For me, this is an economic growth issue. My position is that if government is going to invest in education at all, it should invest in enhancing early childhood development.

Jeffrey M. Lacker
President
Federal Reserve Richmond

Virginia Early Childhood Foundation
Dear Citizens of the Commonwealth,

We are pleased to present you with this annual report of progress of the Virginia Early Childhood Foundation. While 2009 was a difficult economic year for all Virginians, we are pleased to report continued growth of the Foundation and increased statewide support for our youngest Virginians, which will result in long-term prosperity for all our citizens.

Virginians care deeply about the future of our Commonwealth, and our first and most important job is to ensure the success and prosperity of our citizens, businesses and institutions. Research demonstrates that investments that improve the school readiness of young children will have lifelong impacts on educational achievement, workforce productivity, and economic prosperity. These are important values to Virginians, and they are guiding principles of the Virginia Early Childhood Foundation.

During this past fiscal year, the Foundation has experienced dramatic success in helping Virginians from all walks of life, and all regions of the Commonwealth, to embrace early childhood as a way to make certain these values are sustained and supported. Fiscal year 2009 brought continued bi-partisan support from our elected leaders, increased philanthropic support from corporations, foundations, our Board of Directors and other individuals, and our first grant from the Virginia Tobacco Commission. This level of commitment proves that early childhood development is a value that Virginians hold in common for the long-term benefit of our citizens.

As you read this annual report, you will find that our work has expanded to regions across the Commonwealth, and, even in our infant years as an organization, we are witnessing improvements in school readiness that we know will lead to a stronger, more prosperous Virginia in the future. On behalf of our Board of Directors, we thank you for your ongoing support, for making certain that our values transcend our differences, and that we continue investing in young children today as a way to build a strong Virginia for tomorrow.

Sincerely,

Scott L. Hippert
President

Paul O. Hirschbiel
Chair
The Foundation for Smart Beginnings

The Virginia Early Childhood Foundation was created as a public/private partnership with the Commonwealth to support local communities in building early childhood collaborations to deliver high quality early childhood development experiences for Virginia’s youngest citizens. The Foundation operates as an independent nonprofit organization, led by a diverse and accomplished board of directors, representing all regions of the state. Through its leadership of the Smart Beginnings initiative, the Foundation works to ensure that Virginia’s children are prepared to succeed in a highly competitive and complex world. Smart Beginnings initiatives also help parents to become effective first teachers for their children. It is the Foundation’s goal to give Virginia’s children a “Smart Beginning” for success in school, at home, in the workplace, and in service to our nation.

Scott Hippert
President
Virginia Early Childhood Foundation

Vision

All children in Virginia enter kindergarten healthy and ready to succeed in school and life.

Mission

To provide collaborative leadership to foster Smart Beginnings for all young children in Virginia, and through them, a vital future for the Commonwealth.

From legislative sessions to the living rooms of homes across the state, people are realizing that the nation’s future success rests in the hands of children who are prepared to succeed in school and in the workforce.
In 2009, the Foundation supported 21 community-based Smart Beginnings partnerships, which under the guidance of local leadership councils create effective and collaborative local early childhood systems. These initiatives bring the early childhood resources of a region together into a collaborative system and engage all sectors of a community to support and promote high quality early childhood development. The Foundation’s focus is on children pre-natal to 5, with community priorities determined by local leadership.

**Smart Leadership**

The Foundation is a recognized leader and trusted convener for early childhood development issues throughout the state. The public-private partnership between the Virginia Early Childhood Foundation and the Virginia Office of Early Childhood Development serves as an effective means for furthering the early childhood development agenda in both the public and private sectors. While lending its expertise to various state task forces relating to early childhood development, Foundation staff remains current on best practices in the industry. The Foundation also co-chairs Virginia’s Plan for Smart Beginnings, the statewide strategic planning initiative for early childhood.

**Smart Growth**

The Virginia Early Childhood Foundation experienced tremendous growth and success in 2008-09, as it strengthened its staff and elected new leaders to its Board, representing both the public and private sectors. These additions help position the Foundation to increase school readiness and life long achievement for children throughout the Commonwealth.

The Smart Beginnings initiative also grew significantly in 2009, as $1.3 million in grant funding was awarded to 21 new and existing Smart Beginnings coalitions over the course of the fiscal year. Smart Beginnings partnerships began operating in regions across the state, including the newest initiatives in the Appalachian Region, the Crater Region, Danville-Pittsylvania County, the Shenandoah Valley, and Southwest Virginia. Under the guidance of local leadership councils, these coalitions create effective and collaborative local early childhood systems.

Perhaps most notably in 2009, the Virginia Tobacco Indemnification and Community Revitalization Commission stepped forward with major funding for Smart Beginnings in the Southside and Southwest regions of the Commonwealth. The Commission clearly recognized the value of quality early childhood experiences for strengthening the region’s student performance, workforce productivity, and economic future. The Foundation added staff in the Southside and Southwest areas to serve these new initiatives.

As public support for early childhood development grows so do the Foundation’s efforts to engage and educate the communities that it serves. Local leadership councils remain essential in the formation of regional Smart Beginnings coalitions, and serve an integral role in providing support, advocacy and vision. Additionally, the Foundation offers innovative ways to share information with a broad constituency, as is evidenced by events such as last year’s early childhood Summit co-sponsored with Voices for Virginia’s Children.

By investing in the human potential of today’s young children, the Foundation is shaping a prosperous future for Virginia.
The Virginia Early Childhood Foundation is making sound investments in Virginia’s future by preparing our youngest citizens for school, work, and life. Although our primary focus is school readiness, Smart Beginnings aims to advance all areas of a child’s development. This multi-faceted approach combines cognitive, physical, and socio-emotional development initiatives to equip young children to succeed in life.

Countless studies confirm that high-quality early childhood development programs, such as Smart Beginnings, positively impact virtually all aspects of society, resulting in healthier families, engaged communities, a prosperous Commonwealth, and a stronger nation. Providing “smart beginnings” for all Virginia’s children is not only the smart thing to do, it’s also the right thing to do.

Child and Family
Smart Beginnings partners work to increase the cognitive, physical and socio-emotional health and development of young children and families. By focusing on these needs, Smart Beginnings helps create a cycle of confidence and achievement in school and in life. Families also gain skills to succeed as their child’s primary care giver and first teacher.

Community
The Foundation works to ensure the participation of recognized local leaders in each of the Smart Beginnings initiatives, as well as the participation of all key sectors of a community to build infrastructure that strengthen early care systems within local jurisdictions. Smart Beginnings partnerships work to shape today’s children to become healthy, responsible, engaged, and civic-minded community members of tomorrow.

State
High quality early childhood development is critical to maintaining the Commonwealth’s high quality of life. Smart Beginnings not only prepares a future-ready workforce, but also increases present-day workforce productivity by increasing access to quality early care opportunities, allowing parents to work.

National
The country’s national security and economic prowess hinge on the military personnel and skilled workforce of the next generation. Early childhood development efforts have been shown to alleviate financial burdens on the nation’s education, healthcare, and penal systems by fostering responsible citizenship. The Virginia Early Childhood Foundation is committed to preparing Virginia’s children to make positive contributions to America’s continued prosperity.
Smart Beginnings: A Progress Report for Local Coalitions

I see three major benefits to investing in Early Childhood. First, these investments allow for the development of the educated and healthy future workforce Virginia needs to create a robust economy.

Secondly, improved high school and college graduation rates will reduce the number of youth subject to drug addiction, teen pregnancy and incarceration.

Finally, the productivity of today’s workforce will improve as parents will be confident their children are being prepared to successfully begin kindergarten.

Thomas N. Chewning
Executive Vice President and CFO
Dominion Resources (Retired)

The Virginia Early Childhood Foundation works with local partners throughout the Commonwealth to map existing early childhood development resources and build strong Smart Beginnings initiatives that will best serve families in the respective regions. Since inception, the Foundation has engaged over 400 organizations to increase school readiness for more than 300,000 young children ages prenatal to 5 in 70 cities, towns and counties across Virginia.

Through a competitive grant process, VECF supports regional collaborative partnerships to conduct and support Smart Beginnings initiatives. The Foundation provides guidance and technical assistance as grantees follow a systematic approach of building support and resources to sustain Smart Beginnings initiatives in communities and to deliver measurable outcomes for young children. Initiatives include home visiting services, early childhood professional development, parenting education, local implementation of the Star Quality Initiative, and engagement of all sectors of a community to support and promote high-quality early childhood development.
Planning Grants

Local coalitions use these $50,000 grants over a 12-18 month period to implement strategic planning activities, including: hiring essential staff and securing office space; engaging high-profile business and community leaders to serve on a local Leadership Council; conducting a local early childhood assessment of gaps and opportunities; fostering collaboration among all organizations and agencies that impact or serve young children and their families; and developing a strategic plan to build collaborative early childhood systems.

### Planning Grant Recipients

#### Appalachian Region
(Lee, Scott, Wise, City of Norton)
**Contact**: Molly Campbell  
276-386-6441  
mccampbell@appcaa.org

#### Crater Region
(Emporia, Brunswick, Greensville, Surry, Sussex)
**Contact**: Shikee Franklin  
434-634-2490 x236  
sfranklin@impassoc.org

#### Danville-Pittsylvania
(Pittsylvania, Danville)
**Contact**: Jennifer Smith  
(Joy Stone)  
434-792-3700  
s.jennifer87@gmail.com

#### Fluvanna
(Fluvanna County)
**Contact**: Pat Groot  
434-591-1910  
p groot@co.fluvanna.va.us

#### New River Valley
(Montgomery, Floyd, Giles, Pulaski and Radford)
**Contact**: David Moore  
540-231-8954  
dmoore@vt.edu

#### Shenandoah Valley
(Staunton, Augusta, Shenandoah)
**Contact**: Stacie Jackson  
540-437-2432  
jacks2sc@jmu.edu

#### Southwest
(Dickenson, Buchanan)
**Contact**: Jackie Carter  
276-619-2216 ext. 323  
jcarter@peopleinc.net

---

2009 Smart Beginnings Grants

SMART BEGINNINGS  

- Planning Grants  
- Getting Ready  
- Partnership Grants  
- Sustaining Grants
Getting Ready Grants

Awarded in 2008, these grants provide funding of up to $100,000 over two years to Smart Beginnings initiatives that have successfully completed their initial planning. Over the course of the funding period, grantees continue developing plans for comprehensive systems-building, more fully engaging their communities, and building greater advocacy and support to strengthen school readiness efforts.

**GETTING READY GRANT RECIPIENTS**

**Alexandria/Arlington**
*(Alexandria, Arlington)*

**Leadership Council Chair:** Robert H. Dugger  
Managing Director, Tudor Investment Corporation (Retired)

**Contact:** September Jones (Karen Hughes)  
703-224-2342 | aasrc@campagnacenter.org

**Highlights**
- Identified opportunities to better serve area families by completing a community assessment in conjunction with the Kellogg Foundation Pathways Project.
- Prioritized and tailored training initiatives in response to the needs of local providers.

**Hopewell-Prince George**
*(Hopewell, Prince George, Fort Lee)*

**Contact:** Cheryl Riggins (Bernetta Guinn)  
804-541-6400 | criggins@hopewell.k12.va.us

**Highlights**
- Collaborated with J. Sergeant Reynolds Community College and John Tyler Community College to train local day care providers on best early childhood development practices.
- Engaged support from local foundations to maximize public funding for the area’s youngest children.

**Rappahannock Area**
*(Caroline, Fredericksburg, King George, Spotsylvania, Stafford)*

**Leadership Council Chair:** Glenn Kinard  
Regional President, PNC Bank-Fredericksburg

**Contact:** Angie Sullivan  
540-373-0041 x301 | asullivan@rappahannockunitedway.org

**Highlights**
- Enhanced the quality of area early childhood education programs through participation in Phase II of Virginia’s Star Quality Initiative.
- Received significant support from the Virginia Foundation for Healthy Youth to expand Al’s Pals, a comprehensive development curriculum, in 23 additional classrooms during the 2009-2010 school year. *Al’s Pals: Kids Making Healthy Choices* teacher training and curriculum materials were used in 12 classrooms in 2008-09.
Virginia Peninsula
(Hampton, Newport News)
Contact: Belinda Willis
757-870-6161 | Bjhw3@cox.net

Highlights
• Improved local access to early childhood services by developing an extensive internet database for families and providers.
• Increased provider competency through training on ASQ/SE, a developmental and social/emotional assessment instrument. This prepares providers to better assess preschoolers, provide feedback to parents, and make referrals where appropriate.

Partnership Grants
As the flagship of the Smart Beginnings initiative, the Foundation awards up to $500,000 to local Smart Beginnings partners that have successfully engaged strong community leadership, completed strategic planning, and systems-building activities, and are prepared to take the lead in fostering local collaborations that are ready to dramatically improve the school readiness of the region’s young children.

PARTNERSHIP GRANT RECIPIENTS

Central Virginia
(Albemarle, Amherst, Appomattox, Bedford City, Bedford County, Lynchburg)
Leadership Council Chair: Pete Warren
Lynchburg University (retired)
Contact: Gayle C. Lucado
434-455-6914 | Gayle.lucado@unitedwaycv.org

Highlights
• Worked to receive support from federal stimulus funds for Smart Beginnings initiatives that enhance opportunities for low-income families and young children.
• Early childhood providers throughout this region participated in InnoVAtive Leadership: Building Community Connections, a Virginia Cooperative Extension community leadership program. These providers developed effective plans for strengthening local early childhood programs, ultimately becoming more powerful advocates for young children.

Charlottesville/Albemarle Area
(Albemarle, Charlottesville)
Leadership Council Chair: Dr. Robert Pianta
Dean University of Virginia Curry School of Education
Contact: Miriam Rushfinn
434-972-1702 | mrushfinn@unitedwaytja.org

“...If we want a strong economy for tomorrow, we must focus today’s public investments on youth human capital where it will generate the highest economic gains.”

Robert H. Dugger
Managing Director
Tudor Investment Corporation (Retired)
Greater Richmond
(Chesterfield, Hanover, Henrico, Petersburg, Richmond)
Leadership Council Chair: Thomas N. Chewning,
Executive Vice President and CFO Dominion (Retired)
Contact: Amanda Scudder
804-775-6434 | scuddera@yourunitedway.org

Highlights
• Made early child care decisions easier for parents by developing a consistent quality ratings process for the 28 center-based early childhood programs that participated in the Virginia Star Quality Initiative pilot.
• Connected families with home visiting programs by developing a collaborative home-visiting assessment and referral process.

Greater Roanoke
(Botetourt, Craig, Franklin, Roanoke City, Roanoke County, Salem, Vinton)
Leadership Council Chair: Dr. Robert Sandel
President of Virginia Western Community College
Contact: Danielle Murray
540-777-4211 | Danielle@uwrv.org

Highlights
• Increased early care provider skills by offering 16 complimentary training courses in early childhood development.
• Expanded home visiting services to guide 138 area families as they work to nurture their children’s development during their first five years.

Martinsville & Henry County
(Martinsville, Henry)
Leadership Council Co-Chairs:
Rev. Thurman Echols
Moral Hill Baptist Church
Sharon Shepherd
Deputy Director Martinsville Henry County Chamber of Commerce
Contact: Sheryl Agee
276-403-5963 | cheryl@unitedwayofhcm.org

Highlights
• Recognized nationally for increasing the accessibility of local early childhood services by coordinating the efforts of 15 community partners in an innovative one-stop center.
• Engaged additional community support to increase Smart Beginnings partners by 50%.

Shenandoah Valley
(Harrisonburg, Page, Rockingham)
Contact: Pat Kennedy
540-568-2557 | kennedpa@cisat.jmu.edu

Highlights
• Sponsored annual summit on community support.
• Expanded home visiting to support more parents, including teen mothers.

“Our national security in the year 2030 is absolutely dependent upon what is going on in early childhood education today.

The military recognizes that families, early childhood professionals, and teachers prepare the young men and women who, with their knowledge, strength and character, protect our nation. We have to start early.”

Rear Admiral James A. Barnett
US Navy (Ret.)

Western Tidewater
(City of Franklin, Isle of Wight County, Southampton)
Leadership Council Chair:
Martha Kello
Program Head Child Development Paul D. Camp Community College
Contact: Connie Burgess (Amanda Ritter)
757-562-8511 | cburgess@franklinva.com

Highlights
• Established a non-profit organization to coordinate and support early childhood development initiatives in the area.
• Jump-started area initiatives by piloting the Virginia Star Quality Initiative in 11 early childhood programs and 15 classrooms.
Sustaining Grants

Sustaining Grants are awarded to Smart Beginnings Partners that have successfully implemented their strategic plan for improving school readiness for young children and families. These grantees receive up to $100,000 over two years to sustain Smart Beginning initiatives while they work with their Leadership Councils to continue funding and community support for the local initiative.

SUSTAINING GRANT RECIPIENTS

Fairfax
(Fairfax County)
Leadership Council Chair: Rotating
Contact: Betsi Closter
703-324-8053 | Betsi.closter@fairfaxcounty.gov

Highlights
• Formed 8 Neighborhood School Readiness teams to act as conveners between early childhood programs and elementary schools to advance school-readiness initiatives for area children.
• Staff participated in nationally recognized early childhood development training courses to strengthen their ability to serve area families.

Historic Triangle
(James City, Williamsburg, York)
Leadership Council Chair:
Sherry Patterson
Smart Beginnings Coordinator
Contact: Sheri Osborne
757-566-2849 | sherio@cdr.org

Highlights
• 11 early childhood programs received star ratings through their participation in Virginia’s Star Quality Initiative pilot.
• Enhanced the capacity of area providers to effectively prepare children for school and life by conducting a series of early childhood professional development courses.

South Hampton Roads
(Chesapeake, Norfolk, Portsmouth, Suffolk, Virginia Beach)
Leadership Council Chair:
Paul O. Hirschbiel, President, Eden Capital
Contact: Lisa Howard
757-226-8826 | llhoward@smartbeginningsshr.org

Highlights
• Received significant support from The Norfolk Foundation to partner with the Educational Policy Institute and UVA’s Center for the Advanced Study of Teaching and Learning to advance QRIS efforts by conducting one of the first intensive evaluations of this work in the Commonwealth.
• Increased community awareness of the key link between quality care and positive child outcomes.

Sustaining Partners

The three most veteran Smart Beginnings coalitions reached a significant milestone, as they completed the Sustaining Grant cycle to conclude the final stage of Foundation funding. At the Foundation’s June 2009 board meeting, these three coalitions – Fairfax County Office for Children, Smart Beginnings Historic Triangle, and Smart Beginnings South Hampton Roads – became “Sustaining Partners.” This new status recognizes the valuable role of these coalitions as early leaders in the Smart Beginnings structure, as well as their continued partnership in this dynamic statewide network.

Going forward, these Smart Beginnings partners will continue to benefit from the Foundation’s training opportunities and technical assistance, and offer their experience to mentor and support newer initiatives across the Commonwealth.

The Foundation congratulates these new Sustaining Partners and looks forward to other coalitions joining their ranks.
Smart Standards for Early Care Experiences

A major milestone in the advancement of Virginia’s early childhood efforts in 2009 was the successful launch of the new Virginia Star Quality Initiative. The Foundation, in partnership with the Virginia Office of Early Childhood Development, continues to vigorously advance this voluntary Quality Rating and Improvement System as the standard-bearer for early care providers throughout the Commonwealth. This initiative was created in response to the need for a clear and consistent way for families to make informed child care choices, while allowing providers a systematic approach for improving the quality of their services.

In the spring of 2009, VECF and the Virginia Office of Early Childhood Development signed a Memorandum of Understanding to share responsibilities for Virginia’s Star Quality Initiative. The Foundation provides quality oversight to the ratings process, promotes and expands the initiative, and issues ratings certificates to qualified early childhood centers.

Building on its initial success, Virginia’s Star Quality Initiative expanded during the 2008-09 school year to include toddler classrooms. Thirteen community coalitions participated, reaching nearly 10,500 children in 250 preschool classrooms and 100 toddler classrooms around Virginia. These coalitions represent the following counties, cities, and surrounding areas: Alexandria & Arlington, Blacksburg, Charlottesville, Fairfax, Fredericksburg, Newport News, Harrisonburg, Lynchburg, Richmond, Roanoke, South Hampton Roads, Western Tidewater, and Williamsburg.

Virginia’s Star Quality Initiative uses a five-star scale to assess, improve, and communicate the quality of early care in the following four standard areas:
• Education, qualifications and training of staff;
• Interactions between children and their teachers and peers;
• Staff to child ratios and group size; and
• Program environment and instructional practices.

A Star Quality mentor is assigned to each star-rated provider to implement a quality improvement program.

“Walnut Grove Children’s Learning Center has become the quality program we had envisioned thanks to Smart Beginnings and QRIS. We knew where we wanted to be, but needed the guidance, professional development, and accountability to get there.”

Richele Moore
Director, Walnut Grove Children’s Learning Center
2009 Financials – Smart Investments

The Foundation relies on the foresight and vision of its supporters to invest in today’s children as a means of best positioning the Commonwealth for long-term prosperity. Engaging a broad constituency of private donors allows the Foundation to leverage public funding to maximize its Smart Beginnings initiatives.

This public-private partnership of support is directly responsible for creating and sustaining early childhood development efforts across the state, increasing school readiness for the 1 in 5 young Virginians currently unprepared to enter kindergarten. Equally important, this support ultimately strengthens Virginia’s families, communities, future workforce, and economic viability.

The Virginia General Assembly appropriated public funds again in 2009 to support the work of the Foundation and its Smart Beginnings initiatives across the State. These funds were allocated through the Virginia Department of Social Services. The Virginia Tobacco Indemnification and Community Revitalization Commission also contributed significant funds to the Foundation’s efforts to serve young children and their families in Southside and Southwest Virginia.

Private donors also answered the call to invest in Virginia’s youngest citizens in 2009, as corporations, foundations, and individuals supported the Foundation through cash gifts and in-kind donations. Additionally, local Smart Beginnings initiatives leveraged Foundation funding to secure significant resources to support the community-based efforts that are key to making all Virginia children school-ready.

**Smart Beginnings:**
Leveraging Investments Since 2007

<table>
<thead>
<tr>
<th>TOTAL SMART BEGINNINGS SUPPORT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Funds raised by Foundation and Local Initiatives</td>
</tr>
<tr>
<td>$14,455,309</td>
</tr>
<tr>
<td>Public Funds</td>
</tr>
<tr>
<td>$4,770,566</td>
</tr>
</tbody>
</table>

**Virginia Early Childhood Support in FY08**

<table>
<thead>
<tr>
<th></th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government Grants</td>
<td>$1,623,124</td>
</tr>
<tr>
<td>Donations Received</td>
<td>$ 517,198</td>
</tr>
<tr>
<td>Interest Received</td>
<td>$ 40,052</td>
</tr>
<tr>
<td><strong>Total Support</strong></td>
<td><strong>$2,180,374</strong></td>
</tr>
</tbody>
</table>
Smart Partnerships

The Virginia Early Childhood Foundation expresses its overwhelming gratitude to the Governor, General Assembly, The Virginia Tobacco Indemnification and Community Revitalization Commission, other government agencies, and the many private sector supporters for recognizing the human potential of the Commonwealth’s youngest citizens to act as change agents for a better Virginia.

Thank you for supporting today’s families and tomorrow’s workforce— your investment is critical to Virginia’s economic prosperity.

To make a wise investment and join the list of donors, please visit www.vecf.org

If we have overlooked your name or made an error of any kind please accept our apologies and call us at (804) 358-8323.

The following contributors make Smart Beginnings possible for Virginia’s children:

GOVERNMENT SUPPORT
Virginia General Assembly
Virginia Tobacco Indemnification and Revitalization Commission

CORPORATIONS AND FOUNDATIONS
Bruhn-Morris Family Foundation
Capital One
Danville Regional Foundation
Dominion Resources
The Norfolk Foundation
Robins Foundation
SunTrust Mid-Atlantic Foundation
Wachovia Foundation

BOARD AND INDIVIDUAL SUPPORT
Kenneth E. Ampy
Peter Blake & Mary Blanchard
Mark & Katherine Busser
Sarah King & Lyles Carr Charitable Fund
Thomas & Nancy Chewning
Stacey L. Collier
Mr. & Mrs. Ben J. Davenport
Allison Cryor DiNardo
Mr. & Mrs. James W. Dunn
Mark E. Emblidge
Jeffrey & Jodi Gidley
Kathy Glazer
Scott L. Hippert
Paul O. Hirschbiel, Jr.
The Honorable R. Edward Houck
Maurice Jones, Lisa Smith & Michela Jones
Mr. & Mrs. Reginald N. Jones
Mr. & Mrs. Glenn E. Kinard
Colleen A. Kraft, M.D.
Angelica D. Light
Dr. Virginia L. McLaughlin
Lori M. Morris
Dr. Thomas R. Morris
Dr. Novella J. Rufin
Marilyn B. Tavenner
J. Scott Wilfong

IN-KIND
Capital One
SunTrust Bank
United Way of Greater Richmond & Petersburg
Statewide prosperity begins in individual communities. The Foundation extends its appreciation to the following supporters of local Smart Beginnings coalitions who provided matching gifts to maximize early childhood development efforts across the state:

A+ Child Care
Albemarle County
Allison Cryor DiNardo
Altarum Institute
Alvin Schexnider
American Bulldog Construction
Angelica D. & Henry Light
Anonymous Donors
Anonymous Foundation
Appomatox Ruritans
Appomatox Schools
Arc of Piedmont
Arlington County Government
Association of Naval Aviation
Bank of America
Barnes Technologies, Inc.
Barry Bishop
Batten Educational Achievement Fund of Bioethical Services of Virginia, Inc.
Lynchburg, VA
BB&T
Bedford Schools
Bernadine Franciscan Sisters Foundation
Bert Schmidt
Beth Diehl
Bill Millett/Scopeview Strategic Advantage
Birdsong Charitable Foundation
Blackwater Library Services
Blue Ridge RBS
Bob Rubin
Bruce and Lily Bradley
Cameron Foundation
Camp Foundations
Capital Area Health Ed Center
Capital One
Carilion Clinic
Carilion Foundation
CarMax Foundation
Carole Whitener
Catharine Hoyd
Charity League of Martinsville Henry County
Charlottesville City Schools
Child and Family Connection/Williamsburg Community Health Foundation
Child Care Connect Resource & Referral
Childcare Quality Initiative Funds (Spotsylvania County)
Childcare Quality Initiative Funds (Stafford County)
Child Development Resources
Child & Family Services
Children’s Center
Children Youth & Family Services
Chuck Harris
City of Alexandria
City of Charlottesville
City of Danville Parks and Recreation
City of Newport News – Department of Human Services
City of Norfolk
City of Richmond
City of Roanoke Human Service Fund
City of Roanoke – Mayor’s Office
City of Suffolk
City of Virginia Beach
Coalition Partner Services
Community Development Block Grant
Cox Communications
Dave & Claire Benjack
Davis & Co.
Dominion Enterprises
Dominion Resources
Dr. Barry Dorsey
Thomas R. Morris
Fairfax County
Family Alliance
Family Focus
Farm Fresh
Foundation for Roanoke Valley
Fran Butterloss
City of Franklin
Gary & Cookie McCollum
Greater Lynchburg Community Trust
Hand In Hand Resource Mothers
Hantzmon Wiebel
Harrisonburg City Schools
Harry Young
Harvest Foundation
Healthy Families of the Blue Ridge
Henry County Schools
Hopewell City Public Schools
International Paper
James City County Social Services
James Madison University
Jane Batten
Jeffrey & Jodi Gidley
Jim Dahling
Jim Metzger
Joetta Camp

“I believe that investing in our children’s future is not only economically prudent, it is also ethically obligatory. We have an obligation to teach our children not just because it will save us money, but because they deserve the best start that we can possibly give them.”

Michael A. Gillette
President
Bioethical Services of Virginia, Inc.
Lynchburg, VA
Smart Community Support (continued)

John Randolph Foundation
Katherine Kersey
King of Glory Preschool
Lacy Rae Foundation
Landmark Communications
Lanford Brothers Construction
Laurel Park Boosters
Lexis Nexis
Liberty Fair Mall
Lincoln Financial
Lisa Robertson
Littlest Lamb Day Care
Lowes
Lynchburg & Campbell County Libraries
Lynchburg Schools
MACAA Head Start
Marcy Sims
Margaret, Ann, & Wistar Morris
Martinsville City Schools
Martinsville-Henry County Chamber of Commerce
Maurice Jones and Lisa Smith
McQ Inc.
Meador Foundation
Memorial Hospital Auxiliary
Mike Hughes
Millennium Engineering and Integration Company
Mt. Gilead
Nancy Welch
Network for Latino People/Williamsburg Community Health Foundation
NewBridges Immigrant Resource Center
Norfolk PBS
Norfolk/Planning Council
Norfolk Southern Foundation
Northwestern Mutual (now Virginia Healthy Youth Foundation)
Obici Healthcare Foundation
Old Towne Medical/Sentara Health, Riverside & Williamsburg Community Health Foundations
Page County Public Schools
Paladin Media
Partnership for Families
Paul O. Hirschbiel, Jr.
PEAS
People, Inc.
Piedmont Association For Early Childhood Education
PNC Bank
Portsmouth Community Foundation
Preschool Partners – through Cities of Newport News & Hampton for QRIS
Prime Media, Franklin PEG channel
Rappahannock United Way
Richmond Hope Therapy
Rives Fundraiser
RLP Program Costs
Robins Foundation
Rural Area Development Authority
Safe Kids
Sam’s Club
Sarah King & Lyles Carr Charitable Fund
SBWT Books
SBWT/ Director/QRIS
SBWT/QRIS program
Shirley Anson
SimVentions, Inc.
SLM Financial
State Farm Insurance
SunTrust Bank
Suzanne Puryear
The Business Council
The Community Foundation Serving Richmond & Central Virginia
The Norfolk Foundation
The PNC Foundation
The Roanoke Times
The USAA Foundation
Tommy Johnson
Towne Bank
United Way Central Virginia
United Way of Greater Richmond & Petersburg
United Way of Harrisonburg & Rockingham County
United Way of Martinsville – Henry County
United Way of Roanoke Valley
University of Mary Washington
United Way Thomas Jefferson Area
VA Board for People with Disabilities
VA Department of Mental Health
Virginia Gamma Betta Chapter
Virginia Governor’s Office on Substance Abuse Prevention
Virginia National Bank
Virginia Tech Institute of Policy and Governance
WHSV-TV3
Williams and Mullen
Williamsburg Regional Library
WJCC Public Schools
Women United in Philanthropy
WVPT
XPEDX
York County Children’s Services
York County Library
York County Social Services
Auditor’s Report


<table>
<thead>
<tr>
<th>ASSETS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
</tr>
<tr>
<td>Cash and Cash equivalents</td>
<td>$1,205,335</td>
</tr>
<tr>
<td>Accounts Receivable</td>
<td></td>
</tr>
<tr>
<td>Pledges Receivable</td>
<td>102,750</td>
</tr>
<tr>
<td>Grants Receivable</td>
<td>123,123</td>
</tr>
<tr>
<td>Prepaid Expenses</td>
<td>9,344</td>
</tr>
<tr>
<td>Grantee Advances</td>
<td>117,741</td>
</tr>
<tr>
<td>Other Assets</td>
<td>1,890</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>1,560,183</td>
</tr>
<tr>
<td>Equipment, Furniture, and Fixtures</td>
<td>13,620</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(4,693)</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$1,569,110</td>
</tr>
</tbody>
</table>

| LIABILITIES AND NET ASSETS       |         |
| Current Liabilities              | $326,670 |
| Accrued Expenses                 | 28,781  |
| **Total current liabilities**    | 355,451 |

| NET ASSETS                       |         |
| Unrestricted                     | 0       |
| Temporarily restricted            | 1,213,659 |
| **Total net assets**              | 1,213,659 |
| **Total liabilities and Net Assets** | $1,569,110 |
Auditor’s Report

Statement of Activities for the Year Ended June 30, 2009

<table>
<thead>
<tr>
<th>Public Support and Revenue</th>
<th>UNRESTRICTED</th>
<th>TEMPORARILY RESTRICTED</th>
<th>TOTAL (MEMO ONLY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Support</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individual and Board Contributions</td>
<td>$ 47,848</td>
<td>–</td>
<td>$47,848</td>
</tr>
<tr>
<td>Corporations</td>
<td>240,850</td>
<td>–</td>
<td>240,850</td>
</tr>
<tr>
<td>Foundations</td>
<td>25,000</td>
<td>192,500</td>
<td>217,500</td>
</tr>
<tr>
<td>Organizations</td>
<td>1,000</td>
<td>–</td>
<td>1,000</td>
</tr>
<tr>
<td>Inkind Contributions</td>
<td>10,000</td>
<td>–</td>
<td>10,000</td>
</tr>
<tr>
<td>Total Received Directly</td>
<td>324,698</td>
<td>192,500</td>
<td>517,198</td>
</tr>
<tr>
<td>Total Public Support</td>
<td>324,698</td>
<td>192,500</td>
<td>517,198</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Revenue</th>
<th>UNRESTRICTED</th>
<th>TEMPORARILY RESTRICTED</th>
<th>TOTAL (MEMO ONLY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government Grants</td>
<td>123,124</td>
<td>1,500,000</td>
<td>1,623,124</td>
</tr>
<tr>
<td>Interest Revenue</td>
<td>40,052</td>
<td>–</td>
<td>40,052</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>487,874</td>
<td>1,692,500</td>
<td>2,180,374</td>
</tr>
<tr>
<td>Net Assets Released from Restrictions</td>
<td>1,364,912</td>
<td>(1,364,912)</td>
<td>–</td>
</tr>
<tr>
<td>Total Support and Revenue</td>
<td>1,852,786</td>
<td>327,588</td>
<td>2,180,374</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses</th>
<th>UNRESTRICTED</th>
<th>TEMPORARILY RESTRICTED</th>
<th>TOTAL (MEMO ONLY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Services</td>
<td>2,268,931</td>
<td>–</td>
<td>2,268,931</td>
</tr>
<tr>
<td>Total Program Services</td>
<td>2,268,931</td>
<td>–</td>
<td>2,268,931</td>
</tr>
<tr>
<td>Supporting Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fund Raising</td>
<td>98,081</td>
<td>–</td>
<td>98,081</td>
</tr>
<tr>
<td>Lobbying</td>
<td>12,150</td>
<td>–</td>
<td>12,150</td>
</tr>
<tr>
<td>Management and General</td>
<td>81,781</td>
<td>–</td>
<td>81,781</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>2,460,943</td>
<td>–</td>
<td>2,460,943</td>
</tr>
<tr>
<td>Change in Net Assets</td>
<td>(608,157)</td>
<td>327,588</td>
<td>(280,569)</td>
</tr>
<tr>
<td>Net Assets, Beginning</td>
<td>608,157</td>
<td>886,071</td>
<td>1,494,228</td>
</tr>
<tr>
<td>Net Assets, Ending</td>
<td>$ 0</td>
<td>1,213,659</td>
<td>1,213,659</td>
</tr>
</tbody>
</table>
Board of Directors 2008-2009

Paul O. Hirschbiel, Chair
President, Eden Capital
Virginia Beach, Virginia

Lori M. Morris, Vice Chair
President, Bruhn-Morris Family Foundation
Alexandria, Virginia

Thomas Chewning, Treasurer
Executive Vice President & CFO
Dominion Resources, Inc. (Retired)
Richmond, Virginia

Kathy Glazer, Secretary
Director
Office of Early Childhood Development
Richmond, Virginia

Kenneth E. Ampy, CEO
Astyra Corporation
Richmond, Virginia

The Honorable Mamye E. BaCote
Virginia House of Delegates
Newport News, Virginia

Peter A. Blake
Vice Chancellor
Virginia Community College System
Richmond, Virginia

Katherine E. Busser
Executive Vice President
Capital One
Richmond, Virginia

W. Lyles Carr III
Senior Vice President
The McCormick Group
Arlington, Virginia

Ben J. Davenport, Jr.
Chairman
First Piedmont Corporation
Chatham, Virginia

Allison Cryor DiNardo
President
Carroll Wireless
Alexandria, Virginia

Robert H. Dugger, Ph.D.
Chairman
Partnership for America’s Economic Success
Alexandria, Virginia

James W. Dunn
Vice President
Bon Secours Richmond Foundation
Richmond, Virginia

Dr. Mark E. Emblidge
President, Virginia Board of Education
Richmond, Virginia

Jodi S. Gidley
President, Virginia Natural Gas
Norfolk, Virginia

The Honorable Patrick O. Gottschalk
Secretary of Commerce and Trade
Richmond, Virginia

The Honorable Phillip A. Hamilton
Virginia House of Delegates
Newport News, Virginia

The Honorable R. Edward Houck
Senate of Virginia
Spotsylvania, Virginia

Maurice A. Jones
Publisher
The Virginia Pilot
Norfolk, Virginia

Reginald N. Jones, Esq.
Attorney, Williams Mullen Clark & Dobbins
Richmond, Virginia

Glenn E. Kinard
Regional President
PNC Bank – Fredericksburg
Fredericksburg, Virginia

Colleen A. Kraft, M.D., FAAP
Virginia Tech Carilion School of Medicine
President, Virginia Chapter
American Academy of Pediatrics
Midlothian, Virginia

Angelica D. Light
President & CEO
The Norfolk Foundation
Norfolk, Virginia

Dr. Virginia L. McLaughlin
Dean, School of Education
College of William and Mary
Williamsburg, Virginia

Dr. Thomas R. Morris
Secretary of Education
Richmond, Virginia

Dr. Novella J. Ruffin
Asst. Professor & Child Development Specialist
Virginia Cooperative Extension
Virginia State University
Petersburg, Virginia

The Honorable Kenneth W. Stolle
Senate of Virginia
Virginia Beach, Virginia

The Honorable Marilyn B. Tavenner
Secretary of Health & Human Resources
Richmond, Virginia

J. Scott Wilfong
Chairman, President, & CEO
SunTrust Bank – Greater Washington
Washington, D.C.