

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 supports 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 was 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 is included in the fund. The Early Childhood Birth to 5 Fund is administered by the Department of Neighborhood and Community Services (NCS), Office for Children.

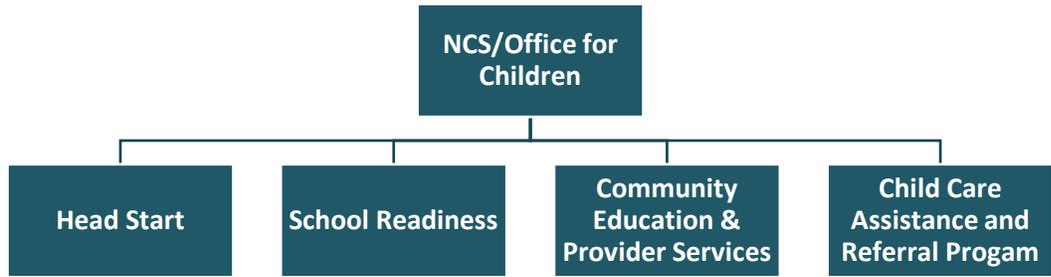
Young children who begin kindergarten with a strong social, emotional, and cognitive foundation are more likely to reach high levels of academic achievement and earn higher incomes as well as be less likely to drop out of school and experience negative health factors. These positive outcomes benefit 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. 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 high-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 to support a sustainable dedicated funding stream for early childhood education.

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Organizational Chart



Budget and Staff Resources

Category	FY 2021 Actual	FY 2022 Adopted	FY 2022 Revised	FY 2023 Advertised	FY 2023 Adopted
FUNDING					
Expenditures:					
Personnel Services	\$5,360,330	\$6,052,505	\$6,100,426	\$6,533,305	\$6,533,305
Operating Expenses	19,752,092	26,783,091	27,023,094	26,919,268	26,968,768
Total Expenditures	\$25,112,422	\$32,835,596	\$33,123,520	\$33,452,573	\$33,502,073
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	49 / 49	49 / 49	53 / 52.25	53 / 52.25	53 / 52.25

FY 2023 Funding Adjustments

The following funding adjustments from the *FY 2022 Adopted Budget Plan* are necessary to support the FY 2023 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the Budget on May 10, 2022.

Employee Compensation **\$306,858**
 An increase of \$306,858 in Personnel Services includes \$223,719 for a 4.01 percent market rate adjustment (MRA) for all employees and \$83,139 for performance-based and longevity increases for non-uniformed merit employees, both effective July 2022.

Contract Rate Increases **\$184,435**
 An increase of \$184,435 in Operating Expenses is included to support the cost of contract rate increases that serve infants, toddlers, young children, families of young children, and child care providers.

Funding for Family Partnership Coordinator **\$173,942**
 An increase of \$173,942 is included in Personnel Services to support an additional position previously approved by the Board of Supervisors as part of the *FY 2021 Carryover Review*. In FY 2022, this position was funded through American Rescue Plan Act (ARPA) Coronavirus State and Local Fiscal Recovery Funds. The position will continue to support work related to the Equitable School Readiness Strategic Plan (ESRSP).

Department of Vehicle Services Charges **\$1,242**
 An increase of \$1,242 in Department of Vehicle Services Charges is based on anticipated billings for maintenance and operating-related charges.

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General Fund Transfer

The FY 2023 General Fund Transfer to Fund 40045 is increased by \$666,477 over the FY 2022 Adopted Budget Plan transfer. This increase is attributable to employee compensation increases, the Family Partnership Coordinator position added in FY 2022, contract rate adjustments, and Department of Vehicle Services charges.

Changes to FY 2022 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2022 Revised Budget Plan since passage of the FY 2022 Adopted Budget Plan. Included are all adjustments made as part of the FY 2021 Carryover Review, FY 2022 Mid-Year Review, FY 2022 Third Quarter Review, and all other approved changes through April 30, 2022.

Carryover Adjustments \$287,924

As part of the *FY 2021 Carryover Review*, the Board of Supervisors approved funding of \$287,924, including \$47,921 in Personnel Services for a one-time compensation adjustment of \$1,000 for merit employees and \$500 for non-merit employees paid in November 2021. The remaining amount of \$240,003 is due to encumbered funding in Operating Expenses.

Family Partnership Coordinator \$0

As part of the *FY 2021 Carryover Review*, the Board of Supervisors approved 1/1.0 FTE new position to coordinate with families disproportionately impacted by COVID-19 to help develop, implement, and coordinate an intentional and measurable strategy for ensuring that these families inform the work of the Equitable School Readiness Strategic Plan (ESRSP). The Family Partnership Coordinator will play an ongoing role on the ESRSP Implementation Planning Team. This position was funded through ARPA Coronavirus State and Local Fiscal Recovery Funds in FY 2022.

Position Adjustments \$0

In order to better align resources within the Health and Human Services System, 3/2.25 FTE positions were transferred from Agency 79, Department of Neighborhood and Community Services, to Fund 40045, Early Childhood Birth to 5.

Adjustment to Transfer Out

The *FY 2022 Revised Budget Plan* Transfer Out to Fund 30010, General Construction and Contributions, was increased by \$5,000,000 to support the Kingstowne Complex Childcare Center.

The FY 2023 Adopted Budget Plan includes the following positions:

EARLY CHILDHOOD BIRTH TO 5 FUND - 53 Positions			
HEAD START - 13 Positions			
1	Child Care Program Administrator II	3	Day Care Center Teachers II
1	Child Care Specialist III	4	Day Care Center Teachers I
1	Child Care Specialist II	1	Business Analyst II
2	Human Service Workers II		
SCHOOL READINESS - 11 Positions			
1	Child Care Program Administrator II	6	Child Care Specialists II, 3 PT
1	Child Care Program Administrator I	1	Management Analyst III
1	Child Care Specialist III	1	Administrative Assistant II

Position Detail

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COMMUNITY EDUCATION & PROVIDER SERVICES - 29 Positions

1	Child Care Program Administrator II	3	Child Care Specialists III
2	Child Care Program Administrators I	4	Child Care Specialists II
1	Management Analyst II	6	Child Care Specialists I
1	Management Analyst I	6	Administrative Assistants IV
1	Business Analyst I	3	Administrative Assistants II
1	Human Service Worker I		
PT Denotes Part-time Position(s)			

Performance Measurement Results

The performance measures for the Child Care Assistance and Referral program, Head Start, and Community Education and Provider Services (CEPS) were moved from Agency 79, Department of Neighborhood and Community Services beginning in FY 2021 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 2024 Advertised Budget Plan.

In FY 2019, the Child Care Assistance and Referral program experienced a decrease in the number of children enrolled which was similar to the trend seen statewide. In FY 2020 and FY 2021, the number of children enrolled decreased due to the COVID-19 pandemic. In addition, efforts continued to be directed primarily towards spending state child care subsidy funding, resulting in fewer children enrolled in the local subsidy program. In FY 2022, there may be an increase in the number of children served with local subsidy funding as state subsidy funding limits may be reached.

In FY 2021, the number of County permitted homes decreased 10 percent. The COVID-19 pandemic impacted the number of new family child care providers obtaining an initial permit. While CEPS continued to provide the *Preparing for Your Permit* information workshop during FY 2021 by offering it virtually, attendance was dramatically lower than previous years, most likely due to the pandemic. For example, 514 individuals attended this workshop in FY 2019, 282 attended in FY 2020, and 109 attended in FY 2021. There was a 42 percent decrease in the number of initial permit applications received between FY 2020 and FY 2021.

In addition to decreases in the number of new family child care providers this year, turnover also impacted the number of family child care providers. When examining reasons from providers who did not renew their permit, FY 2021 saw a marked increase in providers retiring (27 percent increase from FY 2020) and providers transitioning to be a state licensed family child care provider (38 percent increase from FY 2020). However, continued emphasis on retention efforts in FY 2021 helped mitigate a potentially larger decrease in providers.

In FY 2020 and FY 2021, the Head Start/ Early Head Start program experienced a lower number of children enrolled due to the COVID-19 pandemic, which was similar to the trend seen nationwide. This resulted in an increase in the cost per child. Additionally, there was an increase of expenses related to virtual programming and remote support.

The Head Start/Early Head Start Program collects and analyzes data at three intervals each year – Fall, Winter and Spring checkpoints – to determine children’s progress across all areas of development throughout the program year. The onset of the COVID-19 pandemic in mid-March 2020 interrupted that schedule of data collection. The program is subsequently unable to report child outcomes for the program year 2020-2021.

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Indicator	FY 2019 Actual	FY 2020 Actual	FY 2021 Estimate	FY 2021 Actual	FY 2022 Estimate	FY 2023 Estimate
Child Care Assistance and Referral Program						
Percent change in number of children served in CCAR	(11%)	(14%)	0%	(22%)	20%	0%
Community Education & Provider Services						
Percent change in number of permitted child care slots	(7%)	(12%)	(3%)	(10%)	7%	0%
Head Start						
Percent of 4-year-old children reaching benchmarks in socioemotional skills ¹	80%	NA	80%	NA	80%	80%
Percent of 4-year-old children reaching benchmarks in literacy and language skills ¹	73%	NA	73%	NA	73%	73%
Percent of 4-year-old children reaching benchmarks in math skills ¹	75%	NA	75%	NA	75%	75%

¹ The Head Start/Early Head Start Program collects and analyzes data at three intervals each year – Fall, Winter and Spring checkpoints – to determine children's progress across all areas of development throughout the program year. The survey of parents on service quality is completed in the Fall and Spring. The onset of the COVID-19 pandemic in mid-March 2020 interrupted that schedule of data collection. The program was subsequently unable to report child outcomes for program year 2019-2020 and program year 2020-2021.

A complete list of performance measures can be viewed at
<https://www.fairfaxcounty.gov/budget/fy-2023-adopted-performance-measures-pm>

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FUND STATEMENT

Category	FY 2021 Actual	FY 2022 Adopted Budget Plan	FY 2022 Revised Budget Plan	FY 2023 Advertised Budget Plan	FY 2023 Adopted Budget Plan
Beginning Balance	\$0	\$0	\$7,523,433	\$2,283,430	\$2,283,430
Revenue:					
Child Care Services for Other Jurisdictions	\$7,740	\$155,918	\$155,918	\$155,918	\$155,918
USDA Grant-Gum Springs Head Start	4,870	44,689	44,689	44,689	44,689
Home Child Care Permits	11,174	15,353	15,353	15,353	15,353
Non-Tax Penalty for Late Payment	842	0	0	0	0
Total Revenue	\$24,626	\$215,960	\$215,960	\$215,960	\$215,960
Transfers In:					
General Fund (10001)	\$32,611,229	\$32,619,636	\$32,667,557	\$33,236,613	\$33,286,113
Total Transfers In	\$32,611,229	\$32,619,636	\$32,667,557	\$33,236,613	\$33,286,113
Total Available	\$32,635,855	\$32,835,596	\$40,406,950	\$35,736,003	\$35,785,503
Expenditures:					
Personnel Services	\$5,360,330	\$6,052,505	\$6,100,426	\$6,533,305	\$6,533,305
Operating Expenses ¹	19,752,092	26,783,091	27,023,094	26,919,268	26,968,768
Total Expenditures	\$25,112,422	\$32,835,596	\$33,123,520	\$33,452,573	\$33,502,073
Transfers Out:					
General Construction and Contributions (30010)	\$0	\$0	\$5,000,000	\$0	\$0
Total Transfers Out	\$0	\$0	\$5,000,000	\$0	\$0
Total Disbursements	\$25,112,422	\$32,835,596	\$38,123,520	\$33,452,573	\$33,502,073
Ending Balance	\$7,523,433	\$0	\$2,283,430	\$2,283,430	\$2,283,430

¹ In order to account for revenues and expenditures in the proper fiscal year, audit adjustments have been reflected as a decrease of \$7,353.77 to FY 2021 expenditures to accurately record expenditure accruals. The Annual Comprehensive Financial Report (ACFR) reflects all audit adjustments in FY 2021. Details of the audit adjustments were found in Attachment VI of the *FY 2022 Mid-Year Review*.