To our Stakeholders and Investors:

Virginia Early Childhood Foundation (VECF) is marking its 15th year of service as the Commonwealth’s public-private partner in building a strategic and sustained focus on school readiness in Virginia. Our solid track record is built on what we’ve always known to be true: the value of public-private partnerships, region and family-driven solutions, and ultimately, the need for a statewide business plan for building an equitable, efficient, accountable, high quality early childhood system in Virginia. The nimbleness, flexibility and rapid-response nature of public-private partnerships has never been more essential than during 2020. VECF has been particularly honored to partner with state agencies in relief, response, and recovery efforts.

The 2020 General Assembly session generated an historic moment for early childhood in Virginia with tremendous progress in policy and legislation and unprecedented support for investment in early childhood programs. The advances help reach more at-risk children, improve quality, and better support the workforce that delivers school readiness. This resounding recognition of the importance of early childhood is the culmination of years of hard work, leadership, and perseverance by diverse partners across the state. Early educators, parents, school divisions, Smart Beginnings, social service leaders, business executives and many other community partners led the efforts, shoulder to shoulder with the administration and legislative leaders to deliver this win for Virginia’s children.

Ironically, on the heels of this optimistic progress, COVID-19 and its devastating effects on Virginia’s children, families, and communities laid bare the deficiencies of our current system and threatened our progress. And concurrently, recent tragedies and outcry have provided a stark reminder that the legacy of racial injustice – long woven into our systems – continues to bestow privilege on some while severely limiting opportunities for others.

With Crisis Comes Opportunity

At VECF, we are motivated by crises and disruption to redouble our commitment, seize opportunity, and steward equity as we enter a new decade. As the pandemic struck, VECF launched Back to Work Virginia: A Child Care Recovery and Renaissance Task Force, a convening of Virginia’s leaders in government, business, philanthropy, and communities, to assertively develop recommendations toward a business plan for paradigm shifts that will stabilize, strengthen, and re-envision the child care system in Virginia. Now more than ever, it is clear that child care is a cornerstone of Virginia’s economy. VECF has mobilized to help child care providers navigate these uncertain times and to champion their role as an essential societal function to both get Virginians back to work and prepare a talented future workforce.

Equity as North Star

Although we’ve long been focused on calling out disparities, VECF is committed to prioritizing equity in everything we do, undergirding our determination that as we build our systems anew, we steward sure steps to dismantle racist policies and confront systemic biases. VECF is redoubling our efforts to listen, learn, and act with intentionality to dispel racial injustice and economic and geographical disparity, internally and in all aspects of our work.

VECF and its Smart Beginnings partners seize every opportunity to leverage resources to yield significant return on investment. In FY20, VECF and partners garnered additional resources to our base appropriation by a ratio of 28:1. At the same time, we keep overhead low (only 3% of our FY21 budget), intentionally directing resources into communities and the strategies that hold promise for children and families in Virginia. We invite you to visit www.vecf.org to learn more about our work over the past year.

Thank you for your valued interest and support of this transformative work. Together, we will create a more equitable and resilient child care system for Virginia’s bright future.

Ned W. Massee
Chairman

Kathy Glazer
President
VECF’s Financial Stewardship

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management &amp; General</td>
<td>1.5%</td>
</tr>
<tr>
<td>Public Awareness/Engagement</td>
<td>1%</td>
</tr>
<tr>
<td>Fundraising</td>
<td>.5%</td>
</tr>
<tr>
<td>Cash Grants &amp; Resources for Community Partners Statewide</td>
<td>97%</td>
</tr>
</tbody>
</table>

FY20 Program Expenses
$12,199,756

State Appropriation
$1,250,000

Other Funds Leveraged by VECF and Local Initiatives
$18,981,046

Additional Funds Leveraged by VECF for VA
$16,291,000

FY20 Leveraged Funds for School Readiness in Virginia
$35,272,046
(28:1 ratio from base appropriation)

VECF Officers
- Ned W. Massee - Chairman
- Croatan Advisors
- Robert Hurst – Vice Chairman
- Liberty University
- Nicholas G. Sladic – Treasurer
- Capital One
- Dr. Cynthia Romero – Secretary
- Eastern Virginia Medical School

VECF Board of Directors
- Todd Asbury
- New Peoples Bank
- Richard Bynum
- PNC Bank
- Daniel Carey, ex officio
- Secretary of Health and Human Resources
- Sandy Chung
- Trusted Doctors
- Alexandra B. Cunningham
- Huntsville Andrews Kurth LLP
- Kevin Curtis
- Dominion Energy
- Deborah M. DiCroce, Ed.D.
- Hampton Roads Community Foundation
- James Dyke
- McGuireWoods Consulting, LLC
- Luanne Gutermuth (retired)
- Washington Gas
- Megan Healy, PhD, ex officio
- Office of the Governor
- James Lane, ex officio
- Virginia Department of Education
- Stephen Moret
- Virginia Economic Development Partnership
- Todd Norris
- Ballard Health

VECF Board of Directors cont.
- Atif Qarni, ex officio
- Secretary of Education
- Shannon Rudisill
- Early Childhood Funders Collaborative
- Duke Stores, ex officio
- Virginia Department of Social Services
- Gary Thomson
- Thomson Consulting
- Dietra Y. Trent, Ph.D.
- George Mason University

Emeritus Directors
- Thomas N. Chevining
- Dominion Energy (retired)
- Ben J. Davenport, Jr.
- First Piedmont Corporation
- William R. Ermatinger
- Huntington Ingalls Industries
- Reginald N. Jones

VECF Advisors Council
- Kevin W. Allison
- Rhian Evans Allvin
- Peter A. Blake
- Gerry Cobb
- Michael Friedlander
- The Honorable David C. Gompert
- Rolf Grafwallner
- Robert D. Holsworth, Ph.D.
- Colleen A. Kraft, M.D.
- Helene Stebbins, MPP

President
Kathy Glazer

1703 N. Parham Road, Suite 110 Richmond, VA 23229 • (804) 358-8323 • www.vecf.org
<table>
<thead>
<tr>
<th>ASSETS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
</tr>
<tr>
<td>Cash &amp; Cash Equivalents</td>
<td>$3,569,751</td>
</tr>
<tr>
<td>Accounts Receivable</td>
<td></td>
</tr>
<tr>
<td>Grants Receivable Net</td>
<td>1,544,084</td>
</tr>
<tr>
<td>Contributions Receivable</td>
<td>29,789</td>
</tr>
<tr>
<td>Other Receivables</td>
<td>14,812</td>
</tr>
<tr>
<td>Prepaid Expenses</td>
<td>38,470</td>
</tr>
<tr>
<td>Other Assets</td>
<td>3,767</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td>5,200,673</td>
</tr>
<tr>
<td><strong>Property and Equipment</strong></td>
<td></td>
</tr>
<tr>
<td>Furniture &amp; Fixtures</td>
<td>39,357</td>
</tr>
<tr>
<td>Accumulated Depreciation</td>
<td>(32,963)</td>
</tr>
<tr>
<td><strong>Total Property &amp; Equipment</strong></td>
<td>6,394</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>$5,207,067</td>
</tr>
</tbody>
</table>

| LIABILITIES & NET ASSETS                        |                                                                 |
| **Current Liabilities**                         |                                                                 |
| Accounts Payable                                | $303,800                                                       |
| Grants Payable                                  | 811,857                                                       |
| Accrued Expenses                                | 73,428                                                        |
| Line of Credit                                  | 200,000                                                       |
| Refundable Advance                              | 211,765                                                       |
| **Total Current Liabilities**                   | 1,600,850                                                     |
| **Net Assets**                                  |                                                                 |
| Without Donor Restrictions                      | 887,095                                                       |
| With Donor Restrictions                         | 2,719,122                                                     |
| **Total Net Assets**                            | 3,606,217                                                     |
| **Total Liabilities & Net Assets**              | $5,207,067                                                     |

| PUBLIC SUPPORT & REVENUE                        |                                                                 |
| **Public Support**                              |                                                                 |
| Contributions                                    |                                                                 |
| Individuals & Board Contributions               | $73,026                                                       |
| Corporations                                    | 259,200                                                       |
| Foundations & Organizations                     | 722,099                                                       |
| **Total Public Support**                        | 1,054,325                                                     |
| **Revenue**                                     |                                                                 |
| Government Grants                               | 11,176,629                                                    |
| Interest Revenue                                | 2,064                                                         |
| **Total Revenue**                               | 11,178,693                                                    |
| **Total Support & Revenue**                     | $12,233,018                                                    |

| EXPENSES                                         |                                                                 |
| Program Services                                 | $11,956,812                                                    |
| Fundraising                                      | 47,817                                                        |
| Lobbying                                        | 16,684                                                        |
| Management & General                            | 178,443                                                       |
| **Total Expenses**                              | 12,199,756                                                    |
| **Change in Net Assets**                        | 33,262                                                        |
| **Net Assets, Beginning**                       | 3,572,955                                                     |
| **Net Assets, Ending**                          | $3,606,217                                                    |
The Virginia Early Childhood Foundation is able to provide the vision and leadership essential to advancing school readiness for Virginia’s children because of the generosity and commitment of its funding partners. VECF proudly thanks and recognizes the following donors for their contributions between July 1, 2019 and June 30, 2020.

**STAKEHOLDER ($1 MILLION +)**
- Preschool Development Grant Birth to Five through the Virginia Department of Education
- Temporary Assistance for Needy Families through the Virginia Department of Social Services
- Virginia General Assembly through the Virginia Department of Education

**INVESTOR ($100,000-$500,000)**
- Child Care and Development Fund through the Virginia Department of Social Services
- Dominion Energy
- Health Resources and Services Administration through the Virginia Department of Health
- Nemours National Office of Policy and Prevention via a cooperative agreement from The Centers for Disease Control and Prevention
- Robins Foundation
- W.K. Kellogg Foundation

**CAPACITY BUILDER ($50,000-$99,999)**
- Huntington Ingalls Industries

**INNOVATOR ($25,000-$49,999)**
- Alliance for Early Success
- Bob and Anna Lou Schaberg Foundation
- Community Foundation for a greater Richmond
- Norfolk Southern Foundation
- Wells Fargo

**QUALITY CHAMPION ($10,000-$24,999)**
- Greensville Memorial Foundation
- PNC Foundation
- Preschool Development Grant through the Virginia Department of Education and the University of Virginia
- Washington Gas

**CONVENER ($5,000-$9,999)**
- Bank of America
- Mike and Mary Chinn
- Bill and Karie Ermatinger
- Freeman Family Foundation
- Thomas and Nancy J. Chewning Fund of the Community Foundation for a greater Richmond

**PARTNER ($2,500-$4,999)**
- Kevin Curtis
- Luanne S. Gutermuth
- Hunton Andrews Kurth LLP
- Mr. and Mrs. James E. Ukrop

**PATRON ($1,000-$2,499)**
- Capital One Services, LLC
- Cathy’s Foundation, Bowlman T. Bowles, Jr., Trustees
- Alexandra Cunningham
- Dr. Deborah M. DiCroce
- Family and Children’s Trust Fund
- Food and Nutrition Services through the Virginia Department of Social Service
- Kathy Glazer
- The Halton Family
- Megan Healy and David Hallock
- Joy and Reggie Jones
- Ned W. Massee
- Stephen and Heather Moret
- William “Biff” Rees, MD, MBA
- Nicholas Sladic
- Gary and Janice Thomson
- Dietra Y. Trent

**BENEFACTOR ($250-$999)**
- Todd and Melissa Asbury
- Dan and Kim Carey
- Steve and Samantha Howell
- Robert Hurt
- Dr. Deborah Jonas
- Dr. Thomas R. Morris
- Todd Norris
- Gale and Bill Roberts
- Shannon L. Rudisill
- Stephen Weir

**FRIEND ($1-$249)**
- Anonymous (2)
- Karin and Churchill Bowles
- Sharon and Rob Brager
- Sandy L. Chung, MD
- Vanessa DiLeo
- The Honorable James Dyke
- Daniel and Laura McGregor
- Mr. and Mrs. Demetrious Mitchell
- Lucy Wagner Mitzner
- Angela Rice
- Cynthia C. Romero, MD
- Roots Natural Kitchen
- S. Duke Storen
- Alyson Williams
- Terri and Chris Ziegler

**GIFTS IN KIND**
- Williams Mullen

**GIFTS IN MEMORY**
- IN MEMORY OF SENATOR JOHN MILLER
- Charles G. and Carol E. Ellis

**GIFTS IN HONOR**
- IN HONOR OF HARRY CAMPBELL
- Childrens Crafts Shop

We have made every attempt to ensure the accuracy of this listing. If you notice an error, please contact us at (804) 358-8323.