**Background**

**Arizona First Things First-Quality First Scholarships**

In 2006, Arizona voters passed Proposition 203, which levied a tobacco tax to provide a number of health and education services, including state-funded pre-K, to children under age five. Prop 203 also created a statewide board, called the Early Childhood Development and Health Board (otherwise known as First Things First), and local regional councils to administer the state pre-K program within regions and communities.

Through Prop 203, Arizona offers full- and half-day pre-K scholarships, called Quality First Scholarships, to children from families with a household income at or below 200 percent of the federal poverty level. First Things First administers Quality First Scholarships.

Nonprofit organizations, governmental units (including schools and districts), tribal governments, institutions of higher education, and private organizations that operate early childhood education programs are eligible to compete for Quality First Scholarships. To be eligible to participate, a provider must participate in the state’s quality rating and improvement system (QRIS), called Quality First.¹ The number of Quality First Scholarships a program is eligible to receive is based in part on its Quality First rating. Charter schools can only operate Quality First through an affiliated pre-K program.²

**Charter schools in Arizona**

Arizona allows startup and conversion charter schools. Local school boards, the Arizona State Board for Charter Schools (ASBCS), the state board of education, a university, a community college district, or a group of community college districts may serve as charter school authorizers.³ Currently, only local school boards, ASBCS, and Arizona State University authorize charter schools.⁴

**Process for Accessing Pre-K Funds**

To receive Quality First Scholarships, new potential providers must be licensed by the Arizona Department of Health Services and enrolled in the Quality First QRIS.⁵ The Quality First QRIS assigns providers quality ratings of 0–5 stars across seven indicators, including learning environments, teacher-child interactions, and group sizes.⁶ Potential providers can apply to participate in the Quality First QRIS at any point, but are placed on a waiting list until funding is available.
Once the provider is enrolled as a Quality First participant, they are eligible to receive Quality First scholarships at the start of the next fiscal quarter. Starting in FY14, only programs that earn a three-star rating on the First Things First quality rating system are eligible for funding.

First Things First allocates funding to local entities, called Regional Councils, based on both the population of children under five and those under five living in poverty in that region. Each Regional Council determines how the funding will be used to support preschool children in that community, including Quality First Scholarships. Regional Councils award Quality First Scholarships to providers based on quality level and program size (with higher-quality and larger programs receiving more Quality First Scholarships).

### Barriers

**Are there any statutory or regulatory barriers to charter schools accessing state funding for pre-K?**

No. Arizona charter school legislation requires that a charter school “ensure that it provides a comprehensive program of instruction for at least a kindergarten program or any grade between grades one and twelve.” The state interprets this language to mean that charter schools cannot offer pre-K as part of the charter school, and the state’s pre-K legislation does not list charter schools as eligible providers. Charter schools can, however, offer pre-K through an affiliated program. Currently, at least five charter schools in Arizona offer pre-K through an affiliated program.

**Is the funding level of the state pre-K program a barrier to charter access?**

Yes. The funding level is not a barrier to charters offering affiliated pre-K programs in Arizona. Depending on the quality of the program, pre-K providers may receive more than charter schools receive, per-pupil, for serving K-12 students.

**Is the size of the state pre-K program a barrier to charter access?**

Yes. The size of the program is a barrier to charters accessing state pre-K funds. The program only serves 3 percent of all four-year-olds in the state.

**Is the application, approval, and/or funding process a barrier to charter access?**

No. Were charter schools permitted to offer pre-K directly (which they now are not), they would apply to do so through the same processes as other providers in the state.

**Is automatic enrollment from pre-K to kindergarten prohibited in legislation or practice?**

Yes. Charter schools that offer pre-K through an affiliated program cannot automatically enroll pre-K students into their kindergarten program. If the school is oversubscribed, those students must enter the lottery like everyone else.

### Recommendations

To address these statutory, funding, and other barriers, Arizona should:

- Revise the state’s charter school law to allow charter schools to serve preschoolers.
- Release guidance clarifying that charter schools themselves, not just affiliated organizations, can apply for Quality First Scholarships.
- Expand the Quality First Scholarship program to serve more eligible children.
- Revise the state charter law to allow charter schools to grant enrollment preference for students who attend the charter school’s Quality First pre-K program.
### Arizona

#### Arizona First Things First-Quality First Scholarships

<table>
<thead>
<tr>
<th>Year created</th>
<th>Launched in 2006&lt;sup&gt;9&lt;/sup&gt;</th>
</tr>
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<tbody>
<tr>
<td>Children in state</td>
<td>185,348 three- and four-year-olds in Arizona&lt;sup&gt;11&lt;/sup&gt;</td>
</tr>
<tr>
<td>Children served</td>
<td>6,516 children served 2 percent of three-year-olds 3 percent of four-year-olds&lt;sup&gt;13&lt;/sup&gt;</td>
</tr>
<tr>
<td>Charters offering pre-K</td>
<td>At least five charter schools in Arizona offer pre-K through affiliated organizations. The state does not track data on the number of charter schools with affiliated pre-K programs.&lt;sup&gt;15&lt;/sup&gt;</td>
</tr>
<tr>
<td>Funding</td>
<td>Quality First providers receive between $4,875 and $11,300 depending on age of child served, type of provider, and rating of the provider.&lt;sup&gt;17&lt;/sup&gt;</td>
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#### Charter schools in Arizona

<table>
<thead>
<tr>
<th>Charter schools in Arizona</th>
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<tbody>
<tr>
<td>1,351,384 school-age children in Arizona&lt;sup&gt;12&lt;/sup&gt;</td>
</tr>
<tr>
<td>190,672 students served 1.6 percent of school-age population 605 charter schools&lt;sup&gt;14&lt;/sup&gt;</td>
</tr>
<tr>
<td>374 charter schools in Arizona offer elementary programs.&lt;sup&gt;16&lt;/sup&gt;</td>
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| Charter schools receive $7,413 per pupil to serve K–12 students.<sup>18</sup> |

### Endnotes


2. An affiliated pre-K program is one that a charter school operates through a separate, but affiliated, entity or organization.


12. Ibid., all children in households, three to seventeen years old.


