PEPS

Pima Early Education Program Scholarships



FY 2024-2025 ANNUAL REPORT





OVERVIEW

Stronger Starts, Brighter Futures

The <u>Pima Early Education Program (PEEPs)</u> is a countywide initiative designed to expand access to high-quality preschool for children ages 3-5 from low-income families while also strengthening the network of high-quality providers in Pima County. In its fourth year, the program served **1,552 children** directly and, together with partner efforts, reached over **5,000 children system wide**. Through local and federal funding, partnerships with school districts and community organizations, and support from the Accelerate Quality program, PEEPs is helping more families find affordable preschool, supporting providers in raising quality, and ensuring that children enter kindergarten ready to succeed.



"Through these scholarships it prepares our children's cognitive & social skills, develop their independence and prepares them for the love of learning. This program also allows us to support and provide our Teachers by giving them the tools and resources to enhance their learning experience."

- PEEPS Provider

BY THE NUMBERS

Kids & Preschools!

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 serving low-income families.

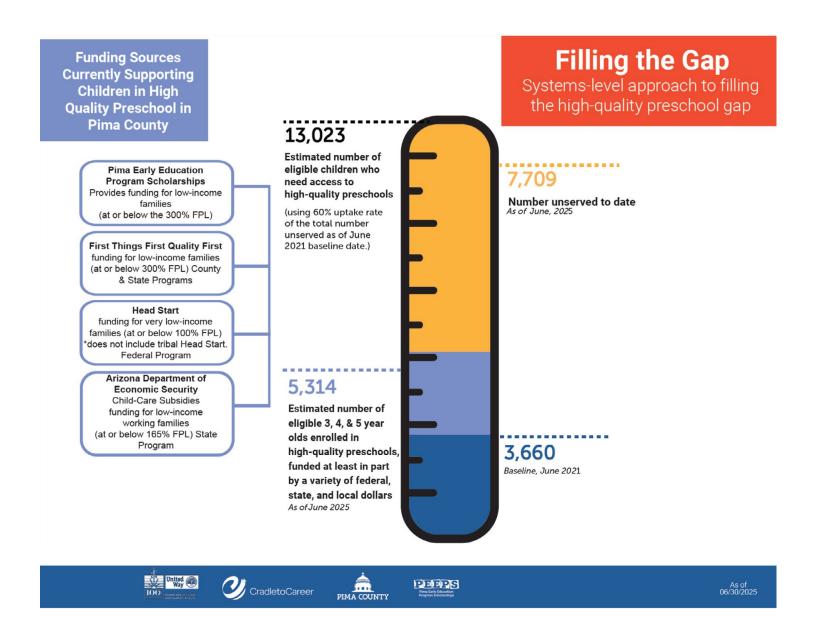
Pima County measures progress at both the program level (PEEPs) and the system-level (combined with others that fund preschool for families in need). At the program level, **PEEPs served 1,552 children from income-eligible families during the fourth year of the program.**

PEEPs Contracts by Type	Total # of Students Served
Pima County Funded Quality First Scholarships	704
Pima County Funded School District Expansion Classes*	640
Pima County Funded Head Start Extended Day Classes	208
Totals	1,552

^{*}This includes the Pima Community College Desert Vista class operated by Child-Parent Centers.

School District	# of PEEPs Classes	# of Students Served
Amphitheater Unified School District	13	221
Flowing Wells Unified School District	3	56
Marana Unified School District	4	69
Pima Community College Desert Vista	1	19
Sahuarita Unified School District	1	20
Sunnyside Unified School District	4	76
Tucson Unified School District	10	179
Total	36	640

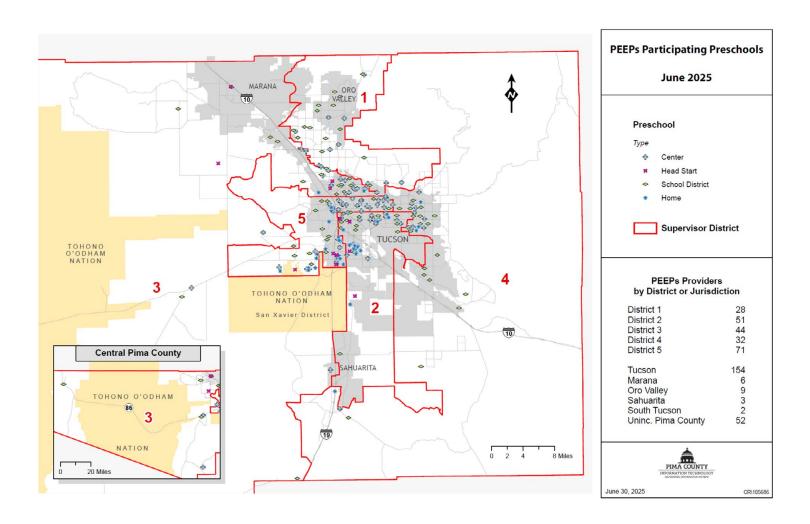
At the system level, PEEPs and other programs assisted 5,314 children from families with incomes at or below 300% of the Federal Poverty Level in attending high-quality preschool programs in Pima County. This means that **collectively PEEPs and our partners are serving about 41% of the need** (5,314 out of 13,032).



To ensure all eligible children have the opportunity to access high-quality early childhood programs in Pima County, we must also increase the number of high-quality rated and accredited preschools, which is the second goal of PEEPs. When we started tracking this data in June 2021, there were 199 high-quality preschool providers recognized by the Arizona Department of Economic Security Division of Child Care (DES DCC). Over the last four years we have seen tremendous growth in the number of high-quality providers in Pima County, due in part to the creation of PEEPs school district classes, partnerships between DES Division of Child Care and First Things First, and the United Way of Tucson and Southern Arizona's Accelerate Quality program that prepares preschools and childcare providers for the Quality First rating assessment or national accreditation attainment. We are happy to report that with our collective efforts **Pima County now has 307 high-quality preschool providers**.

Arizona Department of Economic Security (DES) recognized high-quality providers	June 2021 Baseline #'s	FY24 Total # HQ Providers	FY25 Total # HQ Providers
Quality First 3-5 star preschools (some also Nationally Accredited)	142	222	235
Head Start centers and Early Head Start programs	50	50	50
Nationally Accredited preschools (Not in QF) contracted with DES	7	6	22
Total	199	278	307

Of the 226 PEEPs participating providers for year 4, 40% were private childcare centers, 35% were operated by public school districts, 20% were home providers, and 5% were operated by Head Start.



The State of Arizona recognizes high quality preschools as those participating in the State's First Things First Quality First Program with a rating of 3-5 stars, those participating in the Federal Head Start program, and those with certain national accreditations.

Of the Quality First PEEPs participating preschools, the average Quality Rating is 4 stars, and 94 percent have a three-star rating or above.

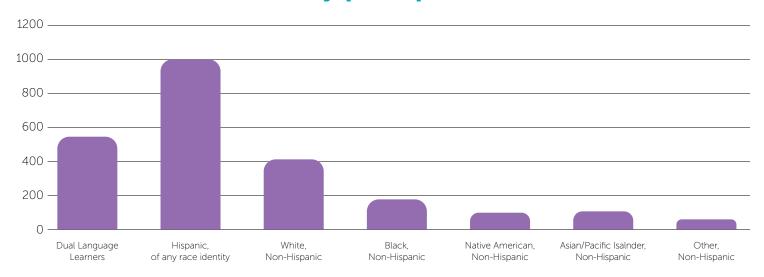
Jurisdiction	Number of Quality First PEEPs Preschools by Rating			
	3-Star	4-Star	5-Star	Total
Town of Marana	2	2	1	5
Town of Oro Valley	3	3	4	10
Town of Sahuarita	0	2	0	2
City of South Tucson	0	0	2	2
City of Tucson	30	69	45	144
Unincorporated Pima County	9	18	22	49

Demographic Data

Research continues to show that high quality early childhood care and education is one of the most effective ways of reducing poverty and improving the health, safety and wealth of individuals and communities. Those who 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 with incomes below 300 percent of the Federal Poverty Level, data on race, ethnicity and dual language learners was collected for PEEPs participants across the 3 program components: school district expansion classes, extended day Head Start programs, and Quality First scholarship recipients.

Demographic data was collected on 1,541 of 1,552 children (99%) this year. The data shows that children **belonging to a racial or ethnic minority accounted for 75% of the total group** with 62% identified as Hispanic of any race. Additionally, **483 of 1,541 (31%) children were recognized as dual language learners.**

PEEPs Demographic Composition SY2025







Developing our Youngest Learners

MARANA UNIFIED SCHOOL DISTRICT

In school year 24-25, the Marana Unified School District focused efforts on building phonemic awareness in the preschool classrooms. Phonemic Awareness is crucial for early literacy development as it teaches children to manipulate the individual sounds in spoken words, forming a foundation for decoding and encoding; fundamental to understanding that letters represent sounds and enables children to connect written words to their spoken sounds. Across all three skills, the percentage of children reaching "Proficient" grew sharply. This shows strong overall growth in early literacy skills from fall to spring. The table below shows the results of these three skills assessed.

	% of children assessed in Sept 2024	% of children assessed in May 2025
Onset Fluency		
Beginning	53%	12%
Developing	19%	12%
Proficient	28%	76%
Final Phoneme Isolation		
Beginning	57%	27%
Developing	22%	16%
Proficient	21%	57%
Segmenting into Onset Rhyme		
Beginning	79%	17%
Developing	20%	14%
Proficient	1%	69%

"We are so grateful for this program. We wouldn't be able to afford preschool without the help and being able to go to our first choice in care has been invaluable."

- PEEPS Parent

FLOWING WELLS UNIFIED SCHOOL DISTRICT

For the past two years, the Flowing Wells School District has been able to gather early literacy skills inventory data on PEEPs students versus non-PEEPs students that attended Kindergarten in the district. Using the Acadience Reading Assessment, the School District is able to measure students' early literacy skills including phonemic segmentation, letter fluency and oral language skills. In each of these cohorts of kindergarteners, PEEPs students entered kindergarten with more students in the "At" or "Above" expectations than their non-PEEPs counterparts which demonstrates the importance of these early learning environments as children enter the K-12 education system. The two tables below represent the early literacy data collected from the last two years of PEEPs students in kindergarten.

Acadience Data PEEPs Students v non-PEEPs Students 22-23 cohort						
	Beginning	of the Year	End of the Year			
	% of PEEPs students % of PEEPs students			% of non-PEEPs students		
Well Below	30%	50%	4%	19%		
Below	17%	21%	13%	16%		
At	30%	12%	39%	30%		
Above	22%	17%	43%	34%		

Acadience Data PEEPs Students v non-PEEPs Students 23-24 cohort						
	Beginning	of the Year	End of the Year			
	% of PEEPs students	% of non-PEEPs students	% of PEEPs students % of non-PEEPs students			
Well Below	44%	55%	22%	16%		
Below	22%	19%	4%	16%		
At	17%	8%	30%	32%		
Above	17%	17%	43%	36%		

"We feel beyond blessed to partner with PEEPS and will help in any way to maintain the quality of programming that it has afforded families and children."

- PEEPS Provider

Expenses, Budgeting, and Future Funding

The Pima County Board of Supervisors allocated \$30.2 million of Federal American Recovery Plan Act (ARPA) funding over 4 years to PEEPs. Future years of the program will be funded primarily through Pima County's Library District. Over the past four years of the program, the City of Tucson and towns of Marana and Oro Valley have contributed over \$4.1 million for PEEPs.

Private funders have been donating to the <u>United Way's Accelerate Quality program</u>, which compliments PEEPs by expanding preschool capacity and improving quality. Not reflected in these dollar amounts are Department of Economic Security (DES) childcare subsidies for eligible children in PEEPs school district classes, and contributions from school districts for facility improvements and administrative overhead, all of which increase the number of children served in the PEEPs program.

FY25/Year 3 PEEPs Budgeted and Actual Expenses*

IGAs & Contracts	Budgeted Expenses	Actual Expenses
First Things First Quality First Scholarships	\$5,529,928	\$4,914,045
Child-Parent Centers, Inc. Head Start Extended Day	\$937,595	\$937,595
School District IGAs Expansion Preschool Classes	\$6,338,900	\$5,431,488
PEEPs Administration	\$250,000	\$166,657
Total	\$13,056,423	\$11,449,785

Actual expenses for PEEPs for year 4 were below budget by about \$1.5 million. There were cost savings in our school district classes by utilizing the "last dollar in" approach with children using DES childcare subsidies. For year 5, \$11.7M is budgeted for PEEPs, primarily from Pima County's Library District and including \$320,000 from the City of Tucson and \$140,000 from the Town of Marana.

Accelerate Quality Updates

Since 2021, <u>Accelerate Quality (AQ)</u>, created through a partnership between United Way of Tucson and Pima County, has worked to expand access to high-quality early care and education (ECE). AQ complements the Pima Early Education Program Scholarships (PEEPs) by ensuring there are enough high-quality slots for scholarship recipients and by mobilizing community investment from individuals, businesses, and philanthropists.

Thanks to generous grants from several funders and individuals, Accelerate Quality (AQ) has partnered with **73 local childcare and preschool programs**, supporting **1,820 children** and the **265 teachers and staff** who care for them every day. Providers receive coaching and resources to:

- Expand and open new classrooms
- Earn accreditation and quality ratings
- Build digital and business skills
- Strengthen financial planning for long-term stability

BUILDING PEER SUPPORT NETWORKS

In 2024, one of our providers, began the exciting journey of expanding from a family childcare home into a full childcare center. At the same time, another provider in the program was also growing into a second facility. Both were young parents, both were passionate about quality education, and both were navigating the challenges of opening a childcare center in today's economy.

Recognizing their shared journey, an AQ coach connected the two. A year later, they're not just colleagues — they've become trusted peers, exchanging ideas and supporting each other through the ups and downs of running childcare programs. This kind of **peer-to-peer mentorship** creates a community of leaders who lift each other up, ultimately benefiting the children and families they serve.

EMPOWERING FAMILY CHILD CARE PROVIDERS

Family childcare providers are the backbone of early learning in Pima County, but many enter the field with little training in business or financial management. To help, AQ partnered with Family Housing Resources (FHR) to deliver financial literacy workshops.

Providers learned about savings, budgeting, debt management, and how to read Profit & Loss statements. More importantly, they gained confidence in running their businesses. As one provider shared, "Now I can explain my finances clearly — I feel like a real business owner."

A total of 28 family childcare providers participated in these workshops, leaving with new tools to keep their programs strong and sustainable.

WHY IT MATTERS

High-quality childcare doesn't just prepare children for school — it strengthens families, supports working parents, and fuels our local economy. Through Accelerate Quality, providers gain the skills, resources, and community connections they need to succeed. And when providers thrive, so do children and families across Pima County.

MOVING FORWARD

Aligning with the Prosperity Initiative

As PEEPs moves forward, its impact extends beyond early childhood classrooms to the broader goals of the Pima County and City of Tucson Prosperity Initiative and reducing generational poverty. By expanding access to high-quality preschool, strengthening local providers, and supporting families, PEEPs lays a foundation for long-term educational success, workforce readiness, and economic stability. Each child who enters kindergarten prepared to learn represents a step toward a more equitable and prosperous community. Each parent with a child in PEEPs is better able to work or pursue educational training opportunities.

The Pima County Board of Supervisors recently renewed its commitment to sustaining and strengthening PEEPs. Pursuant to Board direction, the County will convene a regional early education roundtable to include city and town representatives, school districts, and other community partners, with the goal of identifying additional non-monetary contributions to expand access to PEEPs and other early educational opportunities. The County will also establish the PEEPs Workforce and Business Leadership Council, in partnership with **The Preschool Promise**. The Preschool Promise is a diverse coalition with the goal of making high-quality preschool available for all our children. This new Council will build off existing efforts to expand business, employer, and philanthropic support for PEEPs, with a particular focus on the early care and education workforce.

Through continued collaboration, investment, and innovation, Pima County is ensuring that PEEPs is not just a program, but a cornerstone of shared prosperity for all residents.

Now Enrolling

If you know of a family that has a 3-5 year old in need of preschool education please have them call Child Care Resource & Referral at **1-800-308-9000** and ask about a PEEP Scholarship to find a provider that will best fit their needs.

2025 PEEPS Income Eligibility							
Family Size 2 3 4 5 6 7 8							8
300% of FPL	\$63,450	\$79,950	\$96,450	\$112,950	\$129,450	\$145,950	\$162,450



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.
- 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 statewide 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.



PEEPs Multi-Departmental Oversight Team

Dustin Williams, Superintendent of Schools
Carmine DeBonis Jr., Deputy County Administrator
Daniel Sullivan, Community and Workforce Development Director
Tess Mayer, Library Director
Theresa Cullen, Health Department Director
Heath Vescovi-Chiordi, Economic Development Director
Rhonda Pina, Community and Workforce Development Deputy Director
Deborah Bryson, Deputy Superintendent of Schools
Nicole Fyffe, County Administrator's Office Senior Advisor

Program Staff

Nicole Scott, Program Manager Irene Moreno, Program Coordinator



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Steve Christy, District 4
Andrés Cano, District 5

Pima County Administrator

Jan Lesher





