MEMORANDUM

Date: August 30, 2022

To: The Honorable Chair and Members  From: Jan Lesher
Pima County Board of Supervisors  County Administrator

Re: Pima Early Education Program Year End Report

Attached is the Year End report for the Pima Early Education Program. In this first year, the program served 856 children from low-income families at over 100 locations across Pima County. The number of preschool age children attending high quality preschool across multiple funding programs increased to almost half of the need. The number of preschools recognized as high quality also increased. Of those participating in the Pima Early Education Program, 78 percent were children of color and 21 percent were dual language learners, which is fantastic as children of color and dual language learners have been shown to benefit the most from programs like this. In addition, as you can see from the quotes, this program also helps parents and guardians of these children by providing them time to work and further their own education.

The Board should be commended for taking the initiative to fund such a program, as should staff for getting the program running so quickly, and continually adapting in what was often a challenging year. Thank you also to our other funding partners, the City of Tucson, Town of Marana, and Town of Oro Valley. It is remarkable to see the regional as a whole recognize the importance of early education.

JKL/anc

Attachment

c: The Honorable Dustin Williams, Pima County School Superintendent
Mary Jacobs, Town of Oro Valley Manager
Michael Ortega, City of Tucson Manager
Terry Rozema, Town of Marana Manager
Carmine DeBonis, Jr., Deputy County Administrator
Francisco Garcia, MD, MPH, Deputy County Administrator & Chief Medical Officer
Dan Sullivan, Director, Community and Workforce Development
Amber Mathewson, Director, Pima County Library District
Terry Cullen, MD, MS, Public Health Director, Pima County Health Department
Heath Vescovi-Chiordi, Director, Pima County Office of Economic Development
Jen Darland, Deputy Director, Community and Workforce Development
Nicole Fyffe, Senior Advisor, County Administrator’s Office
Nicole Scott, Pima Early Education Program Manager
“Thank you for the opportunity that this scholarship has provided me to be able to work and not have to stress about having to pay for child care. I am nearing the end of being able to use the scholarship as my son will be going to kindergarten next year. I have been appreciative of the fact it was here and available while it was needed. The scholarship is a great help and benefit for all families in our program.”

— Parent and child-care educator
Overview

What a Year!

This first year of the Pima Early Education Program (PEEP) has been one of learning and adapting in what seemed to be an ever-changing environment. Despite the pandemic, teacher and other staffing shortages, and changes in funding, PEEP served 856 children at over 100 locations across Pima County! These included free new preschool classes operated by school districts, extended day Head Start classes, and individual scholarships used at a variety of preschools participating in “Quality First”. Quality First is a program operated by the State’s First Things First agency, and is one of two evidence-based early childhood education programs used to implement PEEPs. The other is the Federal Head Start program operated in our region by Child Parent Centers, Inc. With evidence-based programing, clear metrics, and multi-year funding partnerships, we strive to achieve the short-term and lasting benefits to children, families and communities proven to result from similar programs across the nation.

PEEPs Guiding Principles

1. Increase high-quality preschool capacity while addressing existing need for financial aid.
2. Distribute scholarships efficiently and effectively through existing programs and partners.
3. Do not supplant existing public assistance for preschool and utilize local funding as a “last dollar in” approach.
4. Coordinate with existing agencies that provide public assistance for high-quality preschool to establish baseline need and simple system-level benchmarks, monitor progress and refine collaborative efforts to improve the system as a whole.
5. Establish scholarship rates that cover the full cost of providing high-quality preschool per child, based on accepted cost of quality and local market rate studies, considering wages necessary to attract quality teachers, and accounting for current DES subsidy rates and school district in-kind contributions, and pandemic-related increased costs.
6. Ensure participating preschool providers are geographically dispersed, with priority given to preschools serving lower income/higher need neighborhoods, tribal and rural areas.
7. Connect eligible families to high-quality preschools and financial assistance, including parents in local workforce development programs.
8. Collaborate with partners to connect participating families with other community resources to accelerate family and community wide benefits.
9. Maximize multi-year partner contributions to make the program more sustainable.
10. Advocate with partners for a long-term state-wide solution.
11. Remain flexible as providers and families recover and rebuild from the pandemic.
12. Review, reevaluate, revise, and report regularly with input from stakeholders.
The two primary goals of the Pima Early Education Program are to:

a) Increase the number of 3-5 year old children from low-income families attending high quality preschools in Pima County, and
b) Increase the number of high quality preschools in Pima County.

This is achieved by entering into local funding partnerships, allocating a portion of the County’s Federal pandemic recovery funds, contracting with those already in the business of providing high quality preschool and scholarships, and coordinating at a statewide level.

Pima County measures progress at both the program level (PEEPs) and the system-level (combined with others that fund preschool for families in need). At the program level, PEEP served 856 children from low-income families, which was 75 percent of the contracted target for year 1.

<table>
<thead>
<tr>
<th>PEEP Contracts by Type</th>
<th>Total # of Students Served</th>
<th>Year 1 Contracted Max Students Served</th>
<th>% of Contracted Max Served Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pima County Funded Quality First Scholarships</td>
<td>526</td>
<td>600</td>
<td>88%</td>
</tr>
<tr>
<td>Pima County Funded School District Expansion Classes</td>
<td>165</td>
<td>340</td>
<td>49%</td>
</tr>
<tr>
<td>Pima County Funded Head Start Extended Day Classes</td>
<td>165</td>
<td>205</td>
<td>80%</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>856</strong></td>
<td><strong>1145</strong></td>
<td><strong>75%</strong></td>
</tr>
</tbody>
</table>

At the system level, PEEP and other programs assisted 4,690 children from families with incomes up to 200 percent of the Federal Poverty level in attending high quality preschool in Pima County. While the number has risen over the past year, the gap between those served and those who need access to high quality preschool is still substantial.
Increasing the number of eligible children attending high quality preschool requires more high quality preschools, which is the second goal of PEEPs. Over the last year, an additional 28 preschools and childcare providers joined the Quality First program at a high quality rating of 3 stars or above. This is due in large part to our contracts with school districts that added new high quality preschool classes, the Arizona Department of Economic Security’s partnership with First Things First to fund the cost of adding quality preschools and childcare providers to the Quality First Program (including assessments and ratings), and the United Way of Tucson and Southern Arizona’s Accelerate Quality program that prepared preschools and childcare providers for the Quality First assessments. An additional 10 nationally accredited programs, not in Quality First, also began contracting with DES in this past year.
Overall, 176 preschools had the potential of participating in the PEEPs program in Year 1 via contracts with school districts, First Things First for scholarships and Child Parent Centers for extended day Head Start. However, due to the pandemic and teacher/staffing shortages, only 116 of those preschools actually served PEEPs children. TUSD was unable to open five contracted classes due to the inability to hire teachers for those classes, and Baboquivari Unified School District on the Tohono O’odham Nation was virtual for most of the year and did not open their class. In addition, many preschools allocated scholarships were unable to use them because of staffing shortages that limited their capacity to re-open classes, they were already at capacity when the scholarships were allocated, or they did not have families that met the income eligibility requirements. We anticipate full usage this next year based on a variety of changes in the program, including increased reimbursement rates, increased income eligibility, as well as less class closures due to COVID-19.

In Year 1, 57 percent of PEEPs participating preschools were private childcare centers, 31 percent were operated by public school districts, and 12 percent were private family home-based childcare providers.

“He’s never actually been around kids his age, especially with the pandemic. He missed out for a whole year on a lot of things. I’m happy that he’s finally in the classroom and he’s finally getting a feel of all that.”
— Janet Cervantes, mother of 4-yr old son, Juan Enrique, who is enrolled in Head Start’s extended-day program

Arizona Daily Star, Updated July 28, 2022
The State of Arizona recognizes high quality preschools as those participating in the State’s Quality First Program with a rating of 3-5 stars, those participating in the Federal Head Start program, and those with certain national accreditations. All of the preschools participating in the PEEPs program, with the exception of one are participating in the State’s Quality First program, have applied to participate in the State’s Quality First program and are in the process of receiving an assessment and rating, or are participating in the Federal Head Start program. One preschool is Nationally Accredited, but not in Quality First or Head Start.

**Of the Quality First PEEPs participating preschools, the average Quality Rating is 3 stars, and 80 percent have a three star rating or above.**

PEEPs offered scholarships at a small number of 2-star programs with the goal of increasing the quality of the program in future years.

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Number of Quality First PEEPs Preschools by Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2-Star</td>
</tr>
<tr>
<td>Town of Marana</td>
<td>1</td>
</tr>
<tr>
<td>Town of Oro Valley</td>
<td>0</td>
</tr>
<tr>
<td>Town of Sahuarita</td>
<td>1</td>
</tr>
<tr>
<td>City of South Tucson</td>
<td>0</td>
</tr>
<tr>
<td>City of Tucson</td>
<td>22</td>
</tr>
<tr>
<td>Unincorporated Pima County</td>
<td>6</td>
</tr>
</tbody>
</table>

A wealth of research shows those that benefit the most from high quality preschool are children from economically disadvantaged families, children of color and dual language learners. While all PEEPs children had to be from economically disadvantaged families (i.e. low income), data on race, ethnicity and dual language learners was collected for PEEPs school district expansion classes and PEEPs extended day Head Start classes. Quality First does not yet have the capacity to collect and report this data for children with scholarships. Of the 330 PEEPs students surveyed, **21 percent were dual language learners, and 78 percent were children of color.**
“This program has allowed me to focus more on my education knowing that my son is in a program that is helping him learn.”

— Parent, PEEPs class
Kellond Elementary School

“Without the scholarship, we would not be able to send our son to the early learning center. This scholarship and the program has changed our lives. Our son has a hard time with speech, and the school has helped him become more verbal. It has changed his life.”

— Parent, September 2021
“The PEEPs program has opened up my schedule to start working. My son has become more social, has friends and I have noticed his speech has improved.”

— Parent, 2022

“The Pima Early Education Program has given me the opportunity to have free time, which gives me time to get my GED studies in. I love how loving the teachers are and my daughter rushes me in the morning so she can come to school.”

— Parent, PEEPs class
Robins Elementary, Tucson Unified School District
The cost of preschool can be surprising for those without children in preschool. The Board of Supervisor’s initial commitment of $10 million in General Funds for this first year was a bold investment in what is a costly endeavor in the short term, with substantial return on investment for County and taxpayers in the long term. At the time of that initial Board action, it was unforeseen that Pima County would receive American Rescue Plan Act funding for pandemic recovery spending, and that early childhood education would specifically be called out in the Treasury guidance as a suitable use of those funds. Subsequently, the Board approved a plan for the ARPA funding that allocates $30.2 million over three years for PEEPs, such that the original General Fund commitment was no longer needed. Other funds for PEEPs have been generously provided by the City of Tucson, and towns of Marana and Oro Valley. Program revenues to date total $32.6 million. This does not include the required school district in-kind contribution for classroom space, utility costs, custodian services, security, and administrative overhead, valued at approximately $1,750 per child. Private funders are encouraged to donate to the United Way’s Accelerate Quality program, which complements PEEPs by expanding preschool capacity and improving quality.

### FY22/Year 1 PEEPs Budgeted and Actual Expenses

<table>
<thead>
<tr>
<th>IGAs &amp; Contracts</th>
<th>Budgeted Expenses</th>
<th>Actual Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Firsts Things First Quality First Scholarships*</td>
<td>$3,811,600</td>
<td>$1,712,888</td>
</tr>
<tr>
<td>Child-Parent Centers, Inc. Head Start Extended Day</td>
<td>$1,149,845</td>
<td>$904,620</td>
</tr>
<tr>
<td>Seven School District IGAs New Preschool Classes</td>
<td>$2,244,000</td>
<td>$1,155,634</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>$7,205,445</strong></td>
<td><strong>$3,773,142</strong></td>
</tr>
</tbody>
</table>

*Pending final, reconciled, expense reporting

“We have not received scholarships in our program since I have been here and I always feel so bad when I have to tell families that we do not have that extra financial assistance available, but now with the new PEEPs scholarships I will be able to help those families that need it most. I am so excited to get the chance to have scholarships in my school.”

— Director, September 2021
### PEEPs Contracts and Max Expenses Years 1-3

<table>
<thead>
<tr>
<th>Contractor (SD=School District)</th>
<th>Fund Source</th>
<th>Term End Date</th>
<th># of Classes Year 1</th>
<th>Max Amount Year 1</th>
<th># of Classes Year 2</th>
<th>Max Amount Year 2</th>
<th># of Classes Year 3</th>
<th>Max Amount Year 3</th>
<th>Total Max Amount Years 1-3</th>
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</thead>
<tbody>
<tr>
<td>Sahuarita SD</td>
<td>ARPA</td>
<td>May-24</td>
<td>1</td>
<td>$132,000</td>
<td>1</td>
<td>$172,828</td>
<td>1</td>
<td>$172,828</td>
<td>$477,656</td>
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<tr>
<td>Marana SD</td>
<td>Town</td>
<td>May-23</td>
<td>1</td>
<td>$118,800</td>
<td>1</td>
<td>$155,545</td>
<td>1</td>
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<td>Marana SD</td>
<td>ARPA</td>
<td>May-24</td>
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<td>1</td>
<td>$172,828</td>
<td>1</td>
<td>$172,828</td>
<td>$345,656</td>
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<tr>
<td>Flowing Wells SD</td>
<td>ARPA</td>
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<td>$518,484</td>
<td>3</td>
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<td>Tucson SD</td>
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<td>8</td>
<td>$1,382,624</td>
<td>$3,133,528</td>
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<tr>
<td>Sunnyside SD</td>
<td>City</td>
<td>May-24</td>
<td>2</td>
<td>$237,600</td>
<td>2</td>
<td>$345,656</td>
<td>2</td>
<td>$345,656</td>
<td>$928,912</td>
</tr>
<tr>
<td>Sunnyside SD</td>
<td>ARPA</td>
<td>May-24</td>
<td>N/A</td>
<td>$0</td>
<td>2</td>
<td>$345,656</td>
<td>2</td>
<td>$345,656</td>
<td>$691,312</td>
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<tr>
<td>Amphitheater SD</td>
<td>City</td>
<td>May-22</td>
<td>2</td>
<td>$158,400</td>
<td>0</td>
<td>$0</td>
<td>0</td>
<td>$0</td>
<td>$158,400</td>
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<tr>
<td>Amphitheater SD</td>
<td>ARPA</td>
<td>May-24</td>
<td>1</td>
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<td>10</td>
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<td>$1,728,280</td>
<td>$3,548,960</td>
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<td>Baboquivari* SD</td>
<td>ARPA</td>
<td>May-24</td>
<td>0</td>
<td>$0</td>
<td>1</td>
<td>$172,828</td>
<td>1</td>
<td>$172,828</td>
<td>$345,656</td>
</tr>
<tr>
<td>CPC Head Start</td>
<td>ARPA</td>
<td>Jun-22</td>
<td>11</td>
<td>$1,149,845</td>
<td>N/A</td>
<td>$0</td>
<td>N/A</td>
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<td>$1,149,845</td>
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<tr>
<td>CPC Head Start</td>
<td>ARPA</td>
<td>Jun-23</td>
<td>N/A</td>
<td>N/A</td>
<td>11</td>
<td>$877,595</td>
<td>N/A</td>
<td>N/A</td>
<td>$877,595</td>
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<tr>
<td>CPC Pima College</td>
<td>ARPA</td>
<td>Jun-24</td>
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<td>N/A</td>
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<td>$877,232</td>
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<tr>
<td>FTF Scholarships</td>
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<td>N/A</td>
<td>$3,811,600</td>
<td>N/A</td>
<td>$0</td>
<td>N/A</td>
<td>$0</td>
<td>$3,811,600</td>
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<td>FTF Scholarships</td>
<td>ARPA</td>
<td>Sep-24</td>
<td>N/A</td>
<td>$0</td>
<td>N/A</td>
<td>$6,813,100</td>
<td>N/A</td>
<td>$6,813,100</td>
<td>$13,626,200</td>
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<tr>
<td>Amphith Constr</td>
<td>Town</td>
<td>Jun-24</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>$75,000</td>
<td>N/A</td>
<td>$25,000</td>
<td>$100,000</td>
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<tr>
<td>Other Facilities*</td>
<td>ARPA</td>
<td>Jun-24</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>$425,000</td>
<td>N/A</td>
<td>$475,000</td>
<td>$900,000</td>
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<tr>
<td>Program Design*</td>
<td>ARPA</td>
<td>Aug-23</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>$75,000</td>
<td>N/A</td>
<td>$20,000</td>
<td>$95,000</td>
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<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td>23</td>
<td>$6,200,925</td>
<td>41</td>
<td>$13,744,040</td>
<td>29</td>
<td>$12,721,445</td>
<td>$32,666,410</td>
</tr>
</tbody>
</table>

*Pending

Funding sustainability after ARPA funding ends is a frequent question. Thanks to the Board’s recent action increasing the Pima County Library District tax rate for this current fiscal year, funds will begin to accrue for the purposes of sustaining PEEPs in Year 4 and beyond. Additional tax rate increases may be necessary, or alternative funding identified. Funding for childcare and preschool statewide and nationally after ARPA is also a concern. Consistent with the PEEPs guiding principles, Pima County’s legislative agenda includes lobbying for long term statewide and federal funding to avert this fiscal cliff.
Teachers, Families & Preschools are All in Need of Assistance

In this first year, a lack of teachers and other staff was the most significant constraint to opening new PEEP preschool classes and re-opening existing classes to enable families with PEEP scholarships to attend existing preschools. While this was in part due to the pandemic, the early childhood education profession has long been a low-wage industry. Recognizing the critical need to retain and attract quality teachers, PEEP school district contracts for years 2 and 3 include increased reimbursement rates, aligned with similar increases for statewide childcare subsidy and scholarship programs. These rates reflect the actual cost of providing quality education and care as informed by a recent statewide study, and intended to address the primary goal of improving teacher compensation.

Additionally, income eligibility has increased for PEEP scholarships, as well as the statewide First Things First Quality First scholarship program, to 300 percent of the Federal Poverty Level. This means, for example, that a family of four with an annual household income of up to $83,250 is eligible for these scholarships. TUSD will also be piloting a sliding scale assistance program for their PEEP classes with income eligibility up to 300 percent. These changes recognize the fact that preschool costs are a significant burden to working families, too.

Many of the school district PEEP expansion classes are located in schools not designed for younger children. This coming year the Town of Oro Valley’s funding contribution to PEEP will improve

“My child has been able to socialize with other children. He has also been talking about how much they enjoy school…I have been able to pay bills that I normally would have struggled to pay because of the PEEP scholarship I receive for my son.”

— Parent, September 2021
“I have struggled my whole life, for instance, I worked three jobs and I am a full time student. It was such a struggle paying for child care. I even found myself giving up sometimes. Until I was able to get on the PEEPs program...through Little Ranch Preschool. This program lifted so much stress off my shoulders...”
— Parent, September 2021

playgrounds, as well as modify a classroom, to support PEEPs expansion classes at Amphitheater public schools located in Oro Valley. Other school districts with similar needs will be working with the County to access funding to similarly support and improve the quality of their PEEPs expansion classes.

“With the help of the PEEPs program I am able to provide so much more for myself and my family. I am grateful for how easy it was to apply.”
— Parent, 2021
“Students have better outcomes when they know their children are on campus or on-site in high-quality learning environments. The impact of these experiences goes well beyond the preschool years. Graduation rates are higher for children who have been in high-quality programs, incarceration rates are lower, there’s more employment opportunities and higher educational attainment.”

- Eleanor Droegemeier, board chair of Child-Parent Centers

Summary

At a ribbon cutting for the new PEEPs class at Pima Community College’s Desert Vista Campus, Tony Penn, the United Way of Tucson and Southern Arizona’s President and CEO stated that early childhood education is economic development, our regions greatest asset is our people, and our children are our future. The data is clear. Investment in high quality early childhood education results in a higher return on investment than other forms of government social spending. Children, parents, schools, employers, and taxpayers benefit. Our community will be healthier, wealthier and more equitable as a result of the Pima Early Education Program.

In year one Tucson Unified School District created a video spotlighting the impact that the Pima Early Education Program has had within their community. We invite you to share in this beautiful representation of how important this program is to the children and families within our communities:

www.youtube.com/watch?v=QZCzfJ0tPVw
“The parent feedback has been extremely positive. I have been working closely with families to help them develop routines and schedules at home along with academic play learning they can bring home. In class we have been working through our emotions and social skills to engage in play based learning in each lesson. Thank you for this opportunity to enhance our early childhood community. I take this as a huge responsibility and am enjoying every minute of it”.

– Ms. Jessica, Teacher, Emily Meschter Early Learning Center, Flowing Wells Unified School District, September 2021

“This program has benefitted my family in a positive way, it has helped my child overcome her fear of being around other people and it has helped her social skills. My child is now able to speak the English language better. She is also more outgoing with children her age, and is speaking up a lot more.”

- Parent, Ocotillo Early Learning Center PEEPs class
PEEPs Multi-Departmental Oversight Team

Dustin Williams, Superintendent of Schools
Francisco Garcia, Deputy County Administrator
Daniel Sullivan, Community and Workforce Development Director
Amber Mathewson, Library Director
Theresa Cullen, Health Department Director
Heath Vescovi-Chiordi, Economic Development Director
Jenifer Darland, Community and Workforce Development Deputy Director
Deborah Bryson, Deputy Superintendent of Schools
Patrick Cavanaugh, Economic Development Deputy Director
Nicole Fyffe, County Administrator’s Office Senior Advisor

Program Staff
Nicole Scott, Program Manager
Irene Moreno, Program Coordinator