The Rural Child Care Innovation Program is possible due to generous funding from the Minnesota Department of Human Services.
This Community Solution Action Plan is designed to be a deep dive into the Rural Child Care Innovation Program. You will step through every stage of the community engagement process through solution development and implementation. Please visit www.ruralchildcare.org for continued updates on community progress.

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First Children’s Finance
Contributors:
Jessica Beyer, Joan Berntson

Community Core Team
Lead:
Amanda Reed
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“If employees can’t find quality care for their children, they won’t work for you. They won’t move to your community, or they’ll be forced to move away, or they might have to consider quitting their job to stay home with their children because they have no other option.”

Kris Bevell
Editor
Prairie Business Magazine
EXECUTIVE SUMMARY

The Rural Child Care Innovation Program (RCCIP), is a community engagement process designed to develop right-sized solutions to address the needs of early care and education in Minnesota’s rural communities. The goal of RCCIP is to help communities identify the scope and size of their child care challenges, and to empower and support communities to develop solutions to address these challenges.

The Community Solution Action Plan for the Quad Cities in northeastern Minnesota, intends to outline the child care challenges identified in the community, and the proposed solutions to improve the state of child care in the area. A Core Team from the Quad Cities, with the support of First Children’s Finance, conducted a thorough investigation and analysis to uncover the factors creating the child care shortage in the area through focus groups, individual interviews, and surveys with a multitude of stakeholders in the community.

To understand the potential need for child care in the Quad Cities, First Children’s Finance conducted a Supply and demand gap analysis, which showed a child care shortage of 548 slots. The analysis revealed that it’s very difficult to be a child care provider due to numerous rules and regulations, low pay and no benefits, long hours, and high operating costs. Staffing is a significant expense for many child care programs, resulting in 60-80% of overall expenses. This heavily influences the ability of child care providers to sustain their child care operations.

The analysis revealed that the child care shortage has severely impacted parents living in the Quad Cities. Nearly 42% of survey respondents declined employment or withdrew from the workforce due to child care issues. Absence from work (when a provider is closed for the day), inability to work a flexible schedule, inability to work different shifts, and tardiness to work hinders the ability of parents to advance in their careers.

Some of the major factors contributing to the child care shortage in the Quad Cities include; increase in dual-working families, attraction of new employees to the area, the difficulties of being a child care provider and the lack of community recognition for child care providers. Furthermore, there is a lack of business supports and business incentives in the area, including parent support and parent education.

Through the RCCIP, the Quad Cities have identified six goals to address the child care challenges. These goals include:

- Develop a community recognition program
- Develop a new child care partnership
- Launch a new online database of child care providers
- Provide education and support to prospective providers
- Identify non-owner occupied space for family child care
- Promote available resources for child care for families

In implementing these goals, the Quad Cities will improve the state of child care, empower local child care providers through continuous community support, provide parents with more care options, and providers with better resources to run and operate their child care businesses. In the next 12 months, First Children’s Finance will support the core team in implementing these goals and measuring outcomes of their efforts.
THE IMPORTANCE OF HIGH QUALITY CHILD CARE IN COMMUNITIES

In rural communities, ebbs and flows of the local economy greatly influence the sustainability of a community’s child care supply, and vice versa. That’s why the Rural Child Care Innovation Program addresses child care and early education challenges through a framework of regional economic development. A robust supply of high quality child care fosters community growth through:

- Recruiting and retaining new businesses, employees, and families
- Enabling parents to be more productive and less absent at work
- Strengthening and feeding the pipeline for a skilled future workforce

The connection is clear: when our children thrive, so do our communities. Investing in early care and education is not only the right thing to do for our youngest citizens, but the best thing to do for our economic growth and prosperity.

INTRODUCING THE RURAL CHILD CARE INNOVATION PROGRAM

Child care is an economic driver for rural communities across the United States but many communities are facing shortages of high quality child care. The Rural Child Care Innovation Program is based on the fundamental idea that rural communities are greater than their size in numbers and greater than their current challenges. By mobilizing and empowering rural communities, the landscape of early care and education is changing in rural America.

PROGRAM FOCUS

Children living in rural areas are more likely to come from low-income households than children in urban areas, and are more likely to be living in poverty for longer periods of time. Many rural areas struggle to attract and retain a young, educated workforce, while others lack the resources to keep up with their own growth and success. Although rural communities face many challenges, they are also resilient. They have the innovation it takes to develop nimble, creative solutions that will be effective in rural areas. The Rural Child Care Innovation Program leverages communities’ independent, can-do attitudes to address early care and education in Greater Minnesota.
## PROGRAM ACTIVITIES AND GENERAL TIMELINE

### APPLICATION PHASE

<table>
<thead>
<tr>
<th>ACTIVITIES</th>
<th>TIMING</th>
<th>DETAILS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Webinar</td>
<td>March 26, 2018</td>
<td>Information session on RCCIP</td>
</tr>
<tr>
<td>Application Deadline</td>
<td>April 30, 2018</td>
<td></td>
</tr>
<tr>
<td>Selection of Communities</td>
<td>May 25, 2018</td>
<td>Communities notified via email</td>
</tr>
<tr>
<td>Program Setup</td>
<td>May 2018</td>
<td>FCF connected by phone with the main community contact to set up first Core Team meeting.</td>
</tr>
</tbody>
</table>

### PLANNING PHASE

<table>
<thead>
<tr>
<th>ACTIVITIES</th>
<th>TIMING</th>
<th>DETAILS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Core Team Onboarding Retreat</td>
<td>August 2018</td>
<td>Face-to-face meeting with FCF and the Core Team to discuss project details and expectations.</td>
</tr>
<tr>
<td>Core Team Planning Meeting</td>
<td>August 2018</td>
<td>Face-to-face meeting to map out community engagement activities and fully develop the program timeline.</td>
</tr>
<tr>
<td>Community Engagement Activities</td>
<td>August 2018- January 2019</td>
<td>Implementation of engagement activities within the community.</td>
</tr>
<tr>
<td>Child Care Provider Trainings</td>
<td>February 2019</td>
<td>Series of business trainings and one-on-one consultations conducted by FCF.</td>
</tr>
<tr>
<td>Town Hall Event</td>
<td>January 23, 2019</td>
<td>Community wide event to identify and develop community solutions.</td>
</tr>
</tbody>
</table>

### IMPLEMENTATION PHASE

<table>
<thead>
<tr>
<th>ACTIVITIES</th>
<th>TIMING</th>
<th>DETAILS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementation Planning Retreat</td>
<td>February 21, 2019</td>
<td>Face-to-face meeting to map out smart goals and implementation activities with project teams.</td>
</tr>
<tr>
<td>Regular Project Team Meetings</td>
<td>April 2019- September 2020</td>
<td>Implementation of community solutions.</td>
</tr>
<tr>
<td>Regular Core Team Meetings</td>
<td>April 2019- September 2020</td>
<td>Connect with FCF to discuss Project Team outcomes.</td>
</tr>
<tr>
<td>Technical Assistance Support</td>
<td>September 2018- September 2020</td>
<td>FCF available to provide ongoing business support.</td>
</tr>
<tr>
<td>Final Report</td>
<td>September 2020</td>
<td>Core Team submits final report to FCF.</td>
</tr>
</tbody>
</table>
EXPECTED OUTCOMES AND IMPACT
The Rural Child Care Innovation Program is designed to support fundamental change in the overall conditions for child care in the areas that it is delivered. This is accomplished through various methods that include:

• A thorough analysis of the current child care supply and demand, and evaluation of community factors impacting the local child care supply
• Events that educate community members about the link between quality child care, rural economic development and viable communities.
• A Community Solution Action Plan that includes innovative solutions generated through a facilitated Town Hall process
• Support and business improvement services to existing family child care providers and child care centers
• Access to First Children’s Finance’s expertise, resources and tools, including research and financial modeling
• Links to other communities working on similar issues

Measurements of success are determined through a tactical project management grid that provides guidance to the Core Team about the involved participants and their projected steps and progress towards project completion.

ABOUT THE QUAD CITIES IN NORTH EASTERN MINNESOTA
The rural communities of Virginia, Mountain Iron, Gilbert, and Eveleth are located in St. Louis County and are referred to as the Quad Cities. The Quad Cities are located on the Iron Range in North Eastern Minnesota. The communities included in the RCCIP process are the Quad cities of Virginia, Mountain Iron, Gilbert, Eveleth, and the townships of Fayal, Wouri, Pike and Sandy. The combined population is 19,350.

This geographical region includes three public school districts, one charter school and a Community and Technical College. The communities are driven by three primary industries: iron mining, health care and education. This region is largely dependent on a natural resource based economy, primarily iron mining. As the largest industry, iron mining operations run 24 hours per day, seven days a week. The second largest industry is health care which also operates 24 hours per day, seven days a week.

LOCAL CORE TEAM REPRESENTATION
The Core Team was identified locally and asked to commit to investigating the child care challenges in the Quad Cities. The Core Team has and will continue to support development of solutions to sustain a high quality and sustainable child care infrastructure in the local area.

• Carol Moreland, Chicagami Too! Childcare
• Amanda Reed, Virginia Drop In Daycare
• Lori Johnson, Quad City Kids Daycare
• Britt See-Benes, City of Virginia
• Jackie Monahan-Junek, City of Eveleth
• Craig Wainio, City of Mountain Iron
• Lynn Haglin, Northland Foundation
• Erin Shay, United Way of Northeast MN
• Dawn Olson, Mesabi Range College
• Michelle Ufford, NE MN Office of Job Training
• Jason Metsa, MN State Representative
• Noel Schmidt, Virginia Schools
• Betsy Olivanti, UMD-SBD
• Whitney Ridlon, Department of IRRR
• Shawntel Gruba, Iron Range Tykes
CHILD CARE DATA AND EARLY EDUCATION TRENDS

As part of the Rural Child Care Innovation Program, the local communities were provided with various forms of support to understand the contributing factors for the child care challenges. First Children’s Finance leveraged different data sources to pull together an illustrative picture of the impact of child care in the local area. These data sources include US Census Information, MN Child Care Licensing Records, Minnesota Department of Education, MN DEED, and other internal research tools including First Children’s Finance data.

POTENTIAL NEED OVERVIEW

First Children’s Finance conducted a supply and demand gap analysis which provided a view of potential child care needs. This analysis was conducted in Mid-2018 and showed a shortage of 548 slots in the Quad Cities and surrounding areas.

<table>
<thead>
<tr>
<th>ZIP CODE</th>
<th>CITY</th>
<th># OF CHILD CARE CENTERS (CCC)</th>
<th># OF FAMILY CARE CENTERS (FCC)</th>
<th>PLUS/ MINUS/ TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>55708</td>
<td>Biwabik</td>
<td>0</td>
<td>0</td>
<td>-41</td>
</tr>
<tr>
<td>55710</td>
<td>Britt</td>
<td>0</td>
<td>0</td>
<td>-28</td>
</tr>
<tr>
<td>55713</td>
<td>Buhl</td>
<td>0</td>
<td>0</td>
<td>-27</td>
</tr>
<tr>
<td>55734</td>
<td>Eveleth</td>
<td>0</td>
<td>4</td>
<td>-227</td>
</tr>
<tr>
<td>55741</td>
<td>Gilbert</td>
<td>0</td>
<td>2</td>
<td>-66</td>
</tr>
<tr>
<td>55751</td>
<td>Iron</td>
<td>0</td>
<td>0</td>
<td>-45</td>
</tr>
<tr>
<td>55758</td>
<td>Kinney</td>
<td>0</td>
<td>0</td>
<td>-5</td>
</tr>
<tr>
<td>55768</td>
<td>Mountain Iron</td>
<td>1</td>
<td>1</td>
<td>-113</td>
</tr>
<tr>
<td>55792</td>
<td>Virginia</td>
<td>4</td>
<td>7</td>
<td>4</td>
</tr>
</tbody>
</table>

- JULY 2018
QUALITY CHILD CARE OVERVIEW

First Children's Finance examined state-wide information about the number of child care programs that are participating in the Parent Aware program.

- The average length of service is higher than the state average which indicates a population of providers with longer lengths of service.
- Providers with less than 5 years of service and those with more than 20 years of service are most at risk for turnover in an industry that already sees tremendous employment turn-over rates.

FAMILY CHILD CARE – BY THE NUMBERS

First Children’s Finance evaluated the current supply of family child care to identify trends that needed further examination.

- The average length of service is higher than the state average which indicates a population of providers with longer lengths of service.
- Providers with less than 5 years of service and those with more than 20 years of service are most at risk for turnover in an industry that already sees tremendous employment turn-over rates.

<table>
<thead>
<tr>
<th></th>
<th>LOCAL</th>
<th>STATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Family Child Care Providers</td>
<td>14</td>
<td>8,156</td>
</tr>
<tr>
<td>Average Length of Service</td>
<td>13.9 Years</td>
<td>12.7 Years</td>
</tr>
<tr>
<td>Less than 5 years / Service</td>
<td>4 / 28.5%</td>
<td>2,392 / 29.3%</td>
</tr>
<tr>
<td>More than 20 years / Service</td>
<td>4 / 28.5%</td>
<td>2,231 / 27.3%</td>
</tr>
<tr>
<td>Non-Owner Occupied</td>
<td>0 / 0.0%</td>
<td>169 / 2.0%</td>
</tr>
<tr>
<td>Non-Residential Dwelling</td>
<td>0 / 0.0%</td>
<td>85 / 1.0%</td>
</tr>
</tbody>
</table>

The chart above demonstrates that child care providers in the Quad Cities are ahead of the state average when it comes to Parent Aware enrollment. This is a critical component when we evaluate the quality child care program offerings in the area.
AVERAGE COST OF CHILD CARE

Child care is a large investment for families with children. A market rate survey of child care providers was conducted as part of the RCCIP to inform child care investments in the area.

The following chart shows the average cost of child care investment on a weekly basis at the 75th percentile for each age group in both a center and family child care setting. It means that 25% of child care programs charge more than the market average and 75% of child care programs charge less.

AREA MARKET RATES – ST LOUIS COUNTY

<table>
<thead>
<tr>
<th>AGE GROUP- CHILD CARE CENTER</th>
<th>WEEKLY RATE</th>
<th>ANNUAL RATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>75TH PERCENTILE - INFANT WEEKLY</td>
<td>$ 197.00</td>
<td>$ 10,244</td>
</tr>
<tr>
<td>75TH PERCENTILE - TODDLER WEEKLY</td>
<td>$ 188.00</td>
<td>$ 9,776</td>
</tr>
<tr>
<td>75TH PERCENTILE - PRESCHOOL WEEKLY</td>
<td>$ 174.00</td>
<td>$ 9,048</td>
</tr>
<tr>
<td>75TH PERCENTILE - SCHOOL AGE WEEKLY</td>
<td>$ 150.00</td>
<td>$ 7,800</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>AGE GROUP- FAMILY CHILD CARE</th>
<th>WEEKLY RATE</th>
<th>ANNUAL RATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>75TH PERCENTILE - INFANT WEEKLY</td>
<td>$ 165.00</td>
<td>$ 8,580</td>
</tr>
<tr>
<td>75TH PERCENTILE - TODDLER WEEKLY</td>
<td>$ 155.00</td>
<td>$ 8,060</td>
</tr>
<tr>
<td>75TH PERCENTILE - PRESCHOOL WEEKLY</td>
<td>$ 150.00</td>
<td>$ 7,800</td>
</tr>
<tr>
<td>75TH PERCENTILE - SCHOOL AGE WEEKLY</td>
<td>$ 140.00</td>
<td>$ 7,280</td>
</tr>
</tbody>
</table>

Results of the 2016 Child Care Market Rate Survey: Minnesota Child Care Provider Business Update

While rates of investment for child care are high for families, many child care operations run on very slim margins due to the high cost of quality staffing and care. Staffing is a significant expense for many child care center programs at 60-80% of overall expenses.

Family Child Care providers invest significant portions of tuition revenue back into their operations leaving providers with less than minimum wage for compensation, according to research by First Children's Finance in 2016.
OTHER LOCAL SUPPORTING DATA

As part of the overall collection and review of data, First Children’s Finance highlighted additional data outcomes that can impact third grade reading levels and local graduation rates. There are multiple studies that indicate the link between early education and school readiness with third-grade reading levels and high school graduation rates. Lower achievement levels can be an early indicator of future challenges with high school graduation rates, engagement in higher education, and teen pregnancy rates.

THIRD GRADE READING LEVELS

<table>
<thead>
<tr>
<th>DISTRICT</th>
<th>2017 PROFICIENCY RATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Virginia #706</td>
<td>70.3%</td>
</tr>
<tr>
<td>Eveleth/Gilbert #2154</td>
<td>69.3%</td>
</tr>
<tr>
<td>Mountain Iron #712</td>
<td>53.1%</td>
</tr>
<tr>
<td><strong>Statewide</strong></td>
<td><strong>57.50%</strong></td>
</tr>
</tbody>
</table>

LOCAL GRADUATION RATES

<table>
<thead>
<tr>
<th>DISTRICT</th>
<th>2016 GRADUATION RATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austin #492</td>
<td>71.70%</td>
</tr>
<tr>
<td>Blooming Prairie #756</td>
<td>91.20%</td>
</tr>
<tr>
<td>Albert Lea #241</td>
<td>76.40%</td>
</tr>
<tr>
<td>Glenville-Emmons #2886</td>
<td>89.50%</td>
</tr>
<tr>
<td>Lyle #497</td>
<td>82.40%</td>
</tr>
<tr>
<td>Southland #500</td>
<td>93.30%</td>
</tr>
<tr>
<td>Hayfield #203</td>
<td>86.50%</td>
</tr>
<tr>
<td><strong>Statewide</strong></td>
<td><strong>82.20%</strong></td>
</tr>
</tbody>
</table>
ABILITY TO PAY FOR CHILD CARE

Many families working on the lower end of the wage spectrum have difficulty paying for child care. The following charts provide an overview of local economic factors that can further impact child care:

Local Poverty and Household Income Information – St Louis County

| Total Population Living Below Poverty Threshold in Last 12 Months | 29,875 |
| Related Children Under Age 18 Living with Income Below Poverty Threshold | 6,449 |
| Families With Related Child Under Age 5 Living Below Poverty Threshold | 1,806 |

Household Income – St. Louis County

| TOTAL HOUSEHOLDS ACS 2009-13 ESTIMATE | 85,238 | % OF TOTAL POPULATION |
| HOUSEHOLDS: INCOME LESS THAN $10,000 | 7,340 | 8.6% |
| HOUSEHOLDS: INCOME $10,000 TO $14,999 | 5,586 | 6.6% |
| HOUSEHOLDS: INCOME $15,000 TO $24,999 | 10,951 | 12.9% |
| HOUSEHOLDS: INCOME $25,000 TO $34,999 | 9,177 | 10.7% |
| HOUSEHOLDS: INCOME $35,000 TO $49,999 | 11,936 | 14.0% |
| HOUSEHOLDS: INCOME $50,000 TO $74,999 | 16,760 | 19.7% |
| HOUSEHOLDS: INCOME $75,000 TO $99,999 | 10,211 | 12.0% |
| HOUSEHOLDS: INCOME $100,000 TO $149,999 | 9,069 | 10.6% |
| HOUSEHOLDS: INCOME $150,000 TO $199,999 | 2,452 | 2.9% |
| HOUSEHOLDS: INCOME $200,000 OR MORE | 1,086 | 2.1% |
| MEDIAN HOUSEHOLD INCOME | $46,517 |
Local Employment Conditions

Employment data was considered as it can be an indicator that additional child care is needed to support the employment needs of the community since there are more two-parent families employed.

Unemployment Rates – St Louis County
• 3.7% Unemployment Rate – June 2018

Top Local Industries – St Louis County

The largest employers were invited to participate in the child care conversation since they are impacted by absenteeism and less productivity when child care is a challenge.

| INDUSTRY: EDUCATIONAL SERVICES, AND HEALTH CARE AND SOCIAL ASSISTANCE | 27,941 | 29.6% |
| INDUSTRY: RETAIL TRADE | 11,824 | 12.5% |
| INDUSTRY: ARTS, ENTERTAINMENT, AND RECREATION, AND ACCOMMODATION AND FOOD SERVICES | 10,641 | 11.3% |
COMMUNITY INSIGHTS

Extensive outreach was conducted by the Core Team to engage the community about child care. This work included one-on-one stakeholder meetings with various community leaders, parent and provider electronic surveys, focus groups and presentations about child care. Through these various inputs, the Core Team was able to better understand the underlying causes of the local child care challenges.

COMMUNITY SURVEYS – SELECTED PERSPECTIVES

The general community was invited to participate in a comprehensive survey about child care in the local Quad Cities area of MN. Almost 200 individuals and family child care providers participated in the community survey.

The following chart represent some highlighted perspectives within the community:

PERCEPTIONS: AVAILABILITY OF CHILD CARE IN THE LOCAL AREA

Survey respondents indicated that they were traveling great distances to find appropriate child care. Nearly 30% indicated that they were traveling more than 11 miles for child care.
While specific questions about quality were not part of this survey, it was noted that there is a disconnect between child care providers and the local community on the availability of high quality child care in the area. When survey participants were asked about what is important for them in a child care program, they ranked their preferences as follows (1 being the most important):

1. Safe and healthy environment
2. Licensed by DHS
3. Educational curriculum
4. Conveniently located
5. Provider has high level of education
6. Provider is Parent Aware rated
7. Provider is someone I know

**REASONS FOR NOT ENROLLING IN PAID CHILD CARE**

- Does not exist in my community: 26%
- Not accepting enrollment: 19%
- Not conveniently located: 17%
COMMUNITY AND BUSINESS IMPACTS OF THE CHILD CARE ISSUE

Beyond families and children, the greater community and local businesses can also be impacted by child care challenges and issues. Child care is often framed as an economic development issue by communities facing declining populations or challenges with the work force. These issues can compound and further extend into the business community by causing loss of workers due to unavailable child care or by businesses relocating to environments with better availability of care.

WORK ISSUES OCCURRED DUE TO CHILD CARE ARRANGEMENTS IN THE LAST 12 MONTHS

Normal work environments can be adversely impacted when child care is a challenge for employers and workers. As illustrated, the biggest impact of child care limitations include absence from work (when a provider is closed for the day), inability to work overtime, and tardiness to work. A study in 2004 showed the national impact of child care issues in the economy, and it was valued at over $3 billion dollars annually.

IMPACT ON FAMILY PLANNING – QUAD CITIES

In the survey, 45% of respondents said that the availability of their preferred child care option impacted their decision to have another child/limit the size of their family.

In addition to the impact on family planning child care shortages can also impact the local employment environment. In the survey, nearly 40% had declined employment or withdrawn from the workforce due to child care issues.

“I’ve received job offers but wait lists are so long that I haven’t been able to start when the employer wants me to (which resulted in me not getting the job)” Local Parent.
UNDERSTANDING THE UNDERLYING CHALLENGES

The Core Team in the Quad Cities spent several months investigating the underlying reasons for the local child care challenges. This work involved engaging with many members of the local area to determine the underlying causes for the identified shortage of care.

The Core Team identified the following factors impacting the child care system in The Quad Cities:

The needs of community members can sometimes be different from what the current child care market offers. Working to understand needs of specific populations and their child care needs can better position the community and the existing provider network to better respond to those needs.

• PARENTS ARE SEEKING NEW CHOICES AND QUALITY IN THE COMMUNITY

“We went through 5 daycares in the time my oldest started daycare to the time my youngest started preschool at Marquette. One daycare after another closed on us. I would spend hours each time calling around for openings and praying to find a daycare that we could trust. It was very stressful.” - Local Parent

◊ More child care options and locations
◊ Specialized offerings
◊ Partnerships between centers and businesses
◊ Incentives for providers
◊ Mentorship and support for providers
◊ Increasing recognition in the community about the importance of high quality child care options
◊ More awareness of the rules and regulations

With 24 hour industries located in the local area, residents indicated the desire to have more choices and quality offerings available to select from. While some of these desires were in the form of new child care center offerings, many also would like enhanced offerings within existing child care.

Leveraging interaction and engagement with families can provide additional insights as to the child care program offerings that are most important to them. As child care quality increases, the community should expect increased family investments in child care.

• IT'S DIFFICULT TO BE A CHILD CARE PROVIDER

“Some of the biggest challenges are getting your home set up for child care. It is a huge expense – even with grants, you have to purchase items before getting reimbursed.”

- Local Provider

◊ Rules and regulations - ratios
◊ Low pay/no benefits
◊ Long hours/no flexibility
◊ High operating cost
◊ Damage to home/space
◊ Stressful career
◊ Increasing turn-over

The challenges of being a family child care provider are well-documented and come in a variety of ways. Licensing and regulations have changed over the years along with increasing expectations around outcomes for children entering the primary school system. Many family child care providers operate their businesses with minimal business supports which can sometimes lead to issues with overall sustainability.
Family child care providers have a tough job – one that often comes with very few benefits and recognition. Local providers and other community organizations have an opportunity to recognize the ongoing contributions, and continuous innovation of family child care providers in the child care industry. This could be achieved through recognition programs and other material support such as training.

**LACK OF COMMUNITY RECOGNITION AND SUPPORT**

- Lack of respect and understanding of the child care business
- Not an easy career
- Work life balance is difficult – hard for parents to adjust when providers are closed

It is clear that a big part of the shortage of child care can be attributed to infant and toddler slots that are difficult to find. Provider/Staff ratios for infants and toddlers are much lower than preschool and school age children. Additional focus on ensuring these slots are created as part of larger community solutions is critical to address overall child care needs in the community.

**DELIVERY OF INFANT AND TODDLER CARE IS HIGHLY REGULATED AND EXPENSIVE**

“Finding consistent, reliable childcare has proven difficult for my staff, especially for infants.”
- Local Business Leader

- There aren’t enough infant and toddler slots in the community

The Quad Cities have several mining companies and health organizations that employ local residents beyond traditional day shift hours. In many cases, these workers find solutions with split shifts with partners or family members who pitch in to help. However, there are workers who don’t have access to these options and require non-traditional care. Encouraging niche service delivery with new and existing providers could be an option to address this challenge.

**INCREASING NEED FOR NON-TRADITIONAL CHILD CARE HOURS**

“We need more child care available past 6:00.”
- Local Parent

- 2nd and 3rd shift workers have a very difficult time finding available child care

**PRICES FOR PARENTS ARE HIGH, AND COST OF DELIVERY FOR CHILD CARE PROVIDERS IS HIGH**

“I feel that a lot of people are wanting to be paid a pretty high wage that the parent is unable to afford as well as people not wanting to/unable to travel more than 30 miles to care for children.”
- Local Parent

- Many families struggle to afford quality licensed child care
- Child care centers and in-home family providers alike invest much of their program income into delivery of services, leaving providers with less than minimum wage take home pay

There is no clear answer to the ongoing challenge of costs of care versus family investment to get quality child care. Additional support helping families with low-to-moderate incomes become acquainted with existing support systems such as CCAP and Early Learning Scholarships can help bridge the gap.
TOWN HALL MEETING & GATHERING

The Town Hall meeting is designed to provide an opportunity for the Core Team and the community to interact and understand the findings of the extensive focus groups and surveys. Participants shared ideas about how to address the child care challenges in the local community.

COMMUNITY DEVELOPED SOLUTIONS

 LICENSING

- Research
- Best Practices
- Revise statutes Through Advocacy

 LINK UP AVAILABLE LOCATIONS WITH PROVIDERS MENTORSHIP

- Coaching
- Training Support

 LOANS/GRANTS/SCHOLARSHIPS TO START BUSINESS PARTNERSHIPS

- Employers buying slots
- Support employees to afford child care

 COMMUNITY SUPPORT

- Scholarships
- Central Location for Available spots
- Provider Appreciation
IMPLEMENTATION PROJECTS

The Town Hall meeting is an opportunity to leverage multiple view points and ideas related to addressing the local child care challenge. After the Town Hall meeting, the Core Team met to discuss all ideas and formulated an action plan to move forward. The following SMART goals were developed.

**SMART GOAL ONE – IDENTIFY ONE CHURCH WILLING TO HOST A FAMILY CHILD CARE**

**CORE TEAM LEAD –** Amanda Reed

Contact a local church with previous licensed space for preschool and see if they are open to the option and contact the county to seek out a provider who is interested in providing care.

**Expected Outcomes and Impact**

This new program would open up another option for care in the community along with an opportunity for a potential child care provider who may not want to do child care in their home. It will also help to decrease the shortage of available slots.

**SMART GOAL TWO – ESTABLISH CHILD CARE POTENTIAL AT THE LOCAL HOSPITAL**

**CORE TEAM LEAD –** Amanda Reed

Meet with Administrator of the hospital to evaluate modifications that would need to be made to house a child care center in the hospital. The hospital had considered the possibility in the past.

**Expected Outcomes and Impact**

This project is focused on increasing supply of child care in the local community with added hours for people who work different shifts than are currently offered. Potentially relocate the current drop in facility in town to offer 24 hour care.

**SMART GOAL THREE – CREATE A RESOURCE TO EDUCATE EMPLOYERS TO SUPPORT EMPLOYEES WITH YOUNG CHILDREN**

**CORE TEAM LEAD –** Michelle Ufford

Create a resource to educate employers about rules regulating child care providers and centers and determine a way to share this resource.

**Expected Outcomes and Impact**

Goal three is designed to support increased awareness for employers that affect their staff and childcare. Measurement of success will be employers increased awareness of the limitations their staff encounter when using childcare as far as sick child care, etc.
SMART GOAL FOUR – CHILD CARE CENTER IN POTENTIAL ACADEMY HIGH SCHOOL

CORE TEAM LEAD – Noel Schmidt
If the vote passes for the new consolidation and creation of an Academy High School in Eveleth, begin planning immediately for creation of a small child care center in the new school. This plan will happen in conjunction with Dawn Olson from MCC, Patricia Welsch from FCF, and a potential party who would run the facility. The center would be rolled into the plans with the architects who will build the academy.

Expected Outcomes and Impact
Increased educational opportunities for the academy students, the local college students and the children and families needing care in the community.

SMART GOAL FIVE – REACH OUT TO STATE REPRESENTATIVES

CORE TEAM LEAD – Shawntel Gruba
In the next 100 days each core team member will reach out to one or two state representatives to advocate for financial support for early childhood education.

Expected Outcomes and Impact
The expected outcome from this work is have providers benefit from additional resources to improve their programs.

SMART GOAL SIX – COMPILE A LIST OF AREA BUSINESSES FOR CHILD CARE PROVIDERS TO REACH OUT TO RESEARCH SLOTS

CORE TEAM LEAD – Shawntel Gruba

Expected Outcomes and Impact
The expected outcome from this work is have providers benefit from additional resources to improve their programs.
ABOUT FIRST CHILDREN’S FINANCE

Founded in 1991, First Children’s Finance is a multi-state nonprofit organization. We work with communities, and early care and education businesses to increase the supply of high quality early care and education in urban and rural areas. We do this through business management training, one-on-one consulting, and financing. For more information about First Children’s Finance, please visit: www.firstchildrensfinance.org

If you are having difficulties viewing this document please contact First Children’s Finance, Jessica Beyer at jessica@firstchildrensfinance.org