



Mapping Fiscal Resources in South Hampton Roads Virginia to Support School Readiness

REGIONAL SUMMARY
September 2009

In 2007, committees of key stakeholders in the five cities of Chesapeake, Norfolk, Suffolk, Portsmouth, and Virginia Beach developed Collaborative Action Plans focused on key strategies to ensure that children in each city “arrive at kindergarten healthy and ready to succeed in school, and in life.”¹ With leadership from Smart Beginnings South Hampton Roads (SHR), community leaders defined objectives and measurable benchmarks to support young children’s success.

In order to truly realize their vision for children and families, and to achieve the concrete goals set out in the Collaborative Action Plans, city leaders identified a need for more information on the fiscal resources that support the youngest children. To address this need, Smart Beginnings SHR leadership commissioned The Finance Project (TFP) to conduct fiscal mapping studies of the resources supporting an early childhood system in each of the five cities.

Each fiscal mapping report includes a detailed account of public and private expenditures on programs supporting young children from prenatal to age five and their families. This includes an overview of how funds align with priorities; which local agencies control key funding sources; and to what extent funding comes from federal, state, local or private sources. In addition, the report provides an analysis of:

- The adequacy of current funding to achieve community goals;
- The degree to which cities are maximizing available resources;
- The flexibility of current funding sources;
- The stability of current funding sources; and
- Opportunities to coordinate existing resources.

Below is a summary of key findings across the five cities. The city-level fiscal mapping reports are available at: (web link)

RESEARCH APPROACH

The Finance Project research team gathered comprehensive information on publicly funded programs that support early childhood services through budget documents, phone interviews and email correspondence with state, regional and local agency staff. TFP staff also interviewed foundation and nonprofit leaders to better understand the role that private funds play in supporting early childhood initiatives.

In some cases, where a program serves a broader population or geographic area, TFP researchers worked with local agency staff to estimate the amount of funding supporting

¹ Smart Beginnings South Hampton Roads Vision retrieved from <http://www.smartbeginningsshr.org/index.php> on May 29, 2009.

young children in a particular city. Rationales for estimates are noted in the city-level reports.²

In an effort to help community leaders understand how current programs and funding sources align with their goals and priorities, TFP organized programs by the following three components of a comprehensive early childhood system:

- Early Care and Education including child care, preschool, special education and early literacy initiatives, as well as an infrastructure that supports the quality of care and helps parents to find appropriate settings.
- Health Services including medical services for pregnant women and children, nutrition, social-emotional support, and early identification, assessment and appropriate services for infants and toddlers with special needs, disabilities or developmental delays.
- Family Support initiatives, including home visiting, parent education initiatives, and other initiatives designed to strengthen families.

When a program supports more than one component, TFP researchers have categorized the program according to the category with the clearest alignment.

FUNDING OVERVIEW

The South Hampton Roads region has a diverse funding base for early childhood initiatives, with support from public (federal, state, and local) and private funders. While federal and state programs provide the bulk of funding, private-sector and local funds fill gaps in the system at the community level. In addition, the U.S. military, which has a significant presence in the region, funds a number of early care and education and family support programs for military families.

Public Funding

In FY 2008, a total of approximately \$185 million in federal, state and local public funds supported programs for the target population in the five-city region.³ A detailed list of publicly funded programs is included in Appendix I.

- Entitlement programs - An estimated \$120 million supported entitlement programs that provide health insurance and nutritious food to eligible children and families. Local agencies enroll individuals and child care providers in these programs, but do not have control over how funds are used.
- Non-entitlement programs – The remaining \$65 million are federal, state and local funds that provide an array of services for the target population. Local and regional agencies administer these programs and may have some decision-making authority over how to allocate funding in the community.

Figure I shows total public funding across the five communities. Population size is a significant factor influencing the variation across cities. Another key determinant of funding amount is the city's rate of child poverty, since most federal and state programs target resources toward low-income children. Therefore, although Virginia Beach has a larger overall population, Norfolk receives more funding due to its considerably higher poverty rate. (Table I provides detailed information on the number of children in poverty

² Differences in the availability of data, as well as local agencies' varying guidance on how to estimate funding for the target population, may contribute to some of the variation in funding amounts across the five cities.

³ Fiscal information for military programs was not publicly available, as so is not included in funding amounts listed in this report.

in each city.) Finally, some of the variation across cities can be explained by individual city efforts to maximize entitlement programs, apply for additional grants, and dedicate local resources to early childhood initiatives.

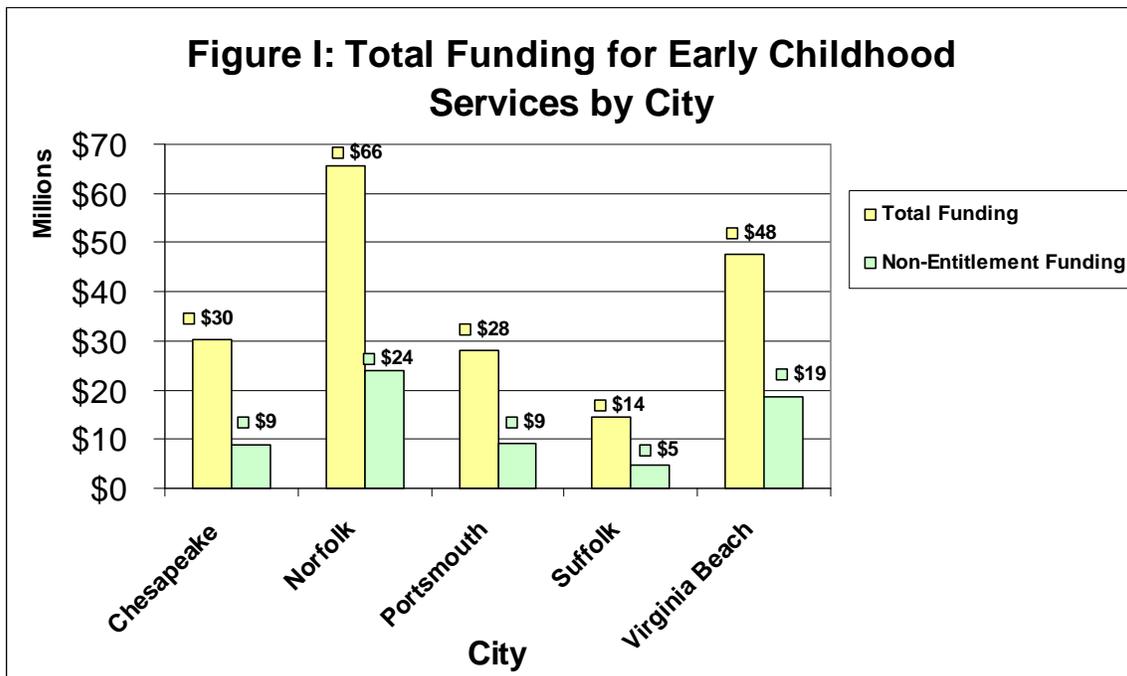


Table I: Demographic Information on Young Children in South Hampton Roads⁴

	Estimated Number of Children From Birth to Age Five ⁵	Percent of Children ages in Poverty ⁶	Estimated Number of Children Ages 0-5 in Poverty ⁷
Chesapeake	18,000	11%	1980
Norfolk	23,000	24%	5520
Portsmouth	10,000	24%	2400
Suffolk	7,500	15%	1125
Virginia Beach	36,000	10%	3600
TOTAL	94,500		14,625

A Closer Look at Non-Entitlement Funding

For the purpose of analysis, this section looks in depth at the approximately \$65 million in non-entitlement funding that local agencies in the region administer and have more flexibility to target toward the goals of the Collaborative Action Plans.

To put this dollar amount in context, TFP researchers compared the region’s funding for early childhood services to investments in the five cities’ public schools. \$65 million represents about four percent of the approximately \$1.5 billion that the cities together dedicated to their public schools in FY08, primarily to support K-12 education. (See **Figure II.**) While investments in K-12 education are critically important to children in the

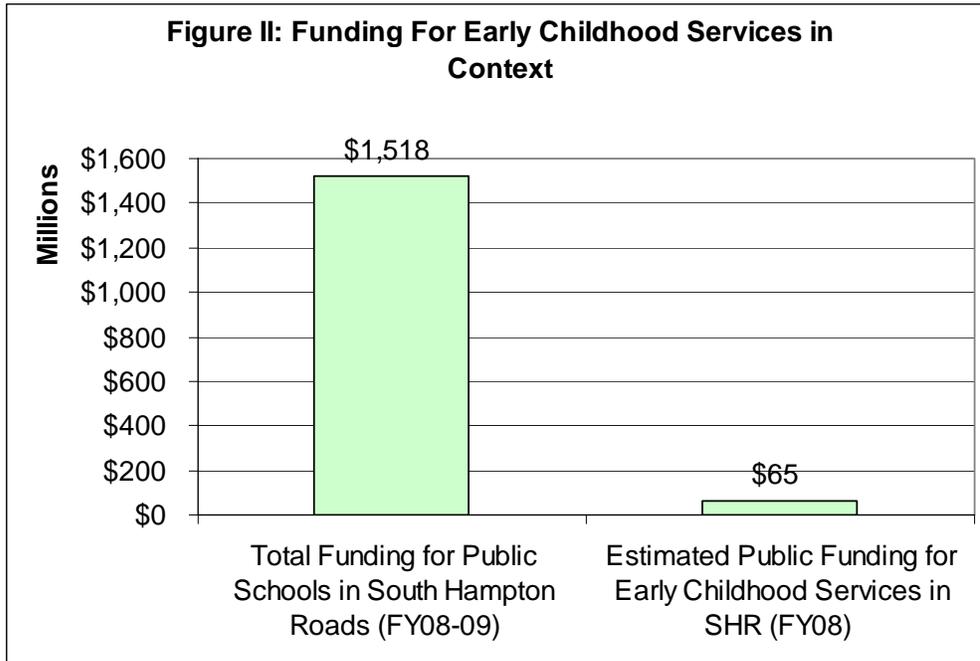
4 Source: Data obtained using the Kids Count data center. All data for 2007. <http://datacenter.kidscount.org>

5 The Kids Count data center lists the number of children from birth to age four in each city. For each city, the number of five year-olds was estimated, based on an assumption that approximately the same number of children are born each year in each city.

6 Data refers to children ages birth to 17.

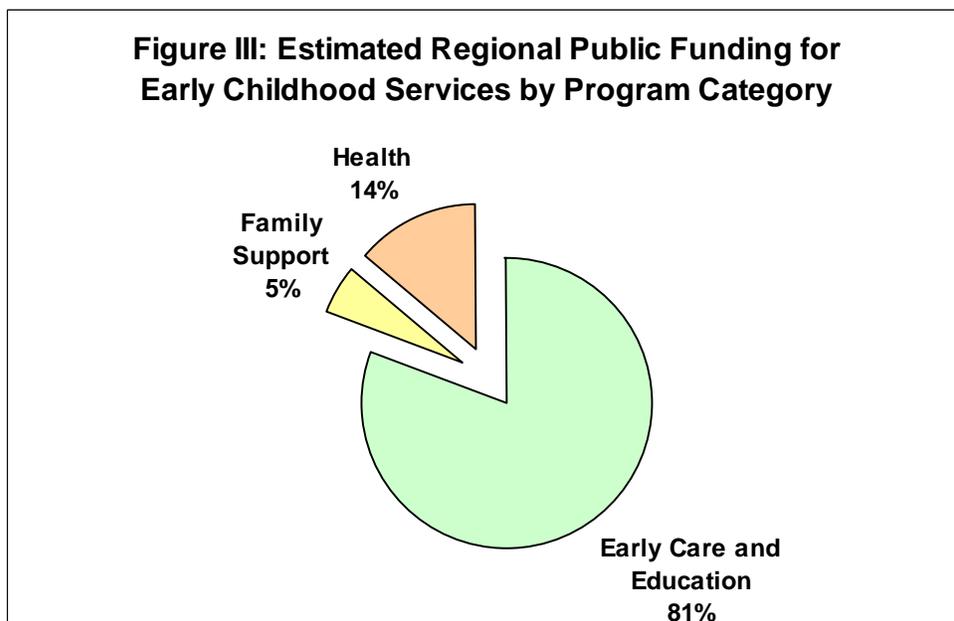
7 TFP developed estimates by multiplying estimated number of children from birth to five by the percent of children in poverty.

region, local leaders may consider whether the allocation of investment across the age range reflects the communities' priorities.



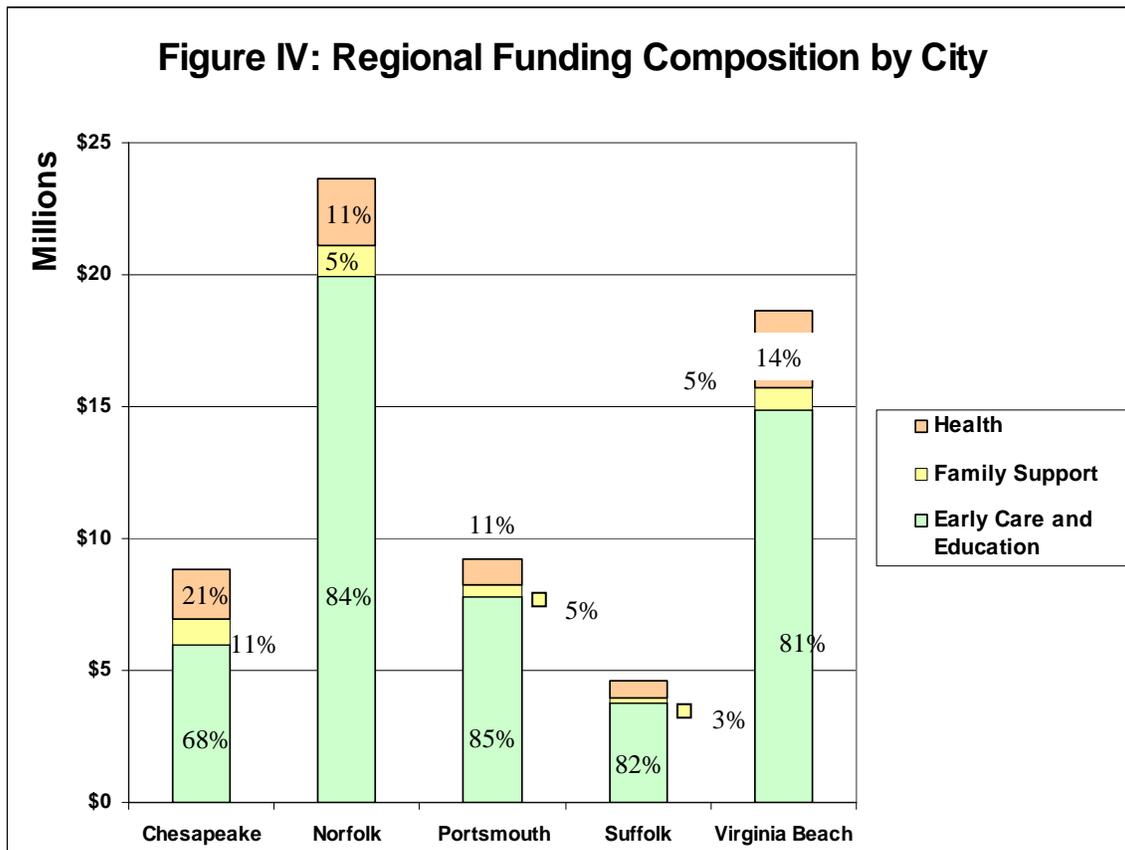
Public Funding by Program Category

TFP researchers analyzed expenditure data to learn how fiscal resources align with the three program categories that guided the study. As **Figure III** indicates, the majority of the approximately \$65 million in non-entitlement public funding (81 percent) supports early care and education. This finding reflects significant investment in programs, such as public preschool and Head Start, which tend to be more costly to operate. Of the funds controlled by local agencies, health services accounts for 14 percent of total funding and family support services accounted for just five percent of total funding.



(When entitlement programs, such as food stamps and Medicaid are included, a very different picture emerges. Health services represent approximately 70 percent of the full \$185 million supporting young children in the region. In other words, although funding for health services is significant, most of this funding is outside of the control of local agencies.)

While the distribution of funding across the program categories is fairly consistent across cities (see **Figure IV**), the city of **Chesapeake** dedicates a larger relative portion of public funds to health and family support programs than the other four cities. This finding reflects Chesapeake’s significant investments in CHIP/Healthy Families, BabyCare, and early intervention programs.

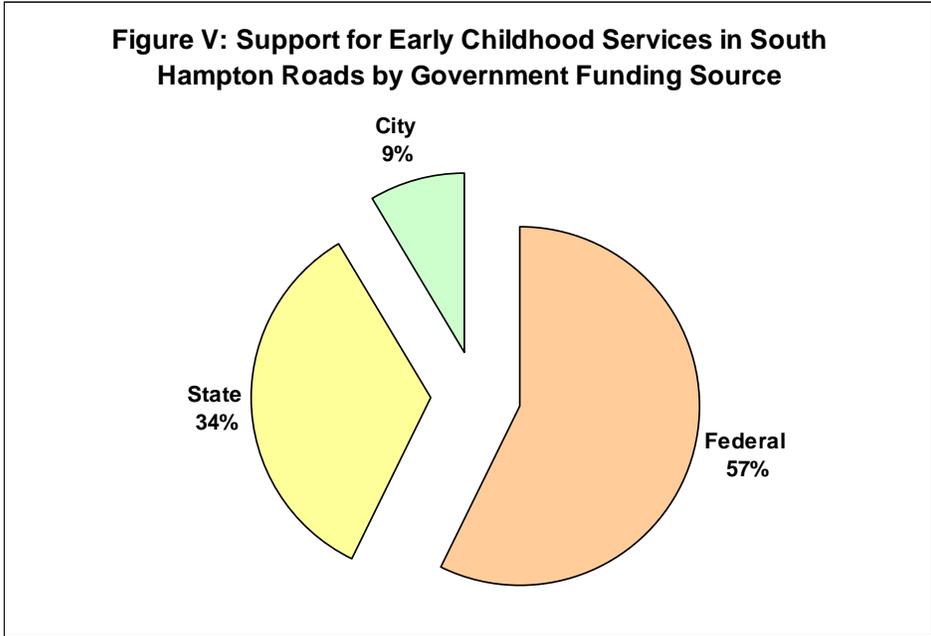


Public Funding by Source

Public funding for early childhood initiatives in South Hampton Roads comes from federal, state, and local revenue sources, with federal and state funding sources providing the vast majority of support. As shown in **Figure V**, city revenues provide a small, but critical contribution to non-entitlement services for young children across the region (less than 10 percent of all non-entitlement funding).

The funding composition is relatively consistent across cities, with the exception of **Virginia Beach**, where city revenues make up nearly 30 percent of the funding mix. Virginia Beach city leaders use city revenues to support expanded access to early intervention, early literacy and family support programs.

Figure V: Support for Early Childhood Services in South Hampton Roads by Government Funding Source



Public Funding by Agency

Multiple local public agencies and regional health and human services organizations administer funding for early childhood initiatives in the region. Regional organizations administering funds include:

- Southeastern Tidewater Opportunity Project (STOP);
- The Up Center;
- The Planning Council;
- Children’s Harbor;
- Square One;
- Children’s Hospital of the King’s Daughters; and
- WHRO.

At the city level, the agencies managing funds include:

- Public Schools;
- Departments of Human Services;
- Health Departments;
- Community Services Boards; and
- Public Libraries.

The large number of agencies and organizations administering funds across the region suggests the need for coordination to make better use of the expertise of staff housed in various agencies, reduce administrative costs and duplication of services, and track the needs of families across agencies.

Private Funding

Private funders contribute to a number of early childhood services in the South Hampton Roads region, often filling gaps in services and piloting new approaches to better serve children and families. At the regional level, the United Way supports the Raising a Reader early literacy program as well as subsidized early care and education at a number of South Hampton Roads centers. The Norfolk Foundation has recently invested significant resources in piloting a child care quality rating and improvement

system (QRIS). In addition, several agencies administering publicly funded programs leverage private donations to expand the services that they offer. **Figure VI** describes three particularly notable examples of private funding at the city level.

Figure VI: Examples of Private Funding

The following are examples of private investments in early childhood services in three South Hampton Roads cities:

- **Chesapeake** - CHIP Healthy Families of Chesapeake leverages significant private support from Chesapeake Regional Medical Center and the Beazley Foundation to supplement public funding for their home visiting and parenting support services.
- **Portsmouth** - Portsmouth Reads is an early literacy initiative that provides workshops with child care providers on school readiness. The program is funded by donations from the Portsmouth Community Foundation, Portsmouth General Hospital Foundation, Beazley Foundation and the Maryview Foundation.
- **Suffolk** - The Obici Healthcare Foundation supports maternal and early childhood services at the Suffolk Health Department. Grants from the foundation have facilitated the expansion of Maternal and Child Health and Family Planning services that address teen pregnancy rates, prenatal care and pregnancy outcomes.

FUNDING ANALYSIS

To assess the effectiveness of financing for early childhood services, the research team used several key criteria to determine which financing strategies and funding sources are most effective in supporting a sustainable early childhood system. These include the following elements of effective financing: adequacy, maximization, flexibility, stability, and coordination.

Adequacy

City and regional officials noted that in some cases funding is insufficient to meet community needs. Local stakeholders commented, for example, that reimbursement rates to child care providers through the child care subsidy program (an average of \$360 per child per month statewide) are not high enough to meet the needs of providers or parents seeking quality care.

In addition, city officials noted that they often don't have enough funding to meet community need. For example, cities maintain waiting lists for

- Child care subsidies in **Chesapeake** and **Norfolk**;⁸
- Virginia Preschool Initiative (VPI) in **Chesapeake**, **Norfolk**, and **Virginia Beach**;
- Home visiting programs in **Chesapeake**, **Norfolk**, **Portsmouth**, and **Virginia Beach**;
- Early Head Start in **Suffolk**.

There is also a regional waiting list of nearly 50 child care centers that are interested in participating in the pilot child care quality rating and improvement system.

⁸ In other cities, local agencies noted that they do sometimes maintain wait lists, but they are typically cleared very quickly.

Some program managers noted that, while they do not currently have wait lists, efforts to expand outreach to additional families who would benefit from their services would exceed program capacity.

In other cases, eligibility rules limit programs' reach. For example, state funded preschool that meets quality standards is available only to four-year olds who meet criteria for income or other risk factors. For families not eligible for the Virginia Preschool Initiative (VPI) or Head Start, stakeholders report that there may be limited options for affordable, high quality early education opportunities in the region.

Maximization

The cities are, for the most part, fully drawing down federal and state matching dollars for all relevant programs. As notable exceptions, **Virginia Beach** and **Chesapeake** are not contributing the full local match to the Virginia Preschool Initiative (VPI). Virginia Beach serves 704 of 1300 eligible program slots through a state funding formula and Chesapeake serves 304 of 569 eligible slots. As a strategy to maximize funding, city agencies may choose to prioritize investments in program such as VPI, where each local dollar will bring in matching state, federal, or private resources.

Another strategy to maximize available funds is to apply for competitive grant programs. As demonstrated in **Figure VIII**, the cities in South Hampton Roads have successfully applied for a number of state and federal grants in recent years.

Figure VIII: Examples of Competitive Grants Received in South Hampton Roads

The cities currently receive funding from the following competitive state and federal programs:

- State **Comprehensive Health Investment Project (CHIP)** grants to support the CHIP home visiting program. (Chesapeake, Norfolk, and Portsmouth)
- Federal **Even Start** family literacy grants. (Two grants in Norfolk)
- Federal **Early Head Start** grant supporting infants and toddlers (Suffolk)
- Federal **Community Health Center (Section 330)** grant supporting health services for individuals of all ages (The Portsmouth Community Health provides services in Portsmouth and Norfolk.).
- The federal **Healthy Start** grant supports the Loving Steps family support program. (Norfolk)

To further maximize available resources, city and regional leaders may consider expanding outreach for Medicaid, the Child and Adult Food Care Program (CAFCP), food stamps, and the Special Supplemental Nutrition Program for Women, Infants and Children (WIC), as many families and providers entitled to benefits from these programs do not receive them. **Chesapeake's** recent experience demonstrates the value of investments in outreach. With a state grant supporting new outreach efforts, the city now serves approximately 90 percent of eligible WIC participants, compared to a state average of 71 percent participation. The regional STOP organization has a grant from the Virginia Health Foundation enroll more eligible children in public health insurance programs.

Flexibility

Flexible funding sources can play a critical role in implementing the cities' Collaborative Action Plans, since they can fill funding gaps and support coordination efforts. Private

and local funds tend to provide the most flexibility in addressing local needs, while federal and state funding sources often come with restrictions on how funds can be used. TFP researchers identified the following flexible federal funds that can support early childhood services:

- Title I - Grants support high-poverty schools in helping children to meet academic standards. While largely used to support services for children in K-12 education, school divisions can use Title I for early education. For example, **Norfolk** relies on Title I to support early education classrooms for three-year-olds in high-risk neighborhoods. **Portsmouth** uses Title I to expand the number of four-year olds served in their VPI program. Title I can also support efforts to align early education and kindergarten curricula, a goal of many cities' Collaborative Plans.⁹
- Community Development Block Grant (CDBG) – Grants from the federal Department of Housing and Urban Development (HUD) support local housing and economic development activities. HUD allows localities to use 15 percent of program funds for “public services”, which may include any number of services for children and families. Citizens and community organizations have an opportunity to provide feedback on how funds are allocated. **Chesapeake** allocates a portion of CDBG funding to support early education for infants and toddlers living in public housing and for maintenance, improvement and insurance for Children’s Harbor’s child care facility. **Norfolk** uses CDBG to support The Up Center’s Healthy Families program.
- Community Services Block Grant (CSBG) – CSBG is a federal block grant that supports community action agencies (CAAs) in providing services and activities to low-income families including addressing employment, education, better use of current income, housing, nutrition, emergency services and/or health. The STOP organization in South Hampton Roads is a regional CAA and currently utilizes CSBG to operate early care and education programs for low-income families in **Norfolk, Portsmouth, and Virginia Beach**.
- Promoting Safe and Stable Families (PSSF) – Local departments of human services use this federal grant to prevent the unnecessary separation of children from their families, improve the quality of care and services to children and their families, and ensure permanent living arrangements for children in the child welfare system. Within these broad programmatic goals, city agencies have discretion in how funds are used. **Chesapeake, Norfolk, Suffolk, and Virginia Beach**, for example, each dedicate a portion of their PSSF allocation to the Healthy Families program.
- Maternal Child Health Block Grant (Title V) – This federal-state funding source offers grants to local health departments that can be used to fill key gaps in services, such as prenatal care, pediatric care, breastfeeding support, or obesity prevention. **Chesapeake** and **Norfolk** use funds to support the Baby Care program, a home visiting model that draws down Medicaid reimbursement.

⁹ Mead, Sara. “Building a Solid Foundation- How States and School Districts can Use Federal Stimulus Funds to Support Proficiency by Third Grade.” New America Foundation, May 2009.

Stability

Federal funding provides the most stable source of funding in the current fiscal environment, as many state, local and private funders are experiencing budget shortfalls. There are opportunities for increased federal funding for early childhood initiatives both under the American Recovery and Reinvestment Act (ARRA) and the FY10 federal budget. Through ARRA, the cities will receive additional funding from several sources that could support the Collaborative Action Plans, including flexible funds, such as the Community Development Block Grant (CDBG) and Title I.

The FY10 federal budget has not yet been finalized, but the President's proposed budget includes increases in WIC, Head Start and Early Head Start, as well as \$500 million in Title I funding that is specifically dedicated to early education and \$124 million for home visitation programs.¹⁰ In addition, a bill currently in Congress would create an Early Learning Challenge Fund, providing competitive grants to states to support early learning systems, including investments in program standards, quality rating systems, and professional development.¹¹ While it is not yet clear if Congress will approve this new funding, city and regional leaders can start to develop strategies to access and use these funds, so that they are well positioned to support their Collaborative Action Plans if funds become available.

Coordination

Coordination of programs, service delivery and funding is an important way to improve the efficiency and increase the flexibility that providers have to address the needs of children and families in their communities. As shown in **Figure VII**, several cities have existing coordinating bodies that will play a role in implementing the Collaborative Plans.

Figure VII: Early Childhood Coordination Bodies

The following city departments and coalitions currently lead efforts to coordinate early childhood services:

- **Chesapeake's** Office of Youth Services in the Department of Human Services coordinates services for children and youth across agencies.
- **Suffolk's** Early Childhood Development Commission convenes monthly planning meetings of city leaders and early childhood experts.
- **Portsmouth's** Coalition for Youth is a broad-based community coalition supporting positive outcomes for children across the age range; and
- **Virginia Beach's** Ready to Learn and Healthy Families initiatives coordinate partners around early literacy and family support initiatives.

Both Suffolk and Virginia Beach dedicate local funds to staff these coordinating bodies.

With support from Smart Beginnings South Hampton Roads, the cities are now developing Early Learning Policy Boards, composed of key policy, community, school and business leaders, to implement the Collaborative Action Plans. Existing coordination bodies will play a role in the new Policy Boards.

Blending and Braiding - Program managers report a great deal of informal coordination

¹⁰ "Zero to Three Federal Policy Updates." Retrieved from Zero to Three Website, June 1, 2009.

¹¹ The White House. "The Early Learning Challenge Fund. Results Oriented, Standards Reform of State Early Learning Programs.", July 2009.

and referrals between programs, as well as some more intentional efforts to blend and braid funding sources. For example:

- **Chesapeake's** CHIP Healthy Families braids CHIP and Healthy Families funding to prevent duplication of services. This initiative also leverages a range of other public and private funding sources.
- **Norfolk** braids funding from Resource Mothers and the Loving Steps program to support a coordinated set of services to both teen mothers and at-risk non-teen mothers.
- In **Suffolk**, the Western Tidewater Health District blends Healthy Families funding with Title IV-B funding received through the Department of Social Services, and grants from private foundations to expand the number of children served.
- **Portsmouth** braids Title I and VPI funding to expand the capacity of public preschool for four-year olds.
- **Virginia Beach** Healthy Families braids federal, state and local public funds to enable service coordination for five different family support programs.

Co-Location - In other cases, cities have co-located programs to make efficient use of space, reduce administrative costs, and make services more accessible to parents. For example, **Norfolk** Public Schools currently co-locate Even Start, Head Start, VPI, Preschool Special Education, and Title I classrooms at one early childhood center. While each classroom is supported by a separate funding stream, staff share resources and operate under a common school administration.

Common Screening and Referral – Since improving systems of screening and referral was a common theme of cities' plans throughout the region, Smart Beginnings SHR and the Consortium for Infant and Child Health (CINCH) are working to define what the current screening and referral system looks like, research state and national best practices and develop recommendations as to how the region can accomplish this goal. A regional Home Visiting Alliance is also working together to develop common strategies for screening and referral. The development of a common tool may serve as a first step to a more systemic approach to screening and referring families to needed services and could help to alleviate a challenge noted by community stakeholders – how to coordinate services for women who give birth in one municipality but reside in another. Both **Suffolk** and **Chesapeake** are currently implementing best practice models at local hospitals

Regional Coordination – Regional organizations administer several of the programs included in this report, creating economies of scale across multiple cities. For example:

- *Head Start* - The regional STOP organization is the grantee for Head Start in South Hampton Roads and operates all local programs.
- *Healthy Families and Resource Mothers* - The Up Center runs the Healthy Families program for both **Norfolk** and **Portsmouth** and the Resource Mothers program for **Virginia Beach** and **Portsmouth**. While they maintain funds separately for each city, the Up Center realizes administrative efficiencies by managing this program in both cities.
- *Child Care Subsidies* - **Chesapeake**, **Norfolk** and **Portsmouth** contract with the regional Planning Council to operate their child care subsidy program. The Planning Council, which already has strong connections with early care and

education providers in the region, reports that they can use funds more efficiently than any one city agency on their own

This model of using a regional service provider to manage the same program in multiple cities might be applied to other types of services and programs, such as a “shared services” approach that would use a single organization to provide back office support and other management services to multiple early care and education providers.

IMPLICATIONS FOR LOCAL OBJECTIVES

A number of financing strategies emerge from the findings of this study that could support implementation of the Collaborative Action Plan. Through the strategies outlined below, city leaders can maximize existing resources, leverage new funds, and create new resources that support services for young children.

The companion report, *Promising Practices: Financing Strategies for Local Early Childhood System Building*, provides detailed examples of these financing strategies as they have been implemented in communities and states across the country.

Maximize Existing Resources

As a first step, city and regional leaders can consider strategies to more effectively use the city’s existing resources to support the goals of the Collaborative Action Plan. For example:

- Make strategic use of local and private funds - When flexible local or private funds are available, communities have an opportunity to make strategic investments. Local leaders can use these funds to:
 - Fill gaps in services where other funds are not available;
 - Fund dedicated staff to support coordination efforts across programs and agencies
 - Pilot test new approaches to better serving children and families, such as the new child care Quality Rating and Improvement System;
 - Draw down matching funds from competitive public and private grants;
 - Invest in outreach efforts to enroll more eligible families and providers in entitlement programs; and
 - Support the Babycare home visiting program, which draws down a reimbursement rate from Medicaid.

- Tap non-fiscal resources of local government and community partners – City government and community organizations have more to offer initiatives than an increase in revenues. Elected and appointed officials can, for example contribute unused city buildings and land and use their authority to engage the private sector in expanding services for young children. Community organizations may similarly be able to provide in kind space, materials or volunteers to support school readiness initiatives. As one example, in communities where access to facilities is a barrier to maximizing state VPI funding, city leaders can implement the program through existing early care and education settings that meet state quality standards.¹²

12 A recent pilot study in Virginia found that VPI can be implemented effectively in community-based settings. (Bradburn, Isabel et al. “The Commonwealth of Virginia’s Preschool Pilot Initiative: A Final Report Prepared for the Virginia Department of Education.” Virginia Polytechnic Institute and State University. September, 2008. Available online at: [http://leg2.state.va.us/dls/h&sdocs.nsf/By+Year/RD2422008/\\$file/RD242.pdf](http://leg2.state.va.us/dls/h&sdocs.nsf/By+Year/RD2422008/$file/RD242.pdf))

- Implement new coordination strategies - Coordination strategies can help cities in South Hampton Roads to make efficient use of existing resources. For example, city and regional leaders can:
 - Develop a system of early care and education training across the region, including partnering with military child care trainings;
 - Create shared data and information systems across agencies to more effectively serve families;
 - Implement a common screening and referral system, particularly for the range of home visiting programs offered in the city;
 - Develop collective management strategies to provide back-office support, share services and create economies of scale for early care and education providers;
 - Co-locate programs when possible to make efficient use of resources and to better serve families;
 - Consider new strategies to blend and braid funds; and
 - Look for new opportunities to partner with other cities in the region and develop regional economies of scale.

- Advocate for changes in state policy – Finally, Smart Beginnings South Hampton Roads can promote changes at the state level that would help cities to make better use of existing resources. For example:
 - Smart Beginnings staff can encourage state agencies to clarify rules about blending and braiding, streamline program monitoring for early childhood programs, and otherwise adapt policies to help localities to coordinate funds.
 - Regional leaders can also advocate for state policies that would help localities maximize available resources. For instance, Virginia state regulations currently prohibit license-exempt family child care homes from accessing the Child and Adult Food Care program. A change in state policy would allow more providers to access this source of federal funding and may provide an opportunity to further support the safety and quality of license-exempt care.

Leverage Additional Resources

City and regional leaders may also look to leverage additional public and private funds to support initiatives for young children. For example:

- Influence allocation of flexible federal funds - Local leaders can take a proactive approach to influence local allocation of the flexible federal funds described in this report, such as Title I, CDBG, and Title V, to ensure that cities are investing in services aligned with the Collaborative Action Plans.

- Make Use of ARRA Resources – Local leaders can look to opportunities to maximize new funding opportunities under ARRA, including Head Start, Title I, Fiscal Stabilization funds, and WIC, to support services for young children during difficult economic times and to pilot new approaches. In addition, city and regional decision-makers can begin to develop strategies to access proposed new FY10 federal funding for early childhood initiatives, so that they are well positioned to support the Collaborative Action Plans if funds become available.
 - Title I provides a particularly compelling opportunity, since funds can be used to support several objectives in the Collaborative Plans, including expanding early education capacity and linking preschool curricula to state education standards. Moreover, the Obama administration has

proposed to expand new Title I funds beyond the time period of ARRA funding and to target a portion of new funding specifically for early education.

- Engage private and corporate funders in supporting a comprehensive system – To support more a more strategic approach to funding a comprehensive system of early childhood supports, city or regional leaders may consider setting up a public-private partnership or a collective group of private funders to co-invest in community priorities.
- Leverage support of the Navy to support quality off-base child care - In other communities with a significant military presence, the Army, Navy and Marine Corps have sponsored projects to increase the quality of off-base early care and education that serve military families.¹³ For example, in San Diego, a partnership between the Navy and Marine Corps supported a local resource and referral agency in providing training, outreach, and incentives to civilian child centers and family homes to earn national accreditation and provider credentials.¹⁴ Smart Beginnings South Hampton Roads leaders may consider making a case to the Navy that a similar effort is needed in the South Hampton Roads area to better support military families.

Create New Sources of Revenue

Finally, local leaders can create new sources of funding for early childhood initiatives through strategies that include tax levies, fees, and bond issues. These strategies come with significant political challenges and may not be feasible in the current fiscal environment. At the same time, the findings of this report showing, for example, the cities' relatively small investment of local revenues in early childhood services may be a powerful tool in leading advocacy efforts for systemic investments in school readiness.

LOOKING FORWARD

These findings and recommendations lay the groundwork for a strategic approach to financing early childhood systems building at the city and regional-level in South Hampton Roads. Informed by this report and the companion report on promising financing strategies, city and regional leaders are well positioned to prioritize key goals in the Collaborative Action Plans, estimate the costs of implementation, consider what fiscal resources are currently available, and then develop new strategies to fill funding gaps. Through Smart Beginnings' new challenge grants to cities, local Early Childhood Policy Boards have new opportunities to incubate innovative solutions to finance programs for young children and to inform future system building work at the regional and state level.

13 Military families seeking off-base child care can receive financial support with the cost of care, only if their providers are nationally accredited or otherwise meet the military's quality standards. A shortage of programs meeting these standards can prompt action by the military.

14 Smith, Linda and Mousumi Sarkar. «Making Quality Child Care Possible: Lessons Learned from NACCRRA's Military Partnerships.»Arlington, VA: National Association of Child Care Resource and Referral, 2007.



KEY

* - Entitlement programs (local agencies do not administer funds)

Italicized text - Military programs, funding amounts not publicly available

**Appendix I: Publicly Funded Programs Supporting Early Childhood Services in South Hampton Roads
Total Estimated Funding-- \$185 million**

Early Care and Education \$52.4 million	Health \$129.4 million	Family Support \$3.6 million
<p><u>Funding for Subsidies and Programs</u></p> <ul style="list-style-type: none"> • Child Care Subsidies • Virginia Preschool Initiative • Head Start • Community Services Block Grant Child Care (Norfolk, Portsmouth & Virginia Beach) • Community Development Block Grant Child Care (Chesapeake) • Early Head Start (Suffolk) • Title I- Preschool (Norfolk and Portsmouth) • Even Start (Norfolk) • Library Early Literacy Programs • Preschool Special Education • Education Services for Blind/Vision Impaired Children • <i>U.S. Navy Child Development Centers</i> • <i>Military Child Care in Your Neighborhood</i> • <i>Operation Military Child Care</i> <p><u>Resource/Referral and Quality Improvement</u></p> <ul style="list-style-type: none"> • Child Care Resource and Referral • Child Care Quality Initiative • Child Care Scholarship Fund • Square One • WHRO Ready to Learn • Infant/Toddler Specialist • Early Childhood Development Commission 	<p><u>Funding for Medical Services</u></p> <ul style="list-style-type: none"> • FAMIS* • FAMIS Plus* • FAMIS MOMS* • Medicaid- Prenatal Care* • Smiles for Children (Medicaid dental care)* • Project Connect • Child Health Clinic (Norfolk, Portsmouth, and Virginia Beach) • Prenatal Clinic (Portsmouth and Virginia Beach) • Dental Clinic (Norfolk) • Portsmouth Community Health Center (Portsmouth and Norfolk) • Support for Early Prenatal Care (Portsmouth) • Care Connections <p><u>Nutrition</u></p> <ul style="list-style-type: none"> • Supplemental Nutrition Assistance Program (SNAP or food stamps)* • Nutrition Program for Woman, Infants and Children (WIC) • Breastfeeding Support (Portsmouth) • Obesity Prevention Initiative (Portsmouth) • Child & Adult Care Food Program- Centers* • Child & Adult Care Food Program- Family Child Care Homes* • <i>U.S. Navy Child & Adult Food Care Program*</i> 	<ul style="list-style-type: none"> • Babycare • Resource Mothers (Norfolk, Portsmouth, Suffolk and Virginia Beach) • Loving Steps (Norfolk) • Healthy Families • Parents as Teachers (Norfolk, Portsmouth and Virginia Beach) • Comprehensive Health Investment Project (CHIP) (Norfolk, Portsmouth and Chesapeake)) • Families and Schools Together (Portsmouth) • Promoting Safe and Stable Families • Fathers in New Directions (Chesapeake) • <i>Navy Exceptional Family Member Program Respite Care</i> • <i>Navy Fleet and Family Support Centers</i>

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(Suffolk) <ul style="list-style-type: none"> • Ready to Learn (Virginia Beach) 	<u>Other Public Health</u> <ul style="list-style-type: none"> • Immunizations • Lead Poisoning Prevention • Low-Income Safety Seat Program • Regional Perinatal Council Infant Mortality Review (Virginia Beach) <u>Early Intervention</u> <ul style="list-style-type: none"> • Infant and Toddler Connection • The Infant Program (Virginia Beach) 	

