FASTER THAN 4G
THE SCIENCE OF BRAIN DEVELOPMENT

90%
OF A CHILD’S CRITICAL BRAIN DEVELOPMENT HAPPENS BY AGE 5

From birth to age 3, children grow and learn at the most intense rate. By age 4, primary senses and basic motor skills are almost fully developed.

The first 5 years of life mark the most critical juncture of nurture and nature and how they shape the development of young minds.

During these years, children begin to develop cognitive, social, emotional, and language skills and start to relate and interact with the world.
Dear Friends,

In February 2012, Arizona celebrated 100 years of statehood. Since Arizona’s frontier days, our economy has grown and changed significantly, evolving from an agricultural powerhouse to be a leader in bio- and environmental technology. With an employment landscape transforming from cotton and cattle to solar farms and leading-edge genetic research centers, every Arizona child needs access to a high-quality education in order to be ready to take their place in a competitive 21st-century workforce.

Research has shown that the academic and character skills critical to success in school, business and life are developed long before children enter kindergarten. Making sure that all Arizona children have a strong foundation in the crucial early years is what First Things First is all about. In fiscal year 2012, we saw incredible progress for young children in several areas.

A high quality early childhood system is taking shape. This year, hundreds of early childhood stakeholders statewide came together to make critical decisions on how we define and measure success. These conversations led to not only the development of the Arizona School Readiness Indicators (page 4), but also to a heightened level of cooperation among all aspects of the system. Whether it’s working together to develop a way to consistently assess kindergarten readiness, or winning and implementing multi-million dollar federal grants, the partnership among parents, providers, philanthropy, the faith community, state agencies and business in supporting Arizona’s future students has never been stronger.

Families have more choices for high quality programs to help them prepare their children for school. First Things First doesn’t tell parents how to raise their children. We partner with parents to make sure they have the information and support they need in making the best decisions for their own families. In “Education Reform Starts at Birth (page 6),” we describe how Quality First – Arizona’s system for improving and rating the quality of child care – is improving the quality of early learning programs for more than 41,500 children statewide.

Funds are being used efficiently and effectively. From the northernmost tip of the Grand Canyon to our southern borders; from the copper mines of the east to the wind farms of the west, early childhood funds administered by FTF are changing outcomes for thousands of Arizona children and their families. “Local Choice; Statewide Impact (page 8),” paints the picture of success in both statistics and stories.

Responsible investment ensures resources will be available to sustain early childhood programs. As responsible stewards of public money, First Things First is committed to maximizing resources to improve outcomes for kids. Our financial report (page 16) shows how an innovative approach to investment is helping us ensure that funding is available to fulfill Arizona’s commitment to our youngest children.

And, more Arizonans are actively involved in community conversations about supporting the education and health of young children. If early childhood isn’t your issue, it should be. Virtually every aspect of society – from education and government spending to economic development and national security – is affected by what happens to children birth to 5 years old. “Growing the Community Conversation (page 18),” describes FTF’s leadership role in giving Arizonans more opportunities to get information about the importance of early childhood, and tools to help them expand that conversation in their neighborhoods.

We hope that you will read on to learn more about our progress this year. We are very excited about how FTF continues to move forward in fulfilling Arizona’s commitment to our youngest children.
SCHOOL READINESS INDICATORS

The ten indicators, designed to monitor progress in Early Learning, Health and Family Support, are:

1. (Number/percentage) of children demonstrating school readiness at kindergarten entry in the developmental domains of social-emotional, language and literacy, cognitive, motor, and physical

2. (Number/percentage) of children enrolled in an early care and education program with a Quality First rating of 3-5 stars

3. (Number/percentage) of children with special needs enrolled in an inclusive early care and education program with a Quality First rating of 3-5 stars

4. (Number/percentage) of families that spend no more than 10% of the regional median family income on quality care and education with a Quality First rating of 3-5 stars

5. Percentage of children with newly identified developmental delays during the kindergarten year

6. (Number/percentage) of children entering kindergarten exiting preschool special education to regular education

7. (Number/percentage) of children age 2-4 at a healthy weight (BMI)

8. (Number/percentage) of children receiving at least six well child visits within the first 15 months of life

9. (Number/percentage) of children age 5 with untreated tooth decay

10. Percentage of families who report they are competent and confident about their ability to support their child’s safety, health and well-being
Every educational system has ways to hold itself accountable for success — from increased reading scores and decreased dropout rates in K-12 schools to the number of degrees conferred and improving matriculation rates in colleges and universities.

Now, for the first time ever, Arizona’s early childhood system has identified the indicators that will be used to determine if we are getting more young kids ready for school and set for life!

Identified by a diverse group of stakeholders – including parents, early childhood and health providers, funders, advocates and First Things First Board, regional council members and staff – these indicators offer a comprehensive view of the support kids need from their families and from their communities to arrive at kindergarten prepared to succeed.

“Of course, children need to be able to identify letters, colors and shapes; we call that cognitive development,” FTF Chief Program Officer Karen Woodhouse said. “But being prepared to succeed in today’s kindergarten classrooms requires so much more than that; they have to be well developed physically, emotionally and socially, too.”

While FTF is not solely responsible for these School Readiness Indicators, we are responsible for contributing to the overall system’s success in meeting them. By setting incremental goals and reaching those targets, we know that we’re doing our part to help kids get to school with the tools they need to be successful.

FTF is currently in the process of identifying what its annual targets in each of the indicators will be. Once the targets are identified, yearly progress will be reported to the state Board, FTF’s 31 regional partnership councils and the community at large.

“It’s about tracking progress toward your goal and making adjustments where needed,” Woodhouse said. “It’s about being able to say to voters, stakeholders, policymakers and especially to families with children birth to 5 years old that the commitment Arizona has made to young kids is paying off.”
Making Progress
Education Reform Starts at Birth
In Arizona, parents have many choices when it comes to choosing a high quality K-12 or university education for their child. But, 90% of a child's brain develops by the time they are 5, and their success in school depends largely on their education before they enter kindergarten. At FTF, we are working to improve the quality of child care and give parents more choices in their child's early education through Quality First!

Quality First is Arizona's voluntary quality improvement and rating system. Almost one-quarter of Arizona's licensed and certified child care providers have signed up to participate in Quality First, making a commitment to improving the education their students receive.

Through Quality First, child care providers are assessed in three research-based areas of quality:

- Whether interactions between early educators and the infants, toddlers and preschoolers they teach promote learning;
- Whether the classroom environments and materials support early learning, including a focus on developing language and literacy; and,
- The program's operations – including staff qualifications and the curriculum used to teach young kids.

Quality First coaches help child care providers develop a quality improvement plan and access resources to improve program quality. Quality First improves early education by:

- Helping early educators access college courses and degrees so that they have the knowledge and skills necessary to support young minds;
- Providing resources so that child care centers and homes can buy teaching materials that promote language, literacy and learning;
- Mentoring for child care centers on effective health practices and inclusion of children with special needs; and,
- Incentives to keep the most seasoned teachers working where it matters most: in early childhood.

First Things First also funds scholarships that helped 5,806 infants, toddlers and preschoolers access Quality First programs this year.

Early analysis shows that this level of support is helping to improve the education young kids are receiving. After 18 months of participating in Quality First, 95% of child care programs have either improved or maintained the quality of the early care and education they provide.

“Quality First has made a huge difference for our kids,” said Susie Sanson, owner of two Susie's Mama Bear child care centers in Phoenix that participate in Quality First. “Our teachers love children, but many of them never got the chance to study beyond high school. Through Quality First, they have learned how to support children's learning, instead of just telling them what to do. We see interactions with kids that are richer, and more meaningful. I can tell they are more prepared for kindergarten. As the parents have seen their children thriving, they have become more excited and open to participating in the learning process.”

We see interactions with kids that are richer, and more meaningful. I can tell they are more prepared for kindergarten.

A Quality Future

Currently, more than 41,500 kids have access to higher quality early learning programs through the 760 child care providers participating in Quality First. By July 2015, it is estimated that 1,100 programs will participate, meaning a better early education for 55,000 young kids.

In fiscal year 2013, a website will be launched that will give parents the tools they need to make early care and education choices that meet their family's needs, including information about what high quality early care and education looks like and the ratings of Quality First participating providers in their community.

For many parents in Arizona, child care isn't a philosophical issue; it's an economic reality. They need to work; and, they want their kids learning while they do it. Parents know in their hearts what scientific research has proven: kids in high quality early learning programs do better in school and in life. They score higher on school readiness assessments, and are more likely to graduate and go on to college. By promoting quality in education at the time when learning begins – birth to 5 years old – First Things First is ensuring that more kids are prepared to succeed in school and in life!
Kids come in all shapes and sizes, but what they need to be successful in school and in life is basically the same: loving, supportive families; access to health care, including developmental and dental screenings; and, a high quality early education.

First Things First regional partnership councils statewide work with their local communities to assess the needs of young children in their area and the resources available to families. This includes 19 of Arizona’s 22 federally recognized tribes, who as sovereign nations and distinct cultures, have unique considerations when planning how best to support young kids.

After careful consideration of community information, the regional councils are able to prioritize which programs to fund and collaborate with local organizations to maximize funding.

Across the state, funding from First Things First is giving thousands of children the support they need to arrive at kindergarten healthy and ready to succeed. Our progress is reflected not only in the numbers of young kids served through our funded programs, but also in the voices of the families who have found the information, services and support they need to help their children learn and grow.

The following pages offer glimpses of the impact that FTF is having across the state. For those who like numbers, the service data for our most extensive strategies is presented here. For those who love a good story, the regional vignettes on the following pages help put faces to those numbers.

As a whole, this section paints a picture – not just what was done this year, but what it has meant to children throughout Arizona. These stories are repeated thousands of times from Window Rock to Nogales, and from Safford to Blythe. And, while they are given as examples of the progress made this year, they are mainly stories of how lives can be changed when we focus on getting kids ready for school and set for life!
<table>
<thead>
<tr>
<th>FAMILY SUPPORT</th>
<th>ACCESS TO QUALITY EARLY EDUCATION</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>61,126</strong></td>
<td>INFANTS, TODDLERS AND PRESCHOOLERS RECEIVED SCHOLARSHIPS TO ACCESS EARLY EDUCATION SERVICES</td>
</tr>
<tr>
<td>PARENT KITS DISTRIBUTED</td>
<td>HAVE ACCESS TO A HIGHER STANDARD OF CHILD CARE THROUGH QUALITY FIRST</td>
</tr>
<tr>
<td><strong>8,701</strong></td>
<td><strong>41,562</strong></td>
</tr>
<tr>
<td>ARIZONA FAMILIES ENJOYED STRONGER, MORE SUPPORTIVE PARENT-CHILD RELATIONSHIPS</td>
<td>HAVE ACCESS TO A HIGHER STANDARD OF CHILD CARE THROUGH QUALITY FIRST</td>
</tr>
<tr>
<td><strong>3,148</strong></td>
<td><strong>497</strong></td>
</tr>
<tr>
<td>CALLS RECEIVED BY THE BIRTH TO 5 HELPLINE</td>
<td>CHILD CARE PROVIDERS RECEIVED HEALTH CARE CONSULTATION</td>
</tr>
<tr>
<td><strong>47,969</strong></td>
<td><strong>610</strong></td>
</tr>
<tr>
<td>PARENTS, GRANDPARENTS AND CAREGIVERS ATTENDED VOLUNTARY CLASSES IN COMMUNITY-BASED SETTINGS ON TOPICS SUCH AS PARENTING SKILLS, CHILD DEVELOPMENT, LITERACY AND NUTRITION</td>
<td>EARLY CHILDHOOD TEACHERS RECEIVED SCHOLARSHIPS</td>
</tr>
<tr>
<td><strong>466,453</strong></td>
<td><strong>1,348</strong></td>
</tr>
<tr>
<td>FOOD BOXES TO FAMILIES WITH KIDS 5 AND YOUNGER TO PREVENT HUNGER AND THE DEVELOPMENTAL DELAYS IT CAN CAUSE</td>
<td>STIPENDS TO REWARD LONGEVITY AND CONTINUOUS LEARNING AMONG THOSE TEACHING OUR YOUNGEST KIDS</td>
</tr>
</tbody>
</table>

**HEALTH**

| **27,645** | ORAL HEALTH SCREENINGS ADMINISTERED TO CHILDREN STATEWIDE |
| **26,390** | FLUORIDE VARNISHES APPLIED TO PROTECT AGAINST DENTAL DECAY |
| **9,426**  | DENTAL CARE REFERRALS |
PRESCOTT, ARIZONA

One cold January day at the Prescott Public Library, 13 children from Discovery Garden Preschool celebrated an accomplishment that will have a lifelong impact: completing the Raising a Reader Program.

Raising a Reader, an early literacy program administered by Yavapai College through a grant from the First Things First Yavapai Regional Partnership Council, partners with preschools, child care centers and child care group homes to encourage parents to read to their children. Through the program, children bring red bags filled with books each week to take home to their parents, and exchange them for new ones the following week. Parents are also encouraged to bring their children to the library to check out additional books. At the end of a 10-week cycle, a celebration is held and children receive a new blue bag containing books. This time, the books are for them to keep.

“No single activity has been shown to be as important for a child’s school success as reading to them aloud,” said Carolyn Shelley, Program Coordinator for Raising a Reader in Yavapai County. “All it takes is 10 minutes a day — not a whole lot of investment of time and energy. If we can do that, it spurs brain development.”

Martha Baden, lead librarian of youth services at the Prescott Public Library, explained that she can see the difference between kids who have been read to and ones that haven’t. Children who have experiences with books enter kindergarten ready to read and ready to succeed. If they don’t, “it’s an uphill battle to get them reading,” Baden said.

Lindsay’s 3-year-old son, Rualdhri, attends Discovery Gardens Preschool. “He didn’t like to read very much before we started [Raising a Reader],” Lindsay explained. Now, he always asks to be read to. “I like to read Snoopy books because they’re funny,” Rualdhri said.

Because of this program, 320 parents and their children have attended the Raising a Reader program in the Yavapai region this year and almost 1,600 books have been distributed to kids 5 and younger. Thanks to the strong foundation in literacy they have built, they will be prepared to succeed in kindergarten and beyond!
WHITERIVER, ARIZONA

Child care on the White Mountain Apache Reservation is truly a family affair. Rosalind raised her own children and is now looking after Darrion, her 3-year-old grandson, while his parents go to school. Although she lovingly raised her children, Rosalind wanted to improve her teaching skills so Darrion is better prepared for preschool.

The Apache Families First Program, sponsored by the First Things First White Mountain Apache Tribe Regional Partnership Council, is helping family caregivers like Rosalind better support the health and learning of the young children they care for.

Through training sessions at Northland Pioneer College, parents and grandparents like Rosalind learn how to teach reading, writing and math at home and the basics of first aid and CPR. The goal is to make sure children are ready for success in kindergarten and beyond.

This year, 544 home-based child care providers – including parents, families, friends and neighbors – have been a part of the program. It’s a family support initiative, building on the skills they have to make sure success in school starts at home.

“Taking the classes, there were a lot of things I didn’t know,” Rosalind said. “It really helped me out and encouraged me to work with my grandson and teach him and make him prepared for school, so that way it’ll be easier on him and the teacher.”

Rosalind said she now knows the importance of teaching using art activities and songs to add to the lessons.

At the end of training, Rosalind received books, puppets, board games and blocks to use at home with Darrion, who is quickly picking things up.

“He’ll make sentences when he talks, he knows his abc’s and his numbers,” Rosalind said, adding that she definitely thinks he is ready for school.
NOGALES, ARIZONA

It can be a challenge to get kids under 5 to brush their teeth every day. But for Mary, who has a 4-year-old with partial paralysis, it was a real struggle to even clean his teeth. Mary is grateful that the Happy Smiles oral health program – funded in part by the First Things First Santa Cruz Regional Partnership Council – is helping her son get the critical dental care he needs, including fluoride varnishes to prevent further problems.

Dental issues when kids are young can lead to serious health and learning problems later on.

“If a child has brown teeth that are half rotted out because of cavities before they get their permanent teeth in, this is laying the groundwork for some unhealthy teeth,” said Rosie Piper, Health Promotion Manager for Mariposa Community Health Center.

Studies have found that untreated dental disease – which often starts in early childhood – is one of the leading causes of school absenteeism. When kids miss school, they can fall farther and farther behind.

It’s a message that’s hitting home for families in the Santa Cruz region. Field clinics are set up at preschools, health centers and stores where children get dental checkups and fluoride varnishes while parents learn the importance of taking care of their children’s teeth.

“I think a lot of parents don’t realize how important it is to brush their children's teeth even if they’re infants, so a lot of them are surprised,” Piper said.

Other facts that impress parents are how many of their young kids have cavities and how letting babies sleep with bottles of milk or juice contributes to that.

Because of FTF’s support, 2,767 kids 5 and under in Santa Cruz have received oral health screenings and fluoride varnishes through the Happy Smiles program.

Children who learn to take care of their teeth now spend less time at the dentist and less time out of the classroom, Piper said, adding that the program is making a real impact in the community.

“Parents are really appreciative of this type of help; some of them don’t have dentists they can go to,” Piper said. “We really feel like we have a grateful community who know they can come here every six months and have their child receive a varnish application.”

Thanks to the oral health program, more children in Santa Cruz County will arrive at kindergarten smiling and ready for success!
YUMA, ARIZONA

Four-year-old Iam was born with a rare genetic disorder making it hard for him to speak, socialize and even walk. When family members who cared for Iam moved away, and mom and dad had to work, Iam needed a caregiver who could meet his special needs. For his dad, Abel, it was frustrating that many child care centers didn’t have the staff or ability to give Iam the attention he needed.

But, when they walked into Kelland’s Kiddie College in Yuma, they knew they found the right place.

“It just seemed to be the right fit. The people were caring; they paid attention to Iam,” Abel said. “They told us what he did during the day, if he ate; they showed a lot of concern for how he was doing.”

The Early Care and Education Inclusion + Program works with centers like Kelland’s Kiddie College to train and coach their staff to work with special needs children. This program, sponsored by the FirstThings First Yuma Regional Partnership Council through Southwest Human Development, makes sure more children with special health and developmental needs can go to early education programs and child care providers.

The focus is on creating a partnership between families and child care staff, showing that nothing should stand in the way of a quality early education. For dad Abel, this meant learning sign language and using flashcards with pictures at home. “They taught us a lot of patience and (that) it’s going to be a process, something that you don’t normally think about,” he said.

Iam is learning to count from 1 to 20, expanding his vocabulary and socializing and playing more with other kids. “He’s just progressing and moving forward,” Abel said. “He’s not stuck or staying where he’s at.”

The program – which has worked with five center-based and 13 home-based child care providers – has resulted in more choices for parents who want an early learning program for their children with special needs.

“ECEI+ child care providers, knowing they now have support, are more open and receptive to enrolling children with differing abilities into their programs,” said Raquel Muñoz, program supervisor and senior coach.

Programs like ECEI+ are helping Arizona fulfill its commitment to help all kids succeed in school and in life.
GLOBE, ARIZONA

“I didn’t know what to think. I was just kind of surprised.”

For many teens, a pregnancy can put their dreams on hold, or shatter them all together. Their lack of maturity and parenting skills also can place their infant at risk for failure in school and in life.

In Gila County, almost 1 in 5 babies (18%) are born to teen mothers – the second highest rate in the state. Without education and support, the cycle can repeat itself.

“Babies born to teen moms are more likely to be born early or underweight. In addition, without adequate support, about 25% of teen moms are likely to be pregnant again within two years,” said Jessica Black, a regional manager with Teen Outreach Pregnancy Services (TOPS).

Funded locally by the FirstThings First Gila Regional Partnership Council, TOPS is turning stories that could become bad statistics into stories of success by helping moms like 16-year-old Adriana deal with pregnancy and parenting her baby, Gabriel.

Through TOPS, Adriana learned about the process of pregnancy, childbirth and the essentials of being a good parent — from how to bathe and feed a baby to what to expect in the first few months. Case managers also made house calls to make sure she and her baby were doing fine.

“They taught me how to swaddle your baby, how to do CPR, and what to expect, like how your baby wakes up every two hours,” Adriana said.

Eighty-five pregnant or new parents are part of TOPS and 31 healthy newborns have come into the world since last August. In addition, many of these young parents are finding support in completing their education and making plans for the future. For Adriana, that means graduating, going to college, and achieving her dream of being a doctor or psychiatrist.

“I think (Gabriel) would really look up to me, he’d be proud of me and I would be proud of myself,” Adriana said. “I would feel good for helping people.”
GILA BEND, ARIZONA

Many parents want to help their children learn and prepare them for school, but for some, finding early childhood resources and getting to those programs can be nearly impossible.

“Especially in a small town like Gila Bend, it can be really hard; some of the programs that can help you with your kids just weren’t available here; and if we could find them in nearby towns, transportation was a problem, since the dads take the car with them when they go to work,” said Sara, mom to 6-year-old Annie and 3-year-old Sammie.

One renovated building and a $200,000 grant from the First Things First Southwest Maricopa Regional Partnership Council changed all that. The Gila Bend Family Resource Center, a partnership between FTF, Care1st Health Plan and the Town of Gila Bend, is a hub for early childhood programs and community programs.

Parents can enroll in health insurance programs, get information on community resources that may be beneficial to their families, and perhaps most importantly, access classes on how to help their children grow and learn.

“The brain classes are the best; we learned how most of our kids’ brains develop by the time they are 3, and how talking to them and playing with them can help them learn,” Sara said. “But, a big part of that was learning how not to underestimate our kids. We think, ‘they can’t learn the countries of Europe; they’re too little,’ but they can learn it because their brains are like sponges. We just have to make it interesting and fun.”

She said she has learned about early childhood topics ranging from effective discipline and car seat safety, to the importance of nutrition and exercise for young kids.

Dad Pedro said they also learned how to set up schedules and routines at home to work with their kids. That includes reading to them every night before bed, which not only has built up their vocabulary, but their excitement to learn. “They are the ones who ask ‘hey dad can you read us a story?’ so they are always waiting for their story,” he said.

Sara said the parenting classes have also provided lots of books for the family to have at home, which encourages them to spend time together and learn.

Before the center opened, Pedro said it was hard to find any early childhood information in his rural community. But now, he has access to many early childhood resources all under one roof.

“When we meet someone new to our community, we now have a place where we can refer them to,” Sara added. “The center makes them feel like they are better parents and like they are part of the community.”
In today’s economy, doing more with less is essential. But, when kids are your focus and taxpayers are your boss, making sure that you manage your resources for the maximum effect takes on even greater importance.

Arizona voters funded First Things First with tobacco revenues. As part of its commitment to taxpayers to use those funds efficiently and effectively, FTF must ensure that monies are available for the programs kids need now and in the future.

Like virtually every organization around the country, FTF was deeply affected by the recession. In fiscal year 2011, for example, tobacco revenues were down 21 percent from just three years before. With less money coming in, it became clear that if FTF expected to fulfill Arizona’s commitment to our youngest kids in the long term, it had to find a way to maximize its existing revenue.
Re-Thinking Investment

As part of the law that created First Things First, the State Treasurer invests FTF’s funds, along with the funds of all state agencies. Any interest earned by FTF’s funds can then be used to support early childhood programs. But the way FTF’s funds were invested within the various state treasurer investment pools yielded very little interest.

Recognizing options were available, First Things First asked the State Treasurer to invest its funds in a separate pool with slightly longer-term investments that have the potential to earn more.

“We’re the first agency to set up a separately managed account in recent history,” FTF Chief Financial Officer Josh Allen said. “It’s an opportunity to maximize investment so that FTF can put more money into programming in the short and long term.”

A simple comparison would be parents who set up a college fund for their child through an investment – like an individual retirement account – that cannot be used in the short-term without penalty, but that will be available years down the road when their child graduates from high school.

Through responsible budgeting and diligent investment planning, FTF is able to ensure that funds are available to meet its current obligations, while helping to build resources for the next generation of young kids.

Responsibility & Accountability

FTF’s new investment strategy is responsible and accountable, following all state laws and guidelines from the Arizona State Treasurer’s Office. With a separately managed account for investments in stable securities, bonds and mortgages, FTF projects that this will not only help sustain children’s education programs, it will help them grow. And, all this is done with no impact to the state’s General Fund.

Ultimately, it’s about being responsible with public money and maximizing the investment voters made in early education.

“These are investment return dollars that would have simply gone unused and untapped and unavailable to young children in the state of Arizona,” Allen said. “We are maximizing these resources and, ultimately, putting as much money in to the education and health of young children as possible.”

Financial Report

EXPENDITURES BY GOAL AREA

<table>
<thead>
<tr>
<th>Goal Area</th>
<th>FY 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality Access</td>
<td>$ 50,431,700</td>
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<tr>
<td>Family Support</td>
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<tr>
<td>Health</td>
<td>17,931,300</td>
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<tr>
<td>Professional Development</td>
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<td>Evaluation</td>
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<td>Coordination</td>
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<tr>
<td><strong>Total</strong></td>
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FIRST THINGS FIRST REVENUES

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<tr>
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<td>Administrative Account</td>
<td>$ 13,293,400</td>
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<tr>
<td>Program Account</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$ 132,933,900</strong></td>
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Note: At the time of printing, the final reconciliation of FY2012 expenditures was not complete. As such, expenditures reported include June plus those expenditures reconciled as part of the state’s Period 13, but are not inclusive of final adjustments that tie the appropriation year to the fiscal year under an accrual accounting methodology. Figures rounded to the nearest 100.
Differences in the size of children’s vocabulary first appear at about 18 months.

If children start school ready to succeed, they are more likely to read at grade level by 3rd grade.

The number of words a child knows at age 3 strongly correlates with reading and comprehension levels at ages 9 and 10.

National studies show that children exposed to high-quality early childhood education:

- Academic success promotes greater self-confidence and a willingness to explore.
- Are 40% less likely to need special education or be held back a grade.
- Are 70% less likely to commit a violent crime by age 18.
- Have better language, math and social skills, and better relationships with classmates.
- Have better cognitive and sensory skills and experience less anxiety.
- Score higher on school-readiness measures.

By the time they reach the age of 3, children in highly communicative families will have a vocabulary of 1,100 words, while children in less communicative families will have a vocabulary of less than half of that (500 words).

1,100 words
High communication families

500 words
Low communication families

Higher achievement leads to higher wages, better health, less need for social supports and helps generate revenue.

If children graduate from high school, they are more likely to go on to higher education.

90% of the fastest-growing jobs in America require some postsecondary education.
Early childhood isn’t just an issue for parents; it’s not just an issue for pediatricians and child care providers. The knowledge and character skills that make good students, healthy communities and a strong economy are formed long before kids enter school. 

Early childhood impacts everyone.

Study after study shows that kids exposed to high quality early education score higher on school readiness assessments. Early education boosts high school graduation rates and college success, which reduces teen pregnancy, unemployment and the need for social services. In fact, every $1 invested in early childhood yields a $16 return in reduced government spending, decreased costs for crime, and increased individual earnings.

Across Arizona, these startling facts are part of an ever-growing community conversation about the stake we all have in ensuring kids arrive at kindergarten prepared to succeed.

As part of the voter mandate that created First Things First, we work to help parents and the community understand the importance of early childhood. In the past year, First Things First has presented information at 1,100 meetings and events, and has connected with more than 3,500 Arizonans to help their communities continue the dialogue about what young kids need to be ready for school and set for life. We have also launched a robust online resource – at azftf.gov/brains – to help people get informed about early childhood and pass this information along to their personal and professional networks.

First Things First joins an ever-growing chorus of voices working to help all Arizonans understand the benefits of early childhood investment. Examples of how early childhood is becoming a bigger issue for Arizonans include:

- **Governor Jan Brewer’s Arizona Ready initiative** — Dedicated to preparing Arizona students to succeed in school, this effort is bringing together policymakers, parents, business leaders and educators who realize the importance of reforming education to meet the new demands of the knowledge economy. The initiative includes specific indicators that will be used to gauge progress and recommend strategies, including early childhood issues like improving kindergarten readiness scores, increasing the number of parents who read to young kids, and increasing the number of parents who feel confident and competent in their ability to help their kids prepare for school.

- **Educare** — In the heart of Phoenix, this living laboratory—one of only 15 such schools nationwide—is showing policymakers and the public how a partnership between parents, schools, business, early childhood providers, and philanthropy can make a huge difference for young kids in the community. The concept has drawn support from a variety of philanthropic efforts devoted to improving education, including the Buffet Early Childhood Fund, the Whiteman Foundation, the Ibis Foundation, the Virginia G. Piper Charitable Trust, Southwest Human Development and the Steve Nash Foundation.

- **BUILD Arizona** — BUILD AZ is creating a powerful, multi-sector, enduring coalition of children’s champions committed to working together to enhance opportunities for Arizona’s young children. Initiated through support of Helios Education Foundation, Virginia G. Piper Charitable Trust, Steele Family Foundation, and Valley of the Sun United Way, BUILD AZ receives technical assistance from the National BUILD Initiative, which works with states across the country to garner private support and stimulate sustained public investment to further the development of comprehensive, sustainable early childhood systems.

- **Expect More Arizona** — This effort encourages all Arizonans to learn more, expect more and do more on behalf of quality education in our state. In the past, such efforts focused on K-12 or K-college. First Things First has collaborated with Expect More to ensure that those efforts begin in early childhood, where learning starts. As a result, Expect More has developed tips and resources geared toward parents of young kids, so that our efforts to help kids succeed extend from the cradle through career.

These are great examples, but the conversation cannot stop there.

All of Arizona must participate in this conversation and encourage it to grow. In accordance with its statutory responsibilities, First Things First has developed extensive tools to help Arizonans build their knowledge of early childhood and join the conversation of what kids need to be ready for school and set for life.

We encourage everyone – parents, caregivers, providers, educators, faith organizations, business leaders and policymakers – to visit AZFirstThingsFirst on Facebook and learn what you can do to get informed, get engaged and get them ready!
Making Progress
First Things First
Funded Partners
The First Things First Board gratefully acknowledges the partnership of the community organizations below in delivering high quality early childhood services to kids birth to 5 throughout Arizona.

**First Things First Regional Partnership Councils**

- Central Maricopa Regional Partnership Council
- Central Phoenix Regional Partnership Council
- Central Pima Regional Partnership Council
- Cochise Regional Partnership Council
- Coconino Regional Partnership Council
- Colorado River Indian Tribes Regional Partnership Council
- Gila Regional Partnership Council
- Gila River Indian Community Regional Partnership Council
- Graham/Greenlee Regional Partnership Council
- Hualapai Tribe Regional Partnership Council
- La Paz/Mohave Regional Partnership Council
- Navajo Nation Regional Partnership Council
- Navajo/Apache Regional Partnership Council
- North Phoenix Regional Partnership Council
- North Pima Regional Partnership Council
- Northeast Maricopa Regional Partnership Council
- Northwest Maricopa Regional Partnership Council
- Pascua Yaqui Tribe Regional Partnership Council
- Pinal Regional Partnership Council
- Salt River Pima Maricopa Indian Community Regional Partnership Council
- San Carlos Apache Regional Partnership Council
- Santa Cruz Regional Partnership Council
- South Phoenix Regional Partnership Council
- South Pima Regional Partnership Council
- Southeast Maricopa Regional Partnership Council
- Southwest Maricopa Regional Partnership Council
- Tohono O’odham Nation Regional Partnership Council
- White Mountain Apache Tribe Regional Partnership Council
- Yavapai Regional Partnership Council
- Yuma Regional Partnership Council

**First Things First Grantees**

- Adelante Healthcare
- Ages & Stages Training
- Aguila Elementary School District
- Ajo Unified School District Pre-K
- Altar Valley School District
- American Academy of Pediatrics – AZ Chapter
- American Academy of Pediatrics – AZ Foundation
- Apache Junction Public Library
- Arizona Board of Regents – Arizona State University
- Arizona Board of Regents – Eight, Arizona PBS
- Arizona Board of Regents – Northern Arizona University
- Arizona Board of Regents – University of Arizona
- Arizona Department of Economic Security
- Arizona Department of Education
- Arizona Department of Health Services
- Arizona Partnership for Children, L.L.P.
- Arizona’s Children Association
- Association for Supportive Child Care
- Banner Health
- Blackwater Community School
- Bouse Elementary School
- Bullhead City Elementary School District
- Casa Blanca Community School
- Casa de los Niños, Inc.
- Catholic Healthcare West Foundation - East Valley
- Center for Autism and Related Disorders, Inc.
- Central Arizona College
- Chandler Christian Community Center
- Chandler Unified School District
- Chicanos Por La Causa, Inc. – Parenting Arizona
- Child and Family Resources Inc.
- Child and Family Resources, Inc. – Kingman
- Child and Family Resources – Yuma
- Child Crisis Center
- Child-Parent Centers, Inc.
- Children’s Action Alliance
- City of Avondale
- City of Chandler Police Department
- City of Phoenix Library
- City of Scottsdale
- City of Tucson
- Coalition for Compassion and Justice
- Cochise College
- Coconino County Public Health Services District
- Coconino County Superintendent of Schools
- Cocopah Indian Tribe
- Colorado River Indian Tribes
- Community Action Human Resource Agency
- Community Counts
- Community Food Bank, Inc.
- Crisis Nursery, Inc.
- Deer Valley Unified School District
- E.Q. Scholars, Inc.
- EAR Foundation of Arizona
- Easter Seals Blake Foundation
- Easter Seals Blake Foundation – Tucson
- Flowing Wells School District
- Fort Defiance Indian Hospital Board, Inc.
- Fort Mojave Indian Tribe
- Ft. McDowell Yavapai Nation
- Gila Bend Unified School District
- Gila County
- Gila County Library District
- Gila Crossing Community School
- Gila River Health Care Corporation
- Gila River Indian Community, Head Start
- Gila River Indian Community,
| Community Services, Nutrition and Assistance Program |
| Glendale Elementary School District |
| Graham County Interfaith Care Alliance, Inc. |
| Havasupai Tribe |
| Homeward Bound |
| Hopi Tribe |
| Hualapai Tribe Cultural Resource Department |
| Hualapai Tribe Health Department |
| International Rescue Committee |
| Johns Hopkins University/School of Public Health |
| Kingman Unified School District |
| Lake Havasu Unified School District |
| Littlefield Unified School District |
| Lutheran Social Services of the Southwest |
| Make Way for Books |
| Maricopa County Department of Public Health |
| Maricopa County Office of Research and Reporting |
| Maricopa Integrated Health System |
| Mariposa Community Health Center |
| MCCCD-Paradise Valley Community College |
| Milemarkers Therapy, Inc. |
| Mohave County Department of Public Health |
| Mohave County Superior Court |
| Mohave Valley Elementary School District |
| Murphy Elementary School District |
| Navajo County Education Service Agency |
| Navajo County Library District |
| Navajo County Public Health Services District |
| Navajo Nation |
| Navajo Nation Division of Social Services Child Care and Development Fund |
| North Country Healthcare |
| Northland Pioneer College |
| Osborn School District |
| Paradise Valley Unified School District |
| Pascua Yaqui Tribe |
| Pendergast Elementary School District |
| Peoria Unified School District |
| Phoenix Children's Hospital |
| Pima County Community Development and Neighborhood Conservation |
| Pima County Health Department |
| Pima County School Superintendent |
| Pinal Gila Community Child Services Inc. |
| Prevent Child Abuse Arizona |
| Rio Salado College |
| River Cities Community Clinic |
| Safford City-Graham County Library |
| Sahuarita Unified School District |
| Salt River Pima-Maricopa Indian Community |
| San Carlos Apache Tribe |
| Save the Children Federation, Inc. |
| Scott Levertt Reed |
| Social Service Interagency Council of Lake Havasu City, Inc. |
| Southwest Human Development |
| Southwest Institute for Families and Children |
| SPF Consulting, LLC |
| St. Joseph's Hospital |
| St. Jude Food Bank |
| St. Mary’s Food Bank Alliance |
| Summit Healthcare Association |
| Sun City Area Interfaith Services, Inc. – Benevilla |
| Sun Life Family Health Center |
| Sunnyside School District |
| Tanner Community Development Corp. |
| Teen Outreach Pregnancy Services |
| Tempe Community Action Agency |
| Tempe Community Council |
| TERROS |
| The Learning Center for Families |
| Tohono O'odham Nation |
| Topock Elementary School District |
| Town of Buckeye |
| Town of Gila Bend |
| U.S. Department of Health and Human Services, Indian Health Services, Whiteriver Service Unit |
| United Cerebral Palsy of Central Arizona |
| United Food Bank |
| United Way of Northern Arizona |
| United Way of Pinal County |
| United Way of Tucson and Southern Arizona |
| United Way of Yavapai County |
| University of Arizona Cooperative Extension |
| University of Arizona Cooperative Extension, Pinal County |
| University of Arizona Cooperative Extension, Santa Cruz |
| University of Arizona Cooperative Extension, Yuma |
| University of California Berkeley |
| Valley of the Sun United Way |
| Verde Valley Medical Center |
| Washington Elementary School District |
| Western Arizona Council of Governments |
| Worthy Institute, LLC |
| Yavapai College |
| Yavapai County Community Health Services |
| Yavapai Regional Medical Center |
| Yavapai-Apache Nation |
| Yuma Community Food Bank |
| Yuma County Public Health Services District |
Vision
All Arizona’s children are ready to succeed in school and in life.

Mission
First Things First is one of the critical partners in creating a family-centered, comprehensive, collaborative and high-quality early childhood system that supports the development, health and early education of all Arizona’s children birth through age 5.
First Things First Board

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4000 North Central Avenue, Suite 800
Phoenix, AZ 85012
www.azftf.gov

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