A Letter from the Chairman and President

Dear Citizens of the Commonwealth,

The future of education in Virginia, and the United States of America, is dependent upon smart investments and well-educated, engaged citizens. It used to be that America had the highest number of college graduates of all industrialized countries. Just this summer we learned that our nation has slipped into 12th place. This is unacceptable and we need solutions if Virginia and America are to maintain our competitive place in the world economy. The solutions begin in early childhood, well before our future college students, military leaders, and workforce begin kindergarten.

The Virginia Early Childhood Foundation serves as the nexus of these efforts. As a public/private partnership, we provide resources, leadership and technical assistance to make certain that children across the Commonwealth will be able to contribute to our common prosperity. We are the bridge between the state government, local communities, the U.S. Military, and the business sector. Our work is to make certain that Virginia invests wisely in our human capital and to foster efficiency and effectiveness in all efforts to build school-readiness, including the work of state agencies, local communities, private sector endeavors, families and parents. It is a big job, but we are making progress in Virginia.

During fiscal year 2010, we continued to engage business, military and community leaders, elected officials, educators, healthcare professionals, and parents to invest in the foundations of our future success—Virginia’s youngest children. Making certain that children start their life and education journeys healthy, eager, and ready to learn can make all the difference in their lives and in our futures.

We are pleased to report that 2010 was a year of growth, strong stewardship of resources, and growing community and political support. We thank our private and public supporters, including the Governor and General Assembly, and encourage all Virginians to join in making investments that draw the greatest return on the dollar. Virginia has a long way to go, but can be proud of the progress we’ve made. The Virginia Early Childhood Foundation thanks you for your ongoing support, engagement, and investments.

Sincerely,

Scott L. Hippert Paul O. Hirschbiel

The Virginia Early Childhood Foundation expresses our deepest appreciation to Paul O. Hirschbiel, our Founding Chairman. Because of his leadership of school readiness initiatives, Virginia is in a much stronger position to create long-term prosperity for our Commonwealth. We look forward to continued progress under the leadership of Thomas N. Chewning, who assumed the position of Board Chairman on July 1, 2010.
In 2009-2010, the Virginia Early Childhood Foundation (VECF) matured in its leadership role, serving at the nexus of Virginia’s school readiness advancements. As a public-private partnership with leadership from Virginia’s business community and strong relationships with state government, the U.S. Military, and local communities, we bring private sector solutions to maximize the successful development of Virginia’s youngest citizens. Ultimately, we are working to maintain and expand Virginia’s economic strength by developing a future-ready workforce and robust military capable of the competition that tomorrow demands.

As in past years, the VECF and our local partners have leveraged non-state investments more than 3 times greater than public funding to expand successful school readiness activities. In 2010, our coordination of local Smart Beginnings Coalitions brought multi-sector leadership and focus to school readiness efforts in 89 Virginia localities.

As in past years, the VECF and our local partners have leveraged non-state investments more than 3 times greater than public funding to expand successful school readiness activities. In 2010, our coordination of local Smart Beginnings Coalitions brought multi-sector leadership and focus to school readiness efforts in 89 Virginia localities.

During a year of transition in state government, the VECF assumed a greater leadership role, maintaining progress that has been years in the making. We provided coordination to the launch of the Virginia Early Childhood Advisory Council and maintained momentum with the early childhood strategic plan.

The VECF partnered with state and local agencies, the U.S. Military, communities, institutions of learning and businesses to forge relationships that work together to maintain a strong future workforce and military.

In 2010, the VECF assumed leadership of “VAJobOne,” now one of the nation’s leading models for engaging business leaders as early childhood advocates, and bringing sound business practices to this work.

Under VECF co-leadership, the state’s quality rating and improvement system grew substantially in 2010. Once fully established, the VSQI will make certain that all Virginia families have information and access to high quality early learning opportunities for their children.
Early Childhood Development: Virginia’s Best “Ground Floor” Opportunity

WORKFORCE DEVELOPMENT. ECONOMIC PROSPERITY.

In 2009-2010, these goals became enshrined as the driving forces behind the Virginia Early Childhood Foundation’s Smart Beginnings initiatives. Strong local early childhood systems and infrastructures can transform the economic viability of a region by focusing on the lifelong success of its human capital, our youngest children.

To achieve future prosperity, the next generation of Virginians must grow to be an effective, productive workforce and an educated, engaged citizenry. High quality early childhood experiences are inarguably necessary to achieve that goal.

Through the Foundation’s support of local Smart Beginnings initiatives, 89 communities focused their resources and efforts to provide greater opportunities for children from ages prenatal to five. These efforts represent the clearest, most cost effective methods of maintaining Virginia’s economic prosperity.

Over the past year, our Smart Beginnings partners dramatically increased coordination and collaboration at the local level, building systems that are closely aligned across the Commonwealth. Efforts in localities vary somewhat, but all share the common goal of closing crippling achievement gaps for today’s children – and tomorrow’s workforce.
Smart Beginnings
Appalachian Region
Lee, Scott, Wise, City of Norton
Molly Campbell
276-386-6441
mcampbell@appcaa.org

Smart Beginnings
Danville/Pittsylvania
Pittsylvania, Danville
Faith Stamps
434-792-3700
faith.stamps@unitedway.org

Smart Beginnings Fluvanna
Fluvanna
Pat Groot
434-591-1910
pgroot@co.fluvanna.va.us

Smart Beginnings Franklin/Patrick
Franklin, Patrick
Nancy Bell
540-483-4949
nbell@smartbeginningsfp.org

Smart Beginnings Heartland
Amelia, Buckingham, Charlotte, Cumberland Lunenburg, Nottoway, Prince Edward Will Rogers (Interim)
434-392-9461
wrogers@crossroadscsb.org

Smart Beginnings Smyth
Tazewell
Smyth, Tazewell
Emily Noonan
276-998-5583 x236
enoonan@clinchvalleycaa.org

Smart Beginnings Southwest
Dickenson, Buchanan
Lori Pennington (Interim)
276-619-2256
lpennington@peopleinc.net

PLANNING GRANTS: $50,000

Using these initial funds over a 12-18 month period, partners implement systematic strategic planning activities to establish a Smart Beginnings coalition. During this period, Leadership Councils are engaged, staff is hired, community needs assessments are conducted, and collaborations are formed.

2009-10 PLANNING GRANT RECIPIENTS

Smart Beginnings Appalachian Region
Lee, Scott, Wise, City of Norton
Molly Campbell
276-386-6441
mcampbell@appcaa.org

Smart Beginnings New River Valley
Floyd, Giles, Montgomery, Pulaski, Radford
David Moore
540-231-6775
dmoore@vt.edu

Smart Beginnings Northumberland/Lancaster
Northumberland, Lancaster
Cynthia Riodland
919-616-1673
crioland@rappahannock.edu

Smart Beginnings Shenandoah Valley
Shenandoah, Augusta, Staunton
Stacie Jackson
540-568-8968
jacks2sc@jmu.edu

Smart Beginnings Smyth
Tazewell
Smyth, Tazewell
Emily Noonan
276-998-5583 x236
enoonan@clinchvalleycaa.org

Smart Beginnings Southwest
Dickenson, Buchanan
Lori Pennington (Interim)
276-619-2256
lpennington@peopleinc.net

Seeds of change that VECF planted in local communities grew strong and healthy in 2009-2010. Having developed both a blueprint for effective coalition building and a recommended list of “evidence based practices,” the VECF provided resources and technical assistance to local initiatives. Those initiatives continued building solid infrastructures and service collaborations that make good use of limited resources, while effectively increasing the school readiness of more young children in their regions. These local efforts are transforming children, their communities, and the commonwealth.
Upon the successful completion of their initial planning, these initiatives were awarded two years of support to implement specific strategies to advance school readiness, to further engage their communities and local leaders, and build lasting collaborative infrastructures and partnerships.

### GETTING READY GRANTS: UP TO $100,000

Upon the successful completion of their initial planning, these initiatives were awarded two years of support to implement specific strategies to advance school readiness, to further engage their communities and local leaders, and build lasting collaborative infrastructures and partnerships.

### 2009-10 GETTING READY GRANT RECIPIENTS

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Location</th>
<th>Contact Person</th>
<th>Phone</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Smart Beginnings Virginia Peninsula</td>
<td>Hampton, Newport News</td>
<td>Belinda Willis</td>
<td>757-870-6161</td>
<td><a href="mailto:bjhw3@cox.net">bjhw3@cox.net</a></td>
</tr>
<tr>
<td>Smart Beginnings Shenandoah Valley</td>
<td>Harrisonburg, Page, Rockingham</td>
<td>Pat Kennedy</td>
<td>540-568-2557</td>
<td><a href="mailto:kenedpa@jmu.edu">kenedpa@jmu.edu</a></td>
</tr>
</tbody>
</table>

### PARTNERSHIP GRANTS: UP TO $500,000

Awarded to Smart Beginning coalitions that have successfully built an infrastructure of comprehensive systems and are equipped to lead a region's early childhood development efforts.

#### 2009-10 PARTNERSHIP GRANT RECIPIENTS

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Location</th>
<th>Contact Person</th>
<th>Phone</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Smart Beginnings Central Virginia</td>
<td>Lynchburg, Bedford City, Amherst, Appomattox, Bedford, Campbell</td>
<td>Gayle Lucado</td>
<td>434-455-6914</td>
<td><a href="mailto:gayle.lucado@unitedwaycv.org">gayle.lucado@unitedwaycv.org</a></td>
</tr>
<tr>
<td>Smart Beginnings Martinsville &amp; Henry County</td>
<td>Martinsville, Henry County</td>
<td>Sheryl Agee</td>
<td>276-403-5963</td>
<td><a href="mailto:Sheryl@unitedwayofhcm.org">Sheryl@unitedwayofhcm.org</a></td>
</tr>
</tbody>
</table>

### SUSTAINING GRANTS: UP TO $100,000

After successfully achieving the goals of a partnership grant, these initiatives were provided two years of support to maintain their school readiness efforts while building local resources for long term sustainability.

#### 2009-10 SUSTAINING GRANT RECIPIENTS

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Location</th>
<th>Contact Person</th>
<th>Phone</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Smart Beginnings Historic Triangle</td>
<td>James City County, Williamsburg, York County</td>
<td>Sheri Osborne</td>
<td>757-566-2849</td>
<td><a href="mailto:sherio@cdr.org">sherio@cdr.org</a></td>
</tr>
</tbody>
</table>

### SUSTAINING PARTNERS

Having successfully completed all phases of the grant cycle last fiscal year, these coalitions are now leading partners of early childhood development within their respective communities. These veteran coalitions offer their expertise and guidance to newer initiatives, while still benefiting from the Foundation’s valuable technical assistance resources.

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Location</th>
<th>Contact Person</th>
<th>Phone</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Smart Beginnings South Hampton Roads</td>
<td>Chesapeake, Norfolk, Portsmouth, Suffolk, Virginia Beach</td>
<td>Lisa Howard</td>
<td>757-226-8826</td>
<td><a href="mailto:lhoward@smartbeginningsshr.org">lhoward@smartbeginningsshr.org</a></td>
</tr>
</tbody>
</table>

### OTHER SMART BEGINNINGS COMMUNITIES

Operating independently from the VECF’s funding last year, these initiatives meet the mission requirements of Smart Beginnings and are working to advance school readiness efforts in their regions while building stronger local collaborations.

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Location</th>
<th>Contact Person</th>
<th>Phone</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Smart Beginnings Shenandoah Valley</td>
<td>Harrisonburg, Page, Rockingham</td>
<td>Pat Kennedy</td>
<td>540-568-2557</td>
<td><a href="mailto:kenedpa@jmu.edu">kenedpa@jmu.edu</a></td>
</tr>
<tr>
<td>Smart Beginnings Greater Roanoke</td>
<td>Roanoke City &amp; County, Botetourt, Craig, Salem, Vinton</td>
<td>Kris Meyers</td>
<td>540-777-4211</td>
<td><a href="mailto:kris@uwrv.org">kris@uwrv.org</a></td>
</tr>
</tbody>
</table>
In just a few short years, China – not America – will have the most people who are fluent in the English language.
Virginia’s Star Quality Initiative: Increasing Quality & Confidence

Knowledge is power; the old adage is never truer than when it comes time for families to choose the best early care provider for their children. Unfortunately, in many regions of Virginia, it is easier to determine the quality of a restaurant than it is to determine the quality of a childcare provider. The Virginia Star Quality Initiative (VSQI) is changing that.

The VSQI began as a pilot in 2008, but in 2009-2010 it became a key component of Virginia’s efforts to increase access to quality early learning experiences for young children from families across the Commonwealth. The VSQI is being built as a partnership between the VECF and the Virginia Office of Early Childhood Development (OECD). Together, we have expanded and built a stronger infrastructure to maintain the VSQI, once adequate funding is available to bring it to scale.

We simply cannot afford to leave the promise of the next generation to chance. Bringing objectivity and consistency to the ratings process, VSQI is taking the guesswork out of childcare choices while empowering providers to achieve positive outcomes for children and a better quality of life for communities. As of the time of this printing, the VSQI has rated 189 early childhood classrooms, trained 67 raters on the instruments used to measure quality, and provided professional development opportunities to scores of providers across the Commonwealth.

Achieving Results Around the State:

- 55 more child care centers were rated during 2009-2010 bringing the statewide total to 189
- Quality improvement efforts in South Hampton Roads have enhanced early care experiences for over 8,000 children in 78 centers
- There has been a 160% increase in Charlottesville early care centers participating in VSQI since Smart Beginnings began in 2007
- During 2009-2010, Smart Beginnings Central Virginia piloted VSQI in 15 centers, ultimately impacting the care of almost 1600 children
- Smart Beginnings Alexandria/Arlington formed an effective partnership to increase quality care — promoting VSQI while the school districts coordinate the ratings process

HOW A STAR IS BORN

VSQI takes the burden of analysis off of families by creating an easily understood, user-friendly rating tool that assesses early care in the following standard areas:

**Education, qualifications, and training of staff:** Effective early childhood professionals have a strong background in education and child development, building specialized early childhood competencies.

**Interactions:** Effective teachers have warmth and sensitivity. They engage children and foster self-confidence and positive interactions.

**Structure:** Small class sizes and low child to teacher ratios allow for individual student attention.

**Environment and Instruction:** Learning environments should stimulate children’s cognitive development, with classrooms divided into small, activity-based centers.

Once rated, providers work with a Star Quality mentor to follow a systemic quality improvement plan designed on best practices and evidence-based programs.

VSQI is now working in 50 Virginia communities. To find a rated center, go to www.smartbeginnings.org

IN 2006, FOURTH-GRADERS IN RUSSIA AND HONG KONG SCORED CONSIDERABLY HIGHER IN READING LITERACY THAN THOSE IN THE U.S.
IN THE UNITED STATES, WE LOSE UP TO 30% OF OUR POTENTIAL WORKERS BECAUSE THEY DON'T GRADUATE FROM HIGH SCHOOL
IN THE UNITED STATES, WE loose up to 30% of our Potential Workers because they don’t graduate from high school.

We cannot deny the fundamental connection between early childhood development and greater economic opportunity. It is a powerful message – and spreading it is crucial. We are engaging Virginians to do just that.

2009-2010 saw the birth of multiple new VECF-led initiatives, such as Virginia KidsNow! and VAJobOne, to further engage cross-sector support and advocacy for our youngest citizens. The VECF also made great progress in creating a leadership development training module for its local Smart Beginnings partners to maximize the involvement of regional leaders in advancing local school readiness efforts.

Other like-minded, nationally regarded, organizations continue to recognize VECF’s innovative work. The PEW Center for the States invited us to speak at national gatherings this year in an effort to share our highly effective models and practices, such as establishing successful business engagement initiatives.

The Foundation’s leadership role was further defined during 2009-2010 with VECF co-leadership of Virginia’s Early Childhood Advisory Council, bringing vision, efficiency and coordination to Virginia’s workforce development efforts.

68% of 4th graders from low-income families in inner cities or poor rural areas do not read at a basic literacy level.
VAJOBONE: BUSINESS LEADERS FOR SMART BEGINNINGS
SUPPORT TODAY’S WORKFORCE/INVEST IN TOMORROW’S

Shouldn’t Virginia businesses have a stake in shaping the caliber of their future workers? We think so, which is why the VECF, with support from the PEW Center for the States, provides leadership to VaJobOne — an initiative implemented in 2009-2010 to encourage the corporate community to embrace school readiness as the most innovative, yet practical, tool for workforce development.

Business leaders understand that a strong workforce is comprised of many components. The availability of reliable quality care not only shapes the caliber and competency of tomorrow’s workforce, but also increases the productivity of today’s working parents.

Educating, training and graduating every child in Virginia is the most cost effective means of building a workforce capable of attracting businesses and transforming our economy. This simple, common-sense message is obviously resonating — in 2009-2010, VaJobOne enlisted over 200 business leaders across the Commonwealth to advance Virginia’s school readiness efforts.

To continue to build upon VaJob One’s momentum, the Foundation is keeping the pipeline full by creating partnerships and engagement opportunities that expand and enhance these efforts.

“Partnering with the VECF to host a Leadership Luncheon proved to be an excellent opportunity to engage the Northern Virginia business community and enlist their support of school readiness as a way to improve our future workforce.”
— Michael N. Harreld
Regional President, PNC Bank

VIRGINIA KidsNOW!

This new, 2010 initiative involves parents of young children and other young professionals as advocates who clearly recognize and value investments in the critically formative years of birth to five.

**Mission:** Virginia KidsNow! (VKN) is dedicated to informing communities about the social and economic importance of school readiness for every child. VKN provides its members with education and networking opportunities to encourage citizen engagement and a stronger commitment to early childhood development in Virginia.

“VaJobOne’s strong capacity to mobilize the corporate community and build a network of business leaders who understand the dire need to cultivate a future ready workforce were key components to securing a highly competitive grant opportunity from the Pew Center on the States.”
— Rob Dugger, Chairman
Partnership for America’s Economic Success

IF U.S. STUDENTS HAD EXPERIENCED THE SAME EDUCATIONAL SUCCESS OF HIGHER-PERFORMING NATIONS

12
SCHOOL READINESS SUMMITS

Over the course of 2009-2010, VECF took the message of Smart Beginnings into communities by hosting 3 regional summits to increase community awareness and give hundreds of early childhood, education, and business leaders an opportunity to collaborate by targeting issues in the region and sharing creative solutions to school readiness and workforce development.

“On many issues, economic research is not decisive. On some issues though, economic research sends a very clear message. Research shows us that early childhood development sends a return to the individual and to society. We see it as an economic growth strategy”
— Sally Green
Federal Reserve Bank, Keynote speaker at the Danville summit

INFLUENCING COLLABORATIONS

“Working with our local Smart Beginnings coalition, we bring area leaders together to gain a regional perspective on early childhood development issues. Last fall, when the region was faced with the closing of the local International Paper mill – one of the area’s largest corporations that employed over 1,000 members of our community – we leveraged these collaborations to work together on a broader level to develop practical solutions to the many economic challenges posed by IP’s departure.”
— Jim Councill,
Mayor of Franklin
Western Tidewater Smart Beginnings

A MATTER OF NATIONAL SECURITY

Shockingly, 75% of young Americans are ineligible to serve in the U.S. military for a variety of reasons, such as: their failure to graduate high school; engaging in criminal activity; or they are simply physically or mentally unfit. We must be mindful that these are the very same people we will be forced to rely on to increase workforce productivity and defend our nation.

VECF featured speakers from Mission Readiness during several 2009-2010 events to advance our common goal of increasing school readiness as the most effective means of fundamentally transforming both our military preparedness and economy. It’s the ultimate win-win situation – a secure AND prosperous nation.

Great strides were made by VECF this year to foster relationships that will support the youngest members of Virginia’s military families. As a culmination of these efforts - we will be announcing an exciting partnership with the military that focuses on enhancing early learning environments specifically for the children of our men and women that serve our nation.

“The young men and women who serve in our military forces are our strongest asset in protecting the American people. The steep decline in the numbers who are fit to serve has made early childhood education an urgent National Security issue.”
- Brigadier General John W. Douglass
United States Air Force, (ret) & VECF Board Member

DURING THE 1980’S AND 1990’S, THE COUNTRY’S GDP IN 2008 COULD HAVE BEEN $1.3-2.3 TRILLION HIGHER

Among preschool children 2-5 years old, obesity has increased from 5% in 1980 to 10.4% in 2008.
Partnerships that Leverage

As a public-private partnership, the Virginia Early Childhood Foundation is fortunate to leverage the generous support from the Commonwealth to secure meaningful private sector investments. The Foundation remains grateful to the Governor, General Assembly, The Virginia Tobacco Indemnification and Community Revitalization Commission, other government agencies and its many private supporters for believing in the power of today’s youngest children to transform Virginia’s economy and overall quality of life.

VECF extends its sincere gratitude to the following supporters for their 2009-2010 contributions:

**GOVERNMENT SUPPORT**
- Virginia General Assembly
- Virginia Tobacco Indemnification and Community Revitalization Commission
- Appalachian Regional Commission

**CORPORATIONS AND FOUNDATIONS**
- AGL Resources/Virginia Natural Gas
- Crutchfield Corporation
- Danville Regional Foundation
- Dominion Foundation
- K-VA-T Foods/Food City
- Pew Charitable Trust/Partnership for America’s Economic Success
- PNC Foundation
- Robins Foundation
- SunTrust Mid-Atlantic Foundation
- Verizon Foundation
- Wachovia/Wells Fargo Foundation
- Walsh, Colucci, Lubeley, Emrich & Walsh PC

**BOARD AND INDIVIDUAL SUPPORT**
- Ken Ampy
- Rear Admiral James A. Barnett, Jr. (USN Retired)
- Peter A. Blake & Mary Blanchard
- Maria Brown
- Katherine E. Busser
- Sarah King & Lyles Carr Charitable Fund
- Tom & Nancy Chewning
- Mr. & Mrs. Ben J. Davenport
- Allison Cryor DiNardo
- Robert H. Dugger, Ph.D.
- Mr. & Mrs. James W. Dunn
- Mark & Robbie Emblidge
- Rutherfoord & Katherine Ferguson
- Kristina Friar
- Jodie & Jeffery Gidley
- Kathy Glazer
- Scott L. Hippert
- Paul & Susan Hirschbiel
- The Honorable R. Edward Houck
- Maurice Jones, Lisa Smith & Michela Jones
- Mr. & Mrs. Reginald N. Jones
- Mr. & Mrs. Glenn E. Kinard
- Colleen A. Kraft, M.D.
- Anglica D. Light
- Dr. Virginia L. McLaughlin
- Lori M. Morris/Bruhn-Morris Family Foundation
- Dr. Thomas R. Morris
- Dr. Novella J. Ruffin

**IN-KIND**
- Capital One
- Evolve Architecture
- George Mason University
- SmartProjectz, LLC
- SunTrust Bank
- United Way of Greater Richmond & Petersburg

To join this distinguished list of donors by investing in the future of Virginia, please visit www.vecf.org or call 804-358-8323. If any names were inadvertently omitted or listed incorrectly, please accept our apologies and let us hear from you.

**EARLY CHILDHOOD EDUCATION: A PRUDENT SOCIAL AND ECONOMIC INVESTMENT**

- Studies confirm that every $1 invested in early childhood education can yield returns as high as $17.
- For every $1 spent on quality childcare, almost $2 dollars are generated in sales for the overall economy.
- Communities with effective early childhood infrastructures in place — such as Smart Beginnings — can expect an increase in the quality of life and a decrease in costs associated with social services, remedial education, unemployment and criminal justice.
- Children who benefit from high quality early experiences are likely to earn more money, pay more federal and state taxes and need less help from income assistance programs.

**DROP OUTS ARE MORE THAN EIGHT TIMES AS LIKELY TO BE INCARCERATED THAN HIGH SCHOOL GRADUATES**
Local communities throughout the Commonwealth are demonstrating their commitment to furthering Virginia’s economic future. These matching gifts leverage VECF investments to advance early childhood development and future-ready workforce development efforts across the state. We extend our utmost appreciation to the following supporters of local Smart Beginnings coalitions:

- A Better World Foundation Challenge Grant
- Albemarle Schools
- Alexandria Department of Human Services
- Allison J. and Ella W. Parsons Fund of HRCF
- Amelia County Department of Social Services
- Amherst Department of Social Services
- Appalachian College of Pharmacy
- Appalachian Community Action and Development Agency
- Appomattox County Schools
- Appomattox Ruritan Club
- Arc of the Piedmont
- Arlington Department of Human Services
- Arlington Public Schools
- Augusta Health Center
- Bank of America
- Barnes Technologies
- Batten Educational Achievement Fund of HRCF
- Bayshore Enterprises
- Bedford County Schools
- Bernardine Franciscan Sisters Foundation
- Birdsong Peanut Co.
- Blackwater Library
- Buckingham County Department of Social Services
- Burtner and Associates
- Cameron Foundation
- Campbell County
- Capital One
- Carilion
- CCQI (to CYFS)
- CDBG (to CYFS)
- Center for Alexandria’s Children
- Charity League of Martinsville & Henry County
- Charlotte County Department of Social Services
- Charlottesville Chamber of Commerce
- Child Care Connect R+R
- Child Development Resources (Infant and Toddler Network)
- Children’s Center
- City of Charlottesville
- City of Danville – Parks and Recreation
- City of Franklin
- City of Lynchburg
- City of Richmond
- Clinch Valley Community Action
- Communication Consortium Media Center
- Community Fund for Educational Achievement of HRCF
- Cox Communications
- Crossroads Community Services Board
- Cumberland County Department of Social Services
- Children, Youth and Family Services
VECF leverages public funds provided by the General Assembly to engage private funding sources to maximize investments in Smart Beginnings. Together, this public-private partnership is increasing school readiness, improving families, building stronger communities, and ensuring a brighter future for all Virginians.

**APPROXIMATELY 10,000 OF K-3 STUDENTS IN VIRGINIA REPEAT A GRADE EACH YEAR, AT A COST OF 80 MILLION DOLLARS**
## Financial Report

### STATEMENT OF FINANCIAL POSITION
**JUNE 30, 2010**

**ASSETS**

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<th>Current Assets</th>
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<td>Cash and Cash equivalents</td>
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<td>Accounts Receivable</td>
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<td>Pledges Receivable</td>
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<td>Grants Receivable</td>
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<td>Prepaid Expenses</td>
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<td>Grantee Advances</td>
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<tr>
<td>Other Assets</td>
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<tr>
<td>Total current assets</td>
<td>1,272,204</td>
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<tr>
<td>Equipment, Furniture, and Fixtures</td>
<td>14,815</td>
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<tr>
<td>Accumulated depreciation</td>
<td>(7,656)</td>
</tr>
<tr>
<td>Total assets</td>
<td>$1,279,363</td>
</tr>
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**LIABILITIES AND NET ASSETS**

<table>
<thead>
<tr>
<th>Current Liabilities</th>
<th>$46,768</th>
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<tbody>
<tr>
<td>Accounts Payable</td>
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<tr>
<td>Grants Payable</td>
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<tr>
<td>Accrued Expenses</td>
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<tr>
<td>Total current liabilities</td>
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</table>

**NET ASSETS**

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<th>Unrestricted</th>
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<tr>
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</tr>
<tr>
<td>Total liabilities and Net Assets</td>
<td>$1,279,363</td>
</tr>
</tbody>
</table>

### STATEMENT OF ACTIVITIES FOR THE YEAR ENDED
**JUNE 30, 2010**

<table>
<thead>
<tr>
<th>Public Support and Revenue</th>
<th>unrestricted</th>
<th>temporarily restricted</th>
<th>total (memo only)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Support</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individual and Board Contributions</td>
<td>$106,775</td>
<td>-</td>
<td>$106,775</td>
</tr>
<tr>
<td>Corporations</td>
<td>26,886</td>
<td>61,430</td>
<td>88,316</td>
</tr>
<tr>
<td>Foundations</td>
<td>30,930</td>
<td>150,000</td>
<td>180,930</td>
</tr>
<tr>
<td>Total Public Support</td>
<td>164,591</td>
<td>211,430</td>
<td>376,021</td>
</tr>
<tr>
<td>Revenue</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government Grants</td>
<td>405,381</td>
<td>1,573,766</td>
<td>1,979,147</td>
</tr>
<tr>
<td>Interest Revenue</td>
<td>13,070</td>
<td>-</td>
<td>13,070</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>583,042</td>
<td>1,785,196</td>
<td>2,368,238</td>
</tr>
<tr>
<td>Net Assets Released from Restrictions</td>
<td>2,250,320</td>
<td>(2,250,320)</td>
<td>-</td>
</tr>
<tr>
<td>Total Support and Revenue</td>
<td>2,833,362</td>
<td>(465,124)</td>
<td>2,368,238</td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program Services</td>
<td>2,619,629</td>
<td>-</td>
<td>2,619,629</td>
</tr>
<tr>
<td>Total Program Services</td>
<td>2,619,629</td>
<td>-</td>
<td>2,619,629</td>
</tr>
<tr>
<td>Supporting Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Education</td>
<td>18,146</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fund Raising</td>
<td>105,325</td>
<td>-</td>
<td>105,325</td>
</tr>
<tr>
<td>Lobbying</td>
<td>6,913</td>
<td>-</td>
<td>6,913</td>
</tr>
<tr>
<td>Management and General</td>
<td>83,349</td>
<td>-</td>
<td>83,349</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>2,833,362</td>
<td>-</td>
<td>2,833,362</td>
</tr>
<tr>
<td>Change in Net Assets</td>
<td>(465,124)</td>
<td>(465,124)</td>
<td>(465,124)</td>
</tr>
<tr>
<td>Net Assets, Beginning</td>
<td>-</td>
<td>1,213,659</td>
<td>1,213,659</td>
</tr>
<tr>
<td>Net Assets, Ending</td>
<td>$-</td>
<td>748,535</td>
<td>748,535</td>
</tr>
</tbody>
</table>
2009-2010 BOARD OF DIRECTORS

Thomas N. Chewning†, Executive Vice President & CFO, Dominion Resources, Inc (ret).
Richmond, Virginia
Paul O. Hirschbiel, Jr.††, President, Eden Capital
Virginia Beach, Virginia
Kenneth E. Ampy*, CEO, Astyra Corporation
Richmond, Virginia
The Honorable Mamye E. BaCote
Virginia House of Delegates
Newport News, Virginia
Peter A. Blake, President, Virginia Community College System
Richmond, Virginia
Zelda Boyd
Director, Office of Early Childhood Development
Richmond, Virginia
Katherine E. Busser
Executive Vice President, Capital One
Richmond, Virginia
W. Lyles Carr III*, Senior Vice President
The McCormick Group
Arlington, Virginia
The Honorable James S. Cheng
Secretary of Commerce and Trade
Richmond, Virginia
Ben J. Davenport, Jr., Chairman, First Piedmont Corporation
Chatham, Virginia
Brigadier General John W. Douglass
US Air Force, Former Secretary of the Navy (Retired)
Alexandria, Virginia
Robert H. Dugger, Ph.D.
Chairman, Partnership for America’s Economic Success
Alexandria, Virginia
James W. Dunn*
Vice President, Bon Secours Richmond Foundation
Richmond, Virginia

Dr. Mark E. Emblidge
Director, The Literacy Institute, VCU
Richmond, Virginia
T. Rutherfoord Ferguson
Internal Wholesaler
Riverfront Investment Group
Richmond, Virginia
Jodi S. Godley*
President, Virginia Natural Gas
Norfolk, Virginia
Mark R. Ginsberg, Ph. D.
Dean, College of Education & Human Development
George Mason University
Fairfax, Virginia
Kathy Glazer
Director of State Service, Build Initiative
Richmond, Virginia
Sarah G. Green
Chief Operating Officer
Federal Reserve Bank of Richmond
Richmond, Virginia
The Honorable William A. Hazel, Jr., M.D.
Secretary of Health and Human Resources
Richmond, Virginia
James A. Hixon
Executive Vice President
Norfolk Southern Corporation
Norfolk, Virginia
The Honorable Edward K. Huddleson
Secretary of Virginia
Spotsylvania, Virginia
Maurice A. Jones
Publisher, The Virginian-Pilot
Norfolk, Virginia
Reginald N. Jones, Esq.
Attorney, Williams Mullen Clark & Dobbins
Richmond, Virginia
Glenn E. Kinard
President, PNC Bank-Fredericksburg
Fredericksburg, Virginia
Colleen A. Kraft, M.D., FAAP
Associate Professor of Pediatrics, VA Tech Carilion School of Medicine & Research Institute
Program Director, Carilion Clinic
Roanoke, Virginia

The Honorable Frederick M. Quayle
Senate of Virginia
Suffolk, Virginia
The Honorable Gerard Robinson
Secretary of Education
Richmond, Virginia
Pamela J. Royds, M.D.
President
American Dermatology & Aesthetic Skin Care, Inc.
Richmond, Virginia
Dr. Novella J. Ruffin
Assistant Professor & Child Development Specialist
Virginia Cooperative Extension, Virginia State University
Petersburg, Virginia
J. Scott Wilford*
Chairman, President, & CEO SunTrust Bank – Greater Washington
Washington, D.C.

† Chair
††Immediate Past Chair
*Retired on June 30, 2010

STAFF LIST (as of September 15, 2010)

Scott L. Hippert
President
Sean Adams
Operations Assistant
Phyllis Benner
VSQI Coordinator
Maria R. Brown
Vice President of Programs
Dora Butler
Program Officer
Stacey Collier
Finance Manager
Heather Farber
Administrative Support Coordinator
Morgan Green
VSQI Director
Dawn Greggs
Development Associate

Cathryn Lowe
Vice President of Resource Development
Mylinda Moore
Senior Program Officer
Stephanie O’Neill
Executive Administrator
Amy Nisenson
ValoBOne Coordinator
Janora Parker
VSQI Administrative Assistant
Ann Stratton
Program Officer
Eddie Williams
Director of Operations and Communications