



## FIRST THINGS FIRST

*The right system for bright futures*

### **Emergency Response Plan Child Care Scholarships Proposed Revision**

The Emergency Child Care Scholarships are making a critical difference in the lives of families all across Arizona. After approval by the Board in February 2009, and soon after receiving approval for a bid waiver from the Arizona Department of Administration, First Things First signed a contract with the Valley of the Sun United Way on March 19, 2009 to administer the program. Outreach efforts to providers began immediately with the first contracts signed in early April. When the scholarships were initially approved by the Board, it was anticipated the funding would be utilized over a four month period. In reality, it took more time to recruit a critical mass of providers so that the dollars could be drawn down in each region at the rates initially forecasted.

With nearly 400 providers serving around 6,000 children, the scholarship initiative is well on its way to reaching the estimated 10,000 children projected when the program was designed. It has, however, become clear to United Way and First Things First that funding for the program will be available beyond the initial four month estimate. In some regions where high numbers of providers are participating in the program, funding is forecasted to last through the summer and possibly into early fall. In other regions, funding may last even longer.

**RECOMMENDATION:** In order to ensure that families have opportunity to continue working or to find new jobs in this difficult economic period, and to ensure Emergency Child Care Scholarships are available to the extent possible, it is recommended that scholarships for families with children five and under be extended in each Region for as long as funds are available. Under this recommendation eligible families will still include those who do not receive a DES child care subsidy and whose income does not exceed 200% of federal poverty.

While it is expected that the majority of funds will be distributed well before June 2010, this flexibility will allow scholarships to continue in those regions where there are fewer participating providers.