



2017 CHILDREN'S BUDGET REPORT



UPDATES TO THE 2017 CHILDREN'S BUDGET REPORT – as of March 2019

After the release of the report in November 2017, additional information was provided to the Virginia Early Childhood Foundation.

New data and suggested corrections to original data submissions resulted in a reduction of approximately \$66 million in the estimated total early childhood spending, from \$1.37 billion to \$1.31 billion. Principal changes included:

- 1) The 2017 version reported Medicaid spending for birth-five; revised version now corrected to cover only birth-four. This reduced the size, but not the overwhelming primacy of both state and federal Medicaid spending and of the “Health” domain overall. The adjustment to the age range resulted in a reduction of approximately \$127 million.
- 2) The 2017 version used a 50% federal/50% state split for Medicaid funding; revised version now adjusted to account for higher federal share for FAMIS expenditures. This slightly increases the overall amount and percentage of federal dollars in Medicaid, and correspondingly reduces the state amount and percentage.
- 3) Corrected amounts provided for Early Childhood Special Education, IDEA Part B, increased by about \$50 million.
- 4) Corrected amounts provided for home visiting services increased by approximately \$10 million.

We remain grateful for the dedication and partnership of Virginia’s agency leaders and staff who share our commitment to accuracy and continuous learning as we seek to clarify and quantify Virginia’s investments in young children.



Table of Contents

Introduction	1
Executive Summary	
Overview of Selected Key Findings.....	2
Summary of Key Conclusions and Implications	3
Methods	4
Background Information: Early childhood demographic and risk-factor indicators	5
Overview of Virginia’s budget supporting children birth through age four	
Total Funds by Source	7
Total Funds by State Agency/Department	7
State Funds by Agency/Department.....	8
How Are State and Federal Funds Used? Fund Allocations by Program or Service.....	9
Where Does Virginia Invest its \$254 million in non-Medicaid State Dollars?	11
A more functional view of Virginia’s early childhood funding	
Some Observations from This More Functional View of Funding	12
Discussion & Analysis	
Is Virginia’s Early Childhood Spending Adequate?.....	15
Finance Issues Related to a Perceived Distinction Between Child Care and Preschool	15
Final word on the adequacy of early childhood funding in Virginia	19
Appendix A: Components of Nine Functional Domains of 0-4 Expenditures	20



Virginia's business community has articulated the workforce and economic implications of early childhood development on the state's future prosperity with a call to action for building an integrated, comprehensive, and effective early childhood system. This recognition of the direct link between a strong, healthy start in the early years and a talented, productive workforce is grounded in brain research demonstrating the impact of children's experiences in the first years of life on school and life readiness.

Efforts to strengthen Virginia's capacity to support the school readiness of young children have had successes, but challenges and opportunities to deliver improved outcomes remain.

One of the most fundamental challenges has been the issue of financing: How can the Commonwealth ensure that its investment is effectively focused to address high-priority needs, overcome inefficient silos, monitor and evaluate the effectiveness of these investments, and sustain a functional system? To answer this question, it is necessary to fully understand the financing and investments of Virginia's current early childhood efforts.

In 2015 the Virginia Early Childhood Foundation (VECF), the Commonwealth's private partner for school readiness efforts, undertook a project to compile the first-ever fiscal profile detailing all spending by state agencies directed to early childhood (birth through four years of age.) The project met its objective. It provided preliminary yet essential baseline data about early childhood financing, revealing a big-picture view of its overall shape and scope: who is doing what, for what purpose, at what cost, for which children, the sources of that funding, and the size of the total early childhood investment.

This report, *Virginia's Children's Budget 2017*, is a logical extension of that first effort: it updates the initial findings but also includes the capacity to more fully organize, analyze and interpret the data. The broader objective of this report is to synthesize the updated data in ways that permit strategic system-level and policy-related inferences regarding early childhood funding.

VECF is grateful to state agency partners for their participation in and assistance with this project. The analysis would not have been possible without the responsiveness and transparency of these partners, whose ready participation reflects agency commitment to maximizing opportunities for the Commonwealth's children and families.

Executive Summary

The Virginia Early Childhood Foundation undertook this study in order to quantify the fiscal resources Virginia devotes to fostering child development and school readiness in the first five years of life; and then to conduct a thorough qualitative analysis of that fiscal data and draw policy-relevant conclusions. State budget amounts from federal, state general fund and state special fund sources were identified in all state agencies with expenditures on behalf of children ages birth through four (or 0-4); data were then displayed in a variety of breakouts showing how the funds are distributed across programs. Amounts were then organized by functional categories to facilitate a more strategic analysis of early childhood investments. Demographic indicators describing Virginia's 0-4 cohort were also assembled to support estimates of need in various categories. Finally, the report identifies the most critical implications of this fiscal picture for Virginia's continuing efforts to create an effective early childhood system.

Overview of Selected Key Findings

Demographic and Risk-factor Characteristics of Virginia's 0-4 Cohort

Virginia's 0-4 population numbers approximately 511,000. About 190,000 (37 percent) are low-income (at 200 percent or less of the federal poverty level.) Children in low-income status are likely to be exposed to multiple risks to optimum development and more likely than others to enter kindergarten already behind. Therefore 190,000 is a reasonable proxy indicator of the number of children in need of early childhood services in order to attain the skills and attributes required for success in school and beyond.

Virginia's birth-four poverty rate (<100 percent federal poverty level) is a relatively favorable 15 percent versus the U.S. rate of 21 percent, yet Virginia is challenged by stark and persistent racial/ethnic and geographic disparities in the distribution of poverty. The 0-4 poverty rate for black children (30 percent) is nearly triple that of non-Hispanic white children (11 percent); Hispanic children have nearly double the rate (21 percent). Geographic disparities are nearly as wide: for example, 20 localities have child poverty rates exceeding 30 percent – more than double the statewide rate. Other key indicators:

- two-thirds of children ages birth through four live in households where all available parents are working
- only 35 percent of low-income 3- and 4-year olds, vs. 55 percent of their more advantaged peers, attend any form of preschool
- 22 percent of low-income children fail to attain the PALS-K literacy benchmark, versus only 10 percent of more advantaged students

- 96 percent have health insurance, making it likely that all children have good access to care

Key Characteristics of Virginia's Early Childhood Spending:

Total early childhood spending is approximately \$1.31 billion or about 2.5 percent of Virginia's total budget. Federal funds make up 53 percent of the total, state funds constitute 47 percent. Other salient characteristics include:

- The \$718 million in DMAS/Medicaid is by far the most dominant feature, representing 55 percent of all spending. Three other agencies (Health, Social Services and Education) each have investments exceeding \$100 million.
- Considering state funds only, 59 percent of all state dollars directed to birth-four are for Medicaid costs - \$362.9 million of the \$616.9 million in total state dollars.
- Total non-Medicaid spending is \$587.6 million. About 60 percent of this amount comes from federal sources.
- **Outside of Medicaid, Virginia invests only \$254 million in state funds for birth-four.**
- After DMAS/Medicaid, the next largest expenditure of state dollars is \$115.7 million in the Department of Education, which is 19 percent of total state dollar expenditures.

Except where noted, all fiscal data are for FY 2018.

Summary of Key Conclusions and Implications

Virginia is heavily reliant on federal funds to support its early childhood efforts. While federal funds are indispensable, this over-reliance has two negative consequences: many policy and spending decisions are dictated by federal guidelines and restrictions, limiting flexibility and innovation in meeting Virginia’s particular needs; and dependence on federal funds leaves Virginia’s early childhood system highly vulnerable to any changes in federal priorities, policy decisions and funding levels.

Correspondingly, Virginia’s commitment of state dollars for the first five years of life is inadequate to address unmet needs. Using the estimate of 190,000 low-income children 0-4 as a proxy indicator of the number who are at risk of starting school already behind, the fiscal data indicate that outside of Medicaid, Virginia invests only a relatively small amount (about \$1100 per child annually) of its own funds to promote early development and school readiness for these at-risk children.

This funding pattern results in significant gaps in access to needed services for eligible children and families.

Access issues are particularly acute in the domains of child care and home visiting/parent education; and less acute but still problematic in the preschool and food/nutrition domains.

Commendably, Virginia has improved access to health care and to behavioral health/developmental services in early childhood, aided by substantial investments of state dollars to support Part C Early Intervention services and mental health and developmental services for children served through the Comprehensive Services Act/Office of Children’s Services.

One financing dilemma is particularly problematic: How to finance high-quality early education? Early education is provided not only in preschool programs but also, formally or informally, in all child care programs. Virginia’s public preschool programs are financed in

similar fashion to K-12 public education; however, fiscal barriers limit full participation by many school divisions, thereby failing to serve all eligible children. Conversely, private child care is financed primarily by parent fees, sometimes supplemented by child care assistance payments for eligible families. This financing model presents numerous challenges for those providers who wish to serve low-income families. Finances are seldom sufficient to hire well-qualified staff and/or support adequate training and professional development, thereby compromising quality. Furthermore, funding for Virginia’s best-practice Quality Rating and Improvement System, *Virginia Quality*, is not sufficient to bring the program to scale – it currently enrolls about 20 percent of eligible programs. New financing models which increase both access and quality – and address efficiency of the various revenue streams – are imperative if Virginia is to maximize the impact of early education.

Finally, perhaps the most problematic feature of Virginia’s financing of early childhood is the inadequate amount devoted to system development and quality improvement. While system development efforts have produced some important advances (e.g. data system improvements, the School Readiness Report Card, a public-private entity to foster early childhood initiatives, a viable best-practice quality improvement system), the financing is insufficient to create and finance a unified governance structure or strategy, one with the appropriate authority and support to guide early childhood policy and fiscal decisions.

Creating and financing an effective governance model will be the strongest indication that Virginia has lifted early childhood – and Virginia’s young children – to the top rank of public policy priorities.

Data tables detailing line-item amounts, by funding source, submitted by state agencies are available in a DropBox file on [VECF’s website](#).

To complete the requisite data collection and analysis, VECF engaged two consultants whose combined expertise could address both the finance/budget aspects and the policy/system-building implications of the project. Jim Regimbal provided strong experience in state budget and finance matters and was the consultant who conducted the prior (2015) budget analysis project. John Morgan contributed expertise in early childhood policy research and also had conducted several previous local/regional early childhood fiscal mapping projects for VECF.

Two key parameters were defined to guide the collection of budget data: the only funds to be counted were those directed to the birth through age four population (henceforth referred to as “0-4”) and that appear in the Virginia state budget. These include state General Funds, state “special funds” such as lottery proceeds, and federal funds allocated to Virginia that are appropriated in the state budget (e.g. funds for Temporary Assistance for Needy Families or TANF, Medicaid, Child Care and Development Block Grant, etc.) Some significant federal early childhood funds (e.g. Head Start and Supplemental Nutrition Assistance Program or SNAP) are spent on behalf of Virginia’s 0-4 population, but since these funds are not awarded to state government, they do not appear in the state budget and therefore fall outside the parameters of this report. These funds are discussed in Figure 2 later in the report. Likewise, state funds supporting the Virginia Kindergarten Readiness Project also are outside the report’s parameters; since the \$900,000 awarded annually to the University of Virginia are directed to five-year olds. It is important to note that localities also provide an important source of funding, for example as “local match” for the Virginia Preschool Initiative (VPI); however these funds are not included in this analysis.

The first step in the collection of fiscal data was VECF’s sending introductory memos describing project rationale and objectives to all the relevant agency heads, who were asked to facilitate the cooperation needed from their respective budget/finance personnel. These personnel in turn were asked to provide data on all budget items supporting agency programs and services directed to the 0-4 population (most of these budget/finance personnel had been the sources for the 2015 project and

were familiar with the process and parameters). In the instances where agency budget data were not broken out for the specific 0-4 age range, these personnel pro-rated costs for that age range based on defensible estimates of the 0-4 proportion.

All submitted data were reviewed for accuracy and completeness, and follow-up queries were made to clarify any figures in question. That process resulted in a comprehensive spreadsheet containing the more than 40 line-item amounts, by funding source, submitted by the eight child-serving state agencies.

Note: With a few exceptions noted in Table 5, all fiscal data are for FY 2018. In the few instances in which respondents did not yet know final 2018 budgeted amounts, they submitted actual expenditures for FY 2016 or FY 2017.

Table 5 contains all the raw data submitted by the respective departments. Various by-agency and by-source breakout tables were produced to fully describe the scope and amount of agency spending. All submitted line-item amounts were then assigned to one of nine program types or functional “domains” defined by the project. In this manner, services and programs of similar type and purpose but which were housed in different agencies were grouped in their respective “best fit” domain to permit a more functional spending-by-domain analysis.

Such an analysis sets the stage for drawing more strategic policy- and system-related inferences from the fiscal data.

A final step was to collect and summarize data describing selected demographic and risk factor characteristics of Virginia’s 0-4 cohort.

Background Information: Early childhood demographic and risk-factor indicators

A brief review of key demographic and risk factor data can provide a helpful context for a critical analysis of Virginia’s early childhood investments. Table 1 portrays selected indicators that may be particularly salient in driving policy and budget decisions. (All figures are estimates, and unless otherwise noted are specific to the 0-4 population).

Child poverty is a predominant risk factor, associated with many adverse circumstances and experiences known to be potentially harmful to early development. Virginia’s relatively strong economy helps to keep child poverty lower than in many other states. This relatively positive picture is reflected in Table 1 figures for the 0-4 population – 15 percent poverty versus the national rate of 21 percent.

It must be noted that child poverty is not distributed evenly; there are significant disparities based on geography and on racial-ethnic identity. For example,

while Virginia’s overall child poverty rate is 15 percent, there are 20 localities where the rate exceeds 30 percent, and 18 localities where the rate is less than 10 percent. Racial-ethnic disparities are even more profound: the average poverty rate for the past five years was 10.9 percent for non-Hispanic white children, 20.6 percent for Hispanic children, and 29.8 percent for black children (poverty figures are from the Virginia Kids Count Data Center). Thus, even within Virginia’s relative economic prosperity, there are numerous pockets of child poverty and its associated risks, and many thousands of children exposed to these risks.

How many? Table 1 shows that among Virginia’s estimated 511,000 children 0-4, about 77,000 live in poverty (at 100 percent or less of the federal poverty level, currently \$24,600 for a family of four), and 36,000 of those are living in even more adverse “deep” poverty (at 50 percent or less of the federal poverty level). Low-income status (200 percent or less of the federal poverty level) is

Table 1: Selected Early Childhood Demographic/Risk Factor Indicators (2016 unless otherwise indicated)

INDICATOR	VIRGINIA	US
Number of Children Birth through Age Four	511,000	
Poverty Rate	15%	21%
Number in Poverty (100% or less of federal poverty level)	77,000	
Number at 200% or less FPL	190,000	
Number in Deep Poverty (50% or less FPL)	36,000	
Number with all available parents working	335,000	
Percentage of Births to mothers with < high school education (2015)	10	15
Percentage of 3-4 year olds in “preschool” (2015)	47	47
Percentage for those not disadvantaged	55	55
Percentage for those who are disadvantaged	35	40
Percentage not meeting Fall PALS-K literacy threshold (2014)	14.6	
Percentage for those not disadvantaged	10	
Percentage for those who are disadvantaged	22	
Percentage with Health Insurance	96	96
Percentage of low birthweight newborns (2015)	7.9	8.1

Sources: All estimates are from the Virginia Kids Count Data Center, sponsored by Voices for Virginia’s Children in association with the Annie E. Casey Foundation, or from the 2016 Virginia School Readiness Report Card published by the Virginia Early Childhood Foundation. For some indicators, data are published for a different age range than 0-4 (often 0-5); when necessary, estimates are pro-rated to derive a 0-4 figure.



often used as a proxy indicator of overall early childhood risk; i.e. low-income children are likely to experience multiple risks associated with poverty, and more likely to show adverse consequences from this exposure. **In this sense, we can use 190,000 as an estimate of the number of children 0-4 who are in need of early childhood interventions to reduce the likelihood that they will fall behind their more advantaged peers in the cognitive and social-emotional skills needed for success in school.**

Other salient features of the 0-4 cohort:

- About 106,000 (over half) of low-income children live in households where all available parents are working. For the entire cohort of 0-4 children, the proportion is two-thirds.

- Only 35 percent of Virginia's low-income 3- and 4-year olds attend some form of preschool, versus 55 percent of their more advantaged peers. And this marked disparity is one of the factors producing the next indicator showing that...
- More than one-fifth of low-income kindergarteners, twice as many as other students, do not attain the benchmark score on the fall PALS-K literacy measure.
- Health indicators compare favorably with national rates: almost all have health insurance; and the rate of low birthweight newborns has improved and after years otherwise, is now lower than the national rate.

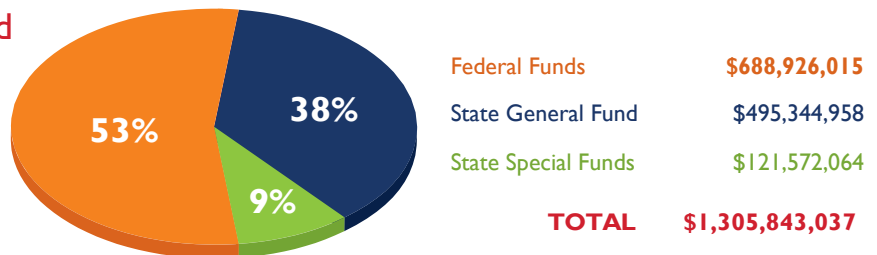
Overview of Virginia’s budget supporting children birth through age four

Virginia invests \$1.3 billion in programs and services directed to children 0-4. This investment represents 2.5 percent of the Commonwealth’s \$52.1 billion budget, while the 511,000 children 0-4 make up 6.1 percent of Virginia’s total population of 8.4 million. Breakouts presented below show the scope and distribution of these funds in more detail. (For all figures below, percentages may not total 100 due to rounding.)

Total Funds by Source:

Figure 1 shows the sources of the approximately \$1.3 billion. About \$689 million or 53 percent of the total comes from federal sources, and about \$617 million or 47 percent from state funds. State dollars come both from the General Fund (38 percent) and “Special Funds” (9 percent).

Figure 1: Total Early Childhood Funds by Source



Total Funds by State Agency/Department:

The \$1.3 billion in total expenditures is spread across eight agencies with an extraordinary range of commitments, from the largest (about \$718 million in the Department of Medical Assistance Services or DMAS) to smallest (\$56,700 in Virginia Cooperative Extension funds). Table 2 ranks the agencies from largest 0-4 budget to smallest.

The DMAS amount in fact dwarfs all others – it is fully 55 percent of the total and four times larger than the next largest amount. After DMAS, the next three largest agency budgets combined are about \$498 million or only 38 percent of the total, yet clearly these departments (Health, Social Services, Education) are all significant stakeholders in financing 0-4 services, each with annual early childhood expenditures well over \$100 million.

Table 2: FY 2018 Total Funds by State Agency/Department

PROGRAM	RECIPIENTS	STATE GF	SPECIAL FUNDS	FEDERAL FUNDS	TOTAL (\$)
Dept. of Medical Assistance Services (FY 2016 actual expenditures)	254,793	362,914,833		355,280,402	718,195,235
Dept. of Education	60,518	44,657,906	71,000,000	55,363,495	171,021,401
Dept. of Social Services	101,503	39,719,687	2,099,418	121,939,900	163,759,005
Dept. of Health	454,752	6,514,039	19,208,007	137,677,495	163,399,541
Dept. of Behavioral Health & Developmental Services (DBHDS)	19,072	28,648,839	17,156,473	23,125,911	68,931,222
Office of Children’s Services (CSA) (FY 2016 actual expenditures)	2,120	13,815,170	6,142,733		19,957,903
Virginia Foundation for Healthy Youth	5,541		522,030		522,030
Cooperative Extension Service	10,873	4,700		52,000	56,700

TOTAL \$1,305,843,037



It can be instructive to adjust the \$1.3 billion to account for the outsized impact of Medicaid spending on this total. Table 3 shows the impact if we remove Medicaid funds of approximately \$718 million, dropping total spending to about \$587.6 million. State dollars, after subtracting the \$362.9 million used in DMAS for the Medicaid match, total about \$249 million, which is 42 percent of the \$587.6 million in total non-Medicaid spending; or conversely, 58 percent of total non-Medicaid funding comes from federal sources.

Table 3: Total Funds by Agency/Department, Without Medicaid

AGENCY/DEPARTMENT	TOTAL VA CHILD SPENDING (NON-MEDICAID)
Dept. of Education	171,021,401
Dept. of Social Services	163,759,005
Dept. of Health	163,399,541
Dept. of Behavioral Health and Developmental Services	68,931,222
Office of Children’s Services (CSA) (FY 2016 actual expenditures)	19,957,903
Virginia Foundation for Healthy Youth	522,030
Cooperative Extension Service	56,700
TOTAL (SANS MEDICAID)	\$587,647,802

These two charts clearly indicate that federal sources contribute the majority of funds Virginia devotes to early childhood - 53 percent when we include Medicaid; and 57 percent when Medicaid is removed. **To put it more starkly, Medicaid consumes by far the greatest portion of both federal dollars (54 percent) and state dollars (59 percent) that Virginia allocates to early childhood spending.**

State Funds by Agency/Department:

It is also instructive to rank agencies based solely on state dollars devoted to early childhood. In other words, which agencies account for the bulk of the \$617 million in state funds? Table 2 combines State General Fund and Special Fund amounts per agency to show this ranking for the six agencies with more than \$1 million in state dollars. Again the DMAS amount far exceeds all others – the \$362,914,833, which is the state share of Medicaid’s 0-4 cost, is nearly 60 percent of total state spending for birth-four.

Table 4: Agencies With >\$1 M in Total State Funds for Birth-Four

AGENCY	TOTAL STATE FUNDS (\$)
Dept. of Medical Assistance Services	362,914,833
Dept. of Education	115,657,906
Dept. of Behavioral Health and Developmental Services	45,805,312
Dept. of Social Services	41,819,105
Dept. of Health	25,722,046
Office of Children’s Services (CSA)	19,957,903



Following DMAS are the Department of Education with nearly \$116 million state dollars, the Department of Behavioral Health and Developmental Services with \$45.8 million, and the Department of Social Services (DSS) with \$41.8 million. Note that most of the Department of Education’s state funding (\$71 million or 61 percent) comes from a non- general fund source - state lottery proceeds directed towards the Virginia Preschool Initiative.

How Are State and Federal Funds Used? Fund Allocations by Program or Service:

To a great extent, the state budget reflects key policy priorities and choices. These choices are influenced by perceived needs, but also by the availability of non-state funds, especially from federal sources, for example, for entitlements, which can be applied to meet some categorical needs while directing state dollars to needs for which federal funds are less available. Table 5 shows how Virginia allocates both state and federal dollars across a wide range of early childhood programs and services (note that unless otherwise indicated, only those amounts dedicated to 0-4 are included). The sheer number of discrete programs and initiatives funded – more than 40 – indicates not only the breadth and complexity of efforts to finance early childhood system services, but also the disparate nature of the current “system,” which can potentially lead to inefficient use of precious funds. Several features of special note include:

- After Medicaid, the largest expenditure of federal funds is for the Child and Adult Care Food Program (CACFP; about \$58.8 million).
- The next largest expenditure of federal dollars is \$51.6 million for the Women, Infant and Children (WIC) food program; followed by At-Risk Child Care Subsidies (\$34 million); and Title I Part A services to preschool students (\$26.3 million). No other program has a federal amount greater than \$15 million.
- After Medicaid, the largest expenditure of state dollars is the \$71 million for the Virginia Preschool Initiative, followed by Part C Early Intervention (\$45.8 million). These two amounts alone total \$116.8 million – almost half (46 percent) of the \$254 million in state dollars expended outside the Medicaid program.



Table 5: Total Funds by Program or Service FY 2018

PROGRAM	RECIPIENTS	STATE GF	SPECIAL FUNDS	FEDERAL FUNDS	TOTAL (\$)
Medicaid Programs (*FY 2016 Expenditures)	254,793	362,914,833		355,280,402	718,195,235
VDOE - VPI (Lottery Funded)	18,023		71,000,000		71,000,000
VDBHDS - Part C Early Intervention for Children 0-3	19,072	28,648,839	17,156,473	23,125,911	68,931,222
VDH - Child and Adult Care Food Program (CACFP)				58,789,079	58,789,079
VDH - WIC Food Benefits/Programs	101,869			51,578,192	51,578,192
VDOE – Title I, Part B-619 (Spec. Ed.)	22,155	41,710,907		8,863,495	50,574,402
VDSS - At-Risk Child Care Subsidies	9,257	1,116,604		34,061,544	35,178,148
VDOE - Title I, Part A	4,524			26,300,000	26,300,000
VDSS - TANF Child Care Subsidies	8,513	11,484,339		14,338,058	25,822,397
VDSS - TANF Cash Assistance	39,191	9,261,904		10,710,227	19,972,131
OCS/CSA - Foster Care, Non-mandated, special education, wrap around for disabilities	2,120	13,815,170	6,142,733		19,957,903
VDH - Maternal & Child Health Block Grant (FY 2016 Expenditures, various ages)	113,585	4,349,003	1,025,000	12,137,599	17,511,602
VDH - Local health depts. and private Vaccine for Children (VFC) providers	12,733	333,801	16,414,123		16,747,924
VDSS - Foster Care	1,307	7,750,942		7,750,942	15,501,884
VDSS - Emergency and Energy Assistance	31,505			15,069,798	15,069,798
VDOE - VPI Plus	3,297			11,900,000	11,900,000
VDSS - Adoptions	740	6,315,252		5,049,973	11,365,225
VDSS - Healthy Families (age 0-5)	8,069			9,035,501	9,035,501
VDH - Home Visiting Programs	1,350			8,848,351	8,848,351
VDOE - IDEA Special Ed. for 3-4 Yr. olds	12,519			8,300,000	8,300,000
VDSS - Child Support Payment Admin Costs			7,542,821		7,542,821
VDSS - Child Care Licensing		764,242		6,463,946	7,228,188
VDSS – Head Start Wrap-around Child Care				6,703,748	6,703,748
VDSS - Child Care Quality Improvement				3,634,907	3,634,907
VDH – CHIP of VA Home Visiting		832,946		2,400,000	3,232,946
VDSS - CCDF Administration		254,811		1,829,447	2,084,258
VDH - WIC Administrative Costs				1,853,747	1,853,747
VDSS - Unemployed Parents Cash Assistance	4,114	1,797,627			1,797,627
VDOE - Mixed Delivery grant (VECF-administered)		1,500,000			1,500,000
VDSS - Resettlement Assistance	421			1,353,622	1,353,622
VDH - Genetic and CCHD Screening	98,000		1,290,221		1,290,221
VDSS - VECF State TANF Appropriation				1,250,000	1,250,000
VDOE – Project Pathfinders grant (VECF-administered)		1,000,000			1,000,000
VDH – Resource Mothers Home Visiting				1,000,000	1,000,000
VDH - CACFP Administrative Costs				742,844	742,844
VDH - Child Restraint Seats	8,315	98,041	478,663	62,683	639,387
Virginia Foundation for Healthy Youth	5,541		522,030		522,030
VDH - Oral Health Program	8,500	325,000		15,000	340,000
VDH - Sickle Cell Disease Care Coordination	277	305,007			305,007
VDH - Hemophilia Care Coordination Services	64	270,241			270,241
VDH - Early Hearing Detection Intervention	101,000			250,000	250,000
VDOE - Innovative Partnerships grant (VECF-administered)		250,000			250,000
VDSS - Head Start State Collaboration		43,750		175,000	218,750
UVA PALS Pre-K screening		196,999			196,999
VA Cooperative Extension Family and Consumer Sciences	10,873	4,700		52,000	56,700
GRAND TOTAL (incl. Medicaid)	901,727	\$495,344,958	\$121,572,064	\$688,926,016	\$1,305,843,037
GRAND TOTAL (sans Medicaid)	646,934	\$132,430,125	\$121,572,064	\$333,645,614	\$587,647,802



Where Does Virginia Invest its \$254 million in non-Medicaid State Dollars?

For easier reference, Table 6 breaks out the data in Table 4 to rank order the programs other than Medicaid based on amount of state dollars (rounded). To keep some perspective on the relative scale of these expenditures, note again that there is about \$362.9 million of state funding in Medicaid.

Table 6: Largest Early Childhood Investments of State Dollars Other than Medicaid

PROGRAM	\$(IN MILLIONS)
Virginia Preschool Initiative	71.0
Early Intervention Part C	45.8
Title I Part B-619 Special Education	41.7
OCS/CSA Foster Care Treatment/Spec Ed/wrap-around	20.0
VDH Child Health Services/Vaccinations	16.7
TANF Child Care	11.5
TANF Cash Assistance	9.3
VDSS Foster Care payments	7.8
Child Support program Admin. Costs	7.5
Adoptions	6.3
VDH Maternal & Child Health Block Grant	5.4
All Others (none exceed \$2.0 M)	11.0
TOTAL	\$254 MILLION

A more functional view of Virginia’s early childhood funding

Information presented thus far gives a mostly straightforward description of Virginia’s early childhood investments, showing funding sources and the amounts officially allocated in the state budget for various agencies and their respective early childhood programs. A more functional and qualitative perspective is needed to better gauge how Virginia’s early childhood spending might reflect the Commonwealth’s policy priorities and choices.

To this purpose, this section reorganizes the fiscal data by functional sector or domain rather than by agency or program. The specific program allocations listed in Table 5 can be grouped into one of nine domains based on the program’s characteristics (e.g. program purpose, target population, type of service delivered). By escaping agency silos and making function rather than host agency the basis for assignment, similar programs that reside in different agencies can be grouped together rationally and more functionally.

The defined domains are mostly but not perfectly mutually exclusive. Arguably one could derive a typology with domains of somewhat different composition; or fewer, broader ones; or more numerous but narrower ones. Nonetheless, most of the allocations fit comfortably in one and only one of the nine domains defined here. Each allocation listed in Table 5 has thus been assigned to the domain judged to be its “best fit.” Appendix A lists the composition of each domain.

Some Observations from This More Functional View of Funding

Table 7 shows the results of this “assignment-by-domain” process, based on total funds (federal plus state) devoted to each domain. Table 8 also ranks each domain but based only on the expenditure of state dollars.

Table 7: Spending by Domain

	STATE FUNDS	FEDERAL FUNDS	TOTAL FUNDS	% OF ALL FUNDS
Health	374,129,256	351,618,449	725,747,705	56
Mental Health/Developmental Services	118,721,004	56,416,641	175,137,644	13
Food/Nutrition	4700	113,015,862	113,020,562	9
Preschool	71,000,000	38,200,000	109,200,000	8
Child Care	13,619,999	63,396,743	77,016,739	6
Income Support	18,602,352	27,133,647	45,735,999	4
Foster Care/Adoption	17,016,090	12,800,915	29,817,005	2
Parent Education/Home Visiting	832,946	21,283,852	22,116,798	2
System Development/ Quality Improvement	2,990,749	5,059,906	8,050,656	1

- Not surprisingly, in both charts the health domain, driven by the large expenditure for Medicaid, far exceeds spending in other domains. Interestingly, Medicaid’s dominance contributes to the size of the next largest domain, for Medicaid pays for a number of behavioral health services and developmental treatment services (e.g. physical therapy, occupational therapy) for children 0-4 with behavioral or developmental problems.
- As Table 8 indicates, 19 percent of total state dollars are spent in the Mental Health/Developmental Services domain. These funds support early intervention services to maximize the development of children with emotional/ behavioral or developmental issues.

Table 8: Spending by Domain, STATE FUNDS ONLY

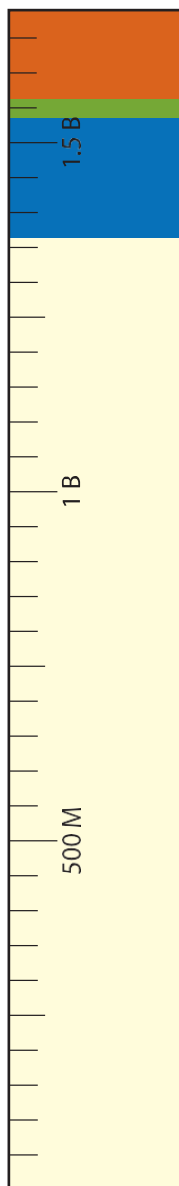
	STATE FUNDS	PERCENT
Health	374,129,256	61
Mental Health/Developmental Services	118,721,004	19
Preschool	71,000,000	12
Income Support	18,602,352	3
Foster Care/Adoption	17,016,090	3
Child Care	13,619,999	2
System Development/ Quality Improvement	2,990,748	<1
Parent Education/Home Visiting	832,946	<1
Food/Nutrition	4700	<1

- The Food/Nutrition domain ranks third in overall funding (Table 7). As outlined in Figure 2, the domain would be the second largest if federal SNAP payments (estimated \$166 million for 0-4) were included.
- Note however that the size of the Food/Nutrition domain reflects federal rather than state priorities. Virginia spends almost no state funds in this domain (Table 8 – both WIC and CACFP are supported with only federal funds).
- \$71 million in state funds support Preschool via the Virginia Preschool Initiative, the third largest investment of state dollars (Table 8). VPI targets “at risk” (mostly low-income) four-year olds not served by the federal Head Start program. Challenges with insufficient school space, local match requirement, and low level of partnerships with private child care providers have resulted in limited participation in localities across Virginia; only 55 percent of participating school divisions utilize 100 percent of their available slots.
- In fact, if Head Start funds serving 3- and 4-year olds were included in this analysis (again see Figure 2), then that \$115 million, combined with the \$38 million in federal Title I funds that also support state Pre-K, would total about \$153 million federal dollars or more than twice the \$71 million in state dollars.
- Child care funding is predominantly federal; the \$13.6 million in state funds is mostly the Maintenance of Effort amount required for Virginia to access federal Child Care and Development Block Grant (CCDBG) funds. There are long-standing concerns, not unique to Virginia, about funding adequacy and about whether child care investments should prioritize quantity or quality. The average CCDBG reimbursement rate for Virginia hovers around 45 percent of market rate. These concerns are addressed in the “Discussion/Implications” section.
- Home visiting and other parent support services promote the development of children growing up in the most vulnerable families. Table 7 shows that the Commonwealth has allocated \$21.3 million from available federal sources (primarily excess TANF funds) but has committed relatively few state dollars (\$832,946) to support these essential interventions.
- Finally, funds for system development and quality improvement total less than one percent of all funds. System development and quality improvement encompasses a suite of integrated actions aimed at using data to strategically coordinate resources, improve efficiency of spending, and increase the quality of early childhood programs, thereby enhancing the system’s impact on children’s school readiness.

Figure 2: Impact of adding Federal Funds that do not appear in State budget

Some federal funds supporting early childhood services are not included in this analysis because they are not awarded directly to state government and therefore are not included in the Virginia state budget.

Since the funds support a substantial amount of early childhood service delivery, the hypothetical impact of including them in our analysis is estimated below.



Adding federal funds supporting

1. Head Start (\$115 M)
2. Early Head Start (\$15 M)
3. SNAP Payments (\$166 M)

would increase total early childhood spending from

\$1.31 billion to \$1.61 billion.

1. Head Start: \$115 million

If added, Pre-K domain would grow from

\$109 M to \$224 M

That domain's share of total spending would go from

8 to 17 percent

2. Early Head Start: \$15 million

If added, Child Care domain would grow from

\$77.0 M to \$92.0 M

That domain's share of total spending would go from

6 to 7 percent

3. SNAP Payments: \$166 million

If added, Food/Nutrition domain would grow from

\$113 M to \$279 M

That domain's share of total spending would go from

9 to 21 percent

Note: Also not included, an estimated \$24.6 M in SNAP administrative costs, which are a combination of state (\$8.1 M), local (\$.2 M) and federal (16.4 M) funds.

Discussion & Analysis

This section presents a more analytical view, first by offering some general summary statements about Virginia’s early childhood financing, and then by taking a critical look at several domains to identify some *positive* and some *problematic* characteristics of this financing.

Is Virginia’s Early Childhood Spending Adequate?

Assessing the adequacy of Virginia’s early childhood funding, at least regarding the overall size of the investment, is problematic. There are no commonly accepted metrics for making such global assessments; and few states have produced similar analyses to which we can compare Virginia’s level of commitment. However, a few general comments can be made.

- Total estimated spending is \$1.31 billion, which is approximately 2.6 percent of Virginia’s total budget. This picture is somewhat distorted due to the large share (55 percent) represented by Medicaid spending. Removing Medicaid from the total gives a potentially more representative and instructive metric: Virginia’s annual non-Medicaid early childhood spending is about 1.2 percent of the state budget.
- Virginia is heavily reliant on federal funding: funds from federal sources make up 53 percent of all early childhood funds, and again if Medicaid spending is factored out, the remaining \$588 million in spending is fully 57 percent federal.
- Outside of Medicaid, Virginia spends about \$254 million in state funds (General Fund and Special Funds such as lottery proceeds) in the early childhood sector. Most of this spending is directed to children at risk of starting school already behind. Using the earlier estimate (Table 1) of 190,000 low-income children 0-4 as a proxy estimate of the size of the at-risk population to target, then *per capita state* spending on that population is about \$1300. In other words, Virginia provides a relatively small per-child commitment of of its own funds to address all the potential non-health risks encountered by at-risk children.

Finance Issues Related to a Perceived Distinction Between Child Care and Preschool

This report presents finance data for the child care and preschool domains separately. It is both convenient to do so, and it also aligns with the common misperception that preschool is where early education is delivered, and that child care is where something different than early education is delivered. Brain research is unequivocal that early education occurs in both settings, especially but not solely because in all settings, children are exposed to important and ongoing adult/child interactions that can propel both cognitive and social-emotional development and constitute the essential core of “early learning.”

- There are fundamentally different cost models in the different delivery systems of early education. Publicly-funded preschool delivered through local school divisions (e.g. Title I Preschool) utilizes the same per-pupil expenditure rates as Kindergarten, resulting in teachers being paid along the K-12 salary schedule. Publicly-funded preschool delivered through VPI has the same cost drivers but is funded based on an assumed per pupil expenditure of \$6,125 (through a combination of state dollars and local match), roughly half that of the K-12 per-pupil expenditure. Private providers, on the other hand, are largely supported by parent fees, potentially supplemented for low-income families by federal Child Care and Development Fund (CCDF) subsidy dollars flowing through the state to local departments of social services to vendors on behalf of families, if the private child care program has agreed to be a subsidy vendor. One result of this challenging cost model of child care is that teachers in these private settings receive very low wages, averaging between \$10 and \$11 per hour statewide. It is therefore difficult to attract and retain well-trained staff, exacerbating the challenge of assuring quality services in the sector.
- The current state of financing also leads to access challenges in both the private market and public sector. As previously noted, subsidy reimbursements average less than 50 percent of market rate, and only 17 percent of *eligible* low-income children

($n = 17,800$) receive federal subsidy supports for child care services. And as for VPI, among the 118 participating local school divisions, 45 percent use less than their full allotment of slots, primarily due to challenges with space or meeting their local match requirement.

- Beyond local fiscal constraints, another barrier to full utilization of state preschool funds is that many parents need full-day coverage of care and education for their very young children to accommodate a work schedule beyond non-school hours. Those parents are likely to seek the full-day coverage they need outside of the VPI program, which typically offers a 5.5 hour “day” of services. Fortunately, there is growing recognition that a wider range of early childhood education choices is required to help meet the diverse needs of families.
- Virginia currently has both a federal preschool development grant as well as a state-funded “mixed delivery” preschool initiative. Both initiatives are likely to provide insights and examples to assist Virginia in envisioning the types of investments that provide dual benefits of school readiness services for at-risk children and important work/life supports for low-income working parents.
- Since early education outcomes are so dependent on the quality of critical adult/child interactions, this overall picture of disparate investments leads to many programs, especially private providers, operating in a state of financial stress which affects wages, quality improvements, and professional development, and can lead to program closure and provider shortages.
- It is important to note that in addition to supporting working families and providing early education opportunities, Virginia’s child care industry has a nearly \$2.1 billion impact on the state’s economy (revenue combined with additional spillover spending) and employs over 40,000 individuals supporting an additional 15,900 jobs in other industry sectors according to a 2015 report from the Committee for Economic Development.

The Health Domain:

While the size of the health domain (about 56 percent of all spending; see Table 7) far exceeds others, this does not suggest in any way that such spending is excessive or unnecessary, but rather that financing services that protect and enhance child health is seen as a fundamental imperative for the Commonwealth.

Despite sizable health domain expenditures, some dimensions of early childhood health may be neglected. For example, relatively little funding is allocated for oral health, nor for population-focused efforts to promote healthy lifestyle habits. Obesity prevention efforts in early childhood, for instance, are not well-developed or financed and often cannot achieve the scale needed for broad impact.

Food/Nutrition:

The federally funded Child and Adult Care Food Program (CACFP) represents a unique financing opportunity for Virginia – to both bolster nutrition for a greater number of at-risk children, and to stabilize child care businesses caring for these children by providing additional revenue. According to the Food Research and Action Committee policy brief prepared for Virginia’s 2016 CACFP State Summit, Virginia’s early care participation in this uncapped federal program lags somewhat behind other states. There are many explanations for this lag: the program itself is unwieldy and complex, and Virginia is a relative newcomer to state CACFP management, having assumed responsibility and oversight for this program only fairly recently. Child care programs serving low-income families typically operate with razor-thin margins and have very limited funds or staffing to explore whether CACFP would benefit them and to begin the lengthy application process. Virginia currently invests no state funds to support CACFP administration, which limits the state’s ability to promote CACFP and/or assist child care programs through the enrollment process. If CACFP administration were more effectively supported, federal funds could be more readily accessible to reimburse child care providers for nutritious meals and snacks provided to children. Many child care providers report being unable or reluctant to participate in CACFP because of the time-consuming administrative

requirements and the overwhelming nature of the initial application process; resources that could help more children and more care providers go untapped. Table 5 shows that the \$58 million program is entirely federally funded, but only a small amount (about \$743,000 or 1.2 percent) is allocated for administrative costs.

Home Visiting/Parent Education & Support:

Virginia has made progress in recent years building a shared vision and more integrated functioning among its various publicly-funded home visiting/parental support programs (*Healthy Families, Resource Mothers, CHIP of Virginia, Nurse-Family Partnership, Early Head Start*). This collaborative effort has resulted in a recent step to institutionalize the progress by creating an umbrella organization called Early Impact. These programs collectively received a funding increase of \$6.75 million per year in the FY17-18 biennial budget. While funding has expanded, the state has chosen to utilize federal funds (primarily excess TANF funds) to support the expansion of home visiting; relatively little state funding has been committed (Table 7).

In terms of meeting the need, Table 1 shows an estimate of 36,000 children 0-4 living in “deep” poverty – i.e. in families with income at less than 50 percent of the federal poverty level. This can be used as a proxy indicator of the number of children who are at the highest risk of compromised development due to chronic exposure to the multiple and toxic stresses of such deep poverty. Data from *Early Impact* indicate that in 2016 about 6,800 families were receiving home visiting services. Some families could have more than one child 0-4 benefiting from the services, so an estimate of 10,000 children served, though probably high, can make a telling point. Even if the actual number is that high, the figure is less than one-third (28 percent) of the estimated 36,000 children in need.

Mental Health/Developmental Services Domain:

This domain is composed mainly of funds from IDEA Part C Early Intervention; IDEA Part B Special Education, treatment services paid by the Comprehensive Services

Act for children (many of whom are in the foster care system) with social-emotional-behavioral difficulties needing professional intervention; and treatment and developmental services paid by Medicaid for medically necessary interventions for children with diagnosed mental health or developmental disability issues. The domain ranks second in amount of total funding (13 percent) and in amount of state funding (19 percent), with significant amounts of both state (\$119 million) and federal (\$56 million) funds.

System Development & Quality Improvement:

As noted in the first section, less than one percent of funding is dedicated to system development (an integrated continuum of policies, services, and programs so that children and families thrive) and quality improvement efforts, the foundation for an accountable, efficient and responsive early childhood system.

- There is no unified early childhood governance structure in Virginia, and therefore no formal authority to drive the institutional changes needed to foster a truly integrated system. This gap is due in part to Virginia’s unique one-term governorship and the resulting discontinuity in relevant vision, and in part to the fact that implementation authority over early childhood programs is dispersed among multiple state agencies. (*The School Readiness Committee, created in statute to endure beyond gubernatorial terms, has initiated a workgroup dedicated to exploring governance considerations and the ways a governance solution could potentially maximize the efficiency and effectiveness of investments in early childhood services. Initial recommendations are anticipated by June of 2018.*)
- Early childhood research convincingly demonstrates that only *high-quality* programs can produce the desired child development and school readiness outcomes. *Virginia Quality* is a best-practice quality rating and improvement system (QRIS) which is jointly administered by the Department of Social Services and the Virginia Early Childhood Foundation. *Virginia Quality* fosters quality in early education programs and provides a way for parents,



as consumers, to discern quality features. The QRIS is a tool being used in nearly every state to establish a common, supportive frame for measuring and improving the quality of children’s experiences in classrooms across all revenue streams and across a diverse and disparate sector – whether they are in family child care homes, centers, faith-based programs, Head Start, or school-based programs. The system has established a solid foothold by voluntarily enrolling a substantial number of early education programs (over 20 percent of eligible programs as of October 2017), yet Virginia invests no state funds to support the continuous quality improvement system. As well, unlike most states, Virginia does not offer financial incentives to programs for participating in the QRIS and making and maintaining quality improvements, such as increasing teacher effectiveness and implementing evidence-based curricula. Resources dedicated to Virginia Quality are insufficient to support the majority of programs in reaching the level of quality needed to enhance school readiness.

- A second essential lever for increasing access to high-quality early care and education is in supporting a highly-skilled early education workforce. Specifically, early educators need access to a stackable, affordable competency-based career pathway that focuses on effective interactions, shown by research to be the most important within-classroom factor in achieving positive outcomes for young children. While recent investment of state general funds has been made to support the costs for incumbent early childhood teachers to access high quality coursework and attain credentials in a stackable sequence, a preliminary analysis of early childhood funds devoted to professional development (Morgan, 2017; unpublished report for the Virginia Early Childhood Foundation) identified that overall, dedicated financing for professional development activities is relatively modest. As well, the variety of initiatives and approaches conducted by a range of departments and programs appear not well-coordinated and therefore may sacrifice both some efficiency and effectiveness in the use of the limited funds allocated.

Final word on the adequacy of early childhood funding in Virginia

The previous section started with the question, “Is Virginia’s early childhood spending adequate?” After describing all the multiple 0-4 spending items in state agency budgets, this report summarized all the data from a more strategic funding-by-domain perspective, using demographic data and available information on unmet needs to help make judgments about funding adequacy in a number of these domains. What, then, can be said in answer to this fundamental question of adequacy?

First, a word about recent history – how did we get here? In the span of Virginia’s efforts toward a functional early childhood system, there has been demonstrable progress. Several domains (preschool, home visiting/parent education & support, health, mental health/developmental services, professional development) have received expanded funding. The system at large has more system development capacity than previously, which has helped to build some necessary system components (e.g. a quality rating and improvement system, a public-private entity focused on system development, a network of local/regional coalitions to foster community-based school readiness initiatives, a statewide School Readiness Report Card, and improvements in data systems, to name a few).

Such progress is commendable, yet based on the findings of this project, a frank assessment of where we are today and how far we still need to go would have to include the following overriding observations.

1. The estimated \$1.31 billion spent on early childhood services is inadequate in that many domains fall short of being able to reach all those in need.
2. A majority (56 percent) of early childhood spending is in the Health domain. This reflects substantial but essential expenditures in the Medicaid program, but also the relative under-financing of most other domains.
3. The Commonwealth is extremely reliant on funds from federal sources, most of which are for safety-net entitlements or other categorical programs. While federal revenue is critical for meeting the needs of Virginia’s 0-4 children, this over-reliance masks the opportunity for Virginia to set priorities and goals for its own investment; limits state and

local innovation; can be inefficient because of the rigidity of disparate federal rules; and makes Virginia vulnerable to reductions that could arise from outright federal budget cuts. Commitment of state funds for many early childhood domains is modest; many eligible children and families go unserved. **Put more starkly, Virginia has not made adequate commitments of state funds for the services essential to promoting the healthy development and school readiness of those children who are most at-risk.**

4. Relatively speaking, commitments of state dollars in the domains of health (mostly for the Medicaid match), Part C Early Intervention, and preschool (VPI) are examples of progress in prioritizing Virginia programs for young children and demonstrating strategies for bringing those parts of the system closer to a reasonable scale.
5. Lastly, unless addressed with additional state funds, the most fundamental barrier to future progress may be the meager one percent of total funding currently directed to system development and quality improvement. In the absence of a unified governance strategy that can guide system investments and decisions, current spending, which encompasses 40-plus line items across 8 state agencies, is unlikely to be well-coordinated or efficient. Such inefficiency can reduce the potential impact of early childhood investments. If Virginia can overcome its reluctance to create a viable and enduring governance strategy to guide development of an efficient and accountable early childhood system, such an investment would be a sure sign that Virginia is ready to make the policy decisions and corresponding financial commitments that will raise young children’s health and school readiness to where it belongs – at the highest rank of public priorities.

More than providing a detailed accounting and analysis of Virginia’s investments in young children, *Virginia’s Children’s Budget* should serve as an essential tool in guiding the development of policies and actions that support young children and their families, orienting efforts toward a more equitable, integrated and efficient system for school readiness.

Appendix A: Components of Nine Functional Domains of 0-4 Expenditures

Health

DMAS – all payments for general health services (excludes behavioral health/developmental disabilities)
 VDH – all Maternal and Child Health items
 VA Foundation for Healthy Youth – health promotion and obesity prevention programs

Mental Health/ Developmental Disabilities Services

DMAS – all payments for behavioral health/developmental disabilities services
 DBHDS – IDEA Part C Early Intervention
 DOE – IDEA Part B Special Education
 Office of Children’s Services – behavioral health/developmental disability services, CSA-eligible children

Food/Nutrition

VDH – Child and Adult Care Food Program
 VDH – WIC
 VA Cooperative Extension – Nutrition education programs

Preschool

DOE – VPI (lottery funds)
 DOE – Title I Part A preschool
 DOE – VPI+ (federal preschool development grant)

Child Care

DSS – Child Care subsidies (TANF and At-risk)
 DSS – Child Care and Development Fund administration
 DSS – Child Care licensing
 DSS – Head Start wrap-around Child Care

Income Support

DSS – TANF/TANF UP Cash Assistance
 DSS – other cash assistance categories (emergency, energy, resettlement)
 DSS – Child support enforcement administration

Foster Care/Adoption

DSS – Foster care basic maintenance payments
 DSS – Adoption services
 Office of Children’s Services – Basic maintenance payments for foster care children served by CSA

Home Visiting/Parent Education

VDH – Home visiting programs
 DSS – Healthy Families

System Development & Quality Improvement

DSS – Child Care Quality Improvement (CCDF quality set-aside)
 DSS – Head Start Collaboration Office
 DSS – VECF TANF appropriation
 DOE – Innovative Partnership grant (VECF-administered)
 DOE – Project Pathfinders (VECF-administered)
 DOE – Mixed Delivery Pilot Project (VECF-administered)
 DOE – PALS Pre-K screening (UVA-administered)