

VIRGINIA EARLY CHILDHOOD FOUNDATION: TEN YEARS OF SMART BEGINNINGS

Chairman's Letter



At its 10-year mark, the Virginia Early Childhood Foundation (VECF) is the recognized leader in school readiness for Virginia's youngest children, building a high quality workforce for the 21st century. VECF launched in 2005 and has been supported by both the General Assembly and the Commonwealth's corporate leadership. This public-private partnership is working across the Commonwealth, helping to improve the quality of tomorrow's workforce and the strength of our economy for Virginia.

We would like to take this opportunity to thank the Foundation's public and private sector partners for their commitment to our work. Over the past ten years, VECF and its partners have made the state appropriation go further by leveraging additional funding for school readiness, yielding an impressive return on investment for the state. In addition, the growing expertise of VECF and the Smart Beginnings network has been pivotal to the state's recent successes in attracting significant and highly competitive funding for school readiness services.

There is no more important and long-lasting investment we can make than in Smart Beginnings for our youngest citizens.

Ben J. Davenport, Jr.
Chairman, FY14-15

VECF Officers FY16

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Williams Mullen
- Katherine E. Busser - **Vice Chairman**
Virginia Children's Hospital Alliance
- Adrian P. Chapman - **Treasurer**
Washington Gas
- Beth D. Rhinehart - **Secretary**
Bristol Chamber of Commerce

VECF Board of Directors FY16

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- Glenn DuBois
Virginia Community College System
- Darla Edwards
Successful Innovations, Inc.
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Huntington Ingalls Industries
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- Monica Q. Matherly
Wells Fargo
- William C. Rees, M.D.
Burke Pediatrics
- Gary L. Rhodes, Ph.D.
Reynolds Community College

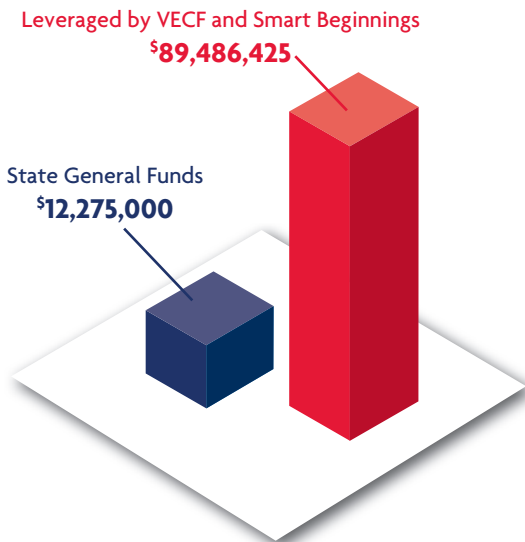
- Carrie Roth
Virginia Biotechnology Research Park
- Pamela J. Royal, M.D.
Royal Dermatology
- Nicholas G. Sladic
Capital One
- John A. Weinberg, Ph.D.
Federal Reserve Bank of Richmond

- Emeritus Directors*
- Thomas N. Chewning
Dominion Resources, Inc. (retired)

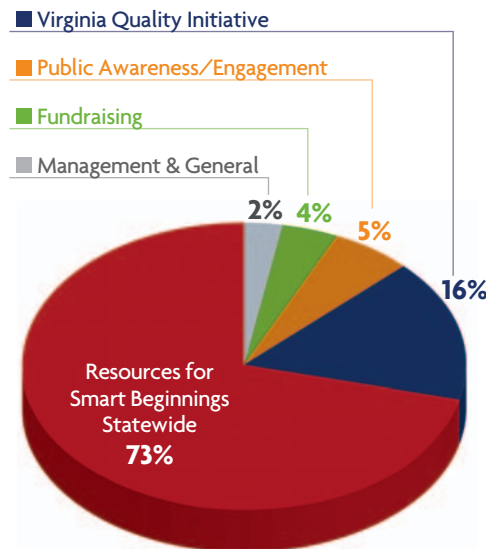
- Ben J. Davenport, Jr.
First Piedmont Corporation

VECF President
Kathy Glazer

FY07 - FY15 LEVERAGED FUNDS



FY15 PROGRAM EXPENSES



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

Mission: Virginia Early Childhood Foundation is the non-partisan steward and capacity-builder for advancing school readiness in the Commonwealth.

10 FOR 10: TOP ACHIEVEMENTS OF A DECADE OF SMART BEGINNINGS

1. FORGING PUBLIC-PRIVATE PARTNERSHIPS

The Virginia Chamber of Commerce's *Blueprint Virginia* highlighted the direct link between a strong early start for children and a productive future workforce. VECF and its many partners are dedicated to realizing this value for the Commonwealth as part of a comprehensive plan for economic prosperity and competitiveness.

As a public-private partnership with strong ties to both business and state government, the Virginia Early Childhood Foundation uses private sector solutions to advance school readiness for Virginia's youngest citizens. The following corporations have been instrumental in the Foundation's success:*

Alpha Natural Resources	Dominion Resources	PNC
American Electric Power	Ferguson Enterprises, Inc.	SunTrust
Bank of America	First Piedmont Corporation	Verizon
BB&T	First Tennessee Bank	Virginia Business Publications
Bon Secours Richmond Health System	Freddie Mac Foundation	Virginia Natural Gas / AGL Resources
Capital One Services, LLC	Huntington Ingalls Industries	Washington Gas
Columbia Gas of Virginia	NiSource	Wells Fargo
Crutchfield Corporation	Norfolk Southern	WestRock

*These corporations have contributed to VECF's statewide school readiness efforts. Please view the impressive list of businesses, foundations, and individuals who have supported Smart Beginnings' efforts at the state and local levels at www.vecf.org.



“The Virginia Chamber of Commerce and the Virginia Early Childhood Foundation are working together to ensure strategies that maximize Virginia's investment in workforce capacity and strengthen businesses for decades into the future. The way we see it, investing in the Commonwealth's future workforce is the ultimate corporate responsibility.”
Barry DuVal, President and CEO, Virginia Chamber of Commerce

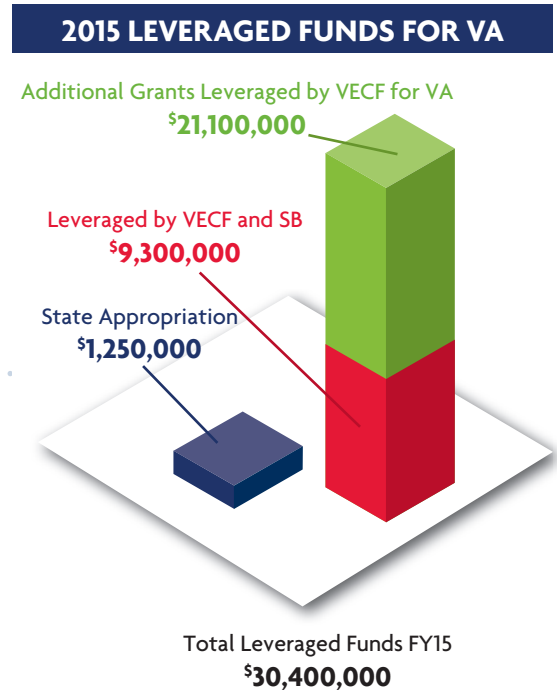
2. LEVERAGING INVESTMENT

VECF's private sector leadership and technical know-how, combined with the resources of the Smart Beginnings network, give our state a key competitive edge in garnering highly competitive grant awards. This year alone, VECF helped attract \$21.1 million in additional investments in school readiness services for high risk children and communities in Virginia. Examples range from a federal preschool grant targeting 11 high-need school divisions to a Kellogg Foundation grant assisting families in Southern Virginia.

3. MAXIMIZING RESOURCES

“Smart Beginnings is designed to help local communities problem-solve for effective solutions on the ground, including navigating the myriad of funding streams and programs for early childhood services. By promoting private sector leadership and greater flexibility of public funding and programs, the Virginia Early Childhood Foundation has been instrumental in maximizing the resources and resulting benefits for children and families – here in our region, and statewide.”

Mike Chinn, CEO, SNL Financial and Chair, Smart Beginnings Thomas Jefferson Area



4. DRIVING DATA-INFORMED DECISIONS

By anchoring its decision-making and practice in data and evidence, VECF and its Smart Beginnings partners are working to ensure the best possible outcomes for children and families.

Smart Beginnings Greater Roanoke partnered with Virginia Tech and Roanoke City Public Schools (RCPS) to analyze school readiness outcomes of children who previously attended quality-rated child care centers.* The data showed that 91% of young children who attended rated centers met the benchmark for school readiness, compared to 83% for all RCPS students, showing a link between Smart Beginnings' quality improvement efforts and children's school readiness.

*VECF collaborates with the Virginia Department of Social Services to lead **Virginia Quality**, a state-wide, market-based strategy to improve the quality of public and private early learning programs. This past year alone, more than nearly 20,000 young children statewide benefited from participating in these quality-focused learning programs.

5. ASKING THE TOUGH QUESTIONS

VECF and statewide Smart Beginnings partners are committed to discerning gaps in Virginia's school readiness and serving as a catalyst for solutions. VECF encourages state and local agencies to go beyond data collection and conduct meaningful analyses on the impact of Virginia's early childhood interventions.

In FY15, VECF published two significant reports. One is the first study to examine outcomes through 8th grade for participants of public preschool. The second takes a thoughtful look at the challenges of assessing the skills of Kindergarteners while ensuring tools that measure progress and inform teachers' instruction.

“The Virginia Early Childhood Foundation doesn't shy away from asking the tough questions. They are bringing a voice to the state's conscience and demonstrating the importance of research on outcomes, to guide future investments in children and families.”

Chris Braunlich, President, Virginia State Board of Education, 2014-15

6. EMPHASIZING ACCOUNTABILITY

As a business-led public-private partnership with a state mandate for accountability, VECF has a steadfast commitment to high performance and transparency for its own initiatives and the Commonwealth's system of programs and services for young children. VECF reports on indicators showing how the state and communities are measuring up when it comes to good health, school readiness and educational achievement by developing tools such as the School Readiness Report Card and its companion web-based interactive map.

“VECF's research reports and data tools make it easy to track and compare relevant readiness indicators in communities across the state. We're pleased to feature their School Readiness Report Card and data map as resources on Virginia Performs - The Council's signature initiative.”

Jane Kusiak, Executive Director, Council on Virginia's Future



7. INCENTIVIZING QUALITY

Understanding that the child care industry itself can be an economic driver for Virginia, VECF uses market-driven strategies to expand the availability of quality early learning programs. By supporting an increase in quality child care for families in Virginia, VECF is helping to develop a workforce for the future.

Forbes magazine recently highlighted the importance of paid child care to a state's economic growth. In Virginia, child care industry revenue combined with additional spillover spending have a nearly \$2.1 billion impact on the state's economy.

Throughout Virginia, there are 16,919 child care programs with revenue of \$1.1 billion. The child care industry employs 40,552 individuals supporting an additional 15,900 jobs in other industry sectors across Virginia.

Committee for Economic Development. (2015). *Child Care in State Economies*.

8. LINKING LOCAL SOLUTIONS TO STATE POLICY

By nurturing local capacity through the Smart Beginnings network, the Virginia Early Childhood Foundation helps capitalize on community innovation to inform state policy development.

“When it comes to children and families, I look to my local Smart Beginnings partners to help make sound recommendations and decisions about state policy based on local know-how and experience. Most recently, Smart Beginnings Southwest VA helped shine a light on the potential impact of Virginia Preschool Initiative eligibility changes to our region’s schools.” *Delegate Terry Kilgore*

9. EMBRACING THE LEARNING CURVE

The Virginia Early Childhood Foundation brings an entrepreneurial approach to school readiness, continually refining its strategies to ensure relevance and effectiveness.



“VECF has worked in communities, both large and small, across the Commonwealth helping them prepare their students for the first day of school. This learning curve provides a wealth of knowledge and best practices as new communities and champions join together to promote school readiness and prepare our students for their very best future.” *Karl Stauber, Executive Director, Danville Regional Foundation*

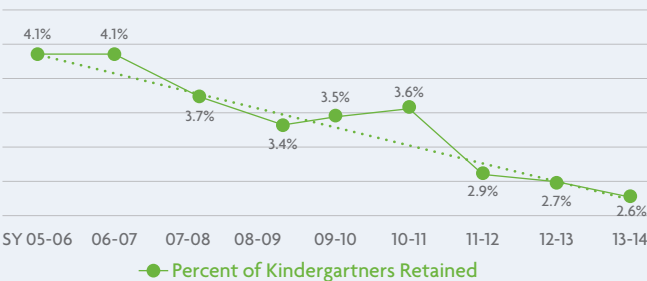
10. CHANGING THE PERSPECTIVE

With the persistence of VECF’s board leadership and Virginia Chamber associates over the past ten years, early childhood education is now viewed decisively as a workforce issue in Virginia. With strong leadership from VECF, this perspective will continue to gain momentum and benefit the economic climate of our state in the decade ahead.

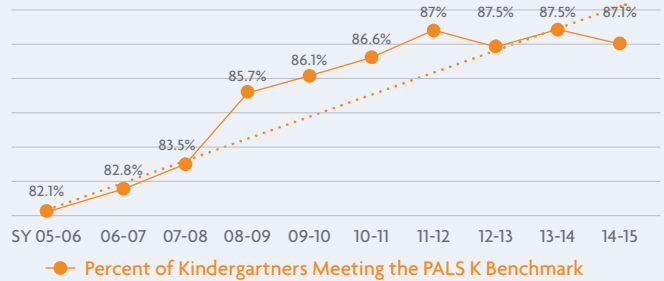
REFLECTING BACK AND FORGING AHEAD

Virginia’s investment in Smart Beginnings’ principles and innovation will result in both short and long term cost savings for taxpayers. Each time a child is prepared for school and avoids repeating a grade, the Commonwealth saves approximately \$11,000. These efforts pay off, with savings quickly surpassing state investment in Smart Beginnings.

Decrease in Kindergarten Repetition



Increase in Kindergarten Readiness Based on Fall Literacy Scores



In the decade ahead, VECF, its mission-driven board of directors, and network of local partners will continue to think forward using sound business principles, research, and evaluation for strategies to narrow the readiness gap for Virginia’s youngest citizens.

“In today’s world, the truest test of an educational system is how well it succeeds in giving all of its children a globally competitive education. If we really want to be successful at this and solve this problem at its source, I believe we have to go all the way back upstream to early childhood.”

Mike Petters, President and CEO, Huntington Ingalls Industries

STATEMENT OF FINANCIAL POSITION

STATEMENT OF FINANCIAL POSITION JUNE 30, 2015

ASSETS

Current Assets

Cash and Cash Equivalents	\$1,888,193
Accounts Receivable	
Grants Receivable Net	345,345
Prepaid Expenses	10,957
Other Assets	3,768

Total Current Assets \$2,248,263

LONG-TERM RECEIVABLES \$74,016

PROPERTY AND EQUIPMENT

Furniture and Fixtures	19,233
Accumulated Depreciation	(18,181)

Total Property and Equipment \$1,052

Total Assets \$2,323,331

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts Payable	\$50,532
Grants Payable	240,596
Accrued Expenses	34,415

Total Current Liabilities \$325,543

Net Assets

Unrestricted	\$545,257
Temporarily restricted	1,452,531

Total Net Assets \$1,997,788

Total Liabilities & Net Assets \$2,323,331

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2015

PUBLIC SUPPORT AND REVENUE	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTAL
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Public Support

Contributions			
Individual & Board Contributions	\$129,781	149,032	278,813
Corporations	112,500	247,000	359,500
Foundations & Organizations	32,750	463,769	496,519

Total Public Support \$275,031 \$859,801 \$1,134,832

Revenue

Government Grants	–	\$2,143,093	2,143,093
Interest Revenue	1,052	–	1,052

Total Revenue \$1,052 \$2,143,093 \$2,144,145

Net Assets Released from Restrictions	\$3,282,640	(3,282,640)	–
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Total Support & Revenue \$3,558,723 (279,746) \$3,278,977

Expenses

Program Services	\$3,062,210	–	3,062,210
Fund Raising	138,549	–	138,549
Lobbying	5,064	–	5,064
Management & General	76,816	–	76,816

Total Expenses \$3,282,639 – \$3,282,639

Change in Net Assets \$276,084 (279,746) (3,662)

Net Assets, Beginning \$269,173 1,732,277 2,001,450

Net Assets, Ending \$545,257 1,452,531 1,997,788

2015 DONORS

The generosity and commitment of our donors 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, 2014 and June 30, 2015.

STAKEHOLDER (\$1 MILLION +)

Virginia General Assembly

INVESTOR (\$100,000 - \$500,000)

Dominion Resources

W. K. Kellogg Foundation

Nemours, National Office of Policy & Prevention via a cooperative agreement from The Centers for Disease Control and Prevention

Robins Foundation

Virginia Department of Social Services

CAPACITY BUILDER (\$50,000 - \$99,999)

Thomas and Nancy J. Chewning Fund of The Community Foundation Serving Richmond and Central Virginia

Danville Regional Foundation

Norfolk Southern Foundation

INNOVATOR (\$25,000-\$49,999)

Bon Secours Richmond Health System

Huntington Ingalls Industries

WestRock Foundation

Tobacco Region Revitalization Commission

Wells Fargo Foundation

QUALITY CHAMPION (\$10,000-\$24,999)

Capital One Services, LLC

Mr. and Mrs. Ben J. Davenport, Jr.

Ferguson Enterprises, Inc.

Washington Gas

CONVENER (\$5,000-\$9,999)

Adrian and Jan Chapman

First Piedmont Corporation

Paul and Tammy Koonce

Jim and Barbara Ukrop

John Weinberg

PARTNER (\$2,500-\$4,999)

BB&T

Mark and Katherine E. Busser

Bill and Karie Ermatinger

Pamela J. Royal, MD & C. N. Jenkins, Jr.

Nicholas G. Sladic

Virginia Business Publications LLC

PATRON (\$1,000-\$2,499)

Columbia Gas of Virginia

First Tennessee Bank

Kathy Glazer

Paul and Susan Hirschbiel

Mr. and Mrs. Reggie Jones

Ned W. Massee

Monica and Barry Matherly

Gary McCollum

PNC Foundation

Betsy and Speaker Pollard

William "Biff" Rees, MD, MBA

Dr. Gary L. Rhodes

Successful Innovations, Inc.

BENEFACTOR (\$500-\$999)

Darla Edwards

Deborah Jonas

FRIEND (\$1-\$499)

Anonymous

Mary Barnes

Randall W. Betz and Barbara S. Mease

Mary Blanchard and Peter Blake

Karin and Churchill Bowles

Sharon Brager

Dora Butler

Commonwealth of VA Campaign

Mark and Robbie Emblidge

Dr. Mark R. Ginsberg and

Dr. Elaine A. Anderson

Dawn G. Greggs

Roger and Merry Guernsey

Jackie Hicks

Kenneth & Lauren Hutcheson

Emily Keenum

Colleen A. Kraft

Kris Meyers

Beth Rhinehart

Angela Rice

Gale and Bill Roberts

Susan Bailey and
Sidney Buford Scott
Endowment Trust

Barbara Sipe

Alena Smalligan

Alyson Williams

GIFTS IN KIND

Capital One

J. Sargeant Reynolds
Community College

Williams Mullen

We have made every attempt to ensure the accuracy of this listing. If you notice an error, please contact us at (804) 358-8323 so that we may personally extend our apology and make the correction.