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**Remarks: Paul D. Koonce
CEO, Energy Infrastructure Group
Dominion
Jepson Alumni Center, University of Richmond
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*“Building a Quality Workforce Right from the Start”***

Thank you, Reggie, for that kind introduction.

It's been a pleasure to serve with Reggie, and a number of you here today, on the board of the Virginia Early Childhood Foundation.

I also want to recognize Tom Chewning. Tom is the former Chief Financial Officer of Dominion, and an early and outspoken advocate for this cause. Tom managed the numbers at Dominion, and he quickly realized the significant return on investment potential of early childhood education.

Barry, I also want to thank for your outstanding leadership of the Virginia Chamber.

I think the partnership of VECF and the State Chamber of Commerce underscores what Jeff so eloquently spoke about - the direct link between a strong start in the early years and our economic vitality.

I want to thank Jeff for being here today, and for driving home the importance of smart investments in developing our human capital.

We increasingly recognize early childhood education as a long-term investment in our future workforce, and therefore our state's economic competitiveness.

I work with thousands of Dominion Virginia Power colleagues, and each one of them performs challenging work to keep our economy functioning around the clock.

I can vouch for the importance of a skilled workforce – and how challenging it can be to find qualified people – as we recover from the Great Recession amidst the ongoing wave of baby boomer retirements.

Through the State Chamber’s Blueprint Virginia work, we recognized that a highly talented and educated workforce is the lynchpin of maintaining and elevating a competitive economy for the Commonwealth.

Making early and strategic investments today will help stop the loss, the leakage if you will, of human potential all along the workforce pipeline, starting with early childhood.

The stark reality is that Virginia competes with states, such as Florida and Texas, with much larger populations. And we also compete with nations whose populations exceed ours by nearly four times – namely India and China.

Neither the United States nor the Commonwealth can afford to waste human potential. It’s not just a moral assertion—it is a practical one.

I am always mindful of what Professor Fuller told us during the Blueprint Virginia due diligence —the jobs will go where the well-prepared workers are.

That is why the Virginia Chamber of Commerce’s “Blueprint Virginia” effort focused so heavily on workforce and education.

These two issues, workforce and education, are intertwined, and are critical to our success, if we are to have the best workforce for the twenty-first century.

The reality is that over the next ten years, Virginia will need 2 million new workers to support the state's economy, provide its essential services, and promote the growth we all expect and are working for.

A first step is to evaluate what we are currently doing to make sure that our youngest citizens have the opportunity to start school ready and able to learn, to reach their full potential, and to be productive members of our workforce.

The Virginia Early Childhood Foundation is at the forefront of the state's public-private efforts to prepare our youngest citizens for school and for life.

We know that the private sector is actively engaged at the adult end of the workforce pipeline – apprenticeships, training, and curriculum development are all vital approaches.

But it is equally, if not more important, for the private sector to be involved at the start of the pipeline – shaping what goes into it. We want to make sure that everyone is at the table — the state and the private sector — to help solve the problems and discern promising new directions and approaches by bringing entrepreneurial know-how and expertise to the state's public system and structure.

Seeing the need to spend smarter, the Virginia Early Childhood Foundation is conducting an analysis of all the funds that flow through the state budget related to young children – to promote their health, provide family support, and deliver early learning.

We all know that sound policies and good decision are informed by a clear understanding of the investments we are making today, the value that these investments are providing, and what future investments might be required.

The *spirit* of this effort was underscored by every agency and program voluntarily providing support, data, and expertise for this project. I am grateful to them for their responsiveness. And I am proud that the Virginia Early Childhood Foundation has

taken the lead on this effort to ensure that our policymakers and state leaders have data and insights to inform good decisions about wise investment.

While we are still double-checking and analyzing the data collected, I can tell you this:

- There is \$1.4 billion in Virginia's budget for children from birth to age five. Nearly 65 percent of that is spent on health related programs.
- About 9 percent is spent on programs that support early care and education.

Through this fiscal scanning process, the Foundation is pinpointing the tough questions that need to be asked and achieving a deeper understanding of the budget.

The goal is to be research-based, data driven, and outcome focused.

Foremost, we should address whether our spending reflects the need to provide a quality workforce for the future.

While it's true that much of the total budget for children 0-5 is for mandated services, we must be smart with the balance.

Significant amounts of money are being spent across multiple agencies to support children from birth to age five, and their families.

While this is important work, it is imperative that these agencies – education, social services, health, and behavioral health – communicate with each other and collaborate.

To be efficient and effective, agencies need a better understanding of what each is doing to serve children and their families, and this budget analysis is a solid start down that path.

With these fiscal analyses, we can begin to answer some important questions about Virginia's early childhood system, questions such as:

- What dollars are allocated to services and programs for young children and their families?
- What is the source of these funds and are they being used to maximum effect?
- How might we best leverage local, state, federal, and private funds to address unmet needs?

This type of thorough examination can help us get the information we need to make informed decisions and nurture partnerships among state entities pursuing similar goals and objectives.

While it is imperative to examine our current public funding, there also needs to be better alignment between discretionary funding – those funds for which we can choose how to spend – and the need to better serve the most at-risk children in Virginia.

As we all can agree, we cannot solve everything with government programs. And we don't need to boil the ocean. Government has a role to play in early childhood, but so does the business community, the faith community, and the nonprofit sector in general – as do parents and caretakers.

As business leaders, we know that innovation drives opportunity and that the best decisions are data-driven ones.

We also know that complex problems often require more than one solution. It is not as simple as finding the “silver bullet” for school readiness.

For example, one year of pre-K is not going to inoculate a child from challenges down the road – especially if that year of pre-K is not a high quality experience, as many in my home state of Tennessee learned recently.

But that doesn’t mean we shouldn’t make investments in programs that better prepare and support the healthy development of at-risk children.

However, those investments need to be in high-quality programs - like home visiting and child care AND pre-K – programs that have accountability and performance measures in place.

Insisting on quality and accountability in our early childhood investments is what the Virginia Early Childhood Foundation is all about.

Today’s forum is an opportunity to start a conversation about aligning our resources and making strategic investments to ensure we have a strong future workforce for Virginia.

Looking ahead, I see opportunities to innovate and strengthen our education and workforce systems.

Many of these priorities have been outlined in the Chamber’s Blueprint Virginia plan.

The Virginia Early Childhood Foundation’s strategies are aligned with the Blueprint and the recently launched “Go Virginia” Framework, *Virginia’s Initiative for Growth and Opportunity!*

The Foundation's business-driven leadership is promoting more public-private partnerships and increased collaboration among business, education, and community leaders.

The Foundation is pushing for strategic investments that will test new models, incubate innovation, and incentivize local and regional solutions for improving school readiness.

This includes:

- Awarding competitive grants targeting state priorities, such as mixed delivery of public preschool and supporting high-risk school communities;
- Promoting quality child care through improved professional development opportunities and management training; and
- Partnering with Virginia's community colleges to improve the skills and credentials of early childhood educators.

There is widespread consensus within the business community, and growing bipartisan consensus among our public officials, that investments in early childhood are the best long-term investment we can make in our workforce development, our educational system, and in the overall well-being of our state.

We are beginning to see important progress in one of the most important areas—school readiness of young children.

VECF monitors key indicators of school readiness.

One of those key indicators is the number of children who repeat a grade in the span of kindergarten to third grade.

Several years ago, VECF reported that the annual cost of children repeating grades K-3 in Virginia was \$78 million.

That is a staggering cost, especially when you consider that research tells us that early grade repetition is not effective in supporting student success.

Here's the good news. When we looked at the data again last month, that number had dropped to approximately \$62 million.

Now, there are likely many factors that account for this reduction, but it is an important indicator that we are beginning to move in the right direction.

This event is a "call to action" for public-private partnerships to find solutions that will yield the kind of results and returns – such as reduction in early grade repetition – that will benefit the entire Commonwealth.

We're beginning the important process of examining and answering the essential questions about what is, and what isn't, working in Virginia.

It is, therefore, important that we all take steps to ensure a smart beginning and a smart investment for every child.

Thank you for giving me an opportunity to speak with you today. I look forward to working with all of you as we move forward together on this crucial initiative.

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