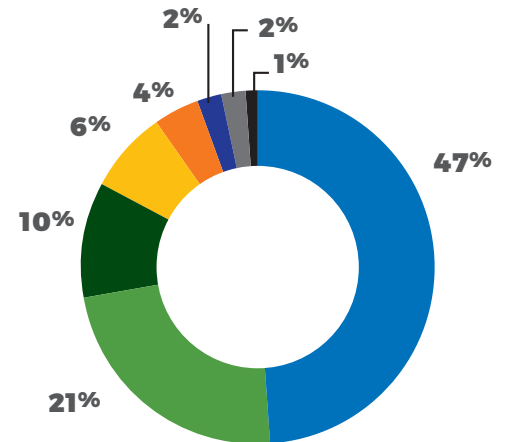
FY2019 Expenditures

Programs and Services

Quality Child Care & Preschool	\$68,816,371
Strengthening Families	\$30,468,922
Preventive Health	\$15,271,649
Other programmatic expenditures (Grants, Gifts, & Donations)	\$8,600,934
Workforce Development & Training	\$5,354,718
Family/Community Engagement	\$2,713,640
Research & Evaluation	\$3,000,312
System Coordination	\$919,603

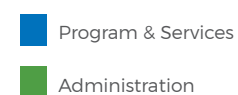
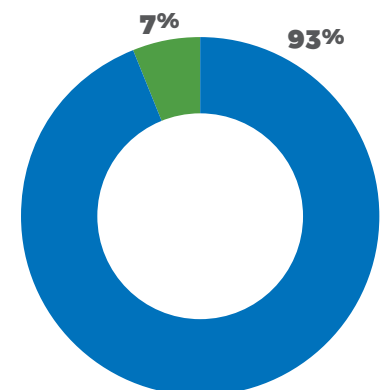
Support Activity

Administration & General	\$10,315,081
--------------------------	---------------------

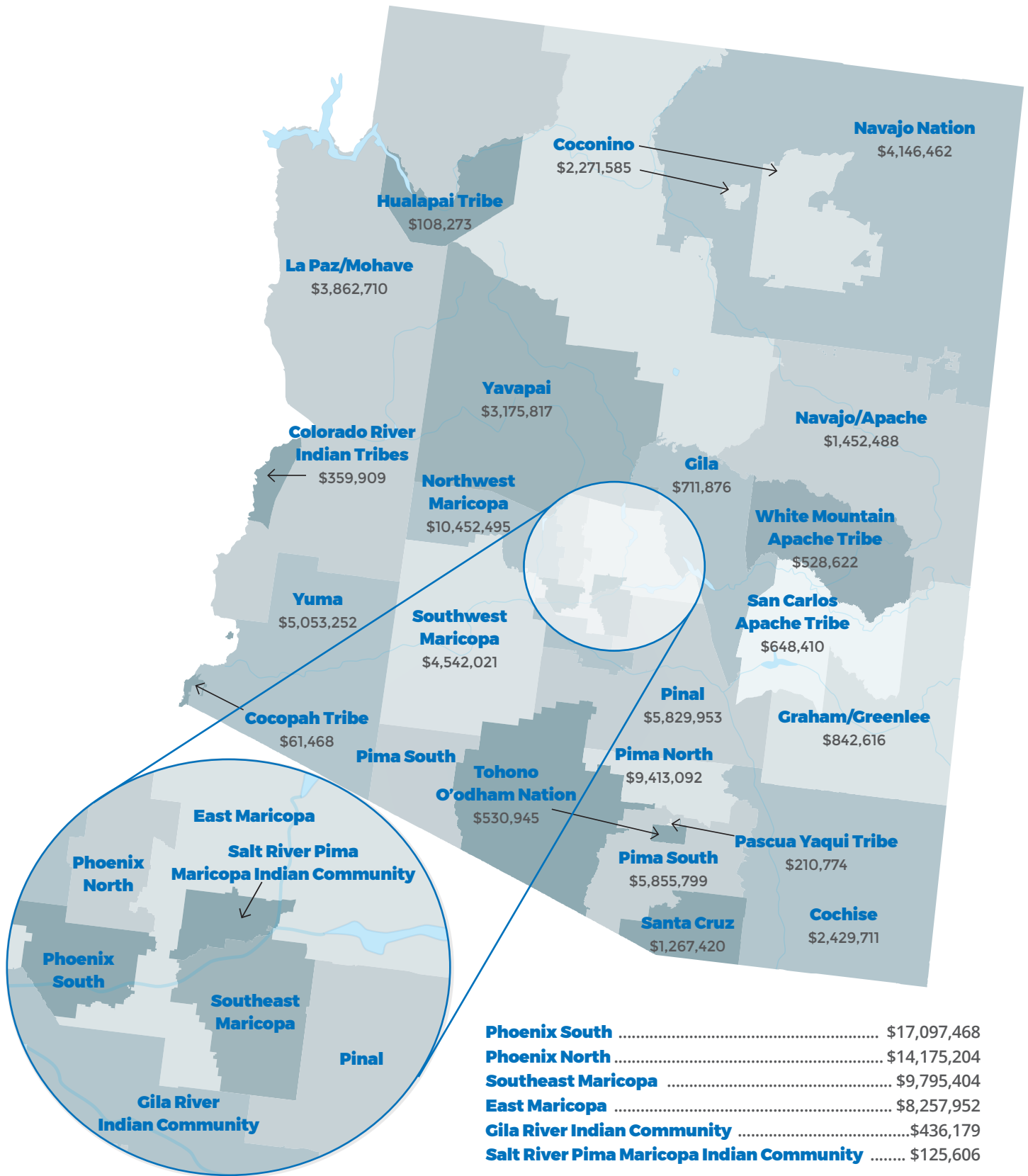


FY2019 Expenses by Category

Programs & Services	\$135,146,150
Administration	\$10,315,081
TOTAL	\$145,461,231



FY2019 Investments Across Arizona



Phoenix South	.....	\$17,097,468
Phoenix North	.....	\$14,175,204
Southeast Maricopa	.....	\$9,795,404
East Maricopa	.....	\$8,257,952
Gila River Indian Community	.....	\$436,179
Salt River Pima Maricopa Indian Community	.....	\$125,606

*This does not include \$9,446,864 in statewide programmatic expenditures.

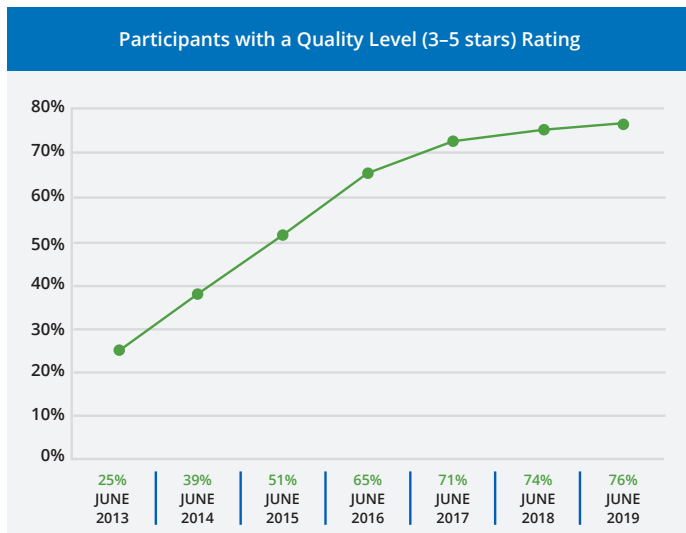


Appendix A

Information is not provided for regions where either a) the regional council does not participate in Quality First, or b) the regional councils' provider ratings are suppressed for confidentiality reasons, as the regional area has less than five total providers enrolled. This is consistent with progress data reported monthly to the First Things First Board.

Regional Profiles: Quality Improvement and Rating System Progress and Outcomes

Statewide



Cochise



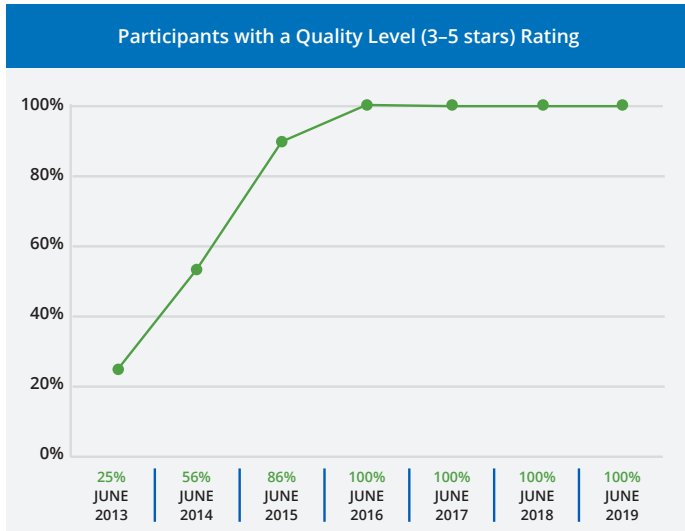
Coconino



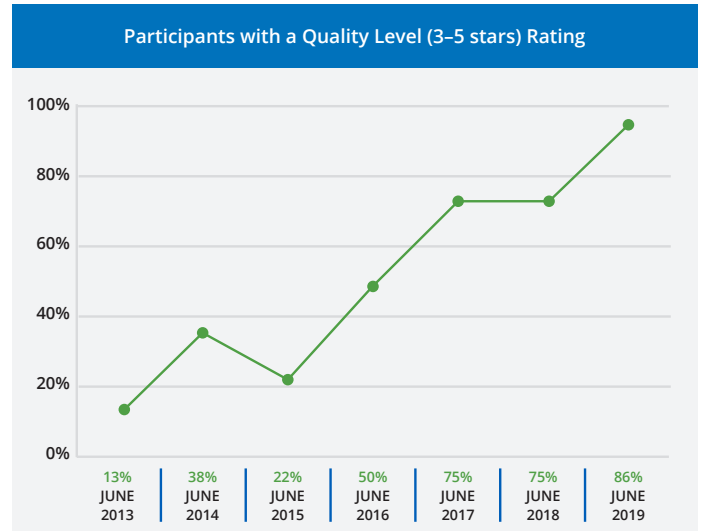
East Maricopa



Gila



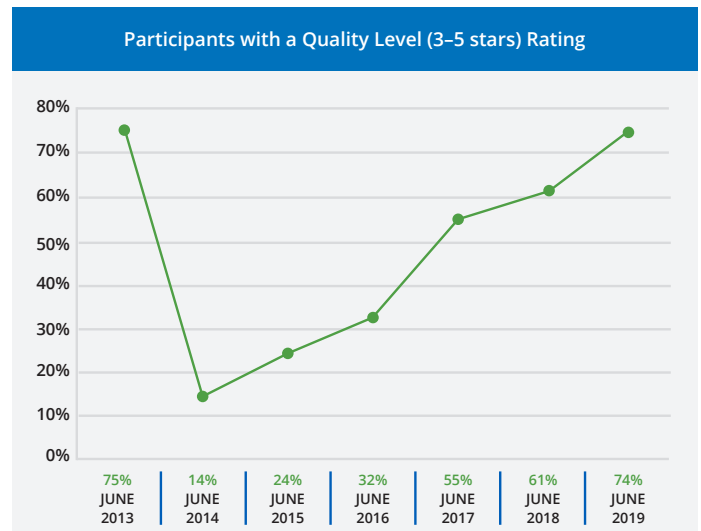
Graham-Greenlee



La Paz-Mohave



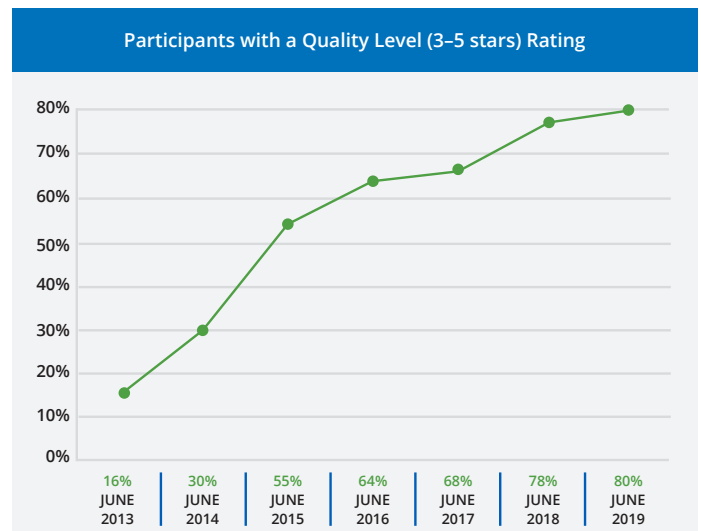
Navajo Nation



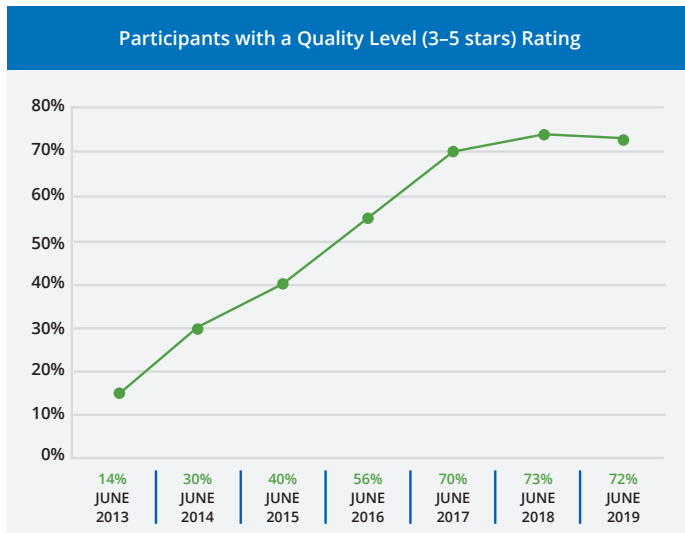
Northwest Maricopa



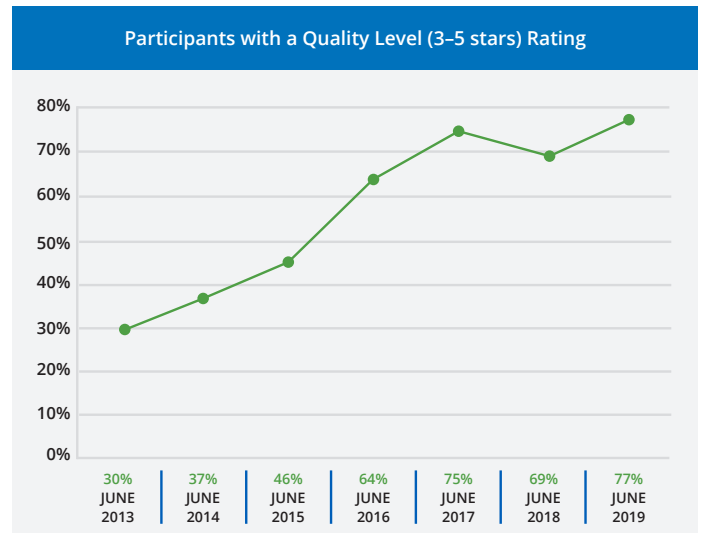
Phoenix North



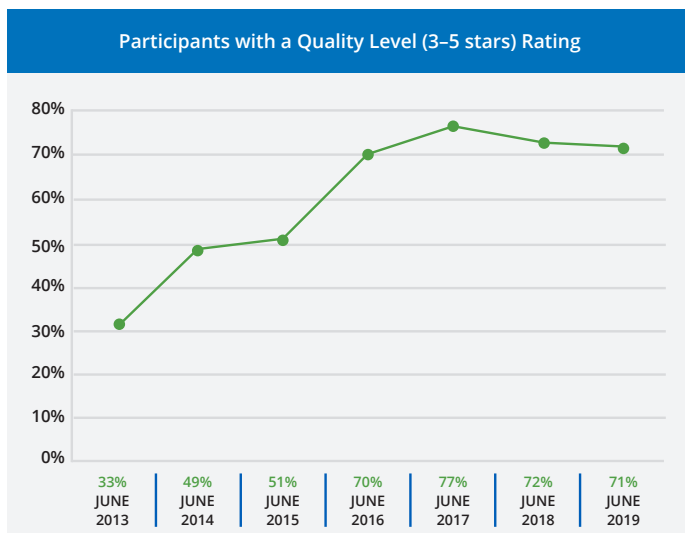
Phoenix South



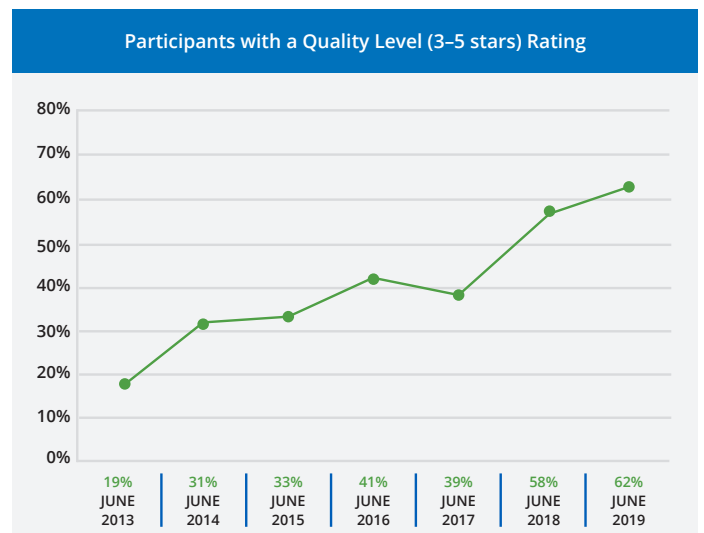
Pima North



Pima South



Pinal



San Carlos Apache



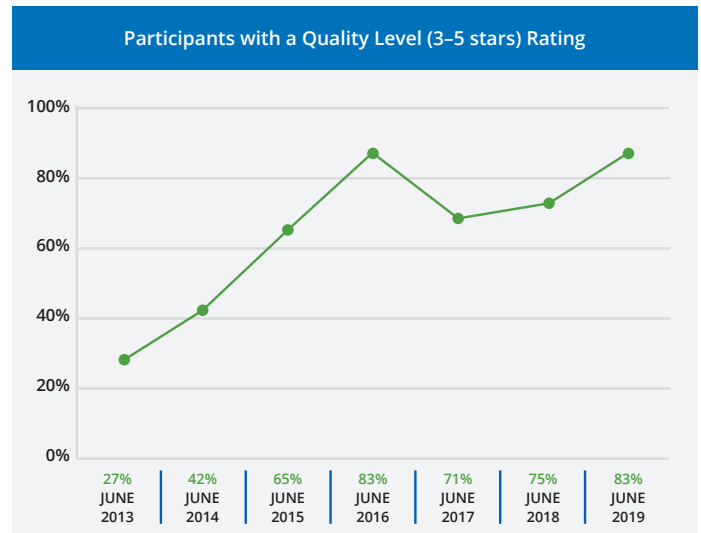
Santa Cruz



Southeast Maricopa



Southwest Maricopa



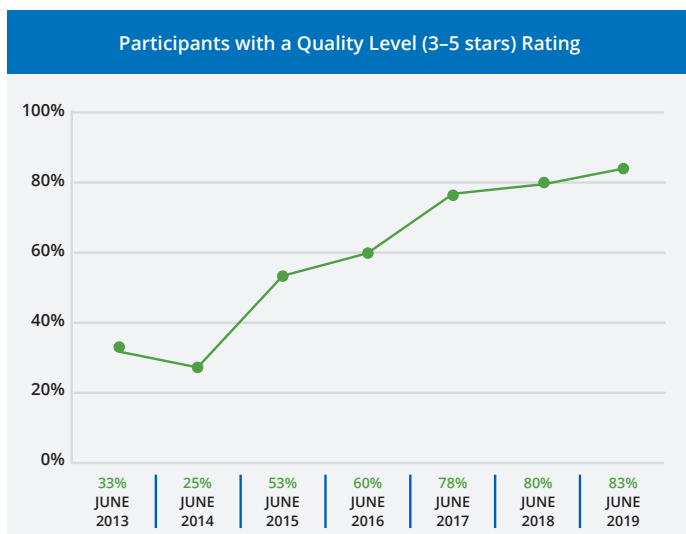
Tohono O’odham Nation



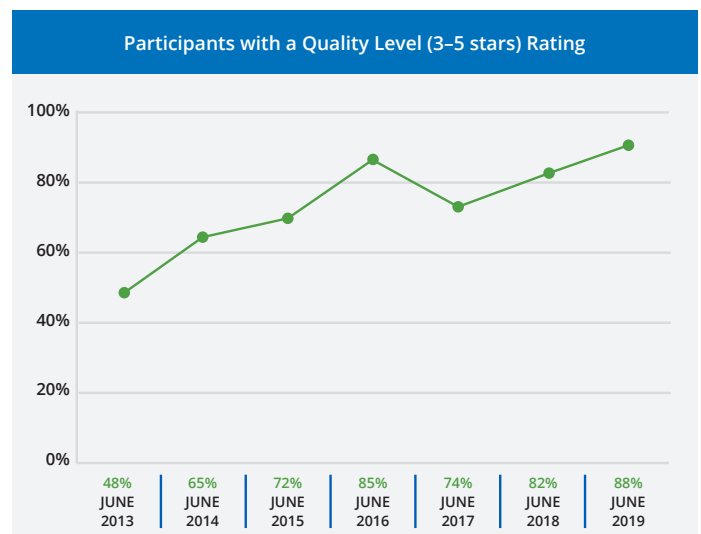
White Mountain Apache Tribe



Yavapai



Yuma



Endnotes

- ¹ Isaacs, J. (2012). Starting School at a Disadvantage: The School Readiness of Poor Children. Retrieved from <https://www.brookings.edu/research/starting-school-at-a-disadvantage-the-school-readiness-of-poor-children/>
- ² Carey, B. (2013). Language gap between rich and poor children begins in infancy, Stanford psychologists find. Retrieved from <https://news.stanford.edu/news/2013/september/toddler-language-gap-091213.html>
- ³ McNamara, J., Scissons, M., & Gutknecht, N., (2011). A Longitudinal Study of Kindergarten Children at Risk for Reading Disabilities. *Journal of Learning Disabilities*, (44), 421-430.
- ⁴ Reardon, S.F. (2012). The widening academic achievement gap between the rich and the poor. *Community Investments: Summer 2012*, 24(2), 19-39.
- ⁵ Schulte, B., and Durana, A., (2016). The New America Care Report. Retrieved from <https://www.newamerica.org/better-life-lab/policy-papers/new-america-care-report/>
- ⁶ Rachidi, A., (2016). America's Work Problem: How Addressing the Reasons People Don't Work Can Reduce Poverty. American Enterprise Institute. Retrieved from <http://www.aei.org/publication/americas-work-problem-how-addressing-the-reasons-people-dont-work-can-reduce-poverty/>
- ⁷ Johnson, Jean & Rochkind, Jon. (2009). With Their Whole Lives Ahead of Them: Myths and Realities about Why So Many Students Fail to Finish College. *Public Agenda*.
- ⁸ In one focus group for dropouts, "several young women gasped in disbelief" when the moderator listed childcare as one of many potential solutions to the college dropout problem, immediately agreeing that it would help a great deal. "Would a college ever do that?" most of them asked. Johnson et al., "With Their Whole Lives Ahead of Them."
- ⁹ Davidson, K., (2016). Employers Find 'Soft Skills' Like Critical Thinking in Short Supply. Retrieved from https://www.wsj.com/articles/employers-find-soft-skills-like-critical-thinking-in-short-supply-1472549400#comments_sector
- ¹⁰ Stevens, K., (2017). Workforce of Today, Workforce of Tomorrow: The Business Case for High Quality Child Care. U.S. Chamber of Commerce Foundation, Center for Education and Workforce. Retrieved from <https://www.uschamberfoundation.org/reports/workforce-today-workforce-tomorrow>
- ¹¹ <https://heckmanequation.org/resource/13-roi-toolbox/>
- ¹² Barnett, S. (2008) Preschool education and its long lasting effects: Research and policy implications. Boulder and Tempe: Education and the Public Interest Center & Education Policy Research Unit. Retrieved from: <https://nepc.colorado.edu/publication/preschool-education>
- ¹³ The Frank Porter Graham Child Development Institute, (1999). Early Learning, Later success: The Abecedarian study. Chapel Hill, NC: The University of North Carolina at Chapel Hill. Retrieved from https://fpg.unc.edu/sites/fpg.unc.edu/files/resources/reports-and-policy-briefs/EarlyLearningLaterSuccess_1999.pdf
- ¹⁴ Greenwood, K., et al., (1998). Investing in Our Children: What We Know and Don't Know About the Costs and Benefits of Early Childhood Interventions. Washington, D.C.: RAND. Retrieved from https://www.rand.org/content/dam/rand/pubs/monograph_reports/1998/MR898.pdf
- ¹⁵ Karoly, L., Greenwood, P.W., Everingham, S.S., Hoube, J., Kilburn, M. R, ... & Chiesa, J. (1998). Investing in our children: What we know and don't know about the costs and benefits of early childhood interventions. Washington, D.C.: RAND. Retrieved from https://www.rand.org/content/dam/rand/pubs/monograph_reports/1998/MR898.pdf
- ¹⁶ Epstein, D., et al., (2017). Quality First: Arizona's Early Learning Quality Improvement and Rating System Implementation and Validation Study. Chapel Hill, NC: Child Trends
- ¹⁷ Harder + Co Community Research (2018). Tempe PRE Year One Implementation Report. Retrieved from <http://documents.tempe.gov/sirepub/cache/1207/snnptoweypxt54eydkb3ec4t/2428647108162019020103411.PDF>
- ¹⁸ First Things First (2016). Taking a Bite out of School Absences: Children's Oral Health Report 2016. Phoenix, AZ: First Things First. Retrieved from http://azftf.gov/WhoWeAre/Board/Documents/FTF_Oral_Health_Report_2016.pdf
- ¹⁹ Facts about developmental disabilities. (2015). Retrieved from <https://www.cdc.gov/ncbddd/developmentaldisabilities/facts.html>.
- ²⁰ Ibid.

- ²¹ Rice, C., et al. (2014). Screening for Developmental Delays Among Young Children – National Survey of Children’s Health, United States, 2007. Retrieved from <https://www.cdc.gov/mmwr/preview/mmwrhtml/su6302a5.htm>
- ²² Blair, C. (2002). School readiness: Integrating cognition and emotion in a neurobiological conceptualization of children’s functioning at school entry. *American Psychologist*, 57(2), 111. doi:10.1037/0003-066x.57.2.111
- ²³ Duncan, G. J., et al., (2007). School Readiness and Later Achievement. *Developmental Psychology*, 43(6), 1428. doi:10.1037/0012-1649.43.6.1428
- ²⁴ Cybele, R., (2003). Young Children’s Emotional Development and School Readiness. Champaign, IL: Clearinghouse on Elementary and Early Childhood Education. Retrieved from <http://eric.ed.gov/?id=ED477641>
- ²⁵ Entwisle, D. R., & Alexander, K. L., (1993). Entry into school: The beginning school transition and educational stratification in the United States. *Annual Review of Sociology*, 19(1), 401-423. doi:10.1146/annurev.so.19.080193.002153
- ²⁶ Gilliam, W. (2005). *Prekindergarteners Left Behind: Expulsion Rates in State Prekindergarten Systems*. New Haven, CT: Yale University Child Study Center. Retrieved from https://medicine.yale.edu/childstudy/zip/publications/National%20Prek%20Study_expulsion%20brief_34775_5379_v1.pdf
- ²⁷ Perry, D. F., Dunne, M. C., McFadden, L., & Campbell, D. (2008). Reducing the Risk for Preschool Expulsion: Mental Health Consultation for Young Children with Challenging Behaviors. *Journal of Child and Family Studies*, 17(1), 44-54. doi:10.1007/s10826-007-9140-7
- ²⁸ Southwest Human Development (2016). *Arizona’s Smart Support evaluation report: The first four years*. Phoenix, AZ: First Things First. Retrieved from https://www.swhd.org/wp-content/uploads/2015/02/Smart-Support_FNL_web.pdf
- ²⁹ Shivers, E.M. (2016). *Arizona’s Smart Support evaluation report: The first four years*. Phoenix, AZ: Indigo Cultural Center. Retrieved from https://www.swhd.org/wp-content/uploads/2015/02/Indigo-AZ-Smart-Support_FNL_2015_2.pdf
- ³⁰ Fimbres, G. (2018). *Great expectations realized: Success stories from those who have overcome significant obstacles to see educational and professional dreams realized*. Tucson, AZ: United Way of Tucson and Southern Arizona.
- ³¹ Cicchetti, D., & Toth, S. L. (1995). A Developmental Psychopathology Perspective on Child Abuse and Neglect. *Journal of the American Academy of Child & Adolescent Psychiatry*, 34(5), 541-565. doi: 10.1097/00004583-199505000-00008
- ³² Glaser, D. (2000). Child Abuse and Neglect and the Brain—A Review. *Journal of Child Psychology and Psychiatry*, 41(01), 97-116. doi: 10.1111/1469-7610.00551
- ³³ Cicchetti, D., & Toth, S. L. (1995). A developmental psychopathology perspective on child abuse and neglect. *Journal of the American Academy of Child & Adolescent Psychiatry*, 34(5), 541-565. doi: 10.1097/00004583-199505000-00008
- ³⁴ U.S. Department of Health & Human Services, Administration for Children and Families, Administration on Children, Youth and Families, Children’s Bureau. (2016). *Child maltreatment 2014*. Retrieved from <https://www.acf.hhs.gov/cb/research-data-technology/statistics-research/child-maltreatment>
- ³⁵ Trickett, P. K., & McBride-Chang, C. (1995). The Developmental Impact of Different forms of Child Abuse and Neglect. *Developmental Review*, 15(3), 311-337. doi: 10.1006/drev.1995.1012
- ³⁶ Bronfenbrenner, U. (1974). Is Early Intervention Effective? *Early Childhood Education Journal*, 2(2), 14-18. doi:10.1007/BF02353057.
- ³⁷ Zero to Three. (n.d.) *Safe Babies Court Teams*. Retrieved from <https://www.zerotothree.org/our-work/safe-babies-court-teams>.
- ³⁸ Krysik, J., Sayrs, L., Gearing, R., & Mabingani, D. (2016). *Cradles to Crayons: Maricopa County Safe Baby Court Teams Initiative, 2012-2016*. Phoenix, AZ: Arizona State University.
- ³⁹ Krysik, J., Kaushik, K., Bommireddipalli, S. Panda, G., & Mabingani, D. (2018). *Cradle to Crayons: Maricopa County Safe Baby Court Teams Evaluation, 2010-2017*. Phoenix, AZ: Arizona State University.
- ⁴⁰ Arizona Department of Administration, Office of Employment and Population Statistics. (December 2012). “2012-2050 State and county population projections.” Retrieved from <http://www.workforce.az.gov/population-projections.aspx>
- ⁴¹ U.S. Census Bureau (2010). 2010 Decennial Census, SF 1, Table P14

 [FTFArizona](#)  [@AZFTF](#)  [@azfirstthingsfirst](#)

 [first-things-first](#)  [AZFirstThingsFirst](#)

 **4000 North Central Avenue, Suite 800 Phoenix, Arizona 85012**

 **602.771.5100 • 1.877.803.7234**

First Things First partners with parents and communities to strengthen families and give all Arizona children the opportunity to arrive at kindergarten healthy and ready to succeed.

Chair

Gerald Szostak

Vice Chair

Helena Whitney

Members

Honorable Richard Weiss

Amelia Flores

Darren Hawkins

Sherry Markel

Heidi Quinlan

Marcia Klipsch

Vince Yanez

Ex-Officio Members

Hon. Kathy Hoffman,
Superintendent of Public Instruction

Michael Traylor, *Director,*
Department of Economic Security

Dr. Cara Christ, *Director,*
Department of Health Services