



2025

**Southwest Virginia
Child Care Landscape
Report**



Broader Changes in the Childcare Landscape

Across the nation, the need for high-quality, accessible childcare was a focal point in 2024. Virginia's childcare landscape experienced significant developments, alongside persistent challenges, with regard to supporting access for families, program quality, and the early education workforce. Virginia saw a historic investment in early childhood education to continue financial support provided by COVID-era ARPA funding, which was set to expire in June 2024. This funding aimed to stabilize investments into programs and tuition support for families that served thousands of children across the commonwealth¹. As part of the first mandated year of VQB5, Virginia's Quality Measurement and Improvement System, Virginia's Department of Education launched the VQB5 Quality Profiles website. The website includes quality information for over 3,100 publicly funded sites throughout the commonwealth, including childcare centers, family day homes, Head Start, and public school preschool programs, as well as for privately funded sites that have opted in to VQB5. The 2023-2024 Quality Rating Certificate is now available for the first time and indicates if sites are participating, meeting expectations, or exceeding expectations. This information provides critical support for families searching for quality care².

Despite these advancements in support of Virginia's childcare landscape, significant challenges remain. The commonwealth's investment did not provide additional funding for the Childcare Subsidy Program, thus limiting the accessibility of subsidized slots. Families who were not already receiving the benefit by the end of June are being enrolled in a waitlist. Seventy-five hundred children were waiting for a spot just three months later. This not only impacts working families seeking care, but also childcare programs that rely on subsidy funding for their financial viability³. Additionally, RecognizeB5, a program providing financial incentives to help retain early childhood educators since 2019, saw a 50% cut in its funding and faces future uncertainty⁴.

The statewide developments inherently shape the childcare landscape in Southwest Virginia. As the Ready Region Southwest lead, EO has worked diligently to understand the impacts these changes have had on the region. Tuition assistance is crucial to support access to childcare for the many families across the region that otherwise cannot afford it. A supported early education workforce is needed to deliver the high-quality, trusted care that children need to be set up for lifelong success and to expand early education opportunities, addressing the childcare deserts that exist across the region. This report takes a closer look at the childcare landscape in Southwest Virginia by assessing the region's capacity to meet the needs of families and children, the challenges providers and families face, and the successes the region has made in the last year.

This report was prepared by:

Mandi Ackerman, Director of Research + Data Analytics

With support from:

Susan Patrick, Ph.D., Senior Director of Early Childhood Education

Lindsey Holderfield, Director of Employer Services

Crystal Rasnake, Manager of Coordinated Enrollment + Mixed Delivery

Carolyn Koesters, Manager of Childhood Success

Katie Bolling, Data Coordinator



Learning, Growth, and Play in Our Region!



Information in This Report Came From...

EO Annual Regional Provider Survey

Data on staffing and capacity came from the regional provider survey conducted in the fall of 2024 by EO. The survey was sent to all sites receiving public funding. The final sample consists of 104 programs (representing 202 physical childcare sites). This encompasses 68% of all childcare sites in the region, and 89% of publicly funded childcare sites in the region. All 21 localities in Ready Region Southwest were represented in this sample. Program type (i.e., Head Start, School-based, Family Day Home, or Center) was generally representative of the region's program make up.

EO Provider Focus Groups

Relevant quotes from providers are shared throughout this report to provide additional insight into the landscape directly from providers themselves. These quotes came from five focus groups that were held in the fall of 2024 with program leaders. Discussions centered on programs' local data, factors impacting their communities, barriers to enrollment, and brainstorming solutions to challenges. The sessions in total had 58 participants.

LinkB5

LinkB5 is the data system for Virginia's unified measurement and improvement system, VQB5, to measure the quality of children's experiences in every publicly funded early childhood education classroom in the commonwealth. Data on staff characteristics, compensation, and the cost of care were reported into the LinkB5 portal by providers at publicly funded sites in early fall 2024. Data was shared by the University of Virginia's LinkB5 team. Data only exists for sites that granted permission for Ready Region Leads to see their information (N= 217).

Department of Social Services Child Care Search

Data for all licensed and religious exempt sites in the region were pulled from the Department of Social Services Child Care Search. Information for Virginia Preschool Initiative (school-based) sites was obtained from internal Ready Region staff. Unlicensed/unregistered sites, sites open fewer than four months out of the year, and sites that only serve afterschool-age children (ages 5+) were excluded. This data is pulled each December. In a fast-changing landscape, the numbers provided are best-estimates.

Virginia Department of Education

Data regarding site and regional quality scores for all VQB5-participating sites were provided to the Ready Regions by the Virginia Department of Education.

Other Data

Additional data cited throughout this report are listed under the "Sources" section.



Key Terms

Ready Regions

This report refers to “Southwest Virginia” as both the 21 counties and cities currently within EO’s programming footprint and as the makeup of Ready Region Southwest. Ready Region Southwest is one of nine Ready Regions in the Commonwealth of Virginia. Ready Regions serves as a unified structure to bring about coordination, accountability, and family engagement for early childhood education throughout the state at the community level.



VQB5

“Quality” in this report is measured through the statewide Unified Virginia Quality Birth to 5 initiative. This system measures and aims to improve quality in all publicly-funded classrooms serving children ages birth to 5 years and support families in finding quality early childhood care and education programming that best serves their needs. Quality is measured by assessing two recognized quality indicators, teacher-child interactions as assessed by the CLASS tool and the use of an approved curriculum. Quality profile scores can range from 0 to 700. Quality profiles can be found here: www.earlychildhoodquality.doe.virginia.gov



Virginia Preschool Initiative

For the purposes of this report, publicly funded school-based preschool programs are referred to as such for clarity. These programs are part of the Virginia Preschool Initiative (VPI), which provides funding to schools and community-based organizations to provide high quality childcare to children meeting income-eligibility guidelines.



SWVA's Childcare Landscape

There are currently an estimated 295 childcare sites in Southwest Virginia. Between December 2023 and December 2024, the region saw another year of a tenuous landscape for childcare programs. Sixteen new childcare sites opened this year while 19 closed, resulting in a net loss of three physical sites. This trend of openings and closures keeping pace with one another has remained steady over the last two years.

	2022 - 2023			2023 - 2024		
	Number of Sites Opened	Number of Sites Closed	Overall Change	Number of Sites Opened	Number of Sites Closed	Overall Change
FDH	4	4	0	6	6	0
HS	1	1	0	1	3	-2
PC	4	2	+2	7	2	+5
RE	6	4	+2	2	5	-3
VPI*	0	0	0	0	3	-3

*represents closures of physical locations due to elementary school consolidations. This did not result in a loss of VPI slots.

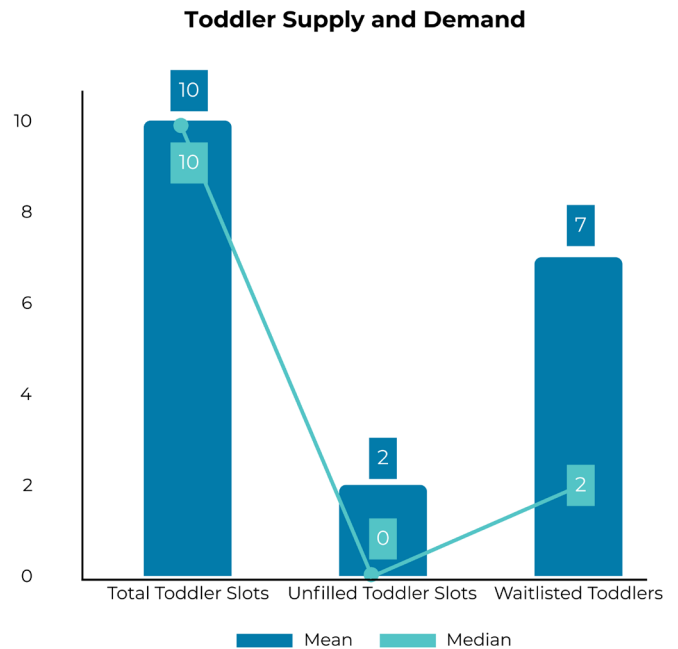
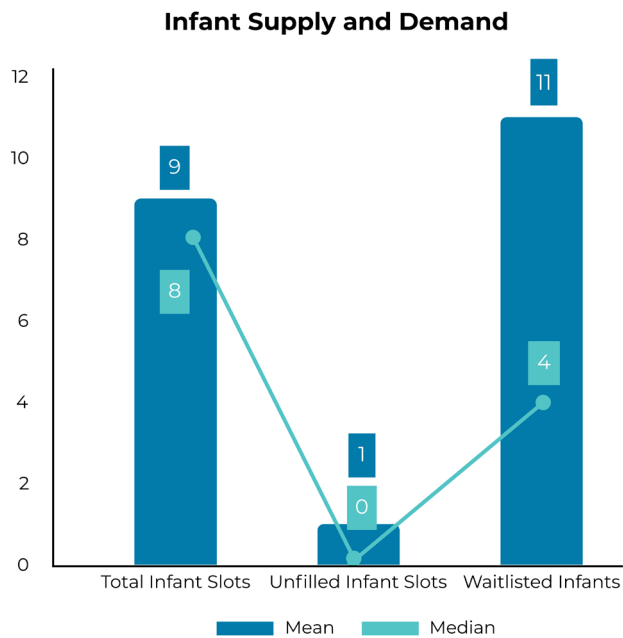
The overall stability by site type reveals a complex picture: while some providers in the region are closing their doors, there remains a strong commitment to supporting early childhood education in the region. Despite site closures, there are a number of new providers serving families each year. This interest in early childhood care and education is optimistic and yet serves as a call for more support to keep existing sites open. Although the number of physical locations has decreased, which almost certainly impacts families, the number of children that have a slot available to them has increased by around 10% since 2022, with 1,013 slots added throughout the region.



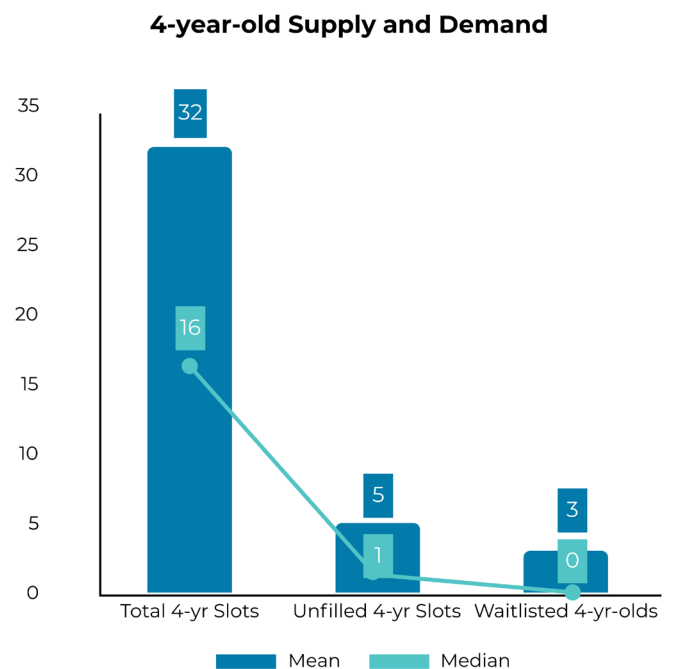
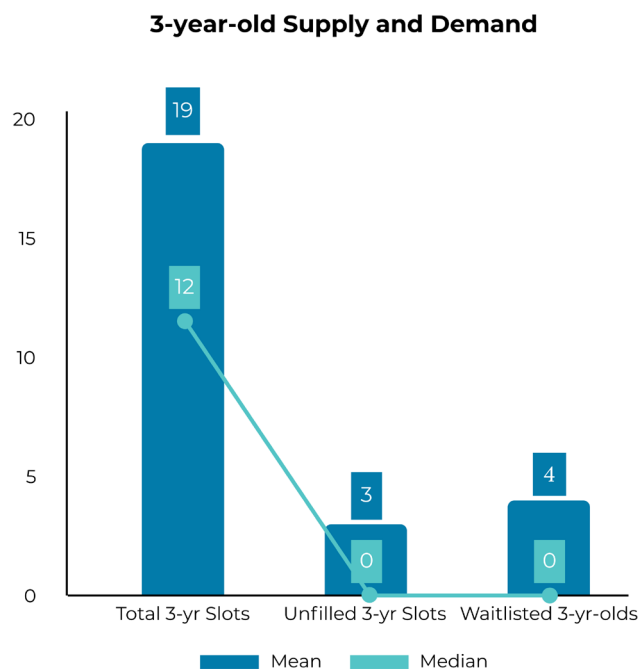
Provider data revealed that capacity challenges are not universal. Site type and ages served played roles in these challenges. For example, staffing and cost were greater barriers for Family Day Homes and Centers. One focus group provider shared: “Our site has slots, just not the money to pay teachers.” Head Start found parents having multiple options and not being interested or aware of their options to be a greater challenge: “If they are not in Head Start or [school-based programs], the grandparents are watching them. Our [recruitment] efforts are often geared towards parents who are already sending their kids anyway.”

The region, like other places, sees a great disparity in ages served by childcare options. Just over a third of sites offer care to infants and/or toddlers in addition to having fewer slots allocated for these ages. These slots for ages birth to 3 are more likely to be filled, and families of the youngest children face much longer waitlists. In most cases, the need for infant and toddler care far outpaces the available options. However, with over 90% of sites serving three- and four-year-olds, and having higher teacher-child ratios, these preschool slots are more likely to go unfilled and sites see shorter waitlists.

These charts show the average total number of slots, unfilled slots, and children reported on waitlists as reported by surveyed programs. Both the mean and the median are shown to account for areas that have unique, significant challenges. This information can be used to compare the need (determined by the average number of children on waitlists and unfilled slots) versus the availability of options (determined by the average number of total reported slots).



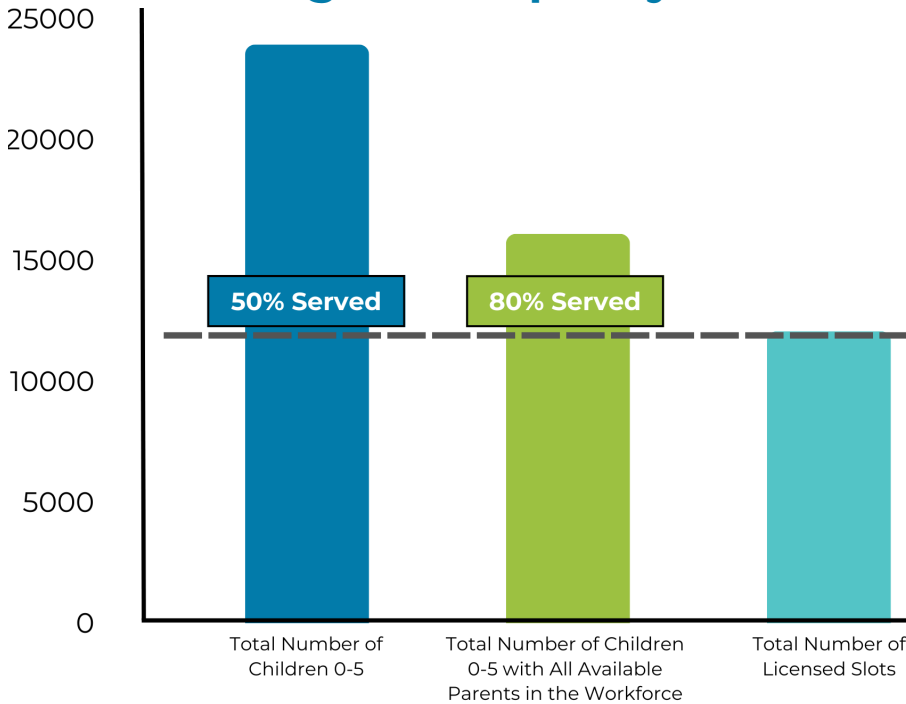
Infants and toddlers have fewer available slots that are rarely unfilled with large waitlists.



3-and-4-year-olds have more available slots, more unfilled slots, and shorter waitlists.

SWVA's Childcare Landscape

Regional Capacity

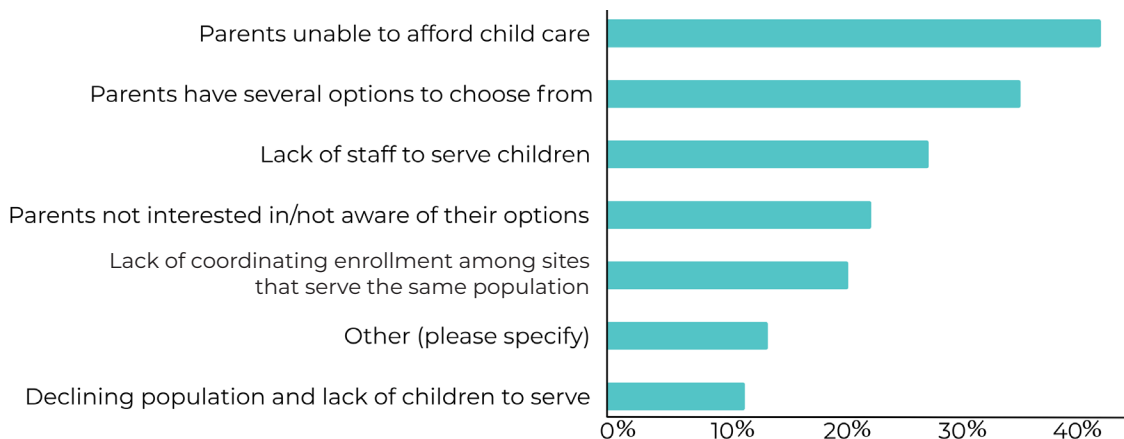


In Southwest Virginia, there are approximately 24,000 children aged 0-5, and around 16,000 of those children have all available parents in the workforce⁵. The region's current licensed capacity (~13,000 slots) is able to serve about half of all children birth to 5, and 80% of children with working parents. Despite this stark difference between estimated supply and need for childcare, many sites (46%) reported challenges in filling their slots to capacity.

“We **struggled all year** to have kids even though we **reduced our slots** by 25.”
 -Provider, Focus Group Participant

The cost of childcare (43%) and parents having several options to choose from (36%) were the two most frequently reported perceived barriers by providers. More than 20% of programs referred to understaffing (28%), parents not being interested or aware of their options (23%), and coordinating enrollment among sites serving the same population (e.g., age, income threshold) of children (21%) as prevalent barriers. Around ¼ of sites reported decreasing the number of children served in the last year, while a similar number reported increasing the number of children served.

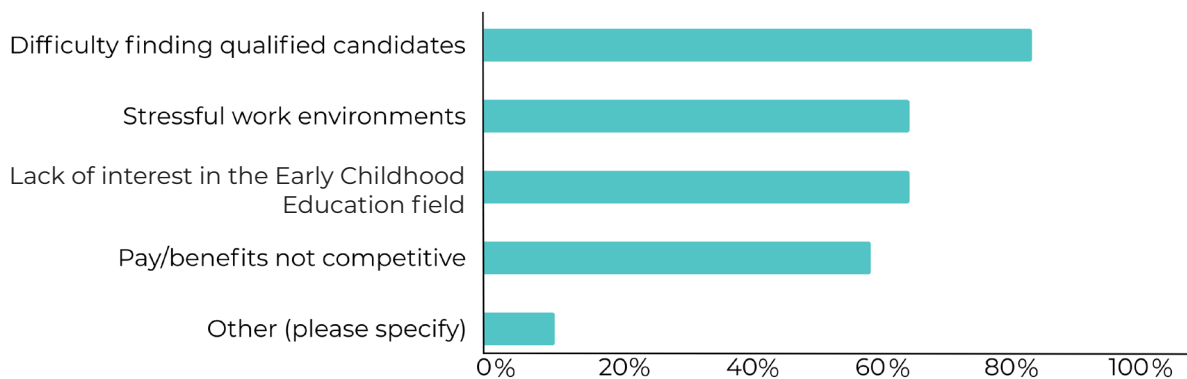
Perceived Barriers



The Impact of Staffing Challenges

The early childhood educator crisis, exacerbated by the COVID-19 pandemic, continues to be a barrier for childcare programs. Just under half (46%) of sites reported struggling to find and hire lead teachers, and 59% of sites struggled to find additional staff, including assistant teachers, cooks, and bus drivers. Finding qualified candidates was the most frequently reported perceived barrier (85%) to being fully staffed, but there were other frequent mentions of a perceived lack of interest in the field and the pay and benefits not compensating for the highly demanding job. Keeping a center fully staffed and paying competitive rates is crucial for maintaining the viability and quality of a center. A lack of both the quality and quantity of staff affects the day-to-day operations, capacity, and quality.

Perceived Barriers



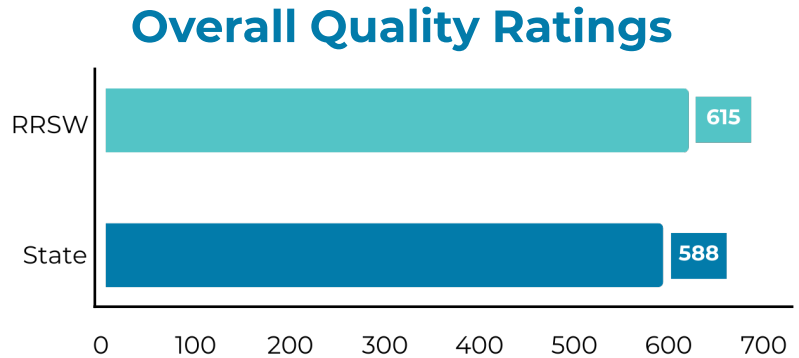
82% of center leaders have reported asking staff to take on additional hours and responsibilities due to staffing shortages⁶, and 75%⁷ of program leaders reported working more than 40 hours a week to meet the demands of running their center. The challenges sites have faced in bringing in qualified candidates are clear: 62%⁶ of center leaders reported hiring a candidate that was less than qualified. Staffing directly impacts the ability to serve children, “Our enrollment is good, but kids are [placed on] a waitlist because there are not enough staff,” one focus group provider shared. In fact, more than half of centers in the region reported turning away families due to staffing. Another participant reflected on how the demand of providing services to meet the needs of children is particularly difficult when facing staffing challenges “It impacts everything. Our classrooms, teacher turnover, having lower enrollment numbers in a classroom because some children require extra supervision or care, which affects slots available, too. We lost money last year for these reasons.”

“It impacts **everything**. Our classrooms, teacher turnover, having lower enrollment numbers in a classroom because some children require extra supervision or care, which affects slots available, too. We **lost money** last year for these reasons.”

-Focus Group Participant

The Impact of Staffing Challenges

Finally, educator characteristics were found to be strongly related to site quality. In the spring of 2024, the state officially wrapped its first required-participation-year after two optional practice years in the VQB5 initiative. Despite the many challenges that providers face in the region, all participating sites (N= 218) met or exceeded expectations. The region is just one of two regions (out of the nine Ready Regions) to achieve this. The region has the second highest usage of approved curriculum in classrooms and the average quality score surpassed that of the state's.



At the state and local level, teacher retention was related to quality. In Southwest Virginia, sites where teachers, on average, had been employed at the same site for longer generally had higher quality scores. The region had the second highest retention rate in the state (92%, compared to 76% statewide) among publicly funded classrooms in 2024. On average, educators have been at their current site for five years.

Qualified candidates and competitive pay remain the top barriers to staffing for many programs in the region, so it's crucial to understand how these factors in particular affect quality. Both degree attainment and experience in the field were found to be related to higher quality, meaning sites with educators with higher degree attainment or more experience in the field were associated with higher quality scores. Around 60% of educators have some college experience or higher, and educators on average have eight years of experience in early education.



Additionally, higher wages were related to higher quality scores. Early childhood educators are paid, on average, around \$20/hour and assistants are paid, on average, \$15/hour. Pay varies depending on the type of site: teachers in school-based public preschool are paid the highest, doubling the hourly wages of those working in centers and family day homes.

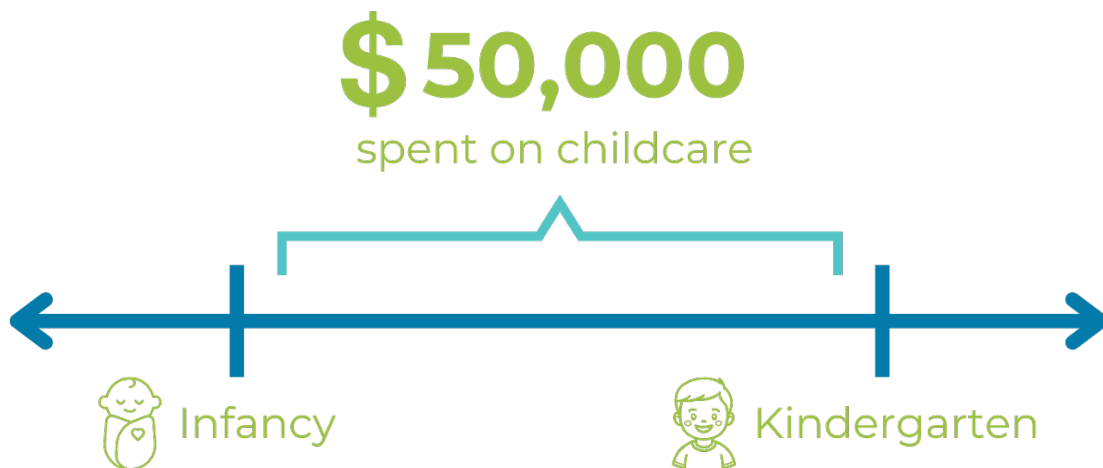
	Educator Avg. Rate	Assistant Avg. Rate
Overall	\$21	\$15
Center	\$15	\$13
Mixed Delivery Center	\$20	\$15
Family Day Home	\$15	\$15
VPI (School-Based)	\$31	\$17
Head Start	\$21	\$15

Cost of Care + Impacts on Families

The cost of childcare is a national issue facing families, and Southwest Virginia families are no different. Many programs in the region have registration fees, which often have an upfront cost of \$100-\$150. On average, the weekly cost of childcare is \$208 for an infant, \$198 for a toddler, and \$175 for preschool age children. Based on these numbers, a family that needed to send their child to childcare from infancy to kindergarten would spend around \$50,000 in the first five years of their child's life on childcare alone. This is simply unattainable for many families in a region where over half of households are considered "financially constrained", either as families making less than the federal poverty level or meeting ALICE* thresholds. When parents struggle to pay for basic needs (e.g., food, housing), childcare may feel like a luxury.

“It’s hard to justify when **childcare is more than their mortgage.**”
-Provider, Focus Group Participant

Southwest Virginia’s childcare landscape has several options, including the Childcare Subsidy Program, Mixed Delivery, Head Start, and public preschool programs (VPI), to support families who meet income-eligibility guidelines, aiming to make childcare financially feasible. However, these options serve just 46% of children eligible for these publicly funded slots. Head Start and preschool program leaders who participated in focus groups shared that although they have waitlists, they cannot fill their slots due to the children’s families making more than the income-eligibility threshold and therefore are disqualified from receiving care. One participating provider shared, “We struggle to find income-qualified children.” Recent changes to subsidy have also impacted both families and site enrollment: 42% of sites reported having families on their waitlist that are eligible for, but who cannot access, subsidy. As of December 2024, almost 200 families are waiting for a subsidy slot in Southwest Virginia.



*ALICE: Asset Limited, Income Constrained, Employed. Families who are struggling to get by but make too much to qualify for assistance.

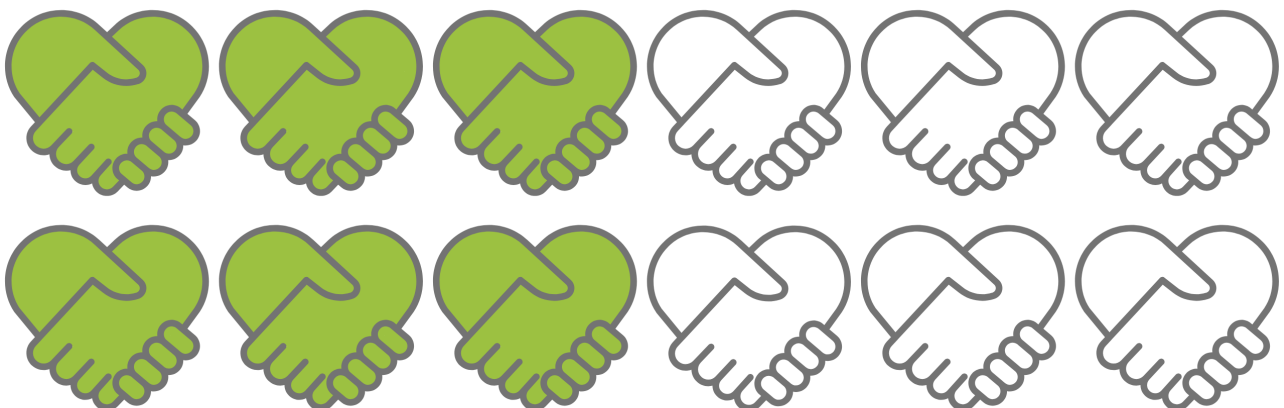
Cost of Care + Impacts on Families

Many localities throughout Southwest Virginia have predominately, or only, school-based preschool and Head Start programs as childcare options. While support for lower-income families is crucial, it's also important to consider care options for families above these determined thresholds. One focus group participant stated, "There are kids with both parents at home that still need to be in care. There are also higher level of income families that need care. Everyone needs access to early childhood education." Over 12,000 children⁵ in the region are not eligible for 50% of the programs offered, meaning these families are faced with even fewer options in an already-limited landscape.

Efforts have been made in the region to address this gap in services. Eight school districts offering public preschool and several Mixed Delivery providers have opted to serve families who qualify as part of the ALICE population. Some school districts use local funding to provide early educational experiences for no cost to over-income families. The region added three new Mixed Delivery providers, increasing options for families eligible for that support. Combined, these efforts are a step toward expanding low-cost, high-quality care to many families that were previously unable to qualify.

The cost and availability of childcare are persistent barriers for families, as well as finding a program that aligns with families' schedules and finding transportation to and from locations⁸. Sites are usually open for eight hours a day, with 8 a.m. to 4 p.m. being common operating hours. Most centers and family day homes do not offer any form of transportation. One provider explained, "Parents are having to leave work, drive and pick up their kids from one place and take them to another in order to continue care." As families with young children navigate the childcare landscape, they are tasked with making crucial decisions around their child's future, their priorities and values, and their financial security.

Over **12,000** children...




...are ineligible for **half** of the programs offered.






It takes **two parents working** to pay bills, but then they get **thrown over income** and don't qualify for help.

-Provider, Focus Group Participant



Families' dynamics have changed. They learned to adapt during COVID. Maybe both parents don't need to work, and so they can keep the children at home. Some are even fully shifting to homeschooling. Parents are switching shifts so that both are working but handing off the kids to each other to avoid childcare costs.

-Provider, Focus Group Participant



Summary

The childcare landscape in Southwest Virginia reflects the broader challenges in childcare across the nation and commonwealth. Although the number of slots available to children throughout the region is increasing, site closures, staffing shortages, and high costs leave many families struggling to find care for their youngest family members. Yet, the region has seen many gains over the last year that highlight the need for continued optimism and effort: new programs continue to open, and the region is a state leader in teacher retention rates and site quality scores. Additionally, providers and community organizations have worked together to brainstorm solutions and have utilized the resources available to them to address gaps in services and expand access to care for historically underserved families. Despite significant challenges, the efforts of the community in the region demonstrate resilience and commitment to improving early childhood education in Southwest Virginia.

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EO's Work in the Landscape

EO is committed to supporting the early childhood care and education landscape in Southwest Virginia. Through a number of initiatives, we have worked to support the affordability, accessibility, and quality of childcare in the region.

In 2024....

Supporting Sites + Capacity

Since the launch of the Shared Services Alliance in January of 2024, the alliance has enrolled **54 providers** and has provided over **200 hours** of assistance and support to program leaders. The alliance is working alongside 10 new providers to help navigate licensure and/or support them in their first year of operation.

49 Coordinated Enrollment meetings have been held with childcare program leaders to identify challenges and solutions for sites to maintain full enrollment and maximize the number of children being served.

The ECE Career Pathways added over **200 new early childhood educators** to the region, expanding the region's available slots by nearly 300.

Supporting Quality

Over **300 hours** of coaching and training have been delivered by our Infant-Toddler Specialist and our Infant-Toddler Behavior Coach.

Almost **200 hours** of Professional Development have been delivered by our Early Childhood Care and Education team.

More than **500 classrooms** received quality observations and direct feedback intentionally crafted to support educators in improving their practice.

Supporting Families

\$5,474,465.48 in tuition support through Mixed Delivery has provided families with affordable, high-quality care.

42 parents sit on our region's Family Council to provide input, insight, and advocacy for how best serve our region's families.

With a dedicated focus on researching, piloting, and scaling innovative solutions to the problems that face our communities, EO continues to be a strong proponent for early care and education sites, leaders, and educators across the region.

READY

REGION

Southwest



Visit Our Data Library for More!

Go to eoco.org/Childcare2025 to view this report online + more helpful data visualizations!

