

Commonwealth of Virginia

Preschool Development Grant,
Birth through Five

NEEDS ASSESSMENT



July 2019



Executive Summary

Young children who receive high quality early childhood care and education (ECCE) start life with an advantage. They are more likely to be on par with peers socially and academically and less likely to be involved in risky behaviors as a teen. Benefits also extend to their families and communities.¹ Conversely, poor or uneven quality care—particularly for vulnerable children—can have a negative effect on school performance, language, development,² and long-term health.³

Awareness of the importance of investing in children before they reach kindergarten has grown in Virginia, consistent with national trends. With that awareness has come an increased attention to the role of the public in supporting early childhood. **Since 2014, more than fifteen statewide reports, commissions, and councils** have examined various aspects

of this support: early childhood environments, the capacity of state and local agencies to serve young children in need, available data on child outcomes, and the extent of collaboration and accountability at state and local levels. Each report has underscored the importance of the early years for a child’s healthy development and learning overall. Cumulatively they have made a case for the impact of accessible, high-quality early care and education in improving the lives of Virginia’s young children.

Virginia has made great strides in advocating for, coordinating, and building the foundations of an early childhood care and education system in the last decade. Still, the components are not aligned or unified; Virginia’s approach remains “extremely diffuse” with “no single governance structure or authority charged

with implementing early childhood priorities.”⁴ As such, Virginia’s lack of coordinated attention to quality, financing, governance, and policy infrastructure do not adequately reflect the Commonwealth’s desired commitment to supporting early childhood, as it has been expressed in recent reports and plans. Because there is not an integrated structure or approach, the Commonwealth misses opportunities to improve the system.

Significant public and private efforts across Virginia are dedicated to supporting children under five, yet the lack of a unified state approach has resulted in fragmentation and gaps in service that hinder support for families. Publicly-funded early childhood resources are housed within **eight separate agencies**, each with respective regulations and requirements. Services are designed, funded, and implemented by distinct federal, state, and local bodies. **There is no common governance, oversight, or monitoring structure for Virginia’s public programs and policies related to healthy early child development.** As a result, the Commonwealth’s approach was rated as 37th out of 50 states in “creating a coordinated, integrated early care and education system” with Virginia described as having low levels of state funding, limited coordination between agencies, and lack of coordinated state leadership.⁵

Because structure influences early care and education in Virginia, this needs assessment goes beyond reporting on the numbers of children, teachers, and facilities—the “supply and demand” of early childhood care and

education—and further addresses questions of governance and policy, system financing, coordination, workforce preparation, and data integration. These elements influence the management and delivery of early childhood services for children and families.

Data Sources and Guiding Questions

This needs assessment combines (1) the findings of recent state and national reports on ECCE, (2) administrative and demographic data from federal and state databases, (3) interviews with families of young children, community leaders, and other early childhood stakeholders, and (4) focus groups with child care center directors, educators, and child care providers. Together these sources support a nuanced examination of Virginia’s needs pertaining to early childhood from three angles:

- **Who are the children?** The report describes the young children and families in Virginia households.
- **What are the public resources?** The report reviews the statewide public offerings for early childhood care and education, their accessibility and quality, and additional support services and resources that improve healthy child development.
- **What is the system for public ECCE?** Bringing resources and needs together, the report describes the level of coordination and oversight within Virginia, and how early childhood care and education is financed, monitored, and staffed.

A concluding section brings together the major gaps for each section of the report, and presents potential opportunities and practices for Virginia to consider in strengthening its system of early childhood development and care, identifying 15 opportunities for improvement.

The full report examines early childhood care and education in Virginia from four angles: Virginia's children, programs, system, and opportunities. Each area is briefly summarized below.

1. Who Are Virginia's Children Under Age Five?

As of 2017, an estimated 509,922 children under age five live in Virginia.⁶ Of those:

- 60,297 (12%) live in rural areas⁷
- 182,325 (36%) live in low-income households⁸
- 339,770 (67%) live in households where all available parents are employed⁹
- 33,699 children (about 7%) have been identified as needing support for disabilities or delays and have received it through Early Intervention or Early Childhood Special Education¹⁰

Additionally, one in four children age five and under in Virginia are part of an immigrant family.¹¹

Altogether, 40% of Virginia's kindergarten students (and 48% of economically disadvantaged children) enter school unprepared on at least one dimension of school readiness.¹²

It is estimated that Virginia's population will continue to diversify and grow. The number of children under age five is projected to grow by 9% between 2020 and 2030, primarily in urban and suburban communities, to reach more than 540,000 by 2020 and 590,000 by 2030. At the same time, Virginia's Asian population will expand by 44% and its Hispanic population by 51%.¹³ Virginia's early childhood system is facing increased capacity demands alongside enhanced cultural, linguistic, and ethnic diversity among its youngest residents.

2. What Are Virginia's Public ECCE Resources?

The availability of supports for healthy development and school readiness is important for all children, especially those whose personal, family, or community characteristics put them at risk of being unprepared for kindergarten. Virginia's supports for early childhood are targeted to its most vulnerable, particularly in terms of

economic instability. They include quality, accessible ECCE and support for appropriate development, nutrition, and language acquisition for children.

Child Care Subsidies (Administered by the Virginia Department of Social Services)

The cost of child care in Virginia, as in the United States, is unaffordable to families with limited incomes. Virginia's Child Care Subsidy Program (CCSP) supports employment and education among low-income parents by reimbursing child care providers for the care of participating children. The program serves children under age 13 (and under age 18 if a child is physically or mentally incapable of caring for himself or herself). In 2018, 47% of the children receiving subsidy supports were under the age of five. The program's reach, however, is relatively small; only 3% of Virginia's children under age five are served, its waitlists are variable, and participation among families and providers has been declining. The Virginia Department of Social Services (VDSS) is actively working to improve program reach and accessibility by increasing its reimbursement rates, updating administrative policies and practices to extend support to families, providers, and the local departments administering the program, and operating a statewide enrollment drive in early 2019.

Public Preschool Programs (Administered by the Virginia Department of Education)

Virginia supports a number of public preschool programs for children from age two to kindergarten who are most at risk, each with unique criteria for determining eligibility and curricula. These programs—including the Virginia Preschool Initiative (VPI), VPI+, Title I, Early Childhood Special Education (ECSE), and locally established Pre-K programs—are in place to serve the children who are at greatest risk of underachievement in kindergarten. They are governed by a combination of federal, state, and local policies and funding requirements, but quality, accessibility, and implementation vary widely. Communities in rural areas and/or with higher levels of poverty are more reliant on public programs to provide capacity for early childhood than communities with denser or more economically stable populations.

Head Start (Administered by Local Grantees)

Head Start (for age 3-5) and Early Head Start (for age 0-2) primarily serve children in poverty, prioritizing those with the greatest need, such as children in foster care, children with disabilities, or children in families who do not speak English or are experiencing homelessness. Local grantees operate programs in most (116 of 133) of Virginia's localities, primarily serving children ages 3-5.

Supports for Children with Disabilities (Administered by the Virginia Department of Behavioral Health and Developmental Services and the Virginia Department of Education)

Early Intervention supports children from birth until age three who are not developing on schedule or who have a medical condition with a high likelihood of developmental delays. It provides families with coaching and guidance as well as referrals to a wide variety of health specialists, all on a sliding scale, with services free to families with annual incomes under \$55,000.¹⁴ Early Childhood Special Education (ECSE) supports public preschool for children with disabilities, which may be delivered in dedicated classrooms or integrated into general education classrooms (such as Head Start or VPI). Together, public preschool programs and Early Intervention served 33,699 children with disabilities in 2018, or about 7% of children under age five. The number of children accessing these services has steadily increased over time; Early Intervention served more than 20,000 children in 2018, compared to fewer than 12,000 in 2009.¹⁵ But funding for both programs has failed to keep pace with increasing enrollment. In addition, it can be difficult to find the skilled health providers and qualified educators for children with disabilities that are needed to support healthy development and school readiness, particularly in rural areas of Virginia.

ECCE Nutritional Supports (Administered by the Virginia Department of Health)

The Child and Adult Care Food Program (CACFP) reimburses schools and child care providers for providing nutritious meals and snacks to children from lower-income homes. The program brought \$59 million in federal funds to Virginia child care programs and served more than 28 million meals to children in FY 2018.¹⁶ CACFP has rigorous administrative requirements and largely relies on non-profit organizations to sponsor participating child care programs, which can limit its reach in areas where many children and programs are likely to be eligible; for example, few home-based programs in Southwest and Southside Virginia participate. A recent partnership between the Virginia Department of Social Services and the Virginia Department of Health is addressing administrative capacity and licensing requirements and promises to draw down additional resources.¹⁷

Home Visiting (Administered by Virginia Department of Health, Virginia Department of Social Services, and Private Organizations)

Virginia has seven home visiting models, which coordinate efforts to serve pregnant women and families of children from birth through age five. Home visiting programs support child health, development, and school readiness through connection to medical care and screenings and guidance to parents on child development and parenting. Home visiting

services are present in 122 communities across the Commonwealth. Home visiting programs in Virginia have a history of collaboration in partnership with Early Impact Virginia (EIV). In 2018, the General Assembly recognized EIV as the lead convener for home visiting, granting them authority to coordinate evaluation, lead strategy, and report on progress for the programs in Virginia. While increased public expenditures in the last decade have allowed home visiting efforts to expand, funding remains heavily dependent on federal allocations. A lack of stable, predictable funding from year to year limits the home visiting programs' ability to develop joint strategies.¹⁸

What Are Gaps in ECCE Resources?

Combining both public and private ECCE programs, there are about three formal child care seats for every four children under age five in Virginia. The most significant gaps in ECCE resources are:

- **Infant and Toddler Care.** The vast majority of ECCE capacity is for children age three and older. Only one public ECCE program (Early Head Start, which has 2,395 seats) is focused solely on infants and toddlers, and child care subsidies support infant and toddler care. Title I and Early Childhood Special Education (ECSE) programs allow for limited participation of two-year-olds. Similarly, private programs offer greater capacity and options to families of preschool-age children (ages 3-4) than to infants and toddlers. Among private programs, just under half of those serving young children accept infants (45% of programs and up to 49% of seats), while 80% of these programs (and up to 95% of seats) accept four-year-olds.¹⁹
- **Child Care Deserts.** "Child care deserts" are areas with inadequate child care opportunities, defined as less than one seat for every three children. A county-level analysis of child care in 2018 found that 47% of Virginians live in a child care desert, including 50% of Hispanic/Latino families, 61% of people in low-income neighborhoods, and 63% of people in rural areas.²⁰
- **Rural Areas.** For 11 of Virginia's 133 localities, the entire locality is a child care desert, and nine of these localities are rural. Rural areas together have one child care seat for every two young children, compared to three seats for every four children across the Commonwealth. Such lack of formal care can mean that some families in these communities will not be able to access affordable, quality care through either public preschool or public subsidies. Further, programs operating in rural areas that require specialized skills (supporting children with disabilities or dual-language learners) can have a difficult time finding and retaining qualified staff, or struggle to maintain a sufficient number of children to cover the costs of operating a program.

- **Children with Disabilities.** Educators and families interviewed noted that it can be difficult to find programs that are inclusive of children with disabilities, developmental delays, or behavioral issues, or that have teachers who are knowledgeable about working with young children with disabilities. Virginia’s public classrooms currently include children with Individualized Education Programs (IEPs) at a much lower rate than the national average—34% of children with IEPs, compared to 46% nationally.²¹
- **Hours and Transportation.** Families, educators, and community leaders commonly pointed to the hours of operation public programs offer and, relatedly, the need to drop off and pick up children during a traditional work day, as posing a barrier to accessibility. This limits the number of options that are truly available to families who do not have flexibility to provide or arrange for child care and transportation on schedules that conflict with parental work or education requirements.

Many of these gaps are interrelated, such that families of children in a rural area with disabilities or who speak a language other than English at home may have greater challenges obtaining the care that will help them succeed. Similarly, families with infants living in child care deserts may have greater barriers to finding appropriate, accessible, affordable, quality care.

Who Are ECCE Staff and Teachers?

Whether they care for children in homes, child care centers, or schools, early childhood educators shape learning environments and are important adult figures in the life of each child in their care. These early educators are an essential element of a program’s quality, contributing to young children’s development, learning, and healthy adjustment to school.

Workforce Challenges. Key challenges within Virginia’s early education workforce include substandard wages, wage and training disparities between program types, barriers to accessing professional development, and limited state policies to address these challenges. Low compensation also contributes to teacher turnover in Virginia; 25% of programs (particularly private centers, programs with lower wages, and programs serving at-risk children) reported high staff turnover in 2017.²² According to the Center for the Study of Child Care Employment, Virginia is stalled in three areas of early childhood workforce policies, having (1) no minimum required educational attainment or educational supports for teachers in private programs, (2) inadequate paid professional development, planning and preparation, and salaries with benefits, and (3) no compensation standards or guidelines or public financial relief for the early childhood workforce.²³

What Is Known About ECCE Quality in Virginia?

Public early childhood and education resources are most effective when they are high quality and accessible, able to enroll and then support the children of working families who need them. What is striking about Virginia's publicly-funded resources is how small a proportion of the population is able to take advantage of these quality programs due to a range of factors: insufficient local resources for expansion, lack of public awareness, inability to access opportunities, and variable program quality.

Virginia Quality. Virginia Quality is the state's quality rating and improvement system (QRIS). It is a voluntary, cross-sector program that sets five quality levels, assesses programs on set features, and provides guidance and professional development to help programs improve. Administered jointly by VDSS and the Virginia Early Childhood Foundation (VECF), Virginia Quality is a relatively young system that began as a pilot in 2008, expanded to operate statewide in 2013, and progressed through a standards and process revision in 2015 with the launch of online quality improvement tracking in 2016-2017. But as of April 2019, just 1,194 programs are enrolled in Virginia Quality, only about one quarter of eligible programs.²⁴

Virginia's commitment to quality in early childhood programs is growing. In 2018, the state legislature dedicated over \$10 million to supporting high quality early childhood programming and entry into kindergarten, including funding for full implementation of

a multi-dimensional assessment of school readiness (the Virginia Kindergarten Readiness Project) and for the Virginia Preschool Initiative, increased per pupil funding, support for teacher licensure and professional development, support for observations and feedback in all VPI classrooms, and technical assistance and monitoring for all school divisions.

Altogether, about 49,500 ECCE seats are quality-rated, representing about 13% of ECCE capacity. A majority (59%) of children served by public preschool, Head Start, and child care subsidies through social services and the Department of Defense are in a quality-rated program. Preschool-age children are twice as likely as two year-olds, and more than four times more likely than infants, to be in a program with known quality, due largely to the emphasis on participation in Virginia Quality among publicly-funded preschool programs.

Other Quality Measures. In addition to Virginia Quality, there are state, local, and national early care and education models that build in evaluation or measurement across performance standards. Research on quality specific to Head Start, VPI, VPI+, and Early Childhood Special Education programs in Virginia can inform efforts to ensure that the education children receive facilitates healthy development and school readiness. Broadly speaking, program quality is variable both within and across public preschool programs, with public programs prominently participating in Virginia Quality's efforts to assess, improve, and communicate quality to families.

3. What Is the System for Public ECCE?

The goal of creating a system from a myriad of public programs and funds supporting distinct aspects of early childhood care, services, and education has gained strength among policy makers nationally for two primary reasons: (1) desire for adequate and sustainable funding for young children and (2) accountability for the funds and programs that exist.²⁵ Fully supporting early childhood extends beyond ECCE to encompass support services and engagement through social services and health, helping families and their young children thrive.

Since 2015, the governor's office in Virginia has elevated the importance of school readiness and early intervention and supported greater coordination among state departments through the establishment of interagency councils and cabinets and through the greater investment of resources. These efforts have resulted in system improvements, including:

- Increased communication between early childhood and care agencies at the state level
- Leveraging of additional federal dollars to bring more Pre-Kindergarten services to Virginia children and families
- Investment in establishing a position and hiring a chief school readiness officer in 2018

- Partnering with the General Assembly, Virginia Early Childhood Foundation (VECF), the Virginia Chamber of Commerce and others to discuss state legislation in 2019, aimed at further unifying ECCE efforts.

These state government efforts to coordinate and unify services are supplemented by robust public and private partnerships at the state and local levels. The most focused on early childhood development education and care include Smart Beginnings hubs in eighteen regions in the Commonwealth, covering nearly 90% of the population. These community partnerships bring together public and private leaders and organizations to increase capacity to reach young children and their families with quality early care services and education. The backbone for these regional coalitions is VECF, a public-private entity with a history of non-partisan support for school readiness, local capacity and systems building, supporting research and data, and scaling innovative practices for broader impact across the Commonwealth.

Despite years of commission and council reports and recommendations calling for greater system integration, Virginia remains relatively segmented in its approach to funding and managing early childhood care and education resources. There are institutional, regulatory, financial, and policy barriers to creating a more efficient ECCE system in Virginia, all resulting in a complex set of programs and regulations that do not always work together to

	Barrier	Potential
Accountability and Measurement	<ul style="list-style-type: none"> ❑ Program administrators are incentivized to prioritize funding requirements over collaboration across programs. ❑ State interpretation and implementation of requirements influences willingness to share data across agencies. 	<ul style="list-style-type: none"> ❑ Shared data and clear accountability across programs and agencies can support planning, targeting services, evaluating outcomes and public investment, and advocating for resources.
Coordination and Communication	<ul style="list-style-type: none"> ❑ No statutory responsibility, sufficient resources, or accountability to coordinate across programs and the public and private sectors. ❑ Informal collaborative structures rely on personal connections and relationships to change systems. ❑ Benefits of increased coordination and communication are never brought to scale. Change is slow and hard to measure. ❑ Lack of coordination between agencies leaves gaps for serving vulnerable children. 	<ul style="list-style-type: none"> ❑ Opportunity to prevent risk and minimize resources spent on remediation by identifying families and children who will benefit from support prior to, during, and after entering an early childhood program. ❑ More formal means of coordination and communication for the transition from ECCE to K-12 expands responsibility and coordination rather than relying on inclination of individual leaders. ❑ Integrating elements of early care and education in policies and practices facilitates more comprehensive and seamless delivery of services and attention to quality early care and education across state agencies and programs.
Finance	<ul style="list-style-type: none"> ❑ Funding is inadequate to support high-quality ECCE for all vulnerable children, particularly infants and toddlers. ❑ Funding lacks a cohesive early childhood system or funding structure. ❑ Funding is driven by federal priorities. ❑ Funding is fragmented across programs, agencies, and sources. ❑ Funding does not equitably support children under age five, but prioritizes children around age four. ❑ Funding implementation incentivizes underutilization. ❑ Funding approach does not incentivize quality. 	<ul style="list-style-type: none"> ❑ Increased state funding levels can support resources for more than 30% of eligible children. ❑ Designated leadership can support programs and communities in utilizing funding in optimal and innovative ways. ❑ Pilot mixed-delivery systems can model effective system change. ❑ Reimbursement rates can be connected to program quality and outcomes.
Data and Outcomes	<ul style="list-style-type: none"> ❑ No unified system to understand program quality, children’s levels of school readiness, available opportunities, and program outcomes. ❑ Lack of data makes accountability for outcomes and scaling of strong practices difficult to determine and support. ❑ Virginia Longitudinal Data System (VLDS) has insufficient collaboration across agencies to be comprehensive. ❑ Not currently possible to measure program outcomes over time. 	<ul style="list-style-type: none"> ❑ Individual programmatic and integrated data can provide insight on family service use. ❑ Shared data can identify what programs or combinations of programs best serve children and families. ❑ Shared data can support preventive assistance that minimizes remediation and supports positive outcomes for children and families.

support child development or a strong ECCE market. Lack of coordinated attention to Virginia's infrastructure for ECCE can hinder engagement of families and providers. For each barrier, research and stakeholder interviews uncovered potential changes to improve the current system.

4. What Are Opportunities for Improvement?

The needs assessment identifies gaps in services and resources for Virginia children, their families, educators, and policy makers. It details ways in which other states and local Virginia communities have addressed them, and shares family and educator perspectives on the system's impact and effectiveness on the ground. In a concluding section, we highlight 15 considerations for policy makers in strengthening the system, based on the needs assessment findings.



Who Are the Children?

- 1. Obtaining an accurate count of the supply, enrollment, and availability of publicly-funded care for children ages 0-5** will facilitate more targeted planning, allocation, and greater choice for families.
- 2. Creating an integrated data system can increase understanding of the accessibility and quality of ECCE programs and child and family outcomes,** particularly when it includes longitudinal data extending beyond early childhood, as well as information on family circumstances.
- 3. Expanding the capacity to serve children during the early years, ages 0-3,** is an important starting point to make quality early care truly accessible and affordable to vulnerable families, reap the benefits of quality instruction and care, and support working parents.
- 4. Targeting public resources to the geographic areas with capacity gaps** puts children on a level playing field with their counterparts in more populous or resource-rich areas of the state.
- 5. Increasing the participation of families in guiding early childhood care and education policies and practices at the program, community, and state levels** supports meaningful inclusion and accountability to families.

What Are the Public Resources?

6. **Supporting increased awareness about ECCE options and their value in preparing children for school, and coordinating program enrollment processes** makes it easier and more affordable for families to enroll locally.
7. **Supporting efforts to share information about quality and access with programs and parents** can improve informed decision making in support of children.
8. **Coordinating its administrative processes for CACFP** can provide more funds to centers and enhance nutritional supports.
9. **Advocating for competitive wages and implementing incentives for staff and educators** to achieve higher levels of quality supports a more stable and skilled workforce.
10. **Incentivizing participation in Virginia Quality, implementing measures of quality and child outcomes across more programs, and supporting the use of contracts and other means to reward and promote quality care** will put in place structural mechanisms that increase progress toward quality goals.

What Is the System for Public ECCE?

11. **Designing an early childhood governance system with identified leadership and oversight that is optimal for children and their families, with clear measures of accountability,** would signal commitment to families and children, and support cohesive progress toward child well-being across programs and agencies.
12. **Adjusting funding and reimbursement models to account for costs and quality, providing flexibility to maximize the benefits of existing programs and funds, and aligning strategies and oversight through enhanced interagency governance** can more effectively target and support the principles of an effective early childhood development system.
13. **Providing technical assistance to local school divisions and other public and private providers to braid, or integrate, diverse funding streams** will enhance resource efficiency.
14. **Engaging the private sector** can support and scale innovative private and public efforts to improve access and quality and maximize existing funding.
15. **Coordinating interpretation and implementation of policies** offers the opportunity to rise above policy limitations that limit serving children to the full capacity funded.

The Commonwealth of Virginia has the information decision makers need and the assets in place to change the life trajectory for today's young children. A high-quality early care and education experience, with community and family support, makes a qualitative and quantitative difference in a child's ability to do well in school. Over the last several years, policy makers have agreed that it is timely to act. The PDG B-5 initiative provides a catalyst to tackle this change and invest in a quality early childhood care and education system on a statewide scale.

The Commonwealth's leaders have demonstrated a long-standing investment in expanding access to public preschool among vulnerable children and a recognition of the importance of early childhood. To date, these efforts have operated as pockets of innovation and stand-alone programs. This approach will not get Virginia to a place where all children,

particularly those most vulnerable, are ready for school. When 40% of young children are identified as not ready for school, more transformational change and investment is needed. The Commonwealth can re-shape its own destiny by championing a vision, establishing an innovative and responsive governance structure, and committing the leadership, resources, and determination to prepare each child for healthy development and success.



