



FIRST THINGS FIRST

AGENDA ITEM: Quality First: Quality and Financing in Early Learning

BACKGROUND: Support for improved program quality, and financing that recognizes the costs associated with achieving and maintaining that quality, requires systemic reform and a shift in thinking about early learning. First, there must be a shift so that early learning is recognized as a critical component of the educational continuum. This shift moves from an emphasis on providing child care to support working families to a system focused on the development and education of young children who are ready to transition to kindergarten. The second shift relates to financing so that stakeholders understand and acknowledge that achieving and maintaining quality in early learning costs money, just as quality in K-12 requires significant investment. Early learning is primarily financed by families, so as quality increases, so do costs. A comprehensive early learning system has to simultaneously drive quality and affordability. We cannot improve quality without adequate financing to do so, conversely financing must be linked to a requisite commitment and accountability for improving quality.

Impacting kindergarten readiness and making good on the commitment to provide high-quality early learning for any child in Arizona whose family desires such an opportunity, requires a considerable investment in scale and scope. First Things First believes that linking and bringing to scale two current signature programs, Quality First and Quality First Scholarships, will have a significant effect on critical indicators for kindergarten readiness.

Following two years of quality improvements and information gathered from the initial phases of Quality First, FTF is prepared to present the full Quality First Star Rating System for board review and approval.

CEO Recommendation(s): Approve the Quality First Star Rating System as presented.

First Things First Approach to Quality and Financing in Early Learning Programs

The promise and equal opportunity of affordable, high-quality early learning should extend to all Arizona children. Funded programs must commit to the social, emotional, cognitive and physical development and provides a solid foundation for success in kindergarten and beyond.

First Things First recognizes quality, access and affordability as the essential elements of an early learning system—they are inextricably linked. They all must be included in a comprehensive model that offers access for families to affordable programs that provide quality early childhood experiences for their young children. Four of the eight priority roles approved by the First Things First Board in September 2010 reflect this approach and promise:

- **Early Learning System Development and Implementation** - *Convene partners and provide leadership in the development and implementation of a comprehensive early learning system that is aligned both across the spectrum of settings and with the full continuum of the educational system.*
- **Quality Early Learning Standards, Curriculum, and Assessment** - *Convene partners, provide leadership, and provide funding for the development and implementation of quality standards for early childhood care and education programs and related curricula and assessments. [This is integral to improving the quality of early learning settings.]*
- **Professional Development System** – *Convene partners, provide leadership, and provide funding for the development and enhancement of an early childhood professional development system that addresses availability, accessibility, affordability, quality, and articulation. [This is integral to improving the quality of early learning settings.]*
- **Early Childhood System Funding** – *Secure, coordinate, and advocate for resources required to develop and sustain the early childhood system. [This does not mean that First Things First would be the sole funder of the early childhood system, but would take an active role in helping to increase and coordinate available resources.]*

Support for improved program quality, and financing the actual cost of achieving and maintaining that quality so families can afford to participate, requires systemic reform and a shift in thinking about early learning. First, there must be a shift so that early learning is recognized as a critical component of the educational continuum. This shift moves from an emphasis on providing child care to support working families to a system focused on the development and education of young children who are ready to transition to kindergarten. The second shift relates to financing so that stakeholders understand and acknowledge that achieving and maintaining quality in early learning costs money, just as quality in K-12 education requires significant investment. Early learning is primarily financed by families, so as quality increases, so do costs. A comprehensive early learning system has to simultaneously drive quality and affordability. We cannot improve quality without adequate financing to do so, conversely financing must be linked to a requisite commitment and accountability for improving quality.

Current Landscape of Quality and Financing

A comprehensive early childhood system is successful when multiple partners are engaged in and contribute to the array of coordinated and collaborative programs and services that benefit children and their families. This is certainly true and necessary in Arizona, where several local and national partnering agencies and organizations offer professional development for teachers, national accreditation of programs, quality improvement initiatives

and financial subsidies or free or reduced access to programs for children from low-income families. Adequate financing for early learning will require movement away from using individual funding silos that are often inadequate in isolation, to braiding and layering various funding streams together to provide the actual cost of quality care and education.

Current funding sources for the Arizona early learning system include:

Child Care Subsidy – This program is administered by the Arizona Department of Economic Security, and is funded through the federal Child Care Development Fund Block Grant, Temporary Assistance to Needy Families (TANF) federal grant, and the state general fund. However, state fund general dollars were eliminated for FY12. As child care subsidies have decreased, so have the number of children receiving them. On average, in 2009, 45,957 children were eligible and receiving care each month; however, only 33,352 children were receiving care by July 2010, a decrease of 27% or 12,605 children across the state. Similarly, the appropriated budget for FY 09 was \$190 million compared with \$144 million in FY 10. The wait list established in January 2009 is gradually being reduced from a high of about 11,000 children in February 2010. As of May 2011, there were still 4,974 children remaining on the wait list for subsidy.

Head Start – Approximately 22,200 children are served in Head Start and Early Head Start programs in Arizona through community-based non-profit organizations, tribal programs, local municipalities and school districts. All Head Start funding in Arizona is federal funding and totaled \$132.5 million in 2009-2010. Head Start programs are usually 3-4 hours/day, 4 -5 days/week, and 9 months/year. Early Head Start is year round. There is no cost to families for Head Start programs, and eligibility is determined by family income or whether a child has a disability.

Public Preschool Education Grants: Special Education and Early Childhood Block Grant –The Early Childhood Block Grant, with formerly funded school and community based prekindergarten programs, was eliminated by the state legislature in FY 10. The Arizona Department of Education (ADE) continues to fund Special Education with annual expenditures at just over \$5 million.

Families – In Arizona, 54% of children five years and younger live in families defined as low income (incomes at or below 200% of the federal poverty level) or up to \$44,100 for a family of 4. There are approximately 600,000 children 5 and younger in Arizona, and about 179,300 (30%) live in families where both parents work. Approximately 145,800 live with a single working parent. The cost of quality early learning is out of the reach of low-income and many middle-income parents with the current annual average cost for infants and 4-year olds in center-based care at \$9,230 and \$7,350, respectively.¹

Private, Philanthropic and Faith-Based Organizations – Funding support from these organizations for early learning is typically provided for a small targeted group of children that may qualify for support due to family income level or some other type of eligibility criteria, such as membership in the faith community. Data on the amount of funding support provided by these organizations is not available, but is considered to be a very small percentage of overall financial support available for early learning.

First Things First has developed and currently funds several strategies to increase quality and finance early learning:

Strategy	FY 11	FY 12
Quality First	\$19,902,470	\$20,344,700
Child Care Health Consultation	\$ 5,879,536	\$ 6,480,000
TEACH	\$ 7,521,344	\$ 5,150,037
FTF Professional REWARD\$	\$ 2,884,000	\$ 2,573,750
Mental Health Consultation	\$ 5,305,637	\$ 5,512,500
Expansion Strategies	\$3,149,818	\$2,111,957
Inclusion Strategies	\$1,231,000	\$1,039,148
Family, Friend, Neighbor Care	\$2,381,687	\$2,630,824
QF Scholarships	\$16,565,207	\$20,263,279
Pre-K Scholarships	\$7,621,449	\$8,316,000
TOTAL	\$72,442,148	\$74,422,195

Impacting Kindergarten Readiness: Linking Quality First and Quality First Scholarships

Neuroscientists, economists and educators are aligned in identifying that early learning beginning at birth is an investment that pays dividends as children enter kindergarten and move through the early elementary grades and transition to college and career. This is especially true for children in low-income families or those born into poverty.

Impacting kindergarten readiness in our state and making good on the commitment to provide high-quality early learning for any child in Arizona whose family desires such an opportunity requires a considerable investment in scale (how many kids and providers) and scope (how comprehensive will supports and services be). First Things First believes that linking and bringing to scale two current signature programs, Quality First and Quality First Scholarships, will have a significant effect on critical indicators for kindergarten readiness, and provide more opportunities for children in low-income families to access quality early learning.

The remainder of this report will provide background information and highlight the proposed changes necessary to implement the Quality First rating system, enhance the Quality First package of services and supports provided and strengthen the link to Quality First Scholarships. Identification and incorporation of these changes are based on the following principles:

- Quality standards are the system foundation
- Quality is incentivized and rewarded
- Decisions are evidence-based and data-driven and include provider and stakeholder input
- Target resources are maximized
- Partnerships exist to enhance systems and provide service
- Complex systems are simplified for participants (providers and families)
- Sustainable financing is available
- Accountability and continuous improvement is measured using indicators and benchmarks

Cost of Quality in Early Childhood Education Study

First Things First contracted with Burns & Associates in January 2011 to conduct the Arizona Cost of Quality in Early Childhood Education Study, which for the first time in Arizona, provides critical information about the actual costs of delivering early learning in our state and how these costs rise with increasing levels of quality. Fifty-eight for-profit and non-profit center based providers participating in Quality First or the Quality First Rating Pilot Study took part in the cost study and completed a survey that addressed the following areas:

- Direct Staff Costs (including wages and employee related expenses)
- Management/ Administrative Staff Costs
- Operating Expenses (including facility and program costs)

Data from the cost survey were then analyzed with initial assessment (ERS and CLASS) results for Quality First or the Quality First Rating Pilot Study participants to determine how costs relate to quality. The final product is a cost model, based on actual Arizona program costs and Quality First assessment results, for the cost to deliver early learning at each Quality First star level. Results indicate that costs increase as quality indicators are met, with the average annual cost (210 days, 10 hours/day) per child of \$6,142 at a 1-star level, and \$12,916 at a 5-star level, effectively costing twice as much from the lower to the highest level of the scale.

First Things First will share the data with stakeholders and use the study findings to inform financing decisions in First Things First strategies. A copy of the report is provided in Attachment A.

Quality First Rating Scale

The Quality First Rating Scale (Attachment B) is used to determine the level of provider quality in Quality First, and incorporates evidence-based predictors of quality that lead to child outcomes across a 5-Star scale. The Rating Scale begins with a quality range of 1-Star, which demonstrates a commitment to examine practices and improve the quality of care beyond regulatory requirements, and increases to a 5-Star, which demonstrates a level of quality that provides lower ratios/group size, higher staff qualifications that support significant positive outcomes for young children, curriculum aligned with state standards and child assessment, and nurturing relationships between adults and children that promote emotional, social and academic development.

The following three tools, including two valid and reliable assessment instruments, are used to determine a Quality First Rating:

1. Environmental Rating Scales (ERS) (Thelma Harms, Richard M. Clifford, and Debby Cryer. Teachers College Press)
 - Early Childhood Environmental Rating Scale (ECERS)
 - Infant/Toddler Environmental Rating Scale (ITERS)
 - Family Child Care Environmental Rating Scale (FCCERS)

One of these three valid and reliable assessment tools is used in each provider home or center-based classroom and is the foundational assessment used in determining a Quality First Rating. Each ERS is an observational assessment, comprised of seven subscales, ranging from 37-43 total items. The ERS addresses quality components such as arrangement of indoor and outdoor space (Space and Furnishings), materials and activities offered to children (Activities), interactions between teachers and children (Interactions), use of

language in the home or classroom (Language – Reasoning - ECERS or Listening and Talking - ITERS) , and support for parents and staff (Parents and Staff). Assessors must complete a rigorous training process and demonstrate 90% inter-rater reliability before conducting assessments in Quality First. Assessors are also checked for reliability during every 10th assessment they conduct to ensure they maintain the 90% standard.

2. Classroom Assessment Scoring System™ (CLASS) (Robert C. Pianta, Karen M. La Paro, and Bridget K. Hamre. Teachstone Training, LLC)

The CLASS is a valid and reliable observational assessment that is used in addition to the ERS when a provider's ERS average program score is at or above a 3-Star level and addresses 10 dimensions in three crucial domains of high quality teacher-student interaction:

- Emotional Support: Social and emotional functioning in the classroom is an indicator of kindergarten readiness. CLASS evaluates the dimensions of positive climate, negative climate, teacher sensitivity, and regard for student perspectives.
- Classroom Organization: Classrooms provide the most opportunities for learning when students are well behaved, active and engaged. CLASS considers behavior management, productivity, and instructional learning formats.
- Instructional Support: Good teachers make the most of opportunities to effectively support cognitive and language development through the curriculum. CLASS focuses on the roles of concept development, quality of feedback, and language modeling.

Assessors using the CLASS must complete a rigorous training process and pass the CLASS reliability test before conducting assessments in Quality First. CLASS assessors must also re-certify annually. The CLASS tool is currently used only in center-based classrooms and home-based settings with children ages 3-5 years; however, the CLASS tool for infant/toddler settings was recently released, and will be utilized by Quality First assessors once training is available and completed.

3. Quality First Points Scale

The Quality First Points Scale (Attachment C) is a tool designed by First Things First to assess portfolio documentation in three additional evidenced-based quality areas not addressed in the ERS or CLASS:

- Staff Qualifications: educational degrees and/or credits completed in early childhood education or related field and early childhood experience of the director or assistant director, lead teachers, assistant teachers and family child care providers.
- Administrative Practices: ratios of adults to children and maximum group size for center and home-based providers; retention rate (continuity of care and teaching staff) among the director or assistant director, lead teachers and assistant teachers in center-based settings.
- Curriculum and Child Assessment: alignment of curriculum and ongoing, developmentally appropriate child level assessment to the Arizona Early Learning Standards or Infant/Toddler Developmental Guidelines; communication with families on child activities and progress.

Quality First Rating Pilot Study – The Quality First Points Scale was initially drafted and thoroughly vetted among partners, stakeholders and providers in 2009-2010, and contained additional indicators in the areas above, as well as in areas of family and community involvement and administrative business practices. That draft was tested in the Quality First Rating Pilot Study with 32 participating home and center-based providers beginning in November 2010, to determine the effectiveness of the Quality First Rating Scale in predicting quality; to determine if the process of completing and assessing the evidence required by the Points Scale tool could be effectively and easily managed by both providers and assessors; and, whether the Points Scale tool was an effective assessment of quality.

The pilot study yielded interesting and helpful qualitative data highlighting the difficulty by providers in addressing all of the areas and cumbersome indicators in the draft Points Scale tool. The study also highlighted the difficulty assessors would have in scoring the types and volumes of evidence required by the tool. Based on the data collected from the study and continued review of the national research on quality indicators, First Things First revised the Point Scale to include only those quality areas with evidence of predicting quality in early learning programs. First Things First also revised the indicators within the remaining quality areas to include only those with clearly identifiable documentation requirements.

Recent Stakeholder and Provider Feedback – Feedback from users and stakeholders has been crucial in the ongoing development of Quality First. In May 2011, First Things First conducted eight information forums, soliciting feedback from partner grantees, stakeholders and advocates, state agency partners, First Things First Program Committee members, Regional Council staff, and providers in three large state regional areas, in addition to comments received by email and phone. We received thoughtful and constructive feedback, particularly related to Staff Qualifications and Administrative Practices. Based on this feedback, First Things First made the following changes in the Quality First Point Scale:

- Staff Qualifications:
 - Included a phase-in period, reduced the required number of credit hours in early childhood or related fields, and reduced the percentage of administrators and teachers required to have degrees in recognition that most working providers have just started on a degree pathway and will likely take a longer amount of time to complete the requisite amount of college coursework or degree program.
 - Adjusted requirements for family home providers that are more consistent with center-based administrators and lead teachers.
 - Clarified the definition of lead teacher and assistant teacher.
 - Clarified which degree fields related to early childhood education or child development count toward college coursework and degree requirements.
- Administrative Practices:
 - Clarified the definition of a group size.
 - Lowered the retention rate from 70-75% to 60-65%.
 - Added the opportunity for providers to develop and implement a written retention plan that addresses barriers to achieving higher retention.

Comments were also received related to ratios and group sizes and the equivalency of some community-based training to college coursework. First Thing First did not make changes to the Point Scale in these areas, but may consider them in the future based on data collected.

National Accreditation – Programs accredited by national accrediting bodies recognized by the Arizona Department of Education have already completed a standardized quality assessment process and enter the Quality First Rating system at the 3-Star level without completing an ERS. If the program's CLASS assessment score does not meet the 3-Star level, the program will receive an ERS assessment to determine the Quality First Rating.

Comparison of Quality First Model To Other State Quality Systems – First Things First compared the Quality First model to 12 other states that have a variation from three to 12 years in the length of time their systems have been implemented. The full comparison document is found in Attachment D, but the following highlights are noteworthy:

- Arizona is in line with other states in regard to the percentage of participating providers at each quality level, even those states that have been implementing for 10 years. This is a serious acknowledgment that changing quality in early learning will take time.
- Quality First incentives are comparatively robust, and we tie the amount and flexibility of the incentives to increasing quality levels.
- Quality First requires a minimum 3.0 ERS score at the 3-Star level; many states require a 4.0.
- Quality First provides comprehensive ongoing annual supports and services across all quality levels, while some states provide limited supports, or provide supports only at certain star levels
- Quality First is the only system included in this comparison that incorporates the CLASS assessment in the assessment protocol. This is likely due to the cost of adding an additional assessment.

Does Quality First Improve Quality – Analysis of Baseline and Progress Assessment Data

The Quality First baseline sample consists of 250 statewide funded child care providers (178 Centers; 72 Homes) spread across 30 Regional Partnership Councils (Navajo Nation not included). Of the 250 providers, 126 (50.4%) received a progress assessment in 2011.

Comparing 126 QF Centers and Home based providers on their initial versus progress rating scores showed that:

- 86.5% (109 of 126) of providers either improved or maintained their QF rating level
 - ❖ 36 Providers (24 Centers and 12 Homes) improved their QF star rating from a 1 to 2; 2 to 3 or 3 to 4 Stars
 - ❖ 73 Providers (58 Centers and 15 Homes) maintained their QF rating (e.g.: Remained at a Star rating of 2)
- 13.5% (17 of 126) of providers showed a decline in their QF rating level
 - ❖ 11 Centers and 6 Home care providers showed a decline in star rating (e.g.: went down from a QF rating of 3 to 2)

After a year of investment, these numbers are not unusual and mirror national trends in quality rating.

An initial review of data from 53 providers who had an increase in Quality Rating (36) or a decline (17) showed that in the shift was contributed by the changes in scores in the following subscales of ERS and CLASS:

- **ERS:** Activities, Interactions, Language-Reasoning (ECCERS), Listening and Talking (ITERS and FCCERS), Program Structure and Space and Furnishing
- **CLASS:** Instructional Support and Classroom Organization

These subscale scores are an essential element in the analysis of progress in the system and will be followed closely. They are the basis for the Quality Improvement Plans that are developed collaboratively by coaches and providers. Targeted support will be geared toward increasing subscale scores.

Overall results show that the majority of child care providers, both at baseline and progress, were at a 2 Star rating level (Progressing Star). A copy of the analysis report can be viewed in Attachment E.

Quality First Delivery Model in FY 12 and Beyond

In response to study data and feedback from grantees and providers, the Quality First service delivery model (Attachment F) is being revised to provide more targeted coaching, financial resources and services in order to support providers in addressing their Quality Improvement Plan and move to the next rating level. Most of these changes don't go into effect until FY13. First Things First considers FY12 as a transition year because statewide and regional budgeting for this year was planned for in early FY11, prior to development of all the proposed changes to the Quality First model. The following policy changes reflect how we are applying what we have learned in the past two years to improve enhanced Quality First service delivery in the next several years:

FY12 Implementation (transition year):

- Reinforce the shift to an early learning system with desired child outcomes by implementing Quality First as a rating system that measures quality and also provides pathway options with significant financial supports tied to quality improvement.
- Providers with a rating of 3, 4 or 5-Stars receive assessments only every two years, but continue to receive the full package of supports and services annually.
- Providers with a rating of 3, 4 or 5-Stars receive a Quality Bonus, which offers greater flexibility to those providers to decide on how Quality First financial incentives will be spent. The provider's financial reporting would include identification of which quality areas were impacted.
- Quality First participants remain in the system until they determine they will no longer participate, or if funding is no longer available to support their participation.
- The Quality First Rating System builds on the health and safety standards regulated by the Arizona Department of Health Services. A percentage of each Quality First provider's Enhancement Grant or Quality Bonus will be applied to offset a portion of their child care licensing fee (through an agreement between FTF and DHS).
- Quality ratings will not be advertised in FY12 in order to give providers time to adjust to the Rating system components.
- Providers on the Quality First waiting list in the past two years will receive priority points during selections so as to improve their chances of participation.

FY13 Implementation (in addition to FY12 changes):

- The amount of quality incentives and financing is tied to increasing quality levels.
- Quality First will implement a differentiated coaching model, with higher intensity supports at the 1 and 2-Star levels to move the Quality Improvement Plan forward, and less coaching intensity at the 3-Star level to prepare for rating or quality maintenance. Low coaching intensity at the 4 and 5-Star levels will support identification and coordination of technical assistance.
- A new coordinated consultation approach will be available to all Quality First participants, and provides flexibility to providers to access technical assistance based on their own prioritized needs. The menu of services will include consultation for child care health, mental health, inclusion-special needs and specialized instructional support in the areas of curriculum, child assessment and classroom instruction.

The specialized instructional support is intended to provide targeted expertise so providers may focus on making progress in quality indicators that significantly change outcomes for kids related to kindergarten readiness. This coordinated consultation approach will equalize access to technical assistance for all providers, regardless of their region because the technical assistance is included in the Quality First unit cost. Regional Councils currently funding consultation strategies that include Quality First providers will be able to redirect that funding to other strategies or reduce the amount.

- A percentage of each Quality First provider's Enhancement Grant or Quality Bonus will be applied to offset a portion of their child care licensing fee (through an agreement between FTF and DHS). The percentage of fee covered increases with increased quality levels.
- Quality First Scholarships will be automatically allotted as part of the Quality First per provider cost to execute the link between quality and financing. The number and amount of scholarships is tied to increasing quality levels, effectively increasing access for low-income children to high quality early learning.
- Quality First will focus on recruitment and coordinated ongoing professional development for coaches in order to provide increasing levels of coaching to providers that is consistent across the state.
- Ratings for providers enrolled prior to July 1, 2012 will be advertised in FY13. Ratings for newly enrolled providers will not be advertised until the beginning of the second year of participation, unless desired by the provider.

Costs of Quality First and Early Childhood Financing

Costs of the Quality First Model – The costs of providing the revised FY13 Quality First model is a contributing source of financing for early learning, and will include the cost of assessment, coaching, TEACH scholarships, specialized technical assistance, and incentives. The per provider cost will be the same across all star levels, but the type and amount of coaching and incentives will vary within the unit cost depending on the star rating; that is, the higher the rating, the higher the Quality Bonus incentive, the higher the funding for technical assistance and the lower the coaching costs. Assessment and TEACH scholarships remain stable across all star levels.

Costs of Quality First Scholarships – Quality First Scholarships are a significant source of financing for early learning, and will be automatically allotted per provider funded for Quality First. The number and amount for each scholarship is tied to increasing levels of quality and the scholarship cost will be added to the Quality First cost. This new approach may result in scholarships distribution across a larger number of providers in individual regions than in prior years. Some providers may receive more scholarships than before, some may receive them for the first time, and some providers may be impacted by receiving fewer scholarships than in the past. First Things First is committed to a continuity of care for young children currently benefiting from Quality First Scholarships and will identify an approach to transition these scholarships so children are not abruptly left without early learning services.

The actual costs of both strategies are still being finalized at this time, but will be available before Regional Councils begin FY13 funding plan development and in preparation for the September 2011 Board meeting when the board will consider FY13 budget allocations.

First Things First initiative language stipulates that 90% of all tobacco tax revenue be deposited into the Program account, and that 90% of that account is distributed to regions. As with all First Things First program strategies, because regions receive the majority of the revenue, regions also provide the majority of funding to implement strategies at the local, as well as statewide level. Expanding the scale and scope of Quality First and Quality First Scholarships is dependent on significant investment from the statewide program account FY 12 - \$8.6 million or 62% of statewide funding). This investment will remain at least at the current level, and possibly increase in

future years. The contribution of statewide program funding will be used to offset the per provider cost of Quality First. This will likely result in a regional Quality First unit cost that is lower than in previous years; however, the cost of Quality First Scholarships will then be added. Depending on if and to what degree Regional Councils previously funded Quality First Scholarships, the regional investment in these two strategies may remain the same or change. Regional Councils may also choose to continue allotting additional funding for more Quality First Scholarships and increased technical assistance support independent of the Quality First package of services and the per unit cost for those providers enrolled or applied for Quality First. In FY12, Regional Councils have allotted a combined \$28.9 million for Quality First and related services, and \$20,263,279 for Quality First Scholarships.

Regional Councils with limited funding allocations may have challenges in funding Quality First and Scholarships for providers in their region beginning in FY13. This is an issue that requires further thought and discussion within First Things First to ensure Regional Councils can consider funding these strategies if desired.

Finally, all of the partners in the early childhood system have a responsibility to ensure we provide a quality early learning and financing system that has the capacity meet the demand of families who desire quality early learning for their child, the demand of providers who choose to participate.

¹ National Center for Children in Poverty. Early Childhood Profile: Arizona. (2010). Available at: http://www.nccp.org/profiles/AZ_profile_16.html. Also see National Association of Child Care Resource and Referral Agencies. 2009 Child Care in the State of Arizona. Available at: <http://www.naccrra.org/randd/data/docs/AZ.pdf>. Budget TRAX, Morrison Institute for Public Policy, IMPACT: Child Care Assistance Programs, http://morrisoninstitute.asu.edu/publications-reports/2011-budget-trax-impact-child-care-assistance-programs/at_download/file