

Table 1. Available Funding and Estimated Children Served, FY23-26¹

	Available Funding				Children Served			
	FY23	FY24*	FY25*	FY26*	FY23	FY24*	FY25*	FY26*
TOTAL²	\$526,237,185	\$647,670,465	\$364,827,862	\$372,803,255	64,368	70,152	34,535	35,358
Child Care Subsidy Program (CCSP) ³	\$318,082,931	\$411,503,038	\$153,871,766	\$155,518,476	40,286	44,315	11,011	11,129
Mixed Delivery (MD)	\$26,340,900	\$41,091,699	\$10,028,095	\$10,328,938	2,060	2,500	631	650
Virginia Preschool Initiative (VPI)	\$181,813,354	\$195,075,728	\$200,928,000	\$206,955,840	22,022	23,337	22,893	23,579

Note: Estimates above reflect only programs for which the state has policy authority over eligibility and enrollment and therefore does not include Early Head Start, Head Start or Early Childhood Special Education.

Table 2. Impact of Reduction in Children Served on Virginia Families in FY25-26⁴

Loss of services		
Children that would lose care in FY25 from FY24		35,617
Families that would lose care in FY25 from FY24		20,951
Unmet Need		
TOTAL estimated wait list in FY25: 44,174	For children birth-to-five	26,414
	For school-age children	17,760
TOTAL estimated wait list in FY26: 52,868	For children birth-to-five	33,509
	For school-age children	19,359

Table 3. Impact of Child Care Disruptions on Working Parents and Employers⁴

Working Parents	
Estimated number of working parents in FY25 that would experience a child care related job disruption	37,398
Employers	
Top sectors employing parents of children in publicly-funded programs	# of Parents
Health care and social assistance, including child care	4,691
Education, including local school divisions	2,285
Retail	1,843
Hospitality and food services	1,376
Government and public administration	932

ADDITIONAL DATA NOTES:

¹ FY23 funding and children served reflect actual counts; FY24-26 reflect projections (indicated by *).

² TOTAL line highlighted in orange assumes minimum funding available for the CCSP through CCDF and SGF.

³ Historically, discretionary funding for CCDF rolls over from year to year and is spent within the 3-year liquidation window under federal law. Virginia is typically using the previous year’s discretionary funds to cover costs associated with direct services (i.e., using FY19 funds to cover direct services in FY20). At the direction of the General Assembly, VDOE is now using all available funding to eliminate wait lists in the CCSP. VDOE projects that it will fully exhaust all rollover funds from previous fiscal years in March 2024 and will begin using FFY24 funds for direct services at that time. VDOE projects that little to no FFY24 funds will roll over to FFY25.

⁴ Estimates assume minimum funding available for the CCSP through CCDF and SGF.

Key Assumptions: Table 1

Child Care Subsidy Program (CCSP)

- FY23 funding reflects actual spending on direct services from all funding sources. FY23 children served reflects enrollment as of June 2023.
- FY24 expenditures and slots are projections based on recent trends in program growth.
- MINIMUM FY25 and FY26 funding projections reflect the funding appropriated through CCDBG that must be spent on direct services under federal law, plus a projected \$24 million annually in SGF for TANF VIEW participants.
- FY25 and 26 slot projections reflect the number of children that could be served based on available funding, based on the weighted average cost per child for children B-5 for full-day, full-year care.

Mixed Delivery (MD)

- FY23 funding reflects actual spending from all funding sources
- FY23 children served reflect slots available.
- FY24 expenditures and slots reflect total grant awards for Mixed Delivery and the estimated number of total slots available.
- FY25 and FY26 funding projections reflect SGF appropriations only, assuming a modest 3% increase year over year.
- FY25 and 26 enrollment projections reflect the number of children that could be served based on available funding, based on the weighted average cost per child for children B-5.

Virginia Preschool Initiative (VPI)

- FY23 funding reflects actual spending on from all funding sources, including local match.
- FY24 funding are projections assuming local match required if all appropriated SGF were expended. This can be considered a high-end estimate.
- FY24 children served reflect the maximum number of children that can be served based on per-child costs established in the budget.
- FY25 and FY26 funding projections assume a modest 3% increase year over year in total funding.

Key Assumptions: Table 2

- Loss of services estimates subtract the projected number of children served in FY25 from FY24 projections, inclusive of school-age children served through the CCSP. Family estimates assume an average of 1.7 children per family, based on caseload data from the Child Care Subsidy Program.
- Estimated wait list assumes growth in demand remains stable from FY23 onward (~9% growth in demand year over year) and accounts for projected slots available through Head Start/Early Head Start.

Key Assumptions: Table 3

- Estimated number of working parents experiencing a child care-related job disruption assumes an average of 1.05 parents per children based on caseload data from the Child Care Subsidy Program.
- Employer figures are based on employment data for heads of household in Child Care Subsidy Program cases.
- Employers were coded into sectors based on the North American Industry Classification System codes.