

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. 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.





TOTAL SCORE 10/50

Arizona's climate for charter schools to offer pre-K is **not hospitable**

- There are state statutory or regulatory barriers to charter schools accessing state funding for pre-K.
- Compared to K–12 funding levels, pre-K program funding is sufficient to attract charters.
- The size of the pre-K program limits charter access to funding.
- The funding, application, or approval processes do not create barriers to charter
- Automatic enrollment from charter pre-K to kindergarten is prohibited in legislation or practice.



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?

Yes. 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?

No. 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 First Things First-Quality First Scholarships	Charter schools in Arizona
Year created	Launched in 2006 ⁹	Charter law enacted in 1993 ¹⁰
Children in state	185,348 three- and four-year-olds in Arizona ¹¹	1,351,384 school-age children in Arizona ¹²
Children served	6,516 children served 2 percent of three-year-olds 3 percent of four-year-olds ¹³	190,672 students served 1.6 percent of school-age population 605 charter schools ¹⁴
Charters offering pre-K	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. ¹⁵	374 charter schools in Arizona offer elementary programs. ¹⁶
Funding	Quality First providers receive between \$4,875 and \$11,300 depending on age of child served, type of provider, and rating of the provider. ¹⁷	Charter schools receive \$7,413 per pupil to serve K–12 students. ¹⁸

Endnotes

- 1 John Huppenthal et al., "Arizona Early Learning Standards: Third Edition" (Phoenix, AZ: Arizona Department of Education, May 2013), http://www.azed.gov/early-childhood/files/2011/11/arizona-early-learning-standards-3rd-edition.pdf.
- 2 An affiliated pre-K program is one that a charter school operates through a separate, but affiliated, entity or organization.
- 3 National Association of Charter School Authorizers, "Arizona Charter Authorizers," http://www.qualitycharters.org/authorizer-comparison/state-by-state-overviews-arizona.html.
- 4 National Alliance for Public Charter Schools (NAPCS), "Measuring Up: Arizona," http://www.publiccharters.org/get-the-facts/law-database/states/AZ/.
- 5 Arizona Department of Education, "FY13 First Things First Pre-Kindergarten Scholarship Grant Manual, Revised" (Phoenix, AZ: Arizona Department of Education and Valley of the Sun United Way), http://www. azed.gov/early-childhood/files/2012/11/fy13-manual-finalized.pdf, 4.
- 6 Quality First, "Star Ratings: Why Ratings?" http://qualityfirstaz.com/providers/star-ratings/.
- 7 Quality First, "Scholarship Program Policies," June 10, 2014, http://www.azftfscholarships.org/images/uploads/policies_FY15.pdf, 1.
- 8 Arizona Department of Education, "FY13 First Things First Pre-Kindergarten Scholarship Grant Manual," 4.

- 9 W. Steven Barnett et al., "The State of Preschool 2013: State Preschool Yearbook" (New Brunswick, NJ: National Institute for Early Education Research, 2013), http://nieer.org/sites/nieer/files/yearbook2013.pdf.
- 10 NAPCS, "Measuring Up: Arizona."
- 11 State population data calculated using ACS 2012 five-year estimates; U.S. Census Bureau, "American Community Survey," www.census.gov/acs.
- 12 Ibid., all children in households, three to seventeen years old.
- 13 W. Steven Barnett et al., "The State of Preschool 2013."
- 14 NAPCS, "Measuring Up: Arizona."
- 15 Quality First, search page, http://qualityfirstaz.com/search/: Imagine Camelback, Accelerated Learning, Desert Heights, Paideia, and Daisy.
- 16 Arizona Department of Education, charter school search page, http://www.ade.az.gov/charterschools/search/.
- 17 Quality First, "Participant Implementation Guide: Fiscal Year 2015," http://qualityfirstaz.com/providers/how-quality-first-works/QualityFirst-Implementation-Guide.pdf, 31.
- 18 JLBC Staff, "Overview of K–12 Per-Pupil Funding for School Districts and Charter Schools," June 18, 2014, http://www.azleg.gov/jlbc/districtvscharterfunding.pdf.