



ANNUAL REPORT
2009



FIRST THINGS FIRST

Arizona Early Childhood Development and Health Board

Our Mission:

To increase the quality of and access to the early childhood development and health system that ensures a child entering school comes healthy and ready to succeed.

First Things First (FTF), approved by Arizona voters, works to ensure that our youngest children have access to quality early childhood experiences so they will start school healthy and ready to succeed. Across the state, FTF Regional Partnership Councils – in collaboration with local leaders – identify the educational and health needs of children from birth through age 5 in their communities and fund strategies to address those needs. FTF works with those impacting the early childhood experience – including parents and other caregivers, government agencies, community organizations, health care providers and educators – to make the most efficient and effective use of Arizona’s early childhood resources.

First Things First’s goals are to:

improve the **QUALITY** of and **ACCESS** to early childhood development and health programs; increase access to **PREVENTIVE HEALTH** and **HEALTH SCREENINGS** for children through age five; offer parent and family **SUPPORT** and **EDUCATION** concerning early childhood development and literacy; provide **PROFESSIONAL DEVELOPMENT** and **TRAINING** for early childhood educators and health providers; increase the **COORDINATION** of early childhood development and health programs, and provide **PUBLIC INFORMATION** about the importance of early childhood development and health.

Dear First Things First Partners and Supporters:

In 2006, the voters in our state made a promise to future generations of Arizonans: every child will have the opportunity to start school healthy and ready to succeed. The voters backed that promise with an 80-cent tax increase on tobacco products to ensure that their investment to create a high-quality, coordinated early childhood development and health system would not be jeopardized.

Because of your hard work and dedication, great progress has been made this year in delivering on that promise, including:

We committed \$40 million in short-term assistance to help thousands of Arizona's most vulnerable families afford quality child care, access nutritious food and find the supportive services they need to parent their children through challenging times;

We invested \$84 million in the community-specific needs of children from birth through age five, as identified by our 31 citizen-led Regional Partnership Councils; and,

We launched Quality First! – Arizona's first quality rating system for child care – so that parents have the information they need to ensure their children are in supportive learning environments while they work.

These and other early childhood investments detailed in this annual report are among the reasons why Arizona was honored with the Most Promising State Award at the Smart Start National Conference in May 2009. The award recognizes our collective commitment to ensuring that all children in Arizona have the opportunity to enter kindergarten with the early childhood experiences that are the foundation of their future success as students and as productive citizens of our state.

That commitment is being tested by the ongoing economic crisis in our country. A sharp decline in tobacco tax revenues threatens First Things First's ability to sustain a long-term investment in early childhood, while state budget cuts have left many of our partners struggling to fulfill their role in supporting Arizona's youngest children.

Through these tough times, we must work together to find creative solutions to our short-term funding challenges, while strengthening our resolve to ensure that the resources entrusted to us by Arizona's voters are invested in the evidence-based strategies that will produce the greatest long-term gains for our children.

By remaining focused on our collective vision, we will fulfill the promise made to our youngest children, and in doing so, enhance the social and economic future of our state for generations to come.

Nadine Mathis Basha
First Things First Board FY 2009, Chair



First Things First In Action

In November 2006, Arizona voters passed Proposition 203, a citizens' initiative to enhance early childhood development and health services for children from birth through age five. The voter-approved measure included a dedicated funding source for initiative activities – an 80-cent tax increase on tobacco products – to ensure that the future of this long-term early childhood investment was not subject to the annual state budget process.

Proposition 203 was designed to create an early childhood development and health system with the following principles:

- Local representatives must come together to plan and administer what works best in their respective community;
- Flexible strategies to accommodate the unique demographics of our state; and,
- Transparent and accountable for outcomes.



With its passage, the Proposition created a new state-level board known as the Arizona Early Childhood Development & Health Board. The Board subsequently adopted the name “First Things First” to reflect the importance of early childhood experiences as the foundation for future success.

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birth through age five.



The Statewide First Things First Board

The statewide First Things First Board determines policies and approves funding to build on or improve the programs, services and resources already available to support the healthy development of young children.

The Board is made up of nine members appointed by the Governor and confirmed by the state Senate. It includes three non-voting ex officio members: the Director of the Department of Economic Security, the Director of the Department of Health Services and the Superintendent of Public Instruction, or their chosen designees.



The First Things First Regional Partnership Councils

In order to ensure local decision-making regarding investment of First Things First funds, the Board divided the state into 31 geographic regions. This includes 10 regions that are exclusive to particular Native American tribes; other tribes opted to remain part of the geographic region that corresponds with their tribal lands.

The 31 citizen-led First Things First Regional Partnership Councils have direct responsibility to: collect information on the strengths and desires of their community; prioritize the specific needs of children from birth through age five; plan how to address those needs; choose who to partner and collaborate with to ensure success for the children in their area; and, make funding decisions necessary to carry out their plan.

Working to lay the
foundation for a lifetime
of well-being and
success for more than
600,000
children in Arizona



Each Regional Partnership Council includes 11 local volunteers appointed by the statewide Board. The Regional Councils represent the richly diverse communities across Arizona. Each council includes:

- a parent of a child five years or under,
- a child care provider,
- an early education provider,
- a health representative,
- a school administrator,
- a member of the faith-based community,
- a business representative, and
- someone involved in philanthropy.

There are three at-large seats with no specific background required, although if a tribal nation is part of a region, a public official or employee of the tribe will fill one of the Regional Council seats.

Working Together

The First Things First statewide Board and 31 Regional Partnership Councils work together to lay the foundation for a lifetime of well-being and success for the more than 600,000 children five and under in Arizona. The staff of First Things First identifies programs and services that offer the best opportunities for Arizona's youngest children and provides research and expertise to support the efforts of the Board and Regional Councils.



As a team, First Things First carries out its mission and goals using shared core values that reflect children as the first priority.

Success Story

Arizona Becoming a National Model for Investment in Early Childhood

In May 2009, Arizona was awarded the Most Promising State for Young Children Award at the National Smart Start Conference. The award was accepted by Nadine Mathis Basha, Chair of First Things First.

Smart Start is North Carolina's nationally recognized early childhood initiative designed to ensure that young children enter school healthy and ready to succeed. Arizona is the first recipient of Smart Start's new award created to honor states that are making promising strides in the development of comprehensive systems for young children.

"Today, we honor a state that is a new model of what is possible when people come together at the state and grassroots level to make a difference for young children," said Stephanie Fanjul, President of The North Carolina Partnership for Children, Inc., in announcing the

award winner. "They are rapidly on their way to becoming the state that we will all look to and that we will learn from in the future – the model for what is possible when a state fully commits to making a difference for young children."

Criteria for the Most Promising State Award included: overall accomplishments; political leadership and support; establishment of a state and local infrastructure to support early childhood system-building; level of collaboration across partner organizations; progress towards developing and institutionalizing standards, programs and an infrastructure in support of young children and their families; and, level of impact to date on behalf of young children and their families.

Arizona's Early Childhood System Takes Shape



The strategic decisions made by First Things First help ensure that every child from birth through age five has the quality early experiences that will help them to start school healthy and ready to succeed. Our six goal areas – Quality & Access, Health, Professional Development, Family Support, Coordination and Communication – are each part of the broader picture and inextricably linked.

The progress made during Fiscal Year 2009 supports the expansion of current educational and health services for the youngest children, while at the same time, taking coordinated and cohesive steps toward the continuous development of the statewide early childhood system.



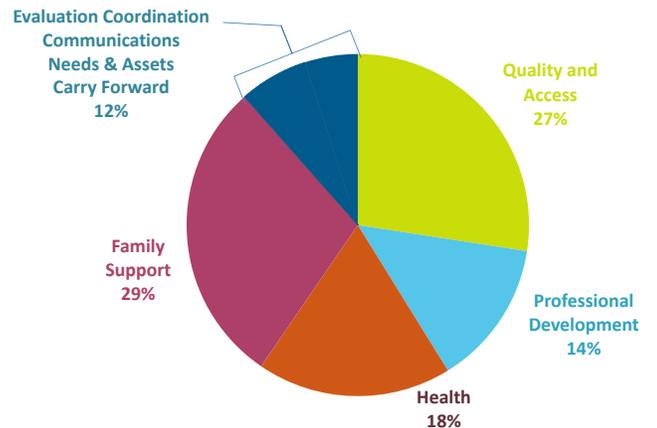
\$25.8 million
in Emergency Child
Care Scholarships

300 Arizonans Volunteer to Help Drive Regional Investment in Early Childhood

Regional Partnership Councils are made up of community volunteers charged with improving early childhood outcomes for children birth through age five across the state. These local decision-makers are accountable for ensuring that First Things First funds are invested in strategies that will make the greatest difference in their communities.

In Fiscal Year 2009, the citizen-led First Things First Regional Partnership Councils contributed countless hours to identifying the needs of young children in their area, engaging community stakeholders in planning to meet those needs and developing strategies to improve the health and school readiness of children under six in their communities.

FY 2009 Regional Strategies – \$84 Million



Regional Needs and Assets Reports

The regional needs and assets reports are the foundation upon which program and funding decisions are made. The studies include indicators that illustrate children's health and school readiness, as well as important gaps in services that may exist in each region. As part of this process, Regional Council members reviewed available data and sometimes did their own research to find additional information. Many Regional Councils also held community forums and focus groups, conducted surveys and gathered and reviewed other local assessments to ensure that they had a complete picture of the status of early education and health for the youngest children in their communities.

While the results of the 31 regional needs and assets reports were not surprising, they did point out some important regional differences in areas such as:

- **Child Population and Poverty** – While Arizona grew faster than the nation as a whole through 2008, the number of children under six and the number of children living in poverty vary greatly by region.
- **Early Care and Education** – There is a general lack of early care and education programs across all regions, but in some areas, a particular type of care – such as infant care – may be extremely scarce or non-existent.



- **Health** – Access to health care facilities is a major concern, particularly in the rural areas. Families often travel great distances and face long waits to access care.
- **Professional Development** – Although many early care and education providers are aware that a higher education degree is necessary to ensure a qualified workforce and maintain high quality care, they indicate their staff have difficulty accessing college coursework, either because of the cost of tuition, books and transportation, or classes that are offered at inconvenient times and typically concentrated in larger communities.
- **Family Support** – There is minimal data in this area. Services are generally located in the more populated areas, and transportation is listed as a major barrier to access the available services.

Regional Funding Plans

Once the 31 local needs and assets reports were completed, the Regional Councils undertook rigorous discussions – among themselves and with community stakeholders – to determine the types of strategies that would be funded in the coming year to meet those needs. In December 2008, the Regional Councils submitted their funding plans to the statewide Board, which approved \$84 million in strategies statewide. The approved strategies encompassed the areas of family support, health, professional development, and improving the quality of and access to early education. FTF Board members and staff presented each region with its individual funding amount in events that included local leaders, stakeholders, and of course, children and families.



Grant Awards

The work of the Regional Councils continued with the Request for Grant Award (RFGA) process. In this process, organizations apply to provide the services funded in each region. Between January and May 2009, approximately 90 RFGAs were issued, leading to hundreds of proposals. The Regional Council members reviewed the grant applications and engaged in discussions with local stakeholders to ensure that their investments reflected the community's priorities. The services included in those RFGA's began after July 1, 2009.

The work of the First Things First Regional Partnership Councils reflects the level of commitment that exists at the community level to ensure that Arizona's children – our most precious asset – are supported to reach their fullest potential.



Ensure that Arizona's
children are
supported to reach
their **fullest
potential.**

Help ensure that every child from birth through age five starts school **healthy and ready to succeed.**

Statewide Initiatives Support Families and Promote Quality Early Care and Education

While most (81%) of First Things First funds are spent at the local level, nine percent is used on statewide initiatives that support families and other caregivers in their efforts to ensure all Arizona children have the quality early experiences that will help them start school healthy and ready to learn.

Success Story

When Cindi Alva, program director for Child and Family Resources (CFR), started attending community meetings to introduce a home visitation program CFR was bringing to the community with support from First Things First, she was unprepared for the response she received. “Everyone was just so happy to have us here – the doctors, the pastor, the parents,” Alva said. “While there’s a child care center and a couple of Head Start programs in the area, there really isn’t anything to help parents of children under 3 or parents of children under 6 who aren’t in day care.”

Alva said that’s the beauty of the First Things First Regional Councils, “They are able to identify what’s needed in each individual community and then make decisions that will make the biggest difference for children in the area.”

Families participating in the program get regular home visits from a CFR staff person, who shares information and provides practical advice on issues like child development and parenting.

“A lot of families just need some support,” Alva said. “With support from First Things First, we are able to provide that support and keep stressful situations from escalating to the point that Child Protective Services gets called.” Alva said support from various First Things First Regional Councils has helped CFR expand their programs into areas that had lost services or had never had services in Graham, Greenlee and Cochise counties.

While CFR is contracted to serve about 140 families who have at least one child under six years old, Alva said the impact goes way beyond that. “We have established relationships with other community organizations – like the health department – so we’re able to maximize resources and coordinate our work to make sure the children’s education and health needs are being met,” she said. “We also work with the entire family – parents, grandparents, older siblings – and they share what they learn with other parents, friends and caregivers, so we really are making a difference for the entire community.”

Parent Kits

For the first time throughout Arizona, parents leaving the hospital with their newborn have a critical tool to help them support their child's learning: the First Things First Parent Kit. The Parent Kit provides invaluable information about healthy parenting practices and helps parents make informed decisions about the care and development of their young child. Each kit includes:

- A boxed set of informative DVDs that provide tips for parents on how to create a healthy, safe and loving home.
- A Parent Resource Guide that includes a list of statewide and national agencies and organizations along with contact information.
- A first book for babies, so families are encouraged to read with their child.



The kits previously had been available only to parents in Maricopa County, but thanks to a partnership between First Things First and the Virginia G. Piper Charitable Trust, the parents of more than 31,000 newborns statewide had this critical information as they left the hospital between February and June 2009.



Quality First!

Quality First is designed to help early education providers improve the quality of the care they deliver and provide parents with a way to readily recognize quality child care settings. The supports provided to centers and homes to enhance quality include coaching, educational scholarships for child care employees and financial assistance to help make classrooms safer and more appropriate to the needs of young children.

Quality First standards – which go beyond state licensing and certification requirements – are research-based and were developed in partnership with a group of more than 50 community stakeholders. The program includes on-going monitoring and evaluation to ensure accountability.

The statewide First Things First Board and Regional Partnership Councils have partnered to fund Quality First services to 640 early care settings – including child care centers and homes – in Fiscal Year 2010. Those settings have the support of more than 30 Quality First assessors, who complete an initial assessment of the setting, and coaches, who help the staff write and implement their quality improvement plan. Quality First ratings of centers and homes are expected to begin in July 2010.



Child Care Health Consultation

As part of Quality First, health consultants help early care and education settings implement best practices to create safe environments, minimize health risks, teach healthy behaviors and link families to community-based services.

Through funding from the statewide Board, at least 30 child care health consultants will begin working with centers and homes participating in Quality First. The First Things First Regional Partnership Councils have funded additional health consultants for early care and education programs which are not Quality First participants in Fiscal Year 2010.



Success Story

One of First Things First's initiatives is to support statewide outreach through the Birth to Five Helpline. This resource, operated by Southwest Human Development, has experts available to provide the latest child development information to parents or professionals. The staff – which includes early childhood development specialists, registered nurses, disabilities specialists, mental health counselors and literacy specialists – can help parents with a variety of topics, including health and nutrition, language and literacy, sleep, colic and discipline.

Dr. Diana Dunnigan at Phoenix Indian Hospital reports that the Helpline resource has been extremely valuable to her and her colleagues. "This is a very nice resource for physicians and parents. It is difficult to address all of the parental concerns during a well-child visit (because) issues of behavior and discipline can be very time consuming."

Dr. Dunnigan said very little pediatric training is targeted toward behavioral issues, which can be very frustrating to parents.

"The Birth to Five Helpline gives us a way to address the parental concerns in an efficient manner. Since they are connected to those who specialize in behavior and discipline, (parents) will get appropriate and consistent advice," Dr. Dunnigan said. "The Helpline providers really spend the time with the parents that is needed to address these complicated concerns. The parents know that I am not disregarding their concerns when I offer this resource."

The Birth to Five Helpline is available toll-free at 1-877-705-KIDS.

Teacher Education and Compensation Helps (T.E.A.C.H.) - Early Childhood ARIZONA Scholarships

T.E.A.C.H., another critical component of Quality First, enhances the professional skills and stability of the early childhood education workforce. It is a scholarship program for early care and education staff in Arizona who are working toward their Child Development Associate credential (CDA), certificate of completion, or degree in Early Childhood Education or a related field. T.E.A.C.H. applicants must:

- have an employer (or are a self-employed family care provider) who agrees to sponsor their education;
- have a sponsor who agrees to pay a small percentage (usually 10%) of the cost of tuition;
- take at least 3 courses each academic year; and,
- not earn more than \$15.00 per hour.



T.E.A.C.H. scholars also receive help with the cost of their books and a counselor who helps the individual to be successful as a college student. In return, they must agree to remain at their sponsoring early childhood program or to continue to operate their family child care home for a specified amount of time.

Fourteen Arizona community colleges which offer early childhood education degrees are participating in the T.E.A.C.H. scholarship program and more than 2,000 T.E.A.C.H. scholarships will be awarded in Fiscal Year 2010.

First Things First Responds to Arizona's Economic Crisis



Arizona has been deeply impacted by the on-going national economic crisis. The existing services and supports to help Arizona families with children during tough times began to struggle under the weight of a two-fold attack on their resources: skyrocketing needs and plummeting revenues.

First Things First recognized that the lack of these basic supports posed an immediate risk to the health and development of thousands of Arizona's youngest children. In March 2009, the \$40 million First Things First Early Childhood Emergency Response Program was designed to provide short-term support in the areas of access to quality early learning opportunities, nutrition and health.

Emergency Child Care Scholarships - \$25.8 Million

The First Things First Emergency Child Care Scholarships became available to families in April 2009. Increasing unemployment and a waiting list for state subsidies left many low-income families choosing between safe child care and other basic needs, such as food and shelter. Because a disruption in care can jeopardize a child's healthy development, the temporary scholarships were designed to achieve three goals:

1. Provide continuity of care for children.
2. Give families time to stabilize their financial situations.
3. Prevent the loss of child care options for all parents.

Scholarship funds were distributed to 23 regions throughout the state, and between April and June 2009, 6,946 children in 5,627 families participated in the program. The scholarships were expected to last about four months, but some Regional Partnership Councils invested additional funding that allowed scholarships in their areas to last longer.



Family Support to Prevent Abuse and Neglect - \$12.7 Million

Abuse and neglect of young children often increases when families are faced with financial and emotional stress. First Things First funded a voluntary, family-centered and strengths-based program to provide information and support to families in the areas of child development, parenting skills, health, resource and referral and service coordination. The services are tailored to the unique needs of the family.

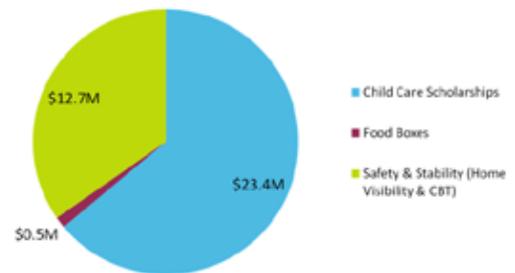
As a result of the funding provided in the FTF Emergency Response – with additional funding support from the Regional Councils – 983 families with young children received home visitation services by June 30, 2009. That number is expected to increase to almost 8,000 families served in fiscal year 2010.

Emergency Food Boxes - \$1.7 Million

As a result of the on-going economic crisis, many families struggled to pay their bills, often borrowing from their grocery budget to cover rent and utilities.

Research has shown that even moderate under-nutrition, the type seen most frequently in the United States, can have lasting effects on the brain development of children. According to the Center on Hunger and Poverty, inadequate nutrition is a major cause of impaired development and is associated with increased school failure in children.

Emergency Early Childhood Response – \$37 Million



As a result of the First Things First Emergency Response, 16,978 food boxes and 73,127 pounds of food were distributed between April and June 2009. Community reports indicate 11,380 families with 19,883 children from birth through age five had access to nutritious food as a result of these efforts.

Success Story

In Spring 2009, My Sister, My Friend – a community based social service agency in South Phoenix – was in danger of closing its food program. The site already was providing 500 food boxes per month and 370 hot meals per day to struggling families, but demand was quickly outpacing its limited resources.

“We were getting near summer, which is when many young children don’t have access to food programs they can get at school,” Executive Director Ann Glover said. “With no new funding coming in and demand growing, we were getting ready to stop providing food.”

A \$100,000 grant from the First Things First Emergency Response Program allowed the program to continue operating in the late spring and through the summer.

“We were able to leverage our relationships with food providers and instead of the 2,500 food boxes we thought we’d provide, we actually provided about 7,100,” Glover said, adding that all the boxes went to families that had at least one child under five in the household.

“First Things First helped us stay open, but what they really did was help thousands of families put food on the table,” Glover said. “When you are struggling with everything else, it’s really nice to not have to worry about where your kids’ next meal is going to come from.”



\$1.7 million in
Emergency Food Boxes

Measuring Success

In order to gain support for continued investment in early childhood – by both the public and private sector – it is critical that we have documented evidence of the success of First Things First. To that end, First Things First has established a partnership with Arizona's three public universities to conduct one of the most comprehensive early childhood studies in the country. The multi-year study will answer the following questions:

- Are children healthy and ready for school?
- Do families have improved access to quality early childhood services?
- What impact have First Things First Investments had on children and families?

The consortium includes representatives of Arizona State University, Northern Arizona University and the University of Arizona in fields such as early childhood, educational psychology, medical and community health, and anthropology. During fiscal year 2009, the consortium designed the project and hired the appropriate staff. The studies began in Fall 2009.



The consortium will conduct two studies at the same time:

- A readiness study that is a “regular “snapshot” of 1,200 kindergarteners. Almost 90 schools statewide will be randomly selected to participate each time the readiness study is conducted.
- A cohort study that will follow more than 8,500 children as they grow over a period of five years, with data collected at various intervals. Both projects will include developmental assessments of the children, health measures of the children and interviews with parents and teachers.

A second part of the cohort study will involve case studies of 275 families and their children. For this part of the study, researchers will interview parents, as well as children once they are five years old. Seventy families will be from the cohort study and 200 families will be from other communities statewide. This portion of the study also will involve interviews and focus groups with 100 community stakeholders statewide.

This is an extraordinary opportunity to provide research-based evidence of the return on the investment that Arizona's voters made in early childhood.

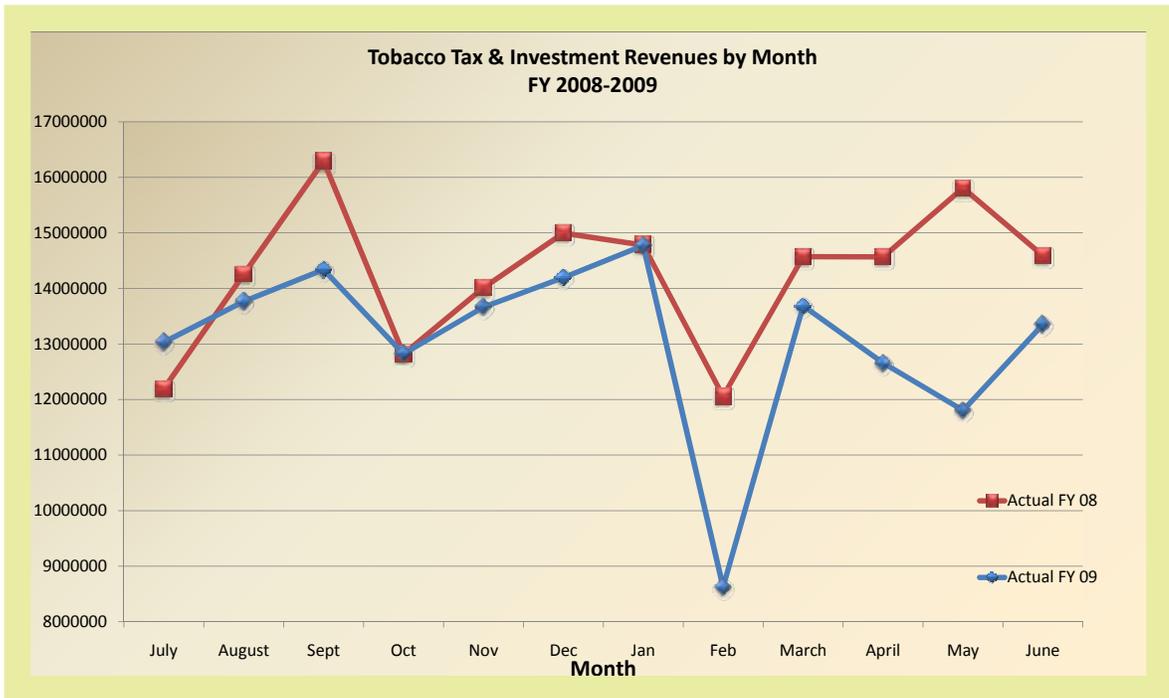
Preserving Arizona's Long-Term Early Childhood Investment

Like everyone, First Things First has been affected by the on-going national and state economic crises. First Things First monitors economic conditions and takes actions to ensure that resources will be available to continue to improve the quality of and access to early childhood development and health services for Arizona's children from birth through age five.



Financial Report

Fiscal Year 2009	Luxury Tax Revenue	Investment Income	Administrative 10%	Program Account 90%	Total funds
Beginning Balance			\$83,325,460	\$153,853,365	\$237,178,825
July	\$13,072,609		\$1,307,261	\$11,765,348	\$250,251,433
August	\$13,259,701	\$502,913	\$1,376,261	\$12,386,353	\$264,014,048
September	\$13,692,552	\$644,892	\$1,433,744	\$12,903,700	\$278,351,492
October	\$12,153,320	\$626,735	\$1,278,006	\$11,502,049	\$291,131,547
November	\$13,071,451	\$592,399	\$1,366,385	\$12,297,465	\$304,795,396
December	\$13,559,445	\$636,611	\$1,419,606	\$12,776,451	\$318,991,453
January	\$14,579,372	\$193,422	\$871,950	\$13,900,844	\$333,764,247
February	\$8,474,105	\$144,279	\$1,467,168	\$7,151,216	\$342,382,630
March	\$13,132,773	\$550,855	\$1,368,363	\$12,315,265	\$356,066,258
April	\$12,334,969	\$321,359	\$1,265,633	\$11,390,695	\$368,722,586
May	\$10,951,777	\$851,027	\$1,180,280	\$10,622,523	\$380,525,390
June	\$13,081,742	\$270,413	\$1,335,215	\$12,016,939	\$393,877,544
Total Distribution	\$151,363,815	\$5,334,905	\$98,995,332	\$294,882,212	\$393,877,544
Total Expenditures			(\$15,552,928)	(\$22,627,380)	(\$38,180,308)
FY09 Ending Balance			\$83,442,404	\$272,254,832	\$355,697,236



Decline in Tobacco Revenues

At the beginning of fiscal year 2009, analysis showed that resources would be available to sustain First Things First's initial early childhood investment through fiscal year 2020. However, tobacco tax revenue during fiscal year 2009 dropped by 8.2%, more than five times the historic annual decrease. The recession, slower population growth for Arizona, campaigns to reduce smoking and higher federal taxes on tobacco products all appear to be having a bigger impact on revenues than the previous year.

It is still unclear whether tobacco taxes will continue to decrease at such a rapid pace or whether they will stabilize as the economy begins to improve. As responsible financial managers, First Things First reduced spending for administrative costs in Fiscal Year 2009 and reduced the amount budgeted for this purpose in Fiscal Year 2010.

Impact of State Budget Cuts

In Spring 2009, First Things First lost approximately \$7 million as part of multiple fund sweeps approved by the Arizona Legislature to offset the state's budget deficit. Since First Things First is voter-protected, has a dedicated funding source and therefore, does not impact the state General Fund, the First Things First Board asked the state Supreme Court to review the sweep of our interest earnings. In July 2009, the court ordered that the \$7 million be returned to First Things First, with interest.

Implications for the Future

At the end of fiscal year 2009, First Things First had a fund balance of \$355 million. Some community stakeholders and state leaders have suggested that those funds should be used to make up for state budget cuts. What many do not realize is that the FTF fund balance is the result of thoughtful and strategic financial planning to ensure that these critical early childhood investments approved by Arizona voters can continue for many years.

The authors of Proposition 203 knew it would take time to set up the appropriate, accountable mechanism to distribute First Things First funds and track the improved outcomes for children that would result from this investment. They also knew that, in order to sustain this financial support for early childhood services with a revenue source that is known to decline annually such as tobacco taxes, a reserve fund was necessary and required. The proposition was drafted so that revenue and the interest it

garnered would accumulate while First Things First was being established and would then become the reserve fund to sustain initiative activities as tobacco revenues declined.

If this fund balance were allowed to be diverted for any other purpose, First Thing First would not be able to maintain support for the services and supports that will help more children start school healthy and ready to succeed. If the funds are taken, many children will continue to reach school ill-prepared, and the cycle of school failure, social welfare dependence and crime that plagues so many of our youth as they reach adulthood will continue.

As responsible managers of public funding, First Things First will continue to prudently manage our resources and will work with state policymakers and stakeholders to ensure that long-term investment in early childhood ensured by voters with the passage of Proposition 203 continues.



\$12.7 million
in Family Support to
Prevent Abuse and
Neglect



**Getting children ready
for school means**

more than packing their lunches,
filling their backpacks, and getting
them to the bus on time.

In fact, the job of helping children
succeed in school starts the day
they are born.

First Things First Board

The central focus of the statewide First Things First Board is to determine policies and approve funding to build on or improve the programs, services, and resources already available to support young children and their families. By setting and adopting clear goals to support child development and health - based on available data and evidence of likely success and proven practices - the Board increases the chance of success in school and life for all Arizona children. Board members are appointed by the Governor and confirmed by the Senate.



Nadine Mathis
Basha
Chair FY 2009



Steve Lynn
Vice Chair FY 2009
and
Chair Elect FY 2010



Rhian Evans-Allvin



Arturo Gonzales



Cecil Patterson Jr.
(The Honorable)



Dr. Pamela Powell



Vivian Saunders



Dr. Eugene
Thompson



Will Humble
Acting Director,
DHS
Ex-Officio



Neal Young
Director, DES
Ex-Officio



Amy Corriveau
Deputy Associate
Superintendent
Department of Edu-
cation (Designee for
Tom Horne), ADE
Ex-Officio



FIRST THINGS FIRST

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