

# Fund 40045: Early Childhood Birth to 5

## Mission

The mission of the Early Childhood Birth to 5 Fund is to build capacity and support the expansion of the County's Equitable Early Childhood System. The fund will support a comprehensive approach to advancing and expanding the County's early childhood system by providing full and equitable access to high quality, affordable, early care and education for young children. This advances the goal of the Board of Supervisors to ensure that every child in Fairfax County has equitable opportunities to thrive.

## Focus

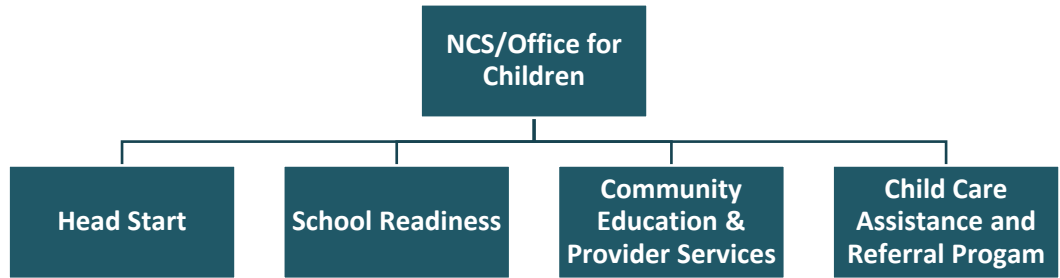
The Early Childhood Birth to 5 Fund is being established to serve as a dedicated funding source to build capacity and support the expansion of the County's Equitable Early Childhood System. Funding which supports existing early childhood programs and new funding to serve additional children are included in the fund. The Early Childhood Birth to 5 Fund will be administered by the Department of Neighborhood and Community Services (NCS), Office for Children.

Young children who begin kindergarten with a strong social, emotional and cognitive foundation are more likely to reach high levels of academic achievement and earn higher incomes, less likely to drop out of school and experience negative health factors. These positive outcomes benefit not only individual children and families, but also contribute to the enduring well-being of the community. However, not all children have access to the high-quality early childhood education supports and services they need to develop a strong foundation for school success. In Fairfax County, only 21 percent of children below age five, living in households with income below 300 percent of the federal poverty level, currently have access to early childhood programs supported with public funds such as child care subsidies and Head Start/Early Head Start. Lack of access to resources is pronounced in neighborhoods throughout the County in which family income is low, a contributing factor to inequity of opportunity. Providing access to affordable, quality early childhood education is a two-generational strategy which supports parents' workforce participation, while also preparing young children for lifelong and future workforce success. The Fairfax County Equitable School Readiness Strategic Plan (ESRSP) lays out a vision and roadmap for ensuring that all young children in Fairfax County have the supports they need to be successful in school and beyond. Reflecting the goals of One Fairfax, which lifts up equity as a core policy principle, the ESRSP identifies goals and strategies to expand and enhance the County's Equitable Early Childhood System in order to ensure that all children enter kindergarten at their optimal developmental level with equitable opportunity for success. The plan seeks to advance racial and social equity so that every family has access to high quality and affordable early childhood programs in the setting that best meet their family's needs.

In May 2019 the Board of Supervisors requested that the County Executive convene a School Readiness Resources Panel (SRRP) to identify innovative and bold expansion goals and long-term funding strategies for school readiness supports and services. In September 2019 the SRRP presented to the Board of Supervisors their recommended goal of ensuring that all children ages birth to five living in households with income below 300 percent of the federal poverty level have access to publicly funded early childhood programs in the public and private sectors. A primary strategy for reaching this goal is to pursue local revenue and funding options in order to create a sustainable dedicated funding stream for early childhood education.

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## Organizational Chart



## Budget and Staff Resources

| Category   | FY 2019 Actual | FY 2020 Adopted | FY 2020 Revised | FY 2021 Advertised  |
|--|----------------|-----------------|-----------------|---------------------|
| <b>FUNDING</b>   |                |                 |                 |                     |
| <b>Expenditures:</b>                                   |                |                 |                 |                     |
| Personnel Services                                     | \$0            | \$0             | \$0             | \$6,370,546         |
| Operating Expenses                                     | 0              | 0               | 0               | 28,221,819          |
| <b>Total Expenditures</b>                              | <b>\$0</b>     | <b>\$0</b>      | <b>\$0</b>      | <b>\$34,592,365</b> |
| <b>AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)</b> |                |                 |                 |                     |
| Regular  | 0 / 0          | 0 / 0           | 0 / 0           | 50 / 50             |

## FY 2021 Funding Adjustments

The following funding adjustments from the FY 2020 Adopted Budget Plan are necessary to support the FY 2021 program:

**Employee Compensation** **\$156,009**

An increase of \$156,009 in Personnel Services includes \$85,490 for a 2.06 percent market rate adjustment (MRA) for all employees and \$70,519 for performance-based and longevity increases for non-uniformed merit employees, both effective July 2020.

**Transfer of School Readiness Activities** **\$32,780,360**

An increase of \$32,780,360 and 48/48.0 FTE positions is associated with the transfer of school readiness activities from Agency 79, Department of Neighborhood and Community Services, and Agency 89, Employee Benefits, to the new Fund 40045, Early Childhood Birth to 5 Fund. This new fund will be dedicated to building capacity and supporting the expansion of the County's Equitable Early Childhood System. It will support a comprehensive approach to advancing and expanding the County's early childhood system by providing full and equitable access to high quality, affordable, early care and education for young children. This advances the goal of the Board of Supervisors to ensure that every child in Fairfax County has equitable opportunities to thrive. It should be noted that \$30,939,609 in Personnel Services and Operating Expenses was transferred from Agency 79, Department of Neighborhood and Community Services, and \$1,840,751 in Fringe Benefits was transferred from Agency 89, Employee Benefits.

**Expansion of Early Childhood Development and Learning Program** **\$1,310,400**

An increase of \$1,310,400 in Operating Expenses is included to support early childhood care education services for 72 at-risk children birth to age 5 in comprehensive early childhood programs in community-based settings. Early childhood education programs support the development of children's cognitive, social, emotional and physical skills which are strong predictors of success in kindergarten and beyond. These programs provide early childhood education, as well as health and behavioral health services for at-risk preschoolers whose families with low to moderate income may not qualify for a child care subsidy, as well as three-year-olds who are not yet eligible for the Virginia

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Preschool Initiative (VPI). This funding is part of the Equitable School Readiness Strategic Plan and was included in the Equitable School Readiness Strategic Plan update presented to the Board of Supervisors at the November 27, 2018, Budget Committee meeting.

**Family Child Care Network** **\$220,268**

An increase of \$220,268 and 2/2.0 FTE new positions will support the creation of a Family Child Care Network of providers that serve young children in quality settings thereby increasing the capacity of the Early Childhood Development and Learning Program to include family child care providers as well as early childhood centers.

**Contract Rate Increases** **\$125,328**

An increase of \$125,328 in Operating Expenses supports a contract rate increase for the providers of child care services and other contracted services.

### Position Detail

The FY 2021 Advertised Budget Plan includes the following positions:

| EARLY CHILDHOOD BIRTH TO 5 FUND - 50 Positions     |   |   |                                     |
|--|---|---|-------------------------------------|
| <b>Head Start</b>                                  |   |   |                                     |
| 1  | Child Care Program Administrator II [+1T] | 3 | Day Care Center Teachers II [+3T]   |
| 1  | Child Care Specialist III [+1T]           | 4 | Day Care Center Teachers I [+4T]    |
| 1  | Child Care Specialist II [+1T]            | 1 | Business Analyst II [+1T]           |
| 2  | Human Service Workers II [+2T]            |   |                                     |
| <b>School Readiness</b>                            |   |   |                                     |
| 1  | Child Care Program Administrator I [+1T]  | 5 | Child Care Specialists II [+2, +3T] |
| 1  | Child Care Specialist III [+1T]           |   |                                     |
| <b>Community Education &amp; Provider Services</b> |   |   |                                     |
| 1  | Child Care Program Administrator II [+1T] | 3 | Child Care Specialists III [+3T]    |
| 2  | Child Care Program Administrators I [+2T] | 4 | Child Care Specialists II [+4T]     |
| 1  | Management Analyst II [+1T]               | 7 | Child Care Specialists I [+7T]      |
| 1  | Management Analyst I [+1T]                | 6 | Administrative Assistants IV [+6T]  |
| 1  | Business Analyst I [+1T]                  | 3 | Administrative Assistants II [+3T]  |
| 1  | Human Service Worker I [+1T]              |   |                                     |
| T  | Denotes Transferred Position(s)           |   |                                     |
| +  | Denotes New Position(s)                   |   |                                     |

### Performance Measurement Results

The performance measures for the Child Care Assistance and Referral (CCAR) program, Head Start, and Community Education and Provider Services have been moved from Agency 79, Department of Neighborhood and Community Services, and are reflected below. Performance measures for School Readiness are currently being developed. It is anticipated that these new measures will be included in the FY 2022 Advertised Budget Plan.

The Child Care Assistance and Referral program's number of children served with local funding had remained relatively steady since FY 2015. However, in FY 2018, CCAR experienced a decrease in the number of children enrolled which reflected a similar trend statewide. Staff also continued to enroll in the state subsidy program before the local subsidy program in order to maximize available state funding. Additionally, in FY 2019, the County adjusted the local Maximum Reimbursable Rates to be consistent with the state Maximum Reimbursable Rates which were increased in May 2018. This improves affordability for families and supports quality care but will also increase the average subsidy expenditure.

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In FY 2019, the number of County permitted homes decreased 7 percent. This followed two years of marked decline in the number of County permitted providers, which was the result of the changes in the state licensing threshold for family child care providers.

In addition to providers moving to state licensing to care for more children, a variety of other factors contributed to the slight decrease in the number of providers. These factors included finding other employment and personal/family circumstances. Continued and increased efforts in recruitment and retention are helping to mitigate turnover and support availability of child care for families in the County.

Regarding Head Start's benchmark outcomes, variance in outcomes across the past three years reflects different cohorts of four-year-old children. Children enter the program each year with varying skill sets and needs.

| Indicator  | FY 2017<br>Actual | FY 2018<br>Actual | FY 2019<br>Estimate/Actual | FY 2020<br>Estimate | FY 2021<br>Estimate |
|--|-------------------|-------------------|----------------------------|---------------------|---------------------|
| <b>Child Care Assistance and Referral Program</b>                                  |                   |                   |                            |                     |                     |
| Percent change in number of children served in CCAR                                | NA                | (15%)             | 0%/(11%)                   | 0%                  | 3%                  |
| <b>Community Education &amp; Provider Services</b>                                 |                   |                   |                            |                     |                     |
| Percent change in number of permitted child care slots                             | (21%)             | (27%)             | 0%/(7%)                    | (3%)                | 0%                  |
| <b>Head Start</b>  |                   |                   |                            |                     |                     |
| Percent of 4-year-old children reaching benchmarks in socio-emotional skills       | 75%               | 81%               | 81%/80%                    | 80%                 | 80%                 |
| Percent of 4-year-old children reaching benchmarks in literacy and language skills | 72%               | 76%               | 76%/73%                    | 73%                 | 73%                 |
| Percent of 4-year-old children reaching benchmarks in math skills                  | 71%               | 76%               | 76%/75%                    | 75%                 | 75%                 |

A complete list of performance measures can be viewed at <https://www.fairfaxcounty.gov/budget/fy-2021-advertised-performance-measures-pm>

## Fund 40045: Early Childhood Birth to 5

### FUND STATEMENT

| Category                                    | FY 2019<br>Actual | FY 2020<br>Adopted<br>Budget Plan | FY 2020<br>Revised<br>Budget Plan | FY 2021<br>Advertised<br>Budget Plan |
|---|-------------------|-----------------------------------|-----------------------------------|--------------------------------------|
| <b>Beginning Balance</b>                    | \$0               | \$0                               | \$0                               | \$0                                  |
| <b>Revenue:</b>                             |                   |                                   |                                   |                                      |
| Child Care Services for Other Jurisdictions | \$0               | \$0                               | \$0                               | \$155,918                            |
| USDA Grant-Gum Springs Head Start           | 0                 | 0                                 | 0                                 | 44,689                               |
| Home Child Care Permits                     | 0                 | 0                                 | 0                                 | 15,353                               |
| <b>Total Revenue</b>                        | <b>\$0</b>        | <b>\$0</b>                        | <b>\$0</b>                        | <b>\$215,960</b>                     |
| <b>Transfers In:</b>                        |                   |                                   |                                   |                                      |
| General Fund (10001)                        | \$0               | \$0                               | \$0                               | \$34,376,405                         |
| <b>Total Transfers In</b>                   | <b>\$0</b>        | <b>\$0</b>                        | <b>\$0</b>                        | <b>\$34,376,405</b>                  |
| <b>Total Available</b>                      | <b>\$0</b>        | <b>\$0</b>                        | <b>\$0</b>                        | <b>\$34,592,365</b>                  |
| <b>Expenditures:</b>                        |                   |                                   |                                   |                                      |
| Personnel Services                          | \$0               | \$0                               | \$0                               | \$6,370,546                          |
| Operating Expenses                          | 0                 | 0                                 | 0                                 | 28,221,819                           |
| <b>Total Expenditures</b>                   | <b>\$0</b>        | <b>\$0</b>                        | <b>\$0</b>                        | <b>\$34,592,365</b>                  |
| <b>Total Disbursements</b>                  | <b>\$0</b>        | <b>\$0</b>                        | <b>\$0</b>                        | <b>\$34,592,365</b>                  |
| <b>Ending Balance</b>                       | <b>\$0</b>        | <b>\$0</b>                        | <b>\$0</b>                        | <b>\$0</b>                           |