

Proposed: November 14, 2011
Adopted: November 14, 2011



RESOLUTION

DATE: November 14, 2011

TO: Board of Trustees

FROM: Preschool Academy Committee
Justin Wilson, Chair

RESOLVE TO: TO APPROVE 2012 EARLY CARE & EDUCATION
LEGISLATIVE SUPPORT AGENDA

SUMMARY

Approval of this Resolution by the Trustees will authorize the Preschool Academy Committee to work with elected officials, community organizations, and others to educate and advocate on behalf of Hopkins House in support of the specified public policy issues.

ACTION REQUESTED

To authorize the Preschool Academy Legislative Committee to present to the public and elected officials the position of the Hopkins House Trustees and their rationale on the attached matters of public policy during the 2012 calendar year.

PRESIDENT'S COMMENTS

I support this Resolution.

DISCUSSION

Childcare providers in the Commonwealth of Virginia have long maintained a strong partnership with state and local governments in supporting the educational and developmental needs of children. The Commonwealth has developed and funded programs for children, including the Virginia Preschool Initiative (VPI), established a quality rating improve system (QRIS), and invested in automated computer systems to improve the efficiency of childcare reimbursements to centers and home providers. The City of Alexandria and Fairfax County, where Hopkins House preschool academies are located, have also made considerable local investments in early education programs including, and especially support for the professional development of childcare workers.

Although Virginia has taken important steps to strengthen its early childhood system and has improved education and care for its youngest residents in recent years, additional work must still

be done. The economic downturn means that thousands of Virginia children are not getting the critical early care and education they need.

State and local governments have been reticent, given the current economic conditions, to invest more significantly in childcare programs, leaving childcare providers to fill funding gaps through diminished services and private support. This poses a particular threat to the education of children. Coupled with the considerable impact the recession has had on families with young children, this practice also threatens to undermine the significant and important strides governments and childcare providers have jointly made in enhancing childcare quality for all children and increasing access for children of low-income, working families in the Commonwealth.

It is clear at this time that government revenues are improving, as evidenced by two consecutive years of “surpluses” in the state budget and the budgets of the City of Alexandria and Fairfax County. Now is the time for state and local governments to renew their efforts to support access for all children to quality childcare through wise and strategic investment of public funds. It always has been and is especially true today that it is the responsibility of government to help those, particularly children and their families, who are unable to fully meet their basic needs.

State and local governments in Virginia must invest the resources necessary to educate its children, beginning at birth, if we hope to remain competitive in the global economy. The longstanding partnership between government and childcare providers must be restored so that the Virginia’s can emerge from the current fiscal crisis an even stronger economy and more robust workforce. Increased modest investment today will pay considerable dividends for years to come.

Virginia lawmakers need to know that smart investments in early childhood education are good for the economy – today and in the future:

- For every dollar invested in early childhood education, \$7-16 are generated in special education savings, child welfare savings, decreased grade retention, reductions in juvenile crime, reductions in adult crime, increased earnings by parents, and increased tax contributions; and,
- In order to remain a strong business state, Virginia needs strong early childhood programs to maintain a strong workforce. Cognitive and non-cognitive abilities are necessary for a productive workforce, and deficits that emerge early in life are very difficult to change.

The Hopkins House Trustees have long recognized that investments in quality childcare programs can and do save public funds by minimizing the need for more costly education services later in life.

The Hopkins House Trustees are committed to working collaboratively with public officials, community groups and faith-based institutions, and others in developing resources to help meet the childcare services needs of all children in the Commonwealth and particularly those at-risk.

LEGISLATIVE ITEMS TO SUPPORT

1. MAINTAIN STATE AND LOCAL FUNDS FOR CHILD CARE SUBSIDIES FOR LOW-INCOME WORKING FAMILIES

During periods of economic downturn, a secure source of State and local dollars is needed in the Commonwealth to defray the cost of child care for economically disadvantaged families not participating in TANF/VIEW, known as “Fee System Child Care.” State and local investments in helping families move off of welfare and into long-term economic stability are undermined when Fee System child care is not adequately funded by the State and local governments.

Research indicates that the employment and economic independence of parents is jeopardized when affordable child care is outside their reach. Parents may be forced into unemployment in order to care for their children; forced to begin or return to welfare programs; or forced to place their children in unregulated and potentially unsafe child care settings, or worse yet, leave them to care for one another alone.

Without subsidies to meet market prices, low-income working families may not access the quality child care and early childhood education that helps young children arrive at kindergarten prepared and ready to learn. Child care assistance is essential for continued economic growth. It also contributes to low unemployment, preserves state and local investments in welfare to work programs, and provides excellent opportunities for a true partnership between localities and community-based organizations.

The median annual income of families receiving fee-system child care subsidies is \$25,836 in Northern Virginia -- a region where the average cost of full-time preschool child care ranges from \$8,000 to \$12,000 per year. These families are truly ‘the working poor’ who require some assistance with child care costs in order to help them achieve self-sufficiency.

The Hopkins House Trustees support efforts to maintain or increase State and local government funding for Fee System Child Care.

2. INCREASE CHILD CARE PROVIDER REIMBURSEMENT RATES

Additional funding is needed to increase the payment rates for subsidized child care services (maximum reimbursable rates). Federal policy requires that states establish payment rates for subsidized child care services that ensure eligible children equal access to comparable child care services. Although Virginia conducts a market survey every two years, as required by federal policy, the rates are not updated regularly to reflect the current market. Virginia has not increased its school age child care rates since 2001; or its infant, toddler and preschool child care rates since 2004.

When payment rates do not reflect the true market cost for child care, low income families often have to pay higher fees than they can afford for child care services. When this happens, the value of wages earned shrinks, preventing families’ advancement to true self-sufficiency. In addition, providers may choose not to serve low income families, thereby limiting families’ child care options.

Moreover, if payment rates are not increased on a regular two year cycle, the rate increases become cumulative. Then, when the payment rates are changed, the subsequent increase in the required local match becomes unrealistic for localities to absorb.

The Hopkins House Trustees support efforts to increase State funding to raise the payment rates for subsidized child care.

3. MAINTAIN FUNDING FOR HOME VISITING PROGRAMS

Home Visiting services provided by Healthy Families Virginia and CHIP of Virginia are an essential component of Virginia's early childhood system, ensuring a good start in life for children born into very challenging family situations including deep poverty and high family stress. Parents voluntarily receive research-based services in which trained home visitors bolster their parenting knowledge and skills. Home visiting programs have been shown to improve early childhood health outcomes, prevent child abuse and neglect and increase the use of positive childrearing practices in these vulnerable families.

Budget cuts since 2009 have reduced state funding for CHIP and Healthy Families by almost one-third and caused the closure or downsizing of programs in many communities. Nine localities have lost all home visiting services. Statewide, the number of families served has fallen by 10%— nearly 600 families per year no longer have access to these essential services.

The success of Virginia's early childhood/school readiness system depends on providing effective home visiting to the most vulnerable families and children. Maintaining funding for this critical segment of the system is the highest priority.

The Hopkins House Trustees support efforts to maintain funding for Home Visiting Programs.

LEGISLATIVE INITIATIVES

4. CLEAR THE WAITING LIST FOR CHILD CARE SUBSIDIES IN FAIRFAX COUNTY

As of June 2011, some 2,925 children are on the waiting list for childcare fee subsidies in Fairfax County. It would cost the County approximately \$825,000 to remove just 100 children from this list. The County reported a \$35 million budget surplus for the fiscal year ending June 2011. Unless funding is identified and allocated to clear this waiting list, these children, mostly from low-income families, will be unable to access the childcare services they need to prepare for success in kindergarten.

The Hopkins House Trustees encourage efforts to obtain a set aside of monies in the County's FY12 budget sufficient to clear at least 100 children off the Childcare Fee Subsidy waiting list in Fairfax.

The Committee voted unanimously to recommend approval of this Resolution by the Trustees.

FINANCIAL IMPLICATIONS:

Under this Resolution, authority is granted to the Committee to utilize available funds allocated to the Office of the President for Travel in order to attend meetings with elected officials and groups in Fairfax County, City of Alexandria, and Richmond. Therefore, the financial impact of approval of this Resolution will, at most, be incremental to the currently authorized Organization budget.

COMMITTEE MEMBERS:

Justin Wilson, *Chair*

Bari Talente, *Vice-Chair*

Kevin Bergen

Charniele Herring (Hon.)

J. Glenn Hopkins

Robert Hicks

Sean Holihan

Darhyl Jasper

Willard Jasper

Marge Maceda

Ray Menefee

Juliette McNeil

Jacque Walker

James Dabney, *Staff*