

Virginia's Early Childhood Care and Education System

Update to Senate Finance and
Appropriations Committee
October 17, 2023



OBJECTIVES AND AREAS COVERED

Objective:

Provide an overview of Virginia's early childhood care and education (ECCE) system, highlight positive elements of the existing system, and share findings from the Commission report.

Areas Covered:

1. Virginia's Birth to Five, Public-Private Parent Choice System
2. Highlights from Commission Report
3. Collaborative Next Steps

Virginia's Early Childhood Landscape

*Four Major Programs that Serve High-Need Families in a Variety of
Settings*

PUBLIC-PRIVATE PARENT CHOICE SYSTEM

Virginia's early childhood system consists of multiple public and private providers that offer birth-to-five care and education across multiple settings.



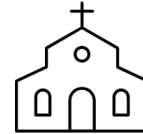
Over **1,900**
family child
care homes



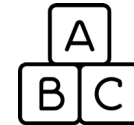
~**2,700**
licensed
child care
centers



946 public
schools



~**870**
religiously-
exempt child
care centers



52 Head Start
and Early
Head Start
grantees
(*364 sites*)

Note: Site totals are not mutually exclusive and should not be summed. Additional site types include certified preschools, local government approved centers, and short-term child day centers (generally summer camps).

VIRGINIA'S PUBLICLY FUNDED OFFERINGS

Current public funds subsidize early childhood care for low-income families.

- Existing offerings offer flexibility across settings. Public funds go to public and private settings in a system designed for 1) diverse providers and 2) diverse family preferences.
- All children are not guaranteed to be served like K-12. Eligibility, and stakeholder contributions (family payment, local match, federal support) vary across major publicly funded programs.
- Employers do not contribute to funding across any existing programming.

Across the public-private system, Virginia:

- Sets consistent expectations for health, safety, and quality, funds providers to meet expectations, and holds them accountable.
- Coordinates enrollment at the regional level to help families make informed choices.
- Captures consistent data down to the classroom level to promote continual quality improvement, support accountability and demonstrate impact.

OVERVIEW OF PUBLIC FUNDING

Program	# of Children Served FY23*	Approx. Investment Per-Child, FY23	Typical Dosage	Family Expectations	Setting
Virginia Preschool Initiative (VPI)	22,022 (92% are 4-year-olds)	\$8,359 (\$6,353 in state funds) <i>(state funds and local match)</i>	990 hours/year	Child or family at risk; free to family; <u>not</u> connected to parental work status Household income up to 200% FPG;	Primarily schools; some child day centers
Mixed Delivery Preschool Grant Program (MDG)	2,060 (87% are 3- and 4-year-olds)	Between \$12,000-14,000 <i>(state and federal funds)</i>	Full-day, full year (~2,600 hours/year)	Child or family at risk; free to family; <u>not</u> connected to parental work status. Household income up to 200% FPG;	Child day centers and family day homes
Early Head Start (EHS) and Head Start (HS)	13,886 (73% are 3- and 4- year-olds)	Between \$9,507-\$17,911 <i>(federal funds and local match)</i>	1,380 hours/year (EHS) 1,020 hours/year (HS)	Household income up to 130% FPG; free to family; <u>not</u> connected to parental work status	Schools, child day centers, and family day homes
Child Care Subsidy Program (CCSP)	40,286 (68% are under age 5)	Average ~\$11,000 <i>(federal funds and state match)</i>	Up to full-day, full year (~2,600 hours/year)	Household income up to 85% SMI (+300% FPG); family contribution of \$0-180 child/month; dependent on parental work status	Child day centers and family day homes

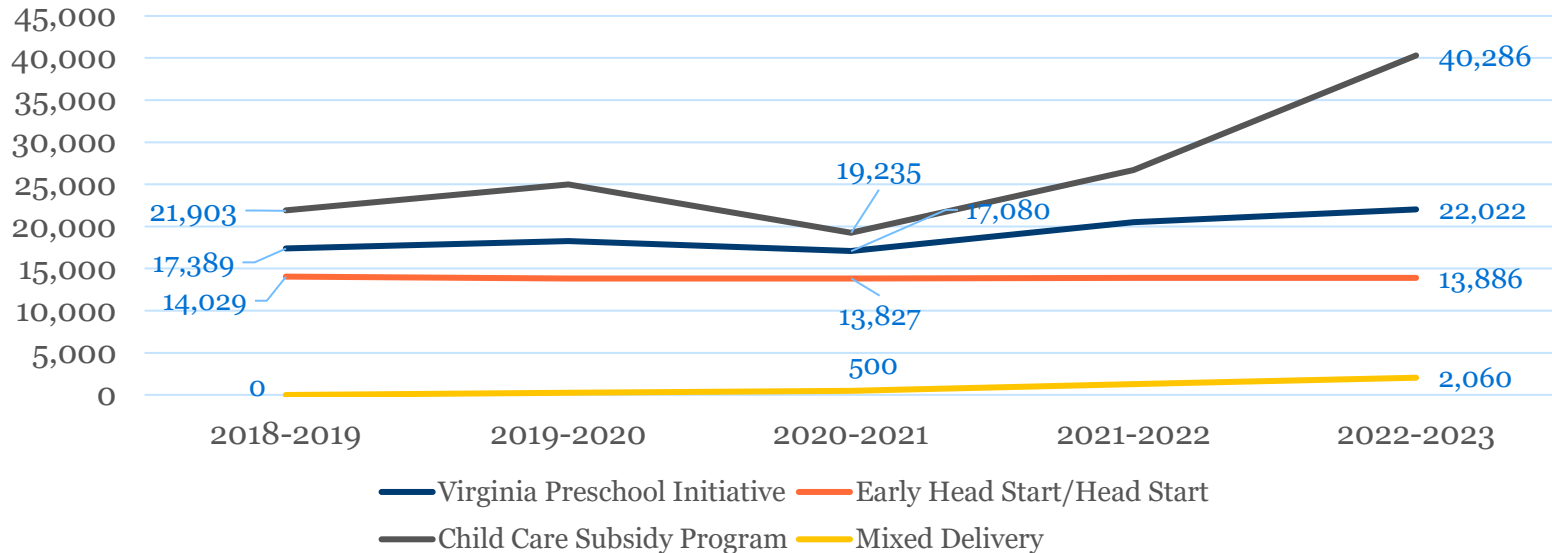
*Source: FY2023 Enrollment Data – VDOE

Note: Early Childhood Special Education serves 13,000 children through federal funds; dosage, funding and setting vary based on children's needs. *EHS and HS are federal programs by which Virginia has no authority over programming.

GROWTH IN PARENT DEMAND FOR CHOICE

Families continue to reach for private setting offerings while the public-school setting offering (VPI) continues to be undersubscribed. Since its inception in 2018, VPI's expenditures trailed appropriations.

Total Enrollment in Early Childhood Programs Over Time

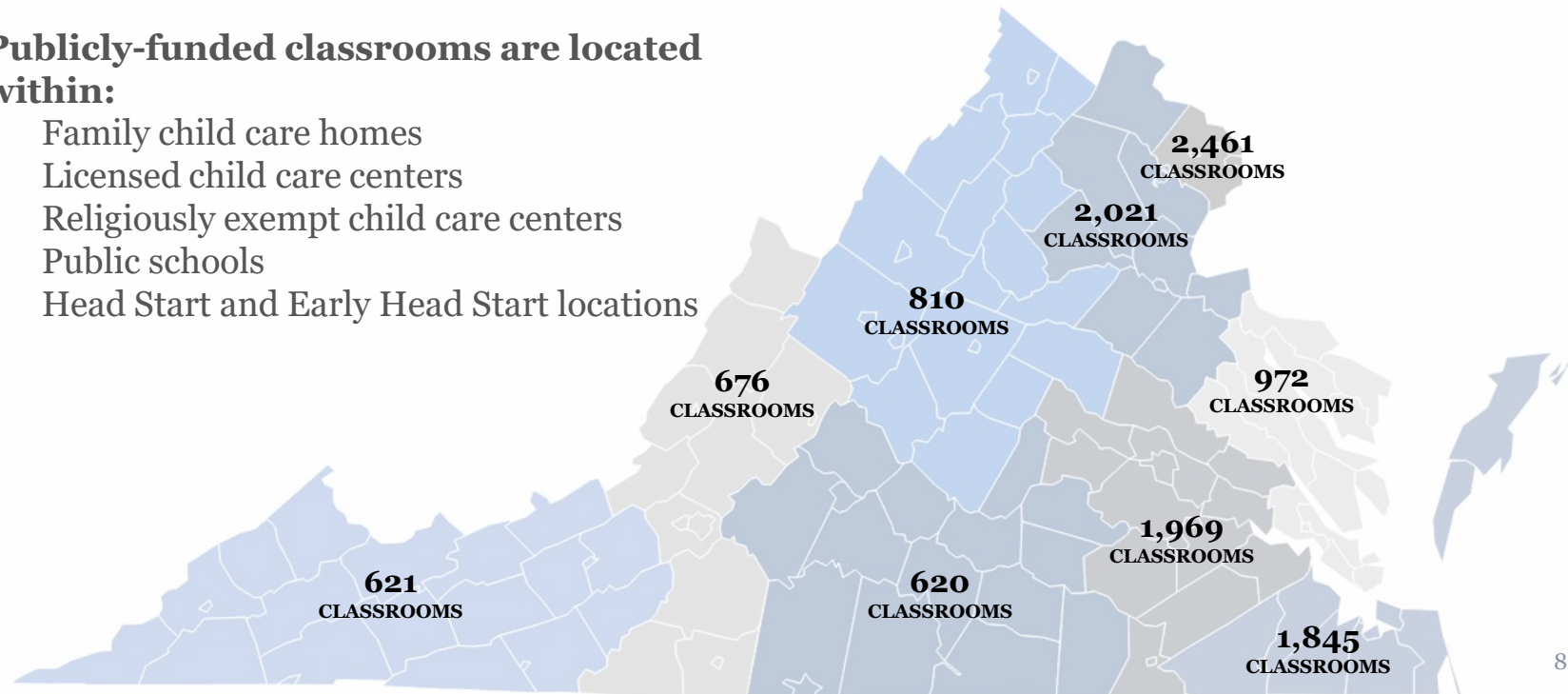


AVAILABILITY OF PUBLICLY-FUNDED ECCE, BY READY REGION

There are 11,995 classrooms in VQB5 across the Commonwealth.

Publicly-funded classrooms are located within:

- Family child care homes
- Licensed child care centers
- Religiously exempt child care centers
- Public schools
- Head Start and Early Head Start locations



Virginia's Commission on Early Childhood Care and Education

Sharing the Report's Key Principles and Strategies

KEY PRINCIPLES (1 OF 2)

The Commission identified key principles for a best-in-class ECCE system:

- **ACCESS/CHOICE:** Parents must have quality options, data, and information to choose quality care, and the ability to pay for their child's care; and Virginia will continue to fund children, not systems.
- **AFFORDABILITY:** Families should contribute to child care costs based on sliding scale according to household income so that they can choose high quality, early learning experiences that best meet their child's needs.
- **QUALITY/EDUCATOR WORKFORCE:** Programs have the resources to deliver engaging early learning experiences that ensure school readiness and support the multifaceted work force to grow and deepen their abilities to provide those experiences.

KEY PRINCIPLES (2 OF 2)

- **PUBLIC-PRIVATE PARTNERSHIP:** Employers must be an active part of this solution—including but not limited to helping to cover the cost of child care to their employees. Government and business partners help develop and implement innovative solutions that are nimble, cost effective and demonstrate impact.
- **FULL COMMUNITY PARTICIPATION:** Local governments and communities have a vested interest in the success of our children and must contribute to solutions that fit their community needs.
- **ACCOUNTABILITY:** Quality and transparent data must be used to effectively facilitate parent decisions and to ensure that all child care focuses on early learning.

These principles were used to inform the eight key strategies recommended by the Commission. See Appendices for more detail.

POSITIVE ELEMENTS OF VIRGINIA'S SYSTEM

1. Strong foundation with **dynamic public-private partnerships**
2. **Bipartisan** and **business** support
3. Nation-leading **quality measurement and improvement system (VQB5)** with **robust data infrastructure (LinkB5)**
4. Established statewide **regional infrastructure (Ready Regions)**
5. **Data-driven decision making** and **increased transparency** at each level of the system
6. Innovative approaches to **addressing workforce challenges (RecognizeB5, FastTrack)**
7. **Family demand** driving increased participation in Virginia's system

Collaborative Next Steps

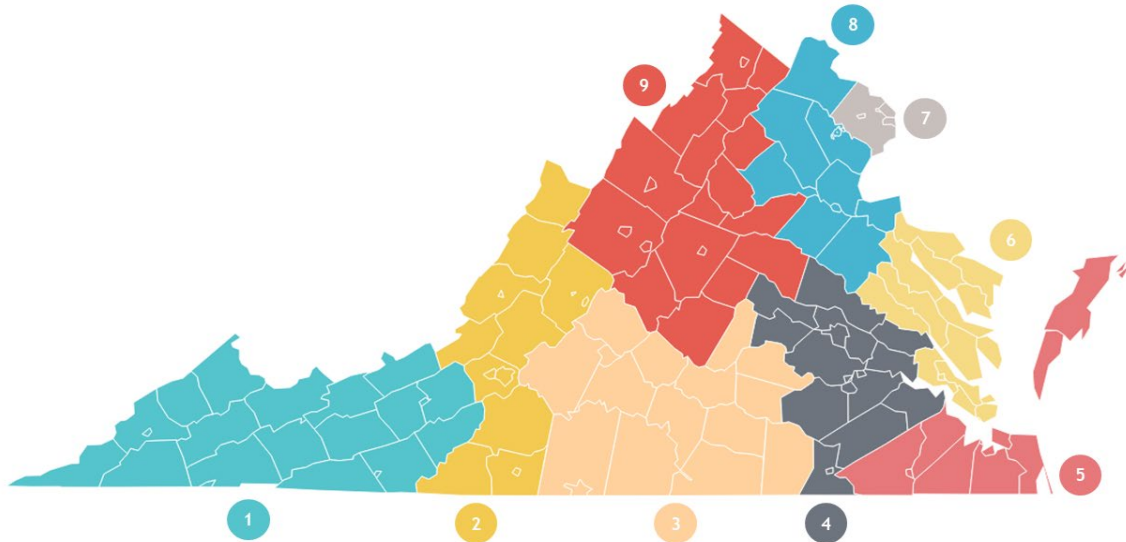
Engaging All Stakeholders to Develop and Implement Policy Solutions

COLLABORATIVE NEXT STEPS

1. Engage all stakeholders – business, philanthropic, community, and government (federal, state, and local)- to use the strategies recommended by the Commission to transition Virginia’s public-private early learning system to a best-in-class, sustainable model that can be replicated across the Commonwealth.
2. Identify and take policy action(s) to ensure that Virginia’s model can provide families the information they need, can choose quality, and can ultimately provide their children with high-quality early learning experiences that prepare them for success in K-12 schooling and beyond.
3. In partnership with the private sector, develop and implement the policy and practical solutions that will help secure Virginia’s position as the best state to live, work and raise a family.

Appendices

APPENDIX: READY REGIONS



Ready Regions is the regional coordinating structure for Virginia's unified ECCE system as required under § 22.1-289.05.

1. Southwest
2. West
3. Southside
4. Central
5. Southeastern
6. Chesapeake Bay
7. Capital Area
8. North Central
9. Blue Ridge

A list of localities by region is available at <https://vecf.org/ready-regions/>.

APPENDIX: EIGHT KEY STRATEGIES (1 OF 3)

- 1. Build on Strong Fundamentals:** Leverage the strong fundamentals of Virginia's existing ECCE system that have been recognized by national experts.
- 2. Explore Public-Private Funding Mechanisms:** Pursue multiple public and private funding mechanisms to close the gap between demand from working families in need and what current state and federal funds are available, recognizing the cost of quality early education and care for birth to five and what Virginia families can afford to pay.
- 3. Apply Innovative Business Sector Approaches:** Considered as one of the best states for business, Virginia can be a national leader in having business play a larger role developing and sustaining ECCE innovations and providing incentives for greater business engagement.

APPENDIX: EIGHT KEY STRATEGIES (2 OF 3)

- 4. Streamline Regulations:** Streamline the state's regulations, zoning, and permitting requirements to make it easier for providers to serve families in need receiving public funds, and to make it easier for families to access and navigate the ECCE services they want.
- 5. Address Workforce Challenges:** Maintain and expand effective initiatives that directly address birth to five teacher shortages and other persistent workforce challenges.
- 6. Use Family Demand and Choice to Drive Funding:** The unprecedented level of one-time federal funding rapidly expanded access for Virginia families to choose new options and families predominantly chose private sector learning models. Ensure sustainable and stable growth of the public-private system by codifying family demand-driven growth and choice into Virginia law.

APPENDIX: EIGHT KEY STRATEGIES (3 OF 3)

- 7. Recognize Early Childhood as Essential Economic Development:** Recognize investments in early childhood as economic development investments and increase public awareness of the importance of ECCE and its benefits to the Commonwealth, including the significant return on investment of funds.
- 8. Ensure Data Driven Decision Making:** All decisions on funding or policy should be driven by an analytics-based approach to actionable data and measurable outcomes.