**VECF and Smart Beginnings: Executive Summary**

**Why is school readiness so important?**
A child’s experiences during the earliest years have the potential to impact the trajectory of his or her entire life. Children born into supportive families who have access to health care and responsive caregivers are better prepared for kindergarten. Children who are better prepared for kindergarten are able to make the most of school once they arrive and remain motivated to be successful throughout their lives. **School readiness produces economic and social benefits including a productive workforce for Virginia.** As Virginians, we all want our state to remain prosperous, vibrant and fiscally sound. As the state’s non-partisan public-private partner, VECF takes seriously our responsibility to drive efficiencies, innovation, and quality as we advance school readiness. (Want to know more? See Early Childhood Development and Returns on Investment*)

**What is VECF’s charge?**
Virginia’s Appropriation Act charges the Virginia Early Childhood Foundation, through a contract with the Department of Social Services, to support communities across the state as they develop proactive systems to promote school readiness for all children in Virginia, and to leverage one local or private dollar for every dollar of the state appropriation.

**Is VECF successful in meeting this charge?**
VECF has invested in 29 Smart Beginnings initiatives, encompassing nearly 100 counties/cities and 90% of the state’s population. With funding and technical assistance through VECF, Smart Beginnings communities methodically build their core capacities to effectively address school readiness. An important indicator of Smart Beginnings’ success is the level of diverse funding and support harnessed in local communities. In FY12, with general administration costs at VECF under 7% of total expenses, Smart Beginnings surpassed the suggested leverage ratio, achieving a 4.4:1 ratio of leveraged funds. In FY12, more than $10 million—$8.8 million in private and local dollars within communities plus an additional $1.3 million in public and private investment in VECF for local school readiness efforts—were attracted by the $1.5 million appropriation from state general funds.

**How does VECF bring added value to the Commonwealth?**
In addition to convening and supporting the Smart Beginnings initiative statewide, VECF provides substantive leadership and drives innovation:

- In partnership with the state, VECF co-administers the Virginia Star Quality Initiative, which levels the playing field for all types of early learning providers (including private, faith-based providers, and schools) and partners with parents to promote quality early learning options.
- VECF is the private sector leader of Virginia’s Plan for Smart Beginnings, the state’s strategic compass for advancing school readiness.

**LEVERAGED FUNDS FY2012**

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<th>Funds Leveraged in Communities</th>
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<td>State General Funds</td>
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<td>Additional Public/Private Support Investment in VECF</td>
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Along with the Secretary of Education, VECF co-chairs the Early Childhood Advisory Council, which works across sectors and agencies to build a practical and accountable early childhood system in the Commonwealth.

At the request of the Secretary of Health and Human Resources, VECF has convened experts to identify an early childhood “data dashboard,” a key set of common indicators to guide public and private partners in their collective focus on achieving school readiness and third grade reading proficiency.

VECF is working with national experts and local stakeholders to identify comprehensive measures of kindergarten readiness, and is focused on integrating this process into existing assessment systems at minimal cost. VECF, working both with community and state level partners, promotes efficiencies by discerning most strategic use and integration of existing resources, while assuring that funding is directed toward strategies with a strong evidence base to deliver positive outcomes for communities.

Has Smart Beginnings made a difference for children, schools, and communities?

A growing number of children are arriving at kindergarten healthy and ready to learn, on a path to third grade reading proficiency and school, workforce, and life success. In Smart Beginnings communities, increases in school readiness are demonstrated by:

- improved kindergarten literacy scores
- reduced rates of need for reading intervention services (resulting in lowered costs for intervention)
- reduced rates of children repeating kindergarten (resulting in lowered costs for retention)

*The Readiness in Virginia chart (page 8) and community snapshots (pages 11-24) provide specific details on community successes with improved school readiness.*

Over time, as coalition efforts mature and we can follow the trajectory of children within communities over years, we are able to track and document success using metrics such as improved third grade SOL scores. Even as we work to drive improvements in these key indicators, VECF is leading efforts to gain access to more comprehensive and informative measures, which will sharpen interventions and investments.
Systemic Challenges

FAMILIES FOSTER THEIR CHILDREN’S DEVELOPMENT within the context of neighborhoods and communities. Ideally, this occurs with the support of a strong web of schools and services to provide optimal development.

This is especially important for those families and communities where multiple risk factors may threaten children’s chances for good health and school success. Poverty, low maternal education, single parenthood, and low birth weight are challenges that many children face right from the start. These significant hurdles can jeopardize their chance to achieve healthy, productive lives.

All children benefit from a healthy birth; learning and growing in families that provide safe and nurturing care and in communities without poverty and violence; regular, preventive health care; and access to high quality early learning experiences. When children and families can achieve good health and skill development, society reaps the benefits of a strong workforce and sound tax base while avoiding the negative outcomes of adult dependence on public assistance.

Although families often understand the importance of regular medical care and high quality early childhood experiences, many cannot afford the high cost of consistent, regular health care and quality child care for their children.

For decades, government has responded to the needs of vulnerable families and children by establishing a collage of programs and services. Yet, public programs supporting children’s healthy development are distributed across agencies, require different standards, and may either be redundant or leave gaps in services. This patchwork of services, inconsistent in administration, quality, duration, dosage, and scope, essentially forms a non-system supported by categorical funding streams that may not necessarily be integrated, efficient, or effective enough to provide the buffering interventions needed by children facing multiple risks.

The non-system may be difficult or impossible for local officials to administer efficiently and for families to navigate. While individual programs may have merit and document effective results, the inconsistency in implementation and incoherence of eligibility, standards, and reporting requirements across a range of program types can wreak havoc on hard-pressed local communities.

Private partner leadership, business acumen, seed funding, and innovative approaches can drive strategic solutions to develop a stronger “system” out of existing public programs. An optimal early childhood development framework/system requires participation and investment from all sectors, all services areas, and all levels of partnership — federal, state, and local.

In Virginia, the Smart Beginnings initiative, spearheaded by the Virginia Early Childhood Foundation, is the catalyst for bringing a diverse set of partners together to invest in human capital at the most promising stage of development.
At age 40, adults who had attended high quality pre-k were more likely to graduate high school, hold a job, earn more money, and commit fewer crimes than their peers who had not.

3rd Grade reading proficiency is a powerful predictor of school success.

Achievement gap already exists.

Risk Factors may be present at birth, (e.g., poverty, maternal education, marital status)

Likelihood of poorer health or higher developmental risk increases with each additional risk factor.

4 risk factors 14X the risk
3 risk factors 5X the risk
2 risk factors 3X the risk
1 risk factor 2X the risk

Children arriving without skills may repeat early grades; this is costly, and grade repeaters are more likely to drop out of school.

High school drop-outs earn only 64% of what high school graduates can earn.

Poor readers are 4X more likely to drop out.

High school drop-outs are 8X more likely to be in jail.

Reliance on Public Assistance

Productive Taxpayer

Which Path?
AS A PUBLIC-PRIVATE VENTURE, VECF promotes school readiness by building the capacity of local coalitions to create optimal environments for children’s growth and development. These coalitions are guided by VECF through a multi-phase grant process that includes a community needs assessment, strategic planning, and implementation of evidence-based strategies. Strategic leadership development, intensive technical assistance, and financial resources are provided to communities as they address unique local and regional challenges impacting the healthy development of young children. Why is the development of these public-private coalitions so important? By forming effective partnerships, communities are able to imbed leadership, and shared accountability to sharpen the focus on school readiness. Smart Beginnings communities have the structure, capacity, and will for a sustained, long-term effort to promote the school readiness of children, thereby laying the foundation for a strong workforce, healthy economy, and community prosperity.

VECF’s focus on collaboration and partnerships is aimed at:

- Creating system efficiencies, ensuring that limited resources are directed to services rather than overhead.
- Improving services by promoting the use of high quality common standards, based on evidence and best practice.
- Integrating early care, education, health, and family support services for young children which are tailored to the community’s unique needs and strengths. Because this process takes sustained work, VECF’s grants and provision of technical assistance are structured to allow for sturdy, incremental development of leadership and partnership.

The following chart and table provide insights into the role/function, growing capacities, and emerging effectiveness of local public-private partnerships.

Since 2007, VECF has invested in 29 Smart Beginnings coalitions, covering nearly 100 cities/counties and 90% of Virginia’s population. These coalitions are the cornerstone of the early childhood system in the state. VECF commits to setting clear and consistent performance measures, documenting gains and efficiencies, and working with coalitions to identify and track key indicators of school readiness at the child, school, and community level.
Risks and Results

Likelihood of poorer health or higher developmental risk increases with each additional risk factor.
(e.g., poverty, maternal education, marital status)

4 risk factors 14X the risk
3 risk factors 5X the risk
2 risk factors 3X the risk
1 risk factor 2X the risk

Prenatal Care
Regular Preventive Healthcare
Immunization
Screening
High Quality Early Learning Experiences

Child Care Subsidies
SNAP
Head Start
VPI
Home Visiting
Parent Education

Parts B & C

Kindergarten Entry
3rd Grade Reading Proficiency
High School Graduation
Higher Ed/Workforce Entry
Productive Member of Virginia’s Workforce and Society

Poor Readers are 4X more likely to drop out

Role of Smart Beginnings

Network of cross-sector, cross-system services & providers
Identify multiple-risk families early
Gain efficiencies through integration of services
Address quality and continuity of services
Identify gaps/potholes—drive innovative solutions
Measure performance & results

Current Public System Collage of Programs and Services
Private Partnerships
Communities Advancing School Readiness

ANNUAL REPORT 2012
### Smart Beginnings: Readiness in Virginia

#### Ready Communities + Ready Families + Ready Schools

<table>
<thead>
<tr>
<th>SUSTAINING PARTNERS</th>
<th>Number of Jurisdictions</th>
<th>Strategic Plan, Coordinated Leadership</th>
<th>Leveraged Funds</th>
<th>Quality-Focused Early Learning and Education</th>
<th>Consumer Education on Quality Care</th>
<th>Parent Education and Health Services</th>
<th>Coordinated Developmental Screenings</th>
<th>School Partnerships to Facilitate Kindergarten Entry</th>
<th>Kindergarten Retention Rates Improved</th>
<th>Kindergarten Reading Readiness Improved</th>
<th>3rd Grade Reading Proficiencies Improved</th>
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**TOTAL**: 96 | $8,825,173

Columns are shaded for coalitions that are in early stages of development; outcome data from these coalitions’ efforts are not yet available.

Years in parenthesis denote when the Partnership was initiated, indicating the fiscal year that the first Virginia Early Childhood Foundation grant was awarded. * The first three Partnerships were formed initially under Virginia Department of Social Services’ Investing in Virginia’s Children grants.
Smart Beginnings: Readiness in Virginia: Key

**# of Jurisdictions**— indicates the number of counties and cities covered by the Smart Beginnings coalition.

**Strategic Plan, Coordinated Leadership**— indicates coalitions that have developed a strategic plan and mobilized community leaders to improve school readiness in their area.

**Leveraged Funds**— indicates cash and in-kind resources raised to meet VECF match requirements, as well as additional funding and resources committed to support the community’s collaborative effort, as reported by coalitions to VECF.

**Quality Focused Early Learning**— indicates coalitions that are implementing strategies to support early learning programs in improving their quality.

**Consumer Education on Quality Care**— indicates coalitions that are implementing the Virginia Star Quality Initiative, which makes early learning program ratings and quality information available to families.

**Parent Education and Health Services**— indicates coalitions that are working with early education, health services, and other programs to help parents build the following protective factors: parental resilience; social connections; concrete support in times of need; knowledge of parenting and child development; and social and emotional competence of children.

**Coordinated Developmental Screenings**— indicates coalitions that are engaging health and child care providers to work together to ensure effective screening of young children for potential developmental issues, making it possible to detect and address potential delays/disabilities early and effectively.

**School Partnerships to Facilitate Kindergarten Entry**— indicates coalitions that are partnering with schools on kindergarten transition, kindergarten registration, and/or coordinated training to ensure that schools are ready for our children.

**Kindergarten Retention Rates Improved**— indicates coalitions where a lower percentage of children were retained in 2009 compared to 2006. Fewer children repeating kindergarten means decreased costs.

**Kindergarten Reading Readiness Improved**— indicates coalitions where a higher percentage of children met the PALS-K benchmark in 2009 compared to 2006. More children meeting the benchmark means decreased costs for reading intervention. 
*Note: Appalachia’s 2007 benchmarks are used in lieu of missing 2006 data. Fairfax uses DRA2-Word Analysis in lieu of the PALS-K; data from 2010 was compared to 2007.*

**Increased 3rd Grade Reading Proficiencies**— indicates coalitions where a higher percentage of children passed the 3rd grade Reading Standards of Learning in 2012 compared to 2008.
RESULTS & MEASUREMENT

WHAT DO WE KNOW ABOUT SCHOOL READINESS IN VIRGINIA?

We are able to learn about the impact that Smart Beginnings coalitions have had on children’s school readiness through Phonological Awareness Literacy Screening (PALS) scores. PALS provides us with information about whether children are on track to learn to read by third grade. Administered in the fall of the kindergarten year, PALS provides information about children’s literacy preparedness — a skill that is critical for school and life success. Communities that are successful in their efforts to improve children’s literacy skills and PALS scores save the cost of additional reading intervention services in the early grades.

Tracking retention rate trends over time is another strategy for discerning impact and effectiveness of interventions designed to better prepare children for school. When children start behind, they typically stay behind, and frequently, children who cannot keep up are retained and must repeat the grade. Children who are retained early are more likely to eventually drop out of school. Ensuring children have a strong foundation prior to kindergarten entry pays off in reduced retention costs. At an average cost of nearly $11,000 per retained child per year, Virginia taxpayers’ bill for retention of ill-prepared children between kindergarten and 3rd grade is more than $78 million each year.

The snapshots for 10 Smart Beginnings coalitions on the following pages capture the community commitments, investments, outcomes, and cost savings that we can expect as a result of collective efforts to advance school readiness.

Although critical, these metrics tell only part of the story. Stronger, more insightful data collection and analysis will help guide and inform program, budget, and policy decisions. Virginia is on its way to having a data system that provides more rich information than is currently available. Project Child HANDS is a cross-agency, cross-sector project that will provide the Commonwealth with a mechanism to securely integrate data from various early childhood programs and agencies.

As well, VECF is working in partnership with local communities and national experts to consider a comprehensive kindergarten readiness measure that will help classroom teachers tailor learning experiences for children and provide policy makers with indicators of effectiveness of prior interventions and investment across multiple dimensions of school readiness.
Smart Beginnings Greater Richmond

Smart Beginnings Greater Richmond, facilitated by the United Way of Greater Richmond & Petersburg and the Greater Richmond Chamber, is a coalition of over 100 public and private organizations, businesses, and citizens working to ensure that all children, age 0-5, are healthy, well cared for and ready to succeed.

Ready Children

- Across Greater Richmond, more children are entering Kindergarten with the skills they need to learn to read successfully.
- New Kent and Petersburg have significantly reduced the number of students entering Kindergarten needing reading intervention services since 2006.
- Colonial Heights and Powhatan have reduced the number of Kindergarten children needing reading intervention to less than 10% in 2011-12.

Ready Families

- Families participating in the CHIP Richmond home visiting program through Family Lifeline showed gains in regular, preventive health care which reduces costs of poor health and emergency room visits for routine health needs:
  - 99% of children were covered by health insurance compared to 31% upon enrollment.
  - 99% of children were connected to a primary medical provider compared to 66% upon enrollment.

Ready Schools

- With coordinated, cross-division Kindergarten registration, 8,361 children registered at one time, which allowed for regionally coordinated outreach, media, and effective support from ten school divisions.

Ready Communities

- Provided more than 1,100 hours of mentoring and professional development in 40 Star Rated center-based and family home early learning programs.
- Three-quarters of programs participating in the Virginia Star Quality Initiative earned 3 or more stars, demonstrating the increased quality of this region’s child care.

Leveraged Community Investments

In FY12, SB Greater Richmond raised over $995,000 from private corporations, foundations, individuals and local government to invest in local school readiness efforts. Funders include: United Way of Greater Richmond & Petersburg, Bon Secours Richmond Health System, Capital One, Cameron Foundation, Greater Richmond Chamber Foundation, Kings Dominion, MeadWestvaco, Robins Foundation, Ready by 21, and The Community Foundation Serving Richmond and Central Virginia.
When children aren’t ready for school, they can be held back.

Increasing School Readiness is a Cost-Saver.
Over the past four years, fewer retentions have saved taxpayers over $1.2 million in Greater Richmond alone.

Children arriving at school without necessary skills may be required to repeat Kindergarten.
Retaining a single child costs taxpayers an average of $10,793 per year.*
Children who are retained face even greater risk of dropping out before graduation.¹
Retentions are costly and most often ineffective for children’s success.

PALS measures literacy readiness, and is Virginia’s only statewide academic school readiness measure.
PALS scores can help demonstrate effectiveness of readiness interventions; for example, children who attended VPI programs have stronger literacy skills, compared with children who did not attend VPI.²
PALS scores give important information about children’s progress; for example, only half of the children who arrive at school unprepared to learn to read will catch up by spring.


*Based on average per pupil expenditures.

Savings is the lowered cost of retention based on fewer children retained in 2009 compared to 2006, at a cost of $10,793 per child (average cost of grade retention in Virginia). Retention data provided by the Virginia Department of Education.

Savings is the lowered cost of providing reading intervention based on fewer children needing intervention in 2009 compared to 2006, at a cost of $643 per child (average cost of additional instruction required for students who do not meet PALS benchmark). PALS data provided by the Virginia Department of Education.
Smart Beginnings Virginia Peninsula

Smart Beginnings Virginia Peninsula serves children from birth to age 5 across the cities of Hampton and Newport News. SB Virginia Peninsula is a coalition of public and private organizations, businesses, and citizens working to ensure that all children, age 0-5, are healthy, well cared for and ready to succeed.

Ready Children

- More children are entering Kindergarten with the skills they need to learn to read: the number of Kindergarteners needing intervention services has fallen since 2006 and remains below the state average, with only 5-6% of children needing intervention services in 2011-12.
- Kindergarten retentions in each city and across the region overall have declined since 2006.

Ready Families

- Universal Screen Program serves as an essential link between pregnant women and needed services, streamlining the referral process to reduce duplications from participating providers.

Ready Schools

- Collaborated with Christopher Newport University’s Small Business Institute to provide the Directors’ Academy, designed to improve early childhood leaders’ knowledge of managing a successful small business and implementing the CSEFEL framework.
- Directors’ Academy partnership informed leaders’ implementation of the Pyramid Framework for positive behavior supports from the Center for Social-Emotional Foundations of Early Learning.

Ready Communities

- Funding secured to continue supporting behavioral consultation services to center-based and family childcare homes through the BITSE program.
- 100% of programs participating in Virginia Star Quality Initiative demonstrated increases in program quality through mentorship and technical assistance.

Leveraged Community Investments

In FY12, Smart Beginnings Virginia Peninsula raised over $304,000 from private corporations, foundations, individuals, and local governments to invest in local school readiness efforts. Funders include: Dominion Foundation, Newport News Shipbuilding, Ferguson Enterprises, Cox Communications, Sentara Health Foundation, SunTrust Bank, Old Point Bank, Union First Market Bank, Beta Lambda Chapter of Sigma Pi Phi, and the Rotary Club of Oyster Point.
When children aren’t ready for school, they can be held back.

Increasing School Readiness is a Cost-Saver.
Over the past four years, fewer retentions have saved taxpayers over $1,154,000 in Virginia Peninsula alone.

Savings is the lowered cost of retention based on fewer children retained in 2009 compared to 2006, at a cost of $10,793 per child (average cost of grade retention in Virginia). Retention data provided by the Virginia Department of Education.

Kindergarten Retention in Virginia Peninsula

- Children arriving at school without necessary skills may be required to repeat Kindergarten.
- Retaining a single child costs taxpayers an average of $10,793 per year.*
- Children who are retained face even greater risk of dropping out before graduation.¹
- Retentions are costly and most often ineffective for children’s success.²

*Based on average per pupil expenditures.

Being Ready to Learn Saves Money.
Increased reading readiness in Virginia Peninsula saved taxpayers over $124,000 compared to intervention costs in 2006.

Savings is the lowered cost of providing reading intervention based on fewer children needing intervention in 2009 compared to 2006, at a cost of $643 per child (average cost of additional instruction required for students who do not meet PALS benchmark). PALS data provided by the Virginia Department of Education.

PALS measures literacy readiness, and is Virginia’s only statewide academic school readiness measure.

PALS scores can help demonstrate effectiveness of readiness interventions; for example, children who attended VPI programs have stronger literacy skills, compared with children who did not attend VPI.²

PALS scores give important information about children’s progress; for example, only half of the children who arrive at school unprepared to learn to read will catch up by spring.

Smart Beginnings South Hampton Roads

Smart Beginnings South Hampton Roads serves children from birth to age 5 across Chesapeake, Norfolk, Portsmouth, Suffolk, and Virginia Beach. SBSHR is a coalition of public and private organizations, businesses, and citizens working to ensure that all children, age 0-5, are healthy, well cared for and ready to succeed.

Ready Children

- More children are entering Kindergarten with the skills they need to learn to read: the number of Kindergarteners needing intervention services has fallen since 2006, and remains below the state average, with approximately 10% of children needing intervention services in 2011-12.
- Kindergarten retentions in each city and across the region overall have declined since 2006.

Ready Families

- Awarded grant to Sentara Obici to implement a nurse-administered screening, offer parent-building resources to all parents, and connect families to community programs.

Ready Schools

- Distributed 30,000 Kindergarten Readiness Checklists to parents and schools throughout the region.

Ready Communities

- 99 early childhood programs participating in the Virginia Star Quality Initiative, including 16 Four-Star programs.
- 64% of programs improved their Star Rating through mentorship and technical assistance.
- 353 scholarships awarded to early childhood education professionals in Star Rated programs.

Leveraged Community Investments

In FY12, Smart Beginnings South Hampton Roads raised over $4.5 million from foundations, corporations and individuals to invest in local school readiness efforts. Primary funder: Hampton Roads Community Foundation.
When children aren’t ready for school, they can be held back.

### Increasing School Readiness is a Cost-Saver.

Over the past four years, fewer retentions have saved taxpayers over $820,000 in South Hampton Roads alone.

Savings is the lowered cost of retention based on fewer children retained in 2009 compared to 2006, at a cost of $10,793 per child (average cost of grade retention in Virginia). Retention data provided by the Virginia Department of Education.

#### Kindergarten Retention in South Hampton Roads

<table>
<thead>
<tr>
<th>Year</th>
<th>South Hampton Roads</th>
<th>Chesapeake</th>
<th>Norfolk</th>
<th>Portsmouth</th>
<th>Suffolk</th>
<th>Virginia Beach</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>1.4%</td>
<td>1.0%</td>
<td>1.2%</td>
<td>1.7%</td>
<td>1.3%</td>
<td>1.4%</td>
</tr>
<tr>
<td>2007</td>
<td>1.5%</td>
<td>1.1%</td>
<td>1.4%</td>
<td>1.7%</td>
<td>1.3%</td>
<td>1.5%</td>
</tr>
<tr>
<td>2008</td>
<td>1.2%</td>
<td>1.2%</td>
<td>1.3%</td>
<td>1.6%</td>
<td>1.2%</td>
<td>1.3%</td>
</tr>
<tr>
<td>2009</td>
<td>1.0%</td>
<td>1.1%</td>
<td>1.3%</td>
<td>1.5%</td>
<td>1.2%</td>
<td>1.3%</td>
</tr>
</tbody>
</table>

- Children arriving at school without necessary skills may be required to repeat Kindergarten.
- Retaining a single child costs taxpayers an average of $10,793 per year.*
- Children who are retained face even greater risk of dropping out before graduation.¹
- Retentions are costly and most often ineffective for children’s success.

*Based on average per pupil expenditures.

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When children aren’t ready to read, they need extra help.

### Being Ready to Learn Saves Money.

Increased reading readiness in South Hampton Roads saved taxpayers over $375,000 compared to intervention costs in 2006.

Savings is the lowered cost of providing reading intervention based on fewer children needing intervention in 2009 compared to 2006, at a cost of $643 per child (average cost of additional instruction required for students who do not meet PALS benchmark). PALS data provided by the Virginia Department of Education.

#### Percent of Children Needing Extra Help Learning to Read

<table>
<thead>
<tr>
<th>Location</th>
<th>2006</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chesapeake</td>
<td>14%</td>
<td>10%</td>
</tr>
<tr>
<td>Norfolk</td>
<td>19%</td>
<td>12%</td>
</tr>
<tr>
<td>Portsmouth</td>
<td>17%</td>
<td>11%</td>
</tr>
<tr>
<td>Suffolk</td>
<td>13%</td>
<td>10%</td>
</tr>
<tr>
<td>Virginia Beach</td>
<td>14%</td>
<td>11%</td>
</tr>
<tr>
<td>South Hampton Roads</td>
<td>15%</td>
<td>11%</td>
</tr>
<tr>
<td>Virginia overall</td>
<td>17%</td>
<td>14%</td>
</tr>
</tbody>
</table>

- PALS measures literacy readiness, and is Virginia’s only statewide academic school readiness measure.
- PALS scores can help demonstrate effectiveness of readiness interventions; for example, children who attended VPI programs have stronger literacy skills, compared with children who did not attend VPI.²
- PALS scores give important information about children’s progress; for example, only half of the children who arrive at school unprepared to learn to read will catch up by spring.


Smart Beginnings Central Virginia

Smart Beginnings Central Virginia serves children from birth to age 5 across the four counties of Amherst, Appomattox, Bedford, and Campbell, along with the cities of Bedford and Lynchburg. SB Central Virginia is a coalition of public and private organizations, businesses, and citizens working to ensure that all children, age 0-5, are healthy, well cared for and ready to succeed.

Ready Children

- Collaborating with community partners to use home visitation programs to promote literacy and visits to the mobile units.

Ready Families

- Coordinating home visiting services to avoid duplication and provide more appropriate referrals.
- 300 families participated in early childhood public awareness events such as Week of the Young Child through the Lynchburg Public Library, and a special D-Day Memorial Event in support of early childhood.
- Over 340 families served monthly in partnership between Smart Beginnings, Healthy Families Central Virginia, Department of Social Services, Health Department, Centra Health and Piedmont Perinatal Council.

Ready Schools

- School divisions are providing a Parent Academy focused on kindergarten readiness and have established district-specific task forces driven by priorities such as early literacy or kindergarten transition.

Ready Communities

- 40 early childhood programs, including 15 family childcare homes, are participating in the Virginia Star Quality Initiative, with more than 2,600 children attending Star Rated programs in Central Virginia.
- 93% of programs increased program quality through mentorship and technical assistance.
- Over 500 teachers and providers from 40 early childhood programs participated in professional development activities.

Leveraged Community Investments

In FY12, SB Central Virginia raised over $103,000 from private corporations, local governments, foundations, and individuals to invest in local school readiness efforts. Funders include: Appalachian Power, Greater Lynchburg Community Trust, Retail Merchants Association, Bedford County Schools, Lynchburg City Schools, and the United Way of Central Virginia.
When children aren’t ready for school, they can be held back.

Increasing School Readiness is a Cost-Saver.
Over the past four years, fewer retentions have saved taxpayers over $420,000 in Central Virginia alone.

Savings is the lowered cost of retention based on fewer children retained in 2009 compared to 2006, at a cost of $10,793 per child (average cost of grade retention in Virginia). Retention data provided by the Virginia Department of Education.

Children arriving at school without necessary skills may be required to repeat Kindergarten.

Retaining a single child costs taxpayers an average of $10,793 per year.*

Children who are retained face even greater risk of dropping out before graduation. ¹

Retentions are costly and most often ineffective for children’s success.

*Based on average per pupil expenditures.


When children aren’t ready to read, they need extra help.

Being Ready to Learn Saves Money.
Increased reading readiness in Central Virginia saved taxpayers over $31,000 compared to intervention costs in 2006.

Savings is the lowered cost of providing reading intervention based on fewer children needing intervention in 2009 compared to 2006, at a cost of $643 per child (average cost of additional instruction required for students who do not meet PALS benchmark). PALS data provided by the Virginia Department of Education.

PALS measures literacy readiness, and is Virginia’s only statewide academic school readiness measure.

PALS scores can help demonstrate effectiveness of readiness interventions; for example, children who attended VPI programs have stronger literacy skills, compared with children who did not attend VPI. ²

PALS scores give important information about children’s progress; for example, only half of the children who arrive at school unprepared to learn to read will catch up by spring.


Smart Beginnings Danville Pittsylvania serves children from birth to age 5 across the city of Danville and the county of Pittsylvania through a coalition of public and private organizations, businesses, and citizens working to ensure that all children, age 0-5, are healthy, well cared for and ready to succeed.

Ready Children

- More children are entering Kindergarten with the skills they need to learn to read: the number of Kindergarteners needing intervention services has fallen since 2006.
- Kindergarten retentions in each city and across the region overall have declined since 2006.

Ready Families

- Implementing Incredible Years, an 18-week parent education program, at 5 sites regionally, reaching 71 families.
- SBDP was selected by Parents as Teachers National Center to pilot its new school readiness home visiting model for at-risk 3 year olds.

Ready Schools

- SBDP has increased levels of collaboration between Danville Public Schools and Pittsylvania County Schools, resulting in coordinated Kindergarten registration and the collection of common kindergarten entry data, with more children registering early for kindergarten in the coalitions.

Ready Communities

- Launched Pre-Literacy Collaborative to increase collaboration between libraries, schools and or other interested agencies to increase reading and access to books in families with children ages birth to 8.
- Twelve early childhood programs participating in the Virginia Star Quality Initiative, representing 80% of full time, licensed child care providers in the coalition.

Leveraged Community Investments

In FY12, SB Danville Pittsylvania raised over $599,000 from private corporations, foundations, individuals and local governments to invest in local school readiness efforts. Funders include: Danville Regional Foundation and the Institute for Advanced Learning and Research.
When children aren’t ready for school, they can be held back.

Increasing School Readiness is a Cost-Saver.

Over the past four years, fewer retentions have saved taxpayers over $259,000 in Danville Pittsylvania alone.

Children arriving at school without necessary skills may be required to repeat Kindergarten.

Retaining a single child costs taxpayers an average of $10,793 per year.*

Children who are retained face even greater risk of dropping out before graduation.1

Retentions are costly and most often ineffective for children’s success.

PALS measures literacy readiness, and is Virginia’s only statewide academic school readiness measure.

PALS scores can help demonstrate effectiveness of readiness interventions; for example, children who attended VPI programs have stronger literacy skills, compared with children who did not attend VPI.2

PALS scores give important information about children’s progress; for example, only half of the children who arrive at school unprepared to learn to read will catch up by spring.

Savings is the lowered cost of retention based on fewer children retained in 2009 compared to 2006, at a cost of $10,793 per child (average cost of grade retention in Virginia). Retention data provided by the Virginia Department of Education.

Savings is the lowered cost of providing reading intervention based on fewer children needing intervention in 2009 compared to 2006, at a cost of $643 per child (average cost of additional instruction required for students who do not meet PALS benchmark). PALS data provided by the Virginia Department of Education.

*Based on average per pupil expenditures.


Smart Beginnings Historic Triangle serves children from birth to age 5 across Williamsburg, James City County, York County, and Poquoson. SBHT is a coalition of public and private organizations, businesses, and citizens working to ensure that all children, age 0-5, are healthy, well cared for and ready to succeed.

Ready Children
- Williamsburg-James City County Public Schools and WJCC Community Action Agency/Head Start expanded collaboration; WJCC Public Schools is conducting all child screenings for Head Start and has assigned a liaison to work with Head Start programs to monitor children and facilitate special education referrals.
- More children are entering Kindergarten with the skills they need to learn to read: the number of Kindergarteners needing intervention services has fallen since 2006, and remains below the state average, with only 7% of children needing intervention services in 2011-12.

Ready Families
- Smart Beginnings Historic Triangle Leadership Council served as Advisory Council for local Parents as Teachers program.

Ready Schools
- WJCC Public Schools and Head Start established common database to jointly track early learning and development.

Ready Communities
- Increased efficiency of referrals to interpretation and translation services for Spanish speakers with limited English proficiency, in a collaboration between Child Development Resources (CDR) and the WJCC Public Schools.
- The Virginia Star Quality Initiative focused on training and mentoring for early care and education professionals, including a partnership with Thomas Nelson Community College and local departments of social services to provide early childhood courses and scholarships for tuition and text books.

Leveraged Community Investments
In FY12, Smart Beginnings Historic Triangle raised nearly $444,000 from area foundations, non-profits and local governments to invest in local school readiness efforts. Funders include: Child Development Resources, Child & Family Connection, Williamsburg Regional Library, United Way of Greater Williamsburg, Williamsburg Community Health Foundation, Colonial Behavioral Health, James City County DSS, York-Poquoson DSS, and the Williamsburg/James City County Public Schools.
When children aren’t ready for school, they can be held back.

**Increasing School Readiness is a Cost-Saver.**

Over the past four years, fewer retentions have saved taxpayers over $172,000 in Historic Triangle alone.

Savings is the lowered cost of retention based on fewer children retained in 2009 compared to 2006, at a cost of $10,793 per child (average cost of grade retention in Virginia). Retention data provided by the Virginia Department of Education.

- Children arriving at school without necessary skills may be required to repeat Kindergarten.
- Retaining a single child costs taxpayers an average of $10,793 per year.*
- Children who are retained face even greater risk of dropping out before graduation.¹
- Retentions are costly and most often ineffective for children’s success.²

*Based on average per pupil expenditures.


<table>
<thead>
<tr>
<th>Year</th>
<th>Historic Triangle</th>
<th>Williamsburg/James City County</th>
<th>York County</th>
<th>Virginia overall</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>10%</td>
<td>9%</td>
<td>11%</td>
<td>8%</td>
</tr>
<tr>
<td>2007</td>
<td>11%</td>
<td>10%</td>
<td>12%</td>
<td>14%</td>
</tr>
<tr>
<td>2008</td>
<td>16%</td>
<td>8%</td>
<td>8%</td>
<td>8%</td>
</tr>
<tr>
<td>2009</td>
<td>14%</td>
<td>14%</td>
<td>7%</td>
<td>8%</td>
</tr>
</tbody>
</table>

PALS measures literacy readiness, and is Virginia’s only statewide academic school readiness measure.

- PALS scores can help demonstrate effectiveness of readiness interventions; for example, children who attended VPI programs have stronger literacy skills, compared with children who did not attend VPI.²
- PALS scores give important information about children’s progress; for example, only half of the children who arrive at school unprepared to learn to read will catch up by spring.
Smart Beginnings
Western Tidewater

- Collaboration with Obici Healthcare Foundation to insure more children in Medicaid/FAMIS.
- More than 500 children received Social-Emotional Screenings in Western Tidewater.
- Over 150 providers and parents served through quarterly provider and parenting workshops.
- Partnered with the Franklin Housing Authority to provide parenting classes for residents.
- Raising a Reader implemented in collaboration with the Franklin Library, leading to over 3,600 more books accessible to children.
- 16 early childhood programs participating in the Virginia Star Quality Initiative, with more than 600 children attending Star Rated programs.
- 95% of participating programs have increased their Star Rating through mentorship and technical assistance.
- In FY12, Smart Beginnings Western Tidewater raised over $190,000 from private corporations, foundations, and local government to invest in local school readiness efforts. Funders include: Franklin/Southampton Charities, Obici Foundation, Wells Fargo, Ashland Corporation, Food Lion, City of Franklin, Southampton County, and Isle of Wight County.

Being Ready to Learn Saves Money.
Increased reading readiness in Western Tidewater saved taxpayers over $15,000 compared to reading intervention costs in 2006.

Savings is the lowered cost of providing reading intervention based on fewer children needing intervention in 2009 compared to 2006, at a cost of $643 per child (average cost of additional instruction required for students who do not meet PALS benchmark). PALS data provided by the Virginia Department of Education.

Percent of Children Needing Extra Help Learning to Read

<table>
<thead>
<tr>
<th>Western Tidewater</th>
<th>Franklin City</th>
<th>Southampton County</th>
<th>Virginia overall</th>
</tr>
</thead>
<tbody>
<tr>
<td>13%</td>
<td>15%</td>
<td>12%</td>
<td>14%</td>
</tr>
<tr>
<td>17%</td>
<td>14%</td>
<td>10%</td>
<td>14%</td>
</tr>
<tr>
<td>14%</td>
<td>11%</td>
<td>10%</td>
<td>14%</td>
</tr>
<tr>
<td>12%</td>
<td>12%</td>
<td>4%</td>
<td>14%</td>
</tr>
<tr>
<td>13%</td>
<td>11%</td>
<td>10%</td>
<td>12%</td>
</tr>
</tbody>
</table>

Smart Beginnings
Shenandoah Valley

- Births to mothers with less than a 12th grade education have declined.
- More than 2,000 Kindergarten Readiness booklets are being used by families to help children prepare for school.
- Common registration dates across 7 school divisions have resulted in increased on-time enrollment and stronger transition practices have led to 42 private preschools sharing important assessment data with Kindergarten teachers to support incoming children.
- Children in Shenandoah Valley have more access to quality early care and education: public preschool enrollment has increased by 50% since 2007.
- Fifteen centers and classrooms serving 274 children participate in the Virginia Star Quality Initiative, across every locality.
- In FY12, Smart Beginnings Shenandoah Valley raised nearly $25,000 from corporations, foundations, non-profits, local businesses, and individuals to invest in local school readiness efforts. Funders include: Cargill Meat Solutions, RR Donnelly, Pioneer Bank, Chick-fil-A of Harrisonburg, The Rockingham Group, Hollister, Harman Construction, Valley Eye Clinic, Valley Association for the Education of Young Children, Shenandoah Valley Family Childcare Association, United Way of Harrisonburg-Rockingham, United Way of Greater Augusta, Shenandoah Community Foundation, Staunton Rotary Club, Shenandoah Valley Electric Cooperative, and Augusta Health.

Being Ready to Learn Saves Money.
Increased reading readiness in Shenandoah Valley saved taxpayers over $154,000 compared to reading intervention costs in 2006.

Savings is the lowered cost of providing reading intervention based on fewer children needing intervention in 2009 compared to 2006, at a cost of $643 per child (average cost of additional instruction required for students who do not meet PALS benchmark). PALS data provided by the Virginia Department of Education.

Percent of Children Needing Extra Help Learning to Read

<table>
<thead>
<tr>
<th>Augusta County</th>
<th>Harrisonburg</th>
<th>Page County</th>
<th>Rockingham</th>
<th>Shenandoah City</th>
<th>Staunton City</th>
<th>Waynesboro</th>
<th>Shenandoah Valley</th>
<th>Virginia overall</th>
</tr>
</thead>
<tbody>
<tr>
<td>21%</td>
<td>11%</td>
<td>22%</td>
<td>18%</td>
<td>19%</td>
<td>14%</td>
<td>20%</td>
<td>13%</td>
<td>22%</td>
</tr>
<tr>
<td>22%</td>
<td>12%</td>
<td>14%</td>
<td>19%</td>
<td>19%</td>
<td>14%</td>
<td>20%</td>
<td>15%</td>
<td>17%</td>
</tr>
</tbody>
</table>

2006 2009
Smart Beginnings Rappahannock Area

- Received a three-year Virginia Foundation for Healthy Youth (VFHY) grant to implement Al’s Pals: Kids Making Healthy Choices in 50 additional classrooms (for a total of 106 classrooms), with 43% of the children showing improvement on the Child Behavior Rating Scale.
- Kindergarten retentions across the region overall have declined since 2006.
- More children are entering Kindergarten with the skills they need to learn to read: the number of Kindergartners needing intervention services has fallen since 2006.
- Implementing Ages and Stages Questionnaire in 5 parent education programs.
- Launching a Kindergarten Transition Initiative through collaboration with each local school division and business and community leaders.
- Nineteen early childhood programs participated in the Virginia Star Quality Initiative.
- In FY12, Smart Beginnings Rappahannock Area raised nearly $255,000 from corporations, foundations, individuals, non-profits, and local governments to invest in local school readiness efforts. Funders include: PNC Bank, PNC Foundation, Community Foundation of the Rappahannock River Region, Mary Washington Healthcare, Rappahannock Area YMCA, Rappahannock Community Services Board, Rappahannock Electric Cooperative, Rappahannock United Way, SimVentions, Inc., and McQ, Inc.

Being Ready to Learn Saves Money.
Increased reading readiness in Rappahannock Area saved taxpayers over $62,000 compared to reading intervention costs in 2006.

Percent of Children Needing Extra Help Learning to Read

Increasing School Readiness is a Cost-Saver.
Over the past four years, fewer retentions have saved taxpayers over $453,000 in Greater Roanoke alone.

Smart Beginnings Greater Roanoke

- Literacy screening (PALS Pre K) utilized in 11 Virginia Star Quality Initiative centers for 200 children. Results used to guide professional development and instruction.
- 155 families participating in Parent Education classes; coordination across multiple providers has increased accessibility for parents and diversity of course content.
- Aligned professional development opportunities with Virginia Foundation Blocks/K-3 SOL to target school readiness.
- 20 centers serving 970 children are participating in the Virginia Star Quality Initiative.
- 93% of early childhood programs improved overall between ratings, and quality of learning environments and instructional activities increased by 72% through mentorship and professional development.
- In FY12, SB Greater Roanoke raised over $191,000 from private corporations, foundations, non-profits, local government and individuals to invest in local school readiness efforts. Funders include: United Way Roanoke Valley, City of Roanoke, Landmark Foundation/The Roanoke Times, Verizon READS Foundation, Kroger, Appalachian Power, Cox Communications, and Gentry Locke Rakes & Moore.

Increasing School Readiness is a Cost-Saver.
Over the past four years, fewer retentions have saved taxpayers over $453,000 in Greater Roanoke alone.

Kindergarten Retention in Greater Roanoke

- Savings is the lowered cost of providing reading intervention based on fewer children needing intervention in 2009 compared to 2006, at a cost of $643 per child (average cost of additional instruction required for students who do not meet PALS benchmark). PALS data provided by the Virginia Department of Education.
- Savings is the lowered cost of retention based on fewer children retained in 2009 compared to 2006, at a cost of $10,793 per child (average cost of grade retention in Virginia). Retention data provided by the Virginia Department of Education.
VECF IS PRIMED TO TAKE THE NEXT LOGICAL STEP IN ITS SYSTEMS-BUILDING WORK—regionalization, or clustering of coalitions, in areas of the state that are uniquely positioned to benefit from this approach. Exploration of a regional approach emerged from discussions with community leaders around the need to drive efficiencies, promote fiscal sustainability, and document clearer, more consistent results in school readiness outcomes. Regional clusters will facilitate more coordinated and efficient administration of systems initiatives like Virginia’s Star Quality Initiative and will support shared strategies for addressing region-specific dynamics such as language and ethnic diversity or rural traditions.

Throughout the past year, many stakeholders have voiced the need for a more comprehensive portrait of children in Virginia. VECF has convened a statewide group of experts to evaluate and make recommendations for a comprehensive kindergarten assessment. To complement PALS, Virginia’s consistently-used literacy screening, additional assessment of children’s kindergarten-entry social-emotional, numeracy, and/or vocabulary skills can inform both policy and practice. With Virginia’s focus on teacher evaluation, this leadership is particularly timely. Adding this measure to Virginia’s emerging data accountability framework will promote the ability and capacity to make effective budgetary and practical decisions to advance school readiness in the Commonwealth.

VECF WILL CONTINUE TO ADMINISTER THE VIRGINIA STAR QUALITY INITIATIVE in partnership with the Office of Early Childhood Development. This public-private, voluntary, and market-driven initiative provides important consumer information for parents as they select early learning settings for their children and delivers quality improvement supports for providers. A systems game changer, communities’ implementation of the Star Quality Initiative has a positive, multi-faceted effect on children. Parents benefit from increased information about high quality options, providers benefit from effective supports and better marketability, and communities rally around the importance of early childhood education and kindergarten readiness.

Smart Beginnings coalitions have embraced the Virginia Star Quality Initiative and are growing steadily in the number of programs participating across the state. Across Virginia, 20 coalitions are utilizing this initiative as a backbone of their early childhood systems. With 380 classroom-based and family child care homes rated and working with mentors to improve the services they offer to families and children in their care. Quality improvement is an important component of this system, and in Virginia, nearly three quarters of programs who have received subsequent ratings have improved their quality scores.

VECF’s work with its partners over the coming year will be dedicated to refining strategies and measures to guide the efforts of the public-private Smart Beginnings initiative, working efficiently to provide a strong first rung on the ladder to a capable workforce and prosperous Commonwealth.
### FINANCIAL REPORT

#### STATEMENT OF FINANCIAL POSITION JUNE 30, 2012

<table>
<thead>
<tr>
<th>Assets</th>
<th>UNRESTRICTED</th>
<th>TEMPROARILY RESTRICTED</th>
<th>TOTAL (MEMO ONLY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and Cash equivalents</td>
<td>$1,086,554</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts Receivable</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants Receivable net</td>
<td>1,045,051</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prepaid Expenses</td>
<td>11,137</td>
<td></td>
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</tr>
<tr>
<td>Grantee Advances</td>
<td>23,286</td>
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<td></td>
</tr>
<tr>
<td>Other Assets</td>
<td>3,834</td>
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<td></td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>2,169,862</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long-Term Grants Receivable</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equipment, Furniture, and Fixtures</td>
<td>18,135</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(14,910)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$3,443,155</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### LIABILITIES AND NET ASSETS

<table>
<thead>
<tr>
<th>Liabilities and Net Assets</th>
<th>UNRESTRICTED</th>
<th>TEMPROARILY RESTRICTED</th>
<th>TOTAL (MEMO ONLY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Liabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts Payable</td>
<td>$36,215</td>
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<tr>
<td>Grants Payable</td>
<td>240,430</td>
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<tr>
<td>Accrued Expenses</td>
<td>48,404</td>
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<td></td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>325,049</td>
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</tbody>
</table>

#### NET ASSETS

<table>
<thead>
<tr>
<th>Net Assets</th>
<th>UNRESTRICTED</th>
<th>TEMPROARILY RESTRICTED</th>
<th>TOTAL (MEMO ONLY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Temporarily restricted</td>
<td>3,118,106</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td>3,118,106</td>
<td></td>
<td></td>
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</tbody>
</table>

#### STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2012

<table>
<thead>
<tr>
<th>Revenue</th>
<th>UNRESTRICTED</th>
<th>TEMPROARILY RESTRICTED</th>
<th>TOTAL (MEMO ONLY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Support and Revenue</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Support</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individual &amp; Board Contributions</td>
<td>$80,811</td>
<td>150</td>
<td>80,961</td>
</tr>
<tr>
<td>Corporations</td>
<td>101,285</td>
<td>290,000</td>
<td>391,285</td>
</tr>
<tr>
<td>Foundations</td>
<td>200</td>
<td>125,000</td>
<td>125,200</td>
</tr>
<tr>
<td><strong>Total Public Support</strong></td>
<td>182,296</td>
<td>415,150</td>
<td>597,446</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Revenue</th>
<th>UNRESTRICTED</th>
<th>TEMPROARILY RESTRICTED</th>
<th>TOTAL (MEMO ONLY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest Revenue</td>
<td>5,982</td>
<td></td>
<td>5,982</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>5,982</td>
<td>2,154,422</td>
<td>2,160,404</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Net Assets Released from Restrictions</th>
<th>UNRESTRICTED</th>
<th>TEMPROARILY RESTRICTED</th>
<th>TOTAL (MEMO ONLY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>4,128,264</td>
<td>(4,128,264)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Support &amp; Revenue</strong></td>
<td>4,316,542</td>
<td>(1,558,692)</td>
<td>2,757,850</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses</th>
<th>UNRESTRICTED</th>
<th>TEMPROARILY RESTRICTED</th>
<th>TOTAL (MEMO ONLY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Services</td>
<td>4,025,952</td>
<td></td>
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<tr>
<td>Total Program Services</td>
<td>4,025,952</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supporting Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fund Raising</td>
<td>166,717</td>
<td></td>
<td>166,717</td>
</tr>
<tr>
<td>Public Education</td>
<td>46,905</td>
<td></td>
<td>46,905</td>
</tr>
<tr>
<td>Lobbying</td>
<td>2,470</td>
<td></td>
<td>2,470</td>
</tr>
<tr>
<td>Management &amp; General</td>
<td>74,498</td>
<td></td>
<td>74,498</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>4,316,542</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Change in Net Assets</th>
<th>UNRESTRICTED</th>
<th>TEMPROARILY RESTRICTED</th>
<th>TOTAL (MEMO ONLY)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>(1,558,692)</td>
<td>(1,558,692)</td>
</tr>
<tr>
<td>Net Assets, Beginning</td>
<td></td>
<td>4,676,798</td>
<td>4,676,498</td>
</tr>
<tr>
<td>Net Assets, Ending</td>
<td>$</td>
<td>3,118,106</td>
<td>3,118,106</td>
</tr>
</tbody>
</table>
COMMUNITY INVESTMENTS

PUBLIC SUPPORT
Virginia Department of Social Services
Virginia General Assembly
Virginia Tobacco Indemnification & Revitalization Commission

CORPORATE & FOUNDATION SUPPORT
American Electric Power Foundation
Capital One Services, LLC
Danville Regional Foundation
Davenport & Co. LLC
Dominion Resources
Ferguson Enterprises, Inc.
Norfolk Southern Foundation
PNC Foundation
RiverFront Investment Group, LLC
Robins Foundation
SunTrust Mid-Atlantic Foundation
Verizon Foundation
Wells Fargo Foundation

BOARD & INDIVIDUAL SUPPORT
Randall W. Betz & Barbara S. Mease
Peter A. Blake & Mary Blanchard
Kit & Turner Bredrup
Katherine E. Busser
Tim & Grace Butturini
Thomas N. & Nancy J. Cheuning
Stephan & Debra Clementi
Mr. & Mrs. Ben J. Davenport
Brigadier General John W. Douglass, (retired)
Robert H. Dugger, Ph.D.
Mr. & Mrs. Rand DuPriest
Mark & Robbie Emblidge
Branch Harper Feagans
Dr. Mark A. Ginsberg
& Dr. Elaine A. Anderson
Kathy Glazer
Sarah G. Green
Tim & Dawn Greggs
Roger & Merry Guernsey

Paul & Susan Hirschbiel
Mr. & Mrs. Reginald N. Jones
Mr. & Mrs. Glenn E. Kinard
Colleen A. Kraft, M.D.
Angela D. Light
Roger & Cathryn Lowe
Charles G. McDaniel
Dr. Virginia L. McLaughlin
Lori M. Morris, Bruhn-Morris
Family Foundation
Dr. Thomas R. Morris
Gordon & Amy Quimby
Bill & Gale Roberts
Matt & Carrie Robeson
Dr. Pamela J. Royal
Dr. Novella J. Ruffin
Susan Bailey & Sidney Buford Scott
Endowment Trust
Jason & Leslie Thompson
The Wednesday Club – Danville
Rhonda Zingraff

If we have overlooked your name or made an error of any kind, please accept our apologies and call us at (804) 358-8323.