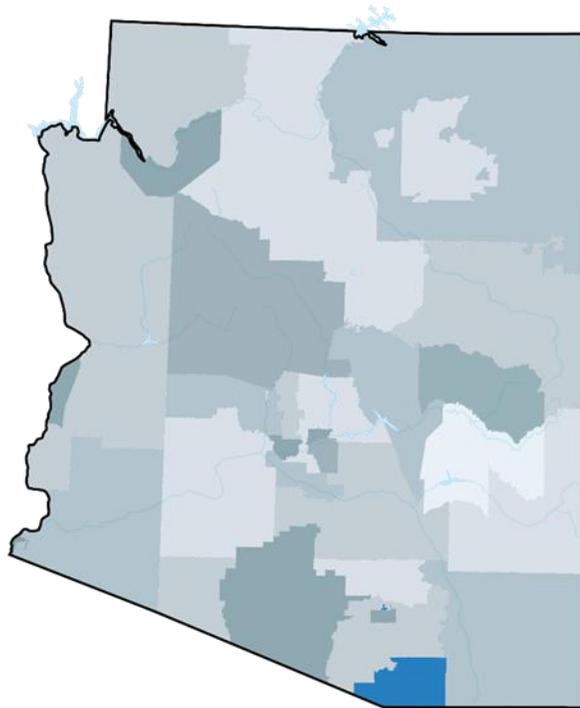




# FIRST THINGS FIRST

**Santa Cruz Regional Partnership Council**  
Population birth through age 5: 3,757



## State Fiscal Year 2025 Funding Plan

*SFY 2024 – 2027 Strategic Plan Update*

Presented to the First Things First Board  
January 23, 2024



### **Mission**

First Things First is an essential leader and partner in creating a family-centered, equitable, high-quality early childhood system that supports the development, well-being, health and education of all Arizona’s children, birth to age 5.

### **Vision**

All Arizona’s children are ready to succeed in school and in life.

### **Regional Partnership Councils**

First Things First’s statewide Board and its 28 regional partnership councils share the responsibility of ensuring that early childhood funds are invested in strategies aimed at improving educational and health outcomes for young children. Regional partnership councils identify the unique needs of their communities and decide how to best support young children and families in their areas. Regional councils, comprised of local volunteers, provide vision and leadership, governance and oversight. They identify, implement and fund strategies and build collaborations aimed at helping young children across Arizona succeed in school and life.

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### **Santa Cruz Regional Partnership Council**

**Laura Monarque**, chair, early childhood educator

**Erika Garcia Montaño**, vice chair, at-large representative

**Chris Ciruli**, member of the business community

**John Fanning**, at-large representative

**William Kirkpatrick**, representative of a philanthropic organization

**Celina Landa**, representative of the faith community

**Adriana Lopez**, parent of a child age 5 years or younger

**Melisa Lunderville**, child care provider

**David Verdugo**, public school administrator

**Diana Yanez**, at-large representative

open, health services provider

**Francisco Padilla**, regional director, First Things First

**Christine Sbragia**, administrative specialist, First Things First

**Santa Cruz Regional Partnership Council**  
**Promoting Equity and Supporting Under-Resourced/Underserved Children and Their Families**

The Santa Cruz Regional Partnership Council’s State Fiscal Year 2024-2027 (SFY24 – 27) Strategic Plan promotes equity and support of under-resourced and underserved children and their families in various ways. This plan utilizes a multi-generational approach, which emphasizes high-quality choices for families and young children. The Santa Cruz Regional Council is choosing to focus on family support, given the low level of educational attainment among parents in the region and the number of children living in poverty who are considered to be at risk. The regional council is keenly aware that a multi-pronged approach is necessary to serve families across the spectrum of needs. Families receiving home visitation services will be those who are harder to reach and considered to be more at risk or disenfranchised, such as families with limited English proficiency, single parent homes and families with transportation challenges. Family resource center services will be targeted to families more universally. Families and caregivers receiving services through the family resource centers may feel a stronger sense of community and may be better equipped in seeking information, education and supports. Family resource centers will provide parent support and connection to resources for families that are locally available. Both of these strategies utilize a multi-generational approach so that entire families, including families that represent grandparents raising grandchildren and other family members raising young children, are benefiting from these services.

The Santa Cruz Regional Partnership Council also recognizes the importance and need for accessible, affordable, high-quality early childhood education. According to the 2022 Santa Cruz Regional Needs and Assets Report, while the cost of center-based care is lower in Santa Cruz than elsewhere, incomes are also lower. Families in Santa Cruz County pay about 10-13% of their income for child care in center-based programs, depending on the child’s age. Child care is a substantial expense for families, especially for families with multiple young children needing care. That is more than the United States Health and Human Services recommended 10% of their annual incomes for child care. Single female parent homes, which account for 26% of all households in the region, have a lower median income, resulting in a higher proportion of their income being spent on child care (31-44%). The regional council currently supports Quality First Scholarships to help minimize inequities, but those only reach a small percentage of eligible children. Additionally, children birth to age 5 living in families with incomes below the poverty guidelines are eligible for Early Head Start and Head Start services; however, there are only two Early Head Start and four Head Start sites serving the entire region. For those families who do not meet the eligibility requirements of Head Start, there are only 46 registered child care providers approved to serve up to 997 children, which isn’t nearly enough to serve the 4,416 children birth to age 5. This means that there are 4.5 times as many children birth to age 5 compared to the number of available child care slots in the region, meaning the region meets the criteria of a “child care desert.” While accessibility is an on-going issue for the region, the regional council sees improving the quality of early care and education as the first step to reaching accessibility.

The Santa Cruz Regional Partnership Council also recognizes the value and need for local professional development opportunities for early childhood practitioners. According to qualitative data provided by early childhood practitioners in the region, there are not enough local professional development offerings available, which forces them to travel to Tucson or Phoenix. Further exacerbating the challenge is that the majority of professional development currently available is only offered in English, which is a challenge to many local practitioners who primarily speak Spanish. The regional council is addressing the inequitable access to professional development by building capacity through the Early Learning Systems Change Strategy. The intent is to provide culturally and linguistically responsive, local professional development opportunities as well as to begin a “grow your own” model to build the professional knowledge and capacity of early childhood professionals in the region. This approach will encourage local early childhood practitioners to become certified

to offer high-quality professional development instead of needing to bring in someone from outside the region or accessing professional development outside of the region, which has been the current practice since local instructors do not currently exist.

**Regional Allocation and Proposed Funding Plan Summary SFY24 – SFY27**  
**Santa Cruz Regional Partnership Council**

Allocations and Funding Sources	2024	2025	2026	2027
FY Allocation	\$1,088,848	\$1,088,848	\$1,157,168	\$1,157,168
Population Based Allocation	\$721,996	\$721,996	\$721,996	\$721,996
Discretionary Allocation	\$366,852	\$366,852	\$435,172	\$435,172
Carry Forward From Previous Year	\$73,384	\$2,503	(\$50,313)	-
<b>Total Regional Council Funds Available</b>	<b>\$1,162,232</b>	<b>\$1,091,351</b>	<b>\$1,106,855</b>	<b>\$1,157,168</b>
Strategies	Allotted	Proposed Allotted	Proposed Allotted	Proposed Allotted
Early Learning Systems Change	\$22,000	\$22,000	\$22,000	\$22,000
Quality First Academy	\$4,000	\$4,000	\$4,000	\$4,000
Quality First Coaching & Incentives	\$119,290	\$119,290	\$119,290	\$119,290
Quality First Scholarships	\$340,558	\$340,558	\$340,558	\$340,558
Child Care Health Consultation	\$27,200	\$27,200	\$27,200	\$27,200
Family Resource Centers	\$500,000	\$500,000	\$500,000	\$500,000
Home Visitation	\$150,000	\$150,000	\$150,000	\$150,000
Statewide Evaluation	\$48,052	\$48,052	\$48,052	\$48,052
Educational Promotion and Brand Awareness	\$9,932	\$9,932	\$9,932	\$9,932
<b>Total</b>	<b>\$1,221,032</b>	<b>\$1,221,032</b>	<b>\$1,221,032</b>	<b>\$1,221,032</b>
<b>Total Unallotted/Unawarded/Unexpended:*</b>	<b>(\$58,800)</b>	<b>(\$129,681)</b>	<b>(\$114,177)</b>	<b>(\$63,864)</b>

Fiscal Year	2020	2024	2025	2026	2027
% to Board Priorities		96.06 %	96.06 %	96.06 %	96.06 %
% to Quality First**	13.58%	12.32 %	12.32 %	12.32 %	12.32 %
Fiscal Year	4 Year Average				
% to Board Priorities	96.06%				
% to Quality First**	12.32%				

\* Per FTF State Board direction, allotments reflect the budgeting of projected spending, therefore in some years’ total allotments may exceed total means of financing. However, actual expenditures against the allotments are expected to be fully supported by revenues, and each year the region is anticipated to end with a carry forward balance which is reflected in the subsequent year’s carry forward balance.

\*\*Includes Quality First Academy, Quality First Coaching and Incentives and Child Care Health Consultation.

Justification for not meeting % to Quality First expectation: The SFY24-27 Quality First Investments do not equal or exceed those of SFY20 as required by the Board because Quality First Star Ratings for some of the providers in the region have increased since SFY20. That increase in Star Ratings ultimately led to a decrease in the cost of Quality First in the region. The regional council continues to maintain the same level of Quality First slots as it did in SFY20.

**SFY25 FUNDING PLAN UPDATE / CHANGE TABLE  
SANTA CRUZ REGIONAL PARTNERSHIP COUNCIL**

**DESIRED OUTCOME: ACCESS TO HIGH-QUALITY, CULTURALLY RESPONSIVE EARLY CARE AND EDUCATION**

**Strategy Areas and Funded Strategies**

**Quality First**

- Quality First Academy (prioritized)
- Quality First Coaching and Incentives (prioritized)

**Access to Quality Care**

- Quality First Scholarships (prioritized)
- Early Learning Systems Change (prioritized)

***Successes:***

The programs enrolled in Quality First represent a mixed delivery system that is a reflection of the larger Santa Cruz Region. Of the eight child care providers enrolled in Quality First that are regionally funded, 100% of those programs have achieved quality levels.

In State Fiscal Year 2024 (SFY24), Quality First implemented a revision to the model resulting in service levels that are based on the needs of participating centers and homes. The revisions are anticipated to create efficiencies that allow more regulated early care and education programs to participate and continue the quality improvement trajectory that has shown consistent increases in quality rating over time.

First Things First increased the Quality First Scholarship reimbursement rate to the cost of quality, informed by a study conducted in 2021, this increase will support a robust and stable network of child care providers and continue the reimbursement rate that providers were receiving through federal pandemic relief funding.

The Early Learning Systems Change Strategy, a new approach for this funding cycle, has gotten off to a great start in SFY24. The intent of this strategy is two-pronged. First, the grant partner provides culturally and linguistically responsive, local professional development opportunities to early care and education practitioners working in regulated child care settings in the Santa Cruz Region. Second, the grant partner is supporting a “grow your own” model to build the capacity of early childhood professionals in the region to develop strong skills and teaching practices of offering quality professional development sessions to other early childhood professionals. One to two early childhood professionals will become certified in one of the curricula outlined in the Professional Development Education for Early Care and Education Professionals Standards of Practice. Once certified, the Santa Cruz early childhood professional will be mentored by the seasoned instructor who is teaching the professional development sessions as part of the first prong of this strategy. The expected outcome is developing professional development opportunities that are locally provided, culturally and linguistically responsive and ongoing for the early care and education workforce. The hopeful outcome is to reduce the historical need of early childhood professionals having to travel significant distances to attain professional development. Finally, the grant partner is focusing heavily on outreach to Spanish-speaking, home-based child care providers for its professional development workshops, as part of the first prong of this strategy, that includes unique approaches that center on relationship building.

***Challenges:***

In State Fiscal Year 2025 (SFY25), federal pandemic relief funding to support a statewide expansion of 413 programs to participate in Quality First will end, resulting in a number of current Quality First participants potentially being disenrolled and placed on the Quality First waitlist. Specifically, in the Santa Cruz Region, 11 of the 19 child care providers enrolled in Quality First fall within the category of the statewide expansion.

Discussions are in progress at the statewide level to determine potential supports so that participants funded through expansion will not need to be disenrolled and put back on a waitlist.

Reimbursing Quality First Scholarships at the 2021 cost of quality has resulted in less scholarships for the same amount of funding in SFY25. It is estimated that half the number of scholarships will be available at the current level of investment. In planning for SFY25, regional partnership councils, including the Santa Cruz Regional Council, considered the regional impact the reduction would have and make decisions to ensure that reductions in funding do not disrupt the system in significant ways.

## DESIRED OUTCOME: INFORMATION, SERVICES AND SUPPORT FOR FAMILIES

### Strategy Areas and Funded Strategies

#### Educating Families and Caregivers

- Home Visitation (prioritized)

#### Navigating and Connecting Families to Resources

- Family Resource Centers (prioritized)

#### **Successes:**

The Santa Cruz Regional Council continues to support a two-pronged approach to serve families across the spectrum of needs.

The home visitation grant partner is continuing to successfully implement the strategy with a full caseload of 50 families receiving home visitation services. The grant partner has heavily focused on building strong relationships with the families they serve. The retention rate of over 90% means that families enrolled in the program stay with the program for at least two years. Furthermore, 80% of enrolled families reported graduating from the program!

The Family Resource Center approach includes 14 unique curricula for parents, caregivers and children. By providing a plethora of curricula and classes in English and Spanish for both parents/caregivers and children, the popularity and demand for classes at the three family resource centers in the region is higher than ever.

#### **Challenges:**

The home visitation grant partner has reported challenges in maintaining full staffing. This challenge is reportedly caused by the inability to hire new staff or turnover due high demands of the job coupled with the inability to pay home visitors more. The grant partner has a strategy in place to ensure that families continue to receive services despite staffing lapses. The strategy is for the lead parent educator to carry a smaller caseload in case there is a need to step in and take on a few more families in the event of another parent educator resigning.

The family resource centers staff have experienced a unique challenge due to the high demand for the classes that they offer. Enrollment for classes is done on a first-come, first-serve basis and some parents and caregivers end up on waitlists because of the high demand and limited capacity. A new outreach approach is to recruit families with a focus on building a sense of community. This includes joining and interacting within the family resource centers' community of staff and other families to create stronger relationships, as opposed to just enrolling in classes. Staff have more intentional opportunities to interact with the families in a different capacity in addition to attending classes. This helps to build strong relationships and support networks with staff and other families accessing the family resource centers. The centers' playrooms are the new focus, providing self-directed opportunities for parents to read and play with their children and have access to staff support and resources.

**DESIRED OUTCOME: WELL-PREPARED, HIGHLY SKILLED AND APPROPRIATELY COMPENSATED PROFESSIONALS**

**Strategy Areas and Funded Strategies**

**Professional Development for ECE Professionals**

- o Child Care Health Consultation (prioritized)

***Successes:***

Child Care Health Consultation (CCHC) is a part of the Quality First package of services for child care providers who participate in Quality First. The revisions to Quality First include an expansion of CCHC support, including supporting child care providers on Arizona state licensing compliance, completing health and safety checklists and reviewing health policies.

As part of previous strategic plans, the Santa Cruz Regional Partnership Council funded CCHC support for non-Quality First participating early care and education providers. Beginning in SFY24, the regional council opted to no longer fund non-Quality First participating providers to access CCHC support. In order to continue to support these providers, an intentional outreach and engagement plan was developed by the regional director and the Early Learning Systems Change grant partner. Providers are now aware they can obtain local professional development opportunities through the Early Learning Systems Change Strategy. In this way, providers continue to have an avenue for support, access to high-quality professional development and feel connected to their child care provider peers.

**DESIRED OUTCOME: PUBLIC UNDERSTANDING AND SUPPORT**

**Strategy Areas and Funded Strategies**

**Building Awareness of the Importance of the Early Years**

- o Educational Promotion and Brand Awareness (prioritized)

***Successes:***

The Santa Cruz Regional Partnership Council continues to host its annual First Things First Celebrates the Young Child Community Event every February. In SFY24, the regional council will host its 11<sup>th</sup> annual event in partnership with community and education stakeholders. The intent of the event is to provide elements of early education development activities, family education and health activities while providing a fun, safe event for parents and families with children birth to age 5. With First Things First viewed as a leader in early childhood education within the region, the goal of this event is to expand partnerships, increase community awareness and the importance of early childhood education in the region. In previous years, exhibitors have been received positively by the community and continue to be eager to partner with First Things First. This event is the highlight of a larger, region-wide community priority of recognizing the importance of young children that is known as Early Childhood Awareness Month in Santa Cruz County.

Early Childhood Awareness Month in February includes official proclamations from the Nogales City Council and Santa Cruz County Board of Supervisors as well as events during the month of February aimed to highlight and increase awareness of the importance of early childhood education. Those events include a daylong professional development session specifically geared towards early childhood professionals, reading at all preschools in the region by community leaders, a community ceremony to celebrate early childhood professionals and billboards around the region recognizing several early childhood champions.

DESIRED OUTCOME: COORDINATED, INTEGRATED, AND COMPREHENSIVE SYSTEM

**Strategy Areas and Funded Strategies**

Evaluation

- Statewide Evaluation