

# VIRGINIA EARLY CHILDHOOD FOUNDATION 2023 ANNUAL REPORT TO STAKEHOLDERS



## To our Stakeholders and Investors:

We are pleased to present the Virginia Early Childhood Foundation's (VECF) progress as the Commonwealth's public-private partner in building a strategic and sustained focus on early childhood success. In the wake of the pandemic, VECF has convened partners to create hope and deliver on the promise we see in Virginia's young children, their families, and communities statewide.

**Delivering on Our Promises:** We've worked to achieve powerful alignment of the public and private sectors' vision for Virginia's early childhood education system. [Ready Regions](#), our boots-on-the-ground network recently celebrated its one-year mark as essential system connectivity, preserved in Virginia law. Through Ready Regions, VECF and partners are well positioned to ensure that every Virginia region, family, and child has access to high quality early childhood care and education (ECCE) opportunities. Just as we retired the Smart Beginnings brand for Ready Regions to emerge, we've concluded Virginia Quality, the state's former quality measurement and improvement system for ECCE sites, as Ready Regions now support the implementation of the statewide mandatory Virginia Quality Birth to Five system ([VQB5](#)). Through VQB5 and implementing a growing [Mixed Delivery program](#), VECF and Ready Regions partner to deliver on the promise of quality in all publicly funded ECCE sites, driving improvement to ensure all children have access to game-changing early learning experiences.

This past year, we have expanded assets rooted in the Ready Regions network to champion the policy and investment decisions needed to achieve our shared vision for a strong and durable ECCE system. [Virginia Promise Partnership](#) works at a regional and state level to elevate the voices of parents and providers alongside Family Councils representing each region. The newly launched Virginia Business Roundtable for Early Education (VBREE) is bringing the heft of the business and economic development sectors to advance state investment in a strong ECCE system as essential to workforce and economic success. Each Ready Region is also represented on the new [Commission on Early Childhood Care and Education](#) that is charged with providing recommendations and tracking progress for long-term financing of Virginia's comprehensive birth-to-five ECCE system.

**Quantifying ROI:** We proudly steward public funds and leverage private funds to assist the state with problem-solving strategies and on-the-ground connections to achieve our collective mission while harnessing private funding and leadership as essential and powerful catalysts for innovation and partnership.

VECF and partners earn and leverage resources to yield significant return on investment. In FY23, we secured additional resources to our base appropriation by a ratio of 82 to 1. With overhead at less than 2% of our annual budget, we intentionally direct resources into communities with innovative strategies that have bolstered access, quality, and accountability in Virginia's early childhood system. Please visit [www.vecf.org](http://www.vecf.org) to learn more about our efforts in FY23.

This year, VECF sponsored a [study](#) to quantify the anticipated return on investment from an additional \$309 million in pandemic relief funding toward ECCE in FY23 compared to FY19. With this additional surge of funds, Virginia provided a year of affordable, high-quality child care to 11,151 additional children under age 5 (and 3,939 children ages 5-12) through expansion of Mixed Delivery and Child Care Subsidy services. The Vanderbilt University study team estimated conservatively that the additional \$309 million invested in FY23 will drive **a return of \$364.3 million within one year** and generate at least **\$778 million in combined cost savings and economic benefits across the lifetime** of the children under 5 who received ECCE services in FY23.

Both challenges and opportunities are on the horizon. Thanks to your valued interest and support of this transformative work, we will continue to make progress on our promises.

With gratitude,



Robert Hurt  
Chairman



Kathy Glazer  
President

## DELIVERING ON OUR PROMISES: *A glimpse at progress over the past year*

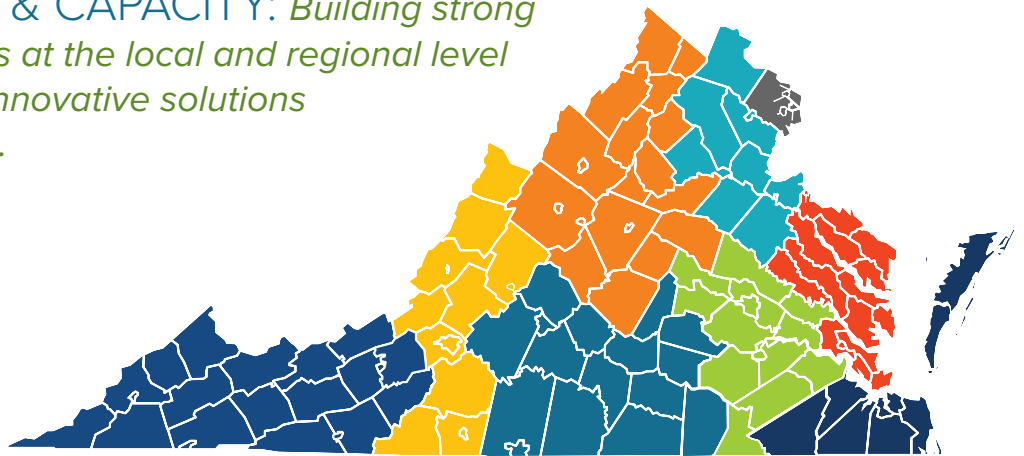
**Our Vision:** Every region in Virginia will ensure equitable opportunities for all families with young children to thrive.

**Our Mission:** VECF is the non-partisan steward of Virginia's promise for early childhood success.

**SYSTEMS BUILDING & CAPACITY:** *Building strong public-private partnerships at the local and regional level as communities develop innovative solutions to their unique challenges.*

### READY REGIONS

Ready Regions is activated statewide in nine regions.



**8,000+**



### Virginia Quality Birth to Five (VQB5)

Through Ready Regions coordination, **8,000+ classrooms** participated in this program to improve classroom quality; **19,500 CLASS observations** were conducted to support child/teacher interactions and curricular practices.

**19,500**



### RecognizeB5

Through VECF administration, **9,550 early educators** working in publicly-funded child care and family day home sites received direct financial incentives totaling more than **\$22 million** to support, retain, and reward this important yet undercompensated workforce.

**\$22,000,000+**

*paid directly to teachers*



### Parent Engagement

For the first time, **Ready Region Family Councils are engaging parents** who represent their region to provide insights about how to build a stronger Virginia early childhood system to meet their needs and preferences. Family Councils are helping regions forge **Mixed Delivery partnerships** and design **Coordinated Enrollment plans** that inform parents about their options so they can make the choice right for them.

## PARTNERSHIPS & INNOVATION: *Advancing solutions for increased access to early childhood opportunities at both the state and local levels.*

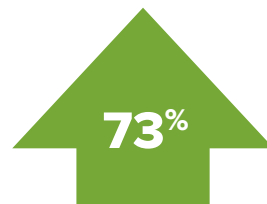
**2146**



### Mixed Delivery

**2146 children (a 73% increase over last year)** experienced full-day, full year **high quality early childhood education** services in private settings preferred by and at no cost to their families.

**73%**



## Strengthening & Stabilizing the Child Care Workforce

**Fast Track:** This new program is recruiting and **training new assistant teachers** in every Ready Region, paying a competitive hourly wage to strengthen and champion the early education workforce so that families can access the services they need.



**Finance & Compensation Task Force:** A group of center-based child care providers across Virginia was activated to **develop recommendations for policy makers** regarding workforce compensation and retention. Providers participated in trainings and customized supports designed to help sustain their business and address staff compensation and retention. A toolkit informed by their feedback will be rolled out across the state to help providers improve their business practices.

## POLICY & ADVOCACY: *Activating voices to shape policies and promote investment to support early childhood success.*



### Virginia Promise Partnership (VPP)

This coalition of leading organizations is **elevating the voices of child care providers and parents** in all nine Ready Regions to push for the long-term policies and resources needed to give all of our children access to quality child care.

## Virginia Business Roundtable for Early Education (VBREE)

The newly launched Virginia Business Roundtable for Early Education (VBREE) is bringing the focus and heft of business and economic development executives in each Ready Region to **champion increased investment and policy improvements** for Virginia's early childhood system.



## Accountability

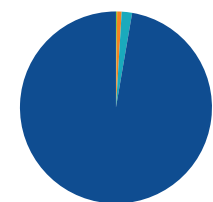


VECF and its partners document and **track data that illuminate gaps in access to early childhood services**. We use this information to motivate commitment for increased availability to and investment in affordable quality child care that meets the choices and needs of all Virginia families. Our most recent reports include: [Infant Toddler Gap Analysis 2023](#), [Virginia Child Care Stabilization and Sustainability Evaluation Report](#), and [Early Investment, a Lifetime of Returns: Articulating the Value of Early Childhood Investments in Virginia](#).



## VECF's Financial Stewardship

Cash Grants & Resources for Early Childhood System Priorities Statewide	98%
Management & General	.5%
Public Awareness/Engagement	1.3%
Fundraising	.2%



**FY23 Program Expenses**  
**\$67,840,712**



Base Appropriation  
**\$1,250,000**

Other Funds Leveraged  
by VECF and Local Initiatives  
**\$69,867,835**

Additional Funds Leveraged  
by VECF for VA  
**\$32,147,686**

**FY23 Leveraged Funds  
for School Readiness in Virginia**  
**\$102,015,521**  
(82:1 RATIO FROM BASE APPROPRIATION)

### VECF OFFICERS

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### PRESIDENT

Kathy Glazer



# Financial Information

## STATEMENT OF FINANCIAL POSITION

As of June 30, 2023

### ASSETS

Cash & Cash Equivalents	\$6,171,004
Cash Held for Others	2,265,513
Accounts Receivable	
Grants Receivable	11,067,019
Contributions Receivable	984
Other Receivables	64,430
Prepaid Expenses	105,482
Other Assets	3,767
Right-of-Use Asset-Operating Lease	138,198

### Property and Equipment

Furniture & Fixtures	\$46,793
Accumulated Depreciation	(10,807)

Total Property & Equipment	35,986
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Total Assets	\$19,852,383
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### LIABILITIES & NET ASSETS

#### Liabilities

Accounts Payable	\$1,149,021
Refundable Advance	2,511,260
Grants Payable	7,104,402
Amounts Held for Others	2,265,513
Accrued Expenses	74,685
Line of Credit	3,051,715
Lease Liability-Operating Lease	140,213

Total Liabilities	16,296,809
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#### Net Assets

Without Donor Restrictions	\$248,716
With Donor Restrictions	3,306,858

Total Net Assets	3,555,574
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Total Liabilities & Net Assets	\$19,852,383
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## STATEMENT OF ACTIVITIES

Year Ended June 30, 2023

### PUBLIC SUPPORT & REVENUE

#### Public Support

Contributions	
Individual & Board Contributions	\$56,418
Corporations	112,071
Foundations & Organizations	1,280,000

Total Public Support	1,448,489
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#### Revenue

Government Grants	\$67,896,642
Payroll Protection Program Forgiveness	—
Interest Revenue	1,976

Total Revenue	67,898,618
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Total Support & Revenue	\$69,347,107
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### EXPENSES

Program Services	\$68,413,912
Fundraising	48,952
Lobbying	9,600
Management & General	148,778

Total Expenses	68,621,242
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Change in Net Assets	725,865
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Net Assets, Beginning	2,829,709
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Net Assets, Ending	\$3,555,574
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## 2023 Donors

The Virginia Early Childhood Foundation is able to provide the vision and leadership essential to ensuring early childhood success because of the generosity and commitment of its funding partners. We proudly recognize and thank the following donors for their contributions between July 1, 2022 and June 30, 2023.

### STAKEHOLDERS (\$1 MILLION +)

US Administration for Children and Families through the Virginia Department of Education

- American Rescue Plan
- Preschool Development Grant Birth-Five

US Administration for Children and Families through the Virginia Department of Social Services

- Temporary Assistance to Needy Families

Virginia General Assembly through the Virginia Department of Education

### INVESTOR (\$100,000-\$999,999)

Alliance for Early Success

Centers for Disease Control and Prevention through the Nemours Foundation

- Healthy Kids Healthy Future Technical Assistance Program

Community Foundation for a greater Richmond

William R. Kenan, Jr. Charitable Trust

Robins Foundation

US Administration for Children and Families through the Virginia Department of Education

- American Rescue Plan
- Child Care Development Funds
- Preschool Development Grant Birth-Five

US Health Resources and Services Administration through the Virginia Department of Health

- Title V Maternal and Child Health Block Grant

### CAPACITY BUILDER (\$50,000-\$99,999)

Huntington Ingalls Industries

Bob and Anna Lou Schaberg Foundation

US Administration for Children and Families through the Virginia Department of Education

- Preschool Development Planning Grant

### INNOVATOR (\$25,000-\$49,999)

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Williamsburg Health Foundation

### QUALITY CHAMPION (\$10,000-\$24,999)

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Dominion Energy

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Reginald N. Jones through the Robins Foundation

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Simple Thread

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The Fleetwood Family

#### IN HONOR OF THE TALENTED VECF STAFF TEAM

Kathy Glazer

### GIFTS IN MEMORY

#### IN MEMORY OF JAMES O. CURTIS

James K. Curtis

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