MISSION
The non-partisan steward and capacity-builder for advancing school readiness in the Commonwealth.

VISION
Every Virginia child is prepared for school, laying the foundation for workforce and life success.

VECF’S FINANCIAL STEWARDSHIP

Virginia Quality Initiative 14%
Public Awareness/Engagement 4%
Fundraising 4%
Management & General 2%
Cash Grants & Resources for Smart Beginnings Initiatives Statewide 76%

FY16 Program Expenses

2016 Leveraged Funds for School Readiness in Virginia

TRENDS IN SCHOOL READINESS Outcomes in Virginia, 2005-present

Decrease in K-3rd Grade Repeaters

Increase in Kindergarten Readiness Based on Fall Literacy Scores
As the Virginia Early Childhood Foundation strives to ensure Smart Beginnings for our youngest children, we are capitalizing on the strong foundation built over the past ten years to target our resources and maximize impact.

With support from both the General Assembly and the Commonwealth’s corporate leadership, this public-private partnership is helping to improve the quality of tomorrow’s workforce and the strength of Virginia’s economy.

VECF is encouraged to see the positive trends over the past decade for many key school readiness indicators in Virginia. While this demonstrates real progress, data also indicate that some children are not succeeding on pace with others. This report highlights some of the ways that VECF is focusing on innovation, supporting Virginia’s early childhood educators, and targeting data-driven strategies for optimal development for young children and their families.

I would like to take this opportunity to thank our public and private sector partners and warmly welcome our new donors. VECF and its partners have multiplied the impact of the state’s appropriation by leveraging additional funds that will yield an impressive return on investment for the state. At the same time, VECF has kept its overhead low, directing its resources into communities and strategies that hold promise for children and families in Virginia.

VECF, with its partners, has full confidence and hope for the decade ahead. Thank you for your dedication to the vision that every Virginia child is prepared for school, laying the foundation for workforce and life success.

Reginald N. Jones
Chairman, FY15-16
“Smart Beginnings and the United Way of Roanoke Valley are able to target our technical assistance and philanthropic efforts based on the data results. We provide specialized training and materials to the preschool sites, and work alongside community partners to offer programs in areas where the reading scores were lower, to support stronger reading skills.”

– Afira DeVries, President and CEO, United Way of Roanoke Valley

“Students who fail to master reading by third grade are more likely to become caught in a cycle of academic failure. The data-driven quality measures resulting from this Partnership are helping children achieve the early success that will prove critical for the rest of their lives.”

– Craig Ramey, Ph.D., Virginia Tech Carilion Research Institute

86% of young children who attended Virginia Quality participating programs in Roanoke met the benchmark for school readiness compared to 79% for all Roanoke City Public School students.
VECF and its partners are committed to harnessing data tracked over the past decade to spur and sharpen our efforts. We capitalize on Virginia’s investment in the statewide network of Smart Beginnings initiatives to field-test strategic innovations that help achieve the best possible outcomes for young children and families in Virginia.

With funding from the Virginia General Assembly, VECF awarded Innovative Partnerships grants to Smart Beginnings Greater Roanoke, Smart Beginnings Thomas Jefferson Area, and Smart Beginnings Rappahannock Area to field-test replicable innovations to support the school readiness of at-risk children.

LEANING IN LOCALLY with Smart Beginnings Greater Roanoke

Like many communities in Virginia, Smart Beginnings Greater Roanoke has been striving to improve the quality of early education programs through implementation of Virginia Quality, but they were frustrated that once children started Kindergarten, there was limited information for understanding the impact of their efforts.

Unprecedented Data Sharing
VECF’s Innovative Partnerships grant supported Smart Beginnings Greater Roanoke and its community partners to hone collaborative efforts in data collection, sharing, and analysis, tracking student performance from early learning programs into elementary schools. Unprecedented data-sharing agreements have been formed among Roanoke City Public Schools, Virginia Tech Carilion Research Institute, Smart Beginnings, and dozens of early learning programs.

Ground-Breaking Results
The improved ability to track and share specific aspects of literacy development from early learning programs into the elementary grades has provided a remarkable feedback loop. Seeing the value and outcomes from these data-driven quality improvements, more early learning providers in the region are eager to enroll in Virginia Quality and participate in the data-sharing initiative.

This pioneering effort is being replicated in other communities across the state.

“Having this feedback loop is helping us better understand where our children need help so that we can target individual instruction to help them meet Kindergarten readiness expectations.”

– Lisa Denny, Executive Director, Greenvale School

“It is our vision that students will have the skills to be successful regardless of income, ethnicity, disabilities or other challenges. Through participation in the Data Tracking Partnership, we are better targeting our resources to overcome barriers that impact the quality of Roanoke’s public education.”

– Rita Bishop, Superintendent, Roanoke City Public Schools
LEANING IN to Solve Problems

A childhood in poverty places children at greater risk of:

- repeating a grade
- scoring lower than others on standardized tests
- being identified with learning disabilities
- having lower skills in the areas of reading, working with numbers, problem solving, and memorizing
While VECF’s 2016 School Readiness Report Card shows that the trends in state averages over the past decade are positive on nearly all tracked indicators, we see that significant challenges remain. When viewing the data by groups, it’s clear that children from low income backgrounds and children of color continue to lag behind their peers. For instance, while 92% of children who are not economically disadvantaged met the literacy benchmark at Kindergarten in 2014, only 82% of children who are poor were successful in meeting the benchmark. The adverse effects of poverty and the chronic stress it causes disrupt optimal development and learning.

VECF is redoubling its efforts and targeting its resources to populations of Virginia’s children who are struggling with conditions and performance. In order to move the needle, we believe in the importance of improving data sharing across systems so that we may wield resources more efficiently and effectively; intentionally addressing barriers to progress; and promoting a root-cause problem-solving approach to support better futures for Virginia’s at-risk families.

LEANING IN to Multi-Generation Strategies

With support from the W.K. Kellogg Foundation, VECF initiated Smart Beginnings for Southside Families to tackle the root causes of entrenched disparity in this region – and strive to change the life trajectory of children and their families living in rural poverty.

Focus on Parent and Child
Family Coaches zero in on the needs of both child and parent, focusing on ensuring school readiness for children while also providing sustained support to help parents reach their parenting, educational, and employment goals. Coaches assist families with life management skills and problem solving as barriers arise, lowering stress on the family and strengthening parent capacity to be their child’s first teacher.

Transforming Communities
This initiative is bringing attention to the challenges faced by families in this economically depressed area. Through trusting relationships, the Family Coaches understand the gaps, barriers, and policy issues that are threatening these families’ success – and carefully document this information so it can be used to inform local, regional and state level policy reform. A key tenet is to improve the community support structure and connections to services the families need to thrive.

\[\text{Virginia has improved 9 out of 10 risk and school performance indicators over the past 10 years. The one risk indicator for children’s school readiness that worsened over the past 10 years is the number of children living in poverty.}\]
“When we think about where to direct state resources for the most impact, focusing on our early learning workforce is pivotal. These are skilled jobs, and we need well trained workers.”

– Delegate Tag Greason (R-32nd District)

“Preparing children for school requires the attention of many partners – parents and families, child care and health care providers, schools, the faith community, higher education and business leaders, all integral in creating the conditions for optimal development.”

– Mark M. Gordon, CEO, Bon Secours Richmond-East
The single most important investment Virginia can make toward promoting school readiness and a strong workforce is strengthening the competencies of those who care for and teach young children – most of whom spend their days in preschool or child care settings while their parents work.

VECF is playing a leadership role in a statewide initiative to elevate and emphasize the importance of the early childhood workforce, the “brain builders” of Virginia’s next generation.

LEANING IN to Statewide Action

VECF and the Virginia Chamber of Commerce co-hosted a symposium titled, “Upskilling Virginia’s Early Learning Workforce,” which convened a remarkable set of stakeholders focused on recognizing the importance of this workforce and beginning to map out a stronger system of support for early educators in our state. The group’s working paper is helping to guide steps moving forward. VECF is continuing to bring statewide focus to the need for effective professional development pathways for Virginia’s early learning workforce.

National Leadership

Supported by a W.K. Kellogg Foundation grant, a Virginia team participated in a 5-state initiative of the National Academies focused on improving systems to support the early education workforce. Recommended short and long term actions are aimed at creating career and education pathways that are more cohesive and effective for supporting knowledge and skills specific to early childhood development.

State Level Focus

Recognizing this important issue, the School Readiness Committee was established by the 2016 General Assembly to focus on the development and alignment of an effective professional development and credentialing system for the early childhood education workforce. VECF is honored to be charged with facilitating the School Readiness Committee and pleased that the accomplishments of the National Academies team and the previously convened stakeholder group will inform the work of this committee.

Over ten years, one early childhood educator can launch the educational trajectory for 200 children.
LEANING IN Together
"Forging partnerships across traditional boundaries is one way public schools can expand access to preschool and prepare more children for success in Kindergarten and beyond."
– Dr. Billy K. Cannaday, Jr., President, Virginia Board of Education

“Every business needs smart, skilled employees who are well-qualified for 21st century jobs. The workforce development pipeline begins with young children who have a strong foundation so they will begin school healthy and ready to learn.”
– Mike Chinn, President, S&P Global Market Intelligence

“Now that VECF is in its second decade, we are seeing that with strong leadership, intentional focus, and measurement along the way, we can improve children’s outcomes. When all children have access to quality early childhood services, they can reach their full potential in school and in life.”
– Kathy Glazer, President, Virginia Early Childhood Foundation

“We know that children learn better when they’re healthy. It takes a collaborative approach to turn healthy children into the healthy, well-educated adults who are critical to Virginia’s economy. Our state’s well-being is inextricably linked to the well-being of our children.”
– Bill Hazel, Virginia Secretary of Health and Human Resources

“Helping young children have a strong start in life is critical for communities to successfully meet the demands of the future. Virginia’s cities and towns understand the importance of giving children the tools they need to be successful.”
– Ron Rordam, Mayor of Blacksburg

“We take our role of training the next generation of early educators very seriously. By strengthening the competencies of those who care for and teach young children, the community college system is helping to ensure school readiness.”
– Dr. Robert H. Sandel, President, Virginia Western Community College
2016 DONORS

The generosity and commitment of our funding partners enables the Foundation to provide the vision and leadership essential to advance school readiness for Virginia’s children. VECF proudly thanks and recognizes the following donors for their contributions between July 1, 2015 and June 30, 2016.

<table>
<thead>
<tr>
<th>Category</th>
<th>Donors</th>
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<td>STAKEHOLDER ($1 MILLION +)</td>
<td>Virginia General Assembly</td>
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<tr>
<td>INVESTOR ($100,000-$500,000)</td>
<td>Dominion Resources, W.K. Kellogg Foundation, Nemours, National Office of Policy &amp; Prevention via a cooperative agreement from The Centers for Disease Control and Prevention, Virginia Department of Social Services</td>
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<tr>
<td>INNOVATOR ($25,000-$49,999)</td>
<td>Huntington Ingalls Industries, WestRock Foundation, Northrop Grumman Corporation, Wells Fargo Foundation</td>
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<td>QUALITY CHAMPION ($10,000-$24,999)</td>
<td>Mr. and Mrs. Ben J. Davenport, Jr., Ferguson Enterprises, Inc., PNC Foundation, Tobacco Region Revitalization Commission, Virginia Department of Health, Virginia Natural Gas and the AGL Resources Private Foundation, Washington Gas</td>
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<td>Mark R. Ginsberg, Ph.D., Mark Gordon, Lauren and Ken Hutcheson, Beth D. Rhinehart, Susan Bailey and Sidney Buford, Scott Endowment Trust</td>
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<td>PATRON ($1,000-$2,499)</td>
<td>Capital One Services, LLC, Glenn DuBois, Kathy Glazer, Ned W. Massee, Monica Q. and Barry I. Matherly, Betsy and Speaker Pollard, William “Biff” Rees, MD, Dr. Gary L. Rhodes, Successful Innovations, Inc., Williams Mullen</td>
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<td>BENEFACCTOR ($500-$999)</td>
<td>Deborah M. DiCroce, The Haltom Family, Deborah Jonas</td>
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<td>FRIEND ($1-$249)</td>
<td>Mary Barnes, Randall W. Betz and Barbara S. Mease, Pamela Blankenship, Karin and Churchill Bowles, Sharon and Rob Brager, Dora Butler, Stacey Collier, Jackie Hicks, Colleen A. Kraft, William F. Mayo, Kris Meyers, Angela Rice, Marilyn Rice, Gale and Bill Roberts, Carrie and Doug Roth</td>
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<td>GIFTS IN-KIND</td>
<td>Williams Mullen</td>
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<td>GIFTS IN MEMORY</td>
<td>In Memory of Senator John Miller*</td>
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<td>*VECF was deeply honored to be selected by Senator Miller’s family to receive gifts in his memory. These contributions serve as a tribute to his legacy of service and commitment to the health and well-being of Virginia’s young children. For a full list of those who lovingly and thoughtfully made gifts in Senator Miller’s memory, please visit <a href="http://www.vecf.org">www.vecf.org</a>.</td>
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We have made every attempt to ensure the accuracy of this listing. If you notice an error, please contact us at (804) 358-8323.
# Financial Information

## Statement of Financial Position

**June 30, 2016**

### Assets

**Current Assets**
- Cash and Cash Equivalents $1,924,801
- Grants Receivable 350,915
- Prepaid Expenses 11,732
- Grant Advance 4,989
- Other Assets 3,767

**Total Current Assets** $2,296,204

**Property and Equipment**
- Furniture and Fixtures 19,233
- Accumulated Depreciation (18,547)

**Total Property and Equipment** 686

**Total Assets** $2,296,890

### Liabilities & Net Assets

**Current Liabilities**
- Accounts Payable $60,264
- Grants Payable 137,242
- Accrued Expenses 36,371

**Total Current Liabilities** 233,877

**Net Assets**
- Unrestricted 919,197
- Temporarily restricted 1,143,816

**Total Net Assets** 2,063,013

**Total Liabilities & Net Assets** $2,296,890

## Statement of Activities

**Year Ended June 30, 2016**

### Public Support & Revenue

**Public Support**
- Contributions
  - Individuals $62,478
  - Corporations 391,500
  - Foundations & Organizations 428,000

**Total Public Support** 881,978

**Revenue**
- Government Grants 2,236,905
- Interest Revenue 1,462

**Total Revenue** 2,238,367

**Total Support & Revenue** $3,120,345

### Expenses

**Program Services** 2,860,428

**Fundraising** 121,484

**Lobbying** 1,872

**Management & General** 71,336

**Total Expenses** 3,055,120

**Change in Net Assets** 65,225

**Net Assets, Beginning** 1,997,788

**Net Assets, Ending** $2,063,013