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 from solution development to implementation.

Please visit www.ruralchildcare.org for continued updates on community progress.

Minnesota State Director
Suzanne Pearl

Program Lead
Joan Berntson,
Business Development Specialist

Contributing Members
Jessica Beyer,
Business Development Manager
Kari Stattelman,
Business Development Specialist
<table>
<thead>
<tr>
<th>TABLE OF CONTENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>EXECUTIVE SUMMARY</td>
</tr>
<tr>
<td>IMPORTANCE OF HIGH QUALITY CHILD CARE</td>
</tr>
<tr>
<td>THE RURAL CHILD CARE INNOVATION PROGRAM</td>
</tr>
<tr>
<td>ABOUT WARREN, MINNESOTA</td>
</tr>
<tr>
<td>CHILD CARE DATA &amp; EARLY EDUCATION TRENDS</td>
</tr>
<tr>
<td>COMMUNITY INSIGHTS</td>
</tr>
<tr>
<td>TOWN HALL MEETING &amp; GATHERING</td>
</tr>
<tr>
<td>IMPLEMENTATION PROJECT</td>
</tr>
<tr>
<td>ABOUT FIRST CHILDREN’S FINANCE</td>
</tr>
</tbody>
</table>
“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 Warren, MN 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 Warren, 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 within a 20 mile radius of Warren, MN, First Children’s Finance conducted a Supply Demand Gap Analysis and community survey, which showed a child care shortage of 187 slots. It is 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 Warren. Nearly 31% 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 Warren include significant child care workforce shortage, and high child care prices in comparison to wages. Furthermore, many family child care providers are retiring or taking other positions.

Through the RCCIP, Warren has identified four goals to address the child care challenges. These goals include:

- Build a new child care center building
- Create a new family child care program with existing space
- Have year round school age child care at the school
- Create incentives and appreciation avenues for family child care providers

In implementing these goals, the Warren RCCIP will improve the state of child care, empower local child care providers through continuous community support, provide parents with more care options, and give providers better resources to run and operate their child care business. In the next 12-18 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 is 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 INNOVATIVE 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.
<table>
<thead>
<tr>
<th>APPLICATION PHASE</th>
<th>ACTIVITIES</th>
<th>TIMING</th>
<th>DETAILS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Webinar</td>
<td>August 6, 2019</td>
<td>Learn about RCCIP, expectations, and ask questions</td>
</tr>
<tr>
<td></td>
<td>Application Opens</td>
<td>July 22, 2019</td>
<td>Send the application, post on website</td>
</tr>
<tr>
<td></td>
<td>Application Deadline</td>
<td>August 21, 2019</td>
<td>Due by 5:00pm</td>
</tr>
<tr>
<td></td>
<td>Follow Up Questions For Applicants</td>
<td>September 6, 2019</td>
<td>FCF will connect by phone or email</td>
</tr>
<tr>
<td></td>
<td>Final Awards Made</td>
<td>September 13, 2019</td>
<td>FCF will notify via email</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PLANNING PHASE</th>
<th>ACTIVITIES</th>
<th>TIMING</th>
<th>DETAILS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Core Team Lead Orientation</td>
<td>September 25, 2019</td>
<td>Webinar with Core team leaders to set expectations</td>
</tr>
<tr>
<td></td>
<td>Core Team Orientation Retreat (6 hrs)</td>
<td>October 30, 2019</td>
<td>Face-to-face meeting to discuss RCCIP details and expectations</td>
</tr>
<tr>
<td></td>
<td>Core Team Planning Meeting (2 hrs)</td>
<td>November 13, 2019</td>
<td>Face-to-face meeting to map out community engagement activities and fully develop the timeline</td>
</tr>
<tr>
<td></td>
<td>Data Gathering &amp; Community Engagement Activities</td>
<td>November 2019 - January 2020</td>
<td>Core Team engages community in gathering data and makes community aware of their work</td>
</tr>
<tr>
<td></td>
<td>Child Care Appreciation Dinner</td>
<td>December 16, 2019</td>
<td>Dinner is organized to recognize and appreciate providers in the community</td>
</tr>
<tr>
<td></td>
<td>Synthesize Data</td>
<td>January 2020</td>
<td>FCF synthesizes data into useful info for Town Hall meeting</td>
</tr>
<tr>
<td></td>
<td>Planning Meeting for Town Hall (1 hr)</td>
<td>January 29, 2020</td>
<td>Core Team planning for the Town Hall meeting</td>
</tr>
<tr>
<td></td>
<td>Child Care Provider Recruitment</td>
<td>On-going</td>
<td>Recruit providers to participate in business trainings and one-on-one consultation conducted by FCF</td>
</tr>
<tr>
<td></td>
<td>Business Cohort</td>
<td>TBD</td>
<td>Series of business trainings and one-on-one consultation conducted by FCF</td>
</tr>
<tr>
<td></td>
<td>Town Hall Event</td>
<td>February 13, 2020</td>
<td>Community wide event to identify and develop projects</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>IMPLEMENTATION PHASE</th>
<th>ACTIVITIES</th>
<th>TIMING</th>
<th>DETAILS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Organization of Town Hall Ideas</td>
<td>February 2020</td>
<td>FCF staff organizes Town Hall ideas into a workable format</td>
</tr>
<tr>
<td></td>
<td>Implementation Planning Retreat (4 hrs)</td>
<td>February 21, 2020 &amp; March 6, 2020</td>
<td>Face-to-face meeting to prioritize goals; develop SMART goals and map out implementation activities, Plan for the Community Launch</td>
</tr>
<tr>
<td></td>
<td>Core Team Lead Meeting</td>
<td>March 16, 2020</td>
<td>Webinar with core team leads from this year’s RCCIP communities to network and share Town Hall outcomes</td>
</tr>
<tr>
<td></td>
<td>Community Solution Action Plan (CSAP)</td>
<td>April 2020</td>
<td>FCF creates report detailing community data, types of solutions, and community identified projects</td>
</tr>
<tr>
<td></td>
<td>Community Launch of CSAP</td>
<td>TBD</td>
<td>Press release to share the CSAP</td>
</tr>
<tr>
<td></td>
<td>Regular Core Team Meetings</td>
<td>June 2020-May 2021</td>
<td>Updates from project teams to the core team; frequency determined by core team; facilitated by Core team lead</td>
</tr>
<tr>
<td></td>
<td>Quarterly Updates</td>
<td>June 2020-May 2021</td>
<td>Core team lead provides written quarterly updates to FCF</td>
</tr>
<tr>
<td></td>
<td>Regular Project Team Meetings</td>
<td>June 2020-May 2021</td>
<td>Project teams meet to implement community solutions; facilitated by project team lead</td>
</tr>
<tr>
<td></td>
<td>Technical Assistance Support</td>
<td>June 2020-May 2021</td>
<td>FCF provides Technical Assistance when needed</td>
</tr>
<tr>
<td></td>
<td>Final Report</td>
<td>June 2021</td>
<td>Core Team leader submits final written report to FCF</td>
</tr>
<tr>
<td></td>
<td>Celebration</td>
<td>June 2021</td>
<td>Core Team celebrates its success</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.
- First Children’s Finance will provide 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 WARREN, MINNESOTA

Warren is a rural community in Northwestern Minnesota with approximately 1,600 people. It is transforming from an agricultural community to a bedroom community for surrounding regional centers. It has a thriving retail and medical community and the school district is experiencing increasing enrollment.

LOCAL CORE TEAM REPRESENTATION

The Core Team was identified locally and asked to commit to investigating the child care challenges in Warren. 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.

- Shannon Mortenson, City of Warren, Core Team Lead
- Lindsey Buegler, Phil Thompson & Associates
- Ashley Fredrickson, North Valley Public Health
- Tyler Golden, Northern Plains Track
- Sara Kazmierczak, North Valley Health Center
- Chris Kujava, Marshall County Social Services
- Phil Thompson, Phil Thompson & Associates
- Chad Truemer, Bremer Bank
- Kirk Thorstenson, W/A/O School District
- Amanda Wimpfheimer, W/A/O School District
CHILD CARE DATA AND EARLY EDUCATION TRENDS

As part of the Rural Child Care Innovation Program, the local community was provided with various forms of data 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, School District Census information and other internal research tools including First Children's Finance data.

POTENTIAL NEED OVERVIEW

First Children’s Finance conducted a Supply Demand Gap Analysis which provided a view of potential child care needs.

When analyzing the data we look at a range of slots, this gives us the best picture of need in the community. The Supply Demand Gap Analysis for Warren dated October 15, 2019, showed a shortage range of 85-207 slots for children birth to five with all available parents in the workforce. Narrowing that down even further, the data shows that roughly 18% of the slots needed are for infants and toddlers.

When asked about how long providers plan to stay in business, 66% of providers said they are planning on staying in business less than 3 years, while the survey indicated that 33% said they are planning on staying in business for 10 plus years. This is important for Warren to think about ways to retain family child care providers as well as building more slots within the community.
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. Parent Aware is Minnesota’s Quality Rating and Improvement System that identifies programs that go above and beyond the general licensing requirements to obtain higher quality in their child care programs. Marshall County and Minnesota Star Rated Child Care Programs:

The chart above demonstrates that child care providers in Marshall County lag behind 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.
Child care is a large investment for families with children. A market rate survey of child care providers was accessed as part of the RCCIP to provide information about parents’ 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. This number means 25% of child care programs charge more than this number and 75% of child care programs charge less.

Area Market Rates – Marshall County:

<table>
<thead>
<tr>
<th>AGE GROUP - CHILD CARE CENTER</th>
<th>WEEKLY RATE</th>
<th>ANNUAL TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>75TH PERCENTILE - INFANT WEEKLY</td>
<td>$195</td>
<td>$10,140</td>
</tr>
<tr>
<td>75TH PERCENTILE - TODDLER WEEKLY</td>
<td>$170</td>
<td>$8,840</td>
</tr>
<tr>
<td>75TH PERCENTILE - PRESCHOOL WEEKLY</td>
<td>$160</td>
<td>$8,320</td>
</tr>
<tr>
<td>75TH PERCENTILE - SCHOOL AGE WEEKLY</td>
<td>$162.50</td>
<td>$8,450</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>AGE GROUP - FAMILY CHILD CARE</th>
<th>WEEKLY RATE</th>
<th>ANNUAL TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>75TH PERCENTILE - INFANT WEEKLY</td>
<td>$125</td>
<td>$6,500</td>
</tr>
<tr>
<td>75TH PERCENTILE - TODDLER WEEKLY</td>
<td>$120</td>
<td>$6,240</td>
</tr>
<tr>
<td>75TH PERCENTILE - PRESCHOOL WEEKLY</td>
<td>$120</td>
<td>$6,240</td>
</tr>
<tr>
<td>75TH PERCENTILE - SCHOOL AGE WEEKLY</td>
<td>$112.50</td>
<td>$5,850</td>
</tr>
</tbody>
</table>

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 a 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>2018 PROFICIENCY RATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Warren/Alvarado/Oslo # 2176</td>
<td>51.3%</td>
</tr>
<tr>
<td>Statewide</td>
<td>56.2%</td>
</tr>
</tbody>
</table>

*Minnesota Department of Education Report Card*

**Local Graduation Rates**

<table>
<thead>
<tr>
<th>DISTRICT</th>
<th>2018 PROFICIENCY RATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Warren/Alvarado/Oslo # 2176</td>
<td>96.4%</td>
</tr>
<tr>
<td>Statewide</td>
<td>83.2%</td>
</tr>
</tbody>
</table>

*Minnesota Department of Education Report Card*

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 Information – Marshall County**

<table>
<thead>
<tr>
<th>Description</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Population Living Below Poverty Threshold in Last 12 Months</td>
<td>7.5%</td>
</tr>
<tr>
<td>Related Children Under Age 18 Living with Income Below Poverty Threshold</td>
<td>8.4%</td>
</tr>
<tr>
<td>Families With Related Children Under Age 5 Living Below Poverty Threshold</td>
<td>4.8%</td>
</tr>
</tbody>
</table>

*U.S. Census American Community Survey 2018*
Household Income – Marshall County

<table>
<thead>
<tr>
<th>TOTAL HOUSEHOLDS ACS</th>
<th>720</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL HOUSEHOLD INCOME &amp; BENEFITS (2017 INFLATION-ADJUSTED DOLLARS)</td>
<td># OF HOUSEHOLDS</td>
</tr>
<tr>
<td>Less than $10,000</td>
<td>55</td>
</tr>
<tr>
<td>$10,000 to $14,999</td>
<td>35</td>
</tr>
<tr>
<td>$15,000 to $24,999</td>
<td>53</td>
</tr>
<tr>
<td>$25,000 to $34,999</td>
<td>71</td>
</tr>
<tr>
<td>$35,000 to $49,999</td>
<td>126</td>
</tr>
<tr>
<td>$50,000 to $74,999</td>
<td>153</td>
</tr>
<tr>
<td>$75,000 to $99,999</td>
<td>121</td>
</tr>
<tr>
<td>$100,000 to $149,999</td>
<td>57</td>
</tr>
<tr>
<td>$150,000 to $199,999</td>
<td>29</td>
</tr>
<tr>
<td>$200,000 or more</td>
<td>20</td>
</tr>
</tbody>
</table>

MEDIAN HOUSEHOLD INCOME $53,571

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 – Marshall County

2.8% Unemployment Rate

October 2019

Source: DEED Labor Market Information Office
Local Area Unemployment Statistics (LAUS)
Top Local Industries – Marshall County

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

<table>
<thead>
<tr>
<th>Industry</th>
<th>Number of Jobs</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Educational Services, and Health Care and Social Assistance</td>
<td>194</td>
<td>24.2%</td>
</tr>
<tr>
<td>Retail Trades</td>
<td>86</td>
<td>12.1%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>64</td>
<td>9%</td>
</tr>
</tbody>
</table>

通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, electronic surveys of parents, providers, and employers, focus groups, and presentations about child care. Through these various inputs, the Core Team was able to better understand the underlying causes of 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 Warren, MN community. Over 120 individuals participated in the community survey and 99 providers participated in separate surveys specific for child care providers. In addition 16 businesses responded to the employer survey.

The following charts 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 32% of parents indicated that they were traveling more than 11 miles one way for child care.

**Perceptions: Quality of Available Child Care in the Local Area**

While specific questions about quality were not part of this survey, it was noted that there is disconnect between parents’ perceptions and how child care providers and employers perceive the availability of high quality child care in the area. When parents 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. Conveniently located
3. Educational curriculum
4. Licensed by DHS
5. Provider is someone I know
6. Provider has high level of education
7. Provider is Parent Aware rated

**Reasons for Not Enrolling in Preferred Care**

- Chosen to be a stay at home parent: 24%
- Can’t afford it: 11%
- Adjusting schedules: 14%
- Can’t find an appropriate option: 16%
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 or work different shifts, and tardiness to work. From the employer survey, 75% of employers responded that the lack of childcare impacted their ability to attract employees and 60% stated that it has had an impact on their ability to retain employees. 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 – Warren Area

Has the availability of your preferred child care option impacted your decision to have another child and/or limit the size of your family?

In addition to the impact on family planning, child care shortages can also impact the local employment environment. In the survey, nearly 31% of parents had declined employment or withdrawn from the workforce due to child care issues.
UNDERSTANDING THE UNDERLYING CHALLENGES

The Core Team in Warren, MN spent several months investigating the underlying reasons for 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 Warren, MN:

IT IS CHALLENGING TO BE A CHILD CARE PROVIDER

- Low pay for a high stress job
- Center can’t find and keep good quality workers
- No benefits: such as health insurance, retirement savings, or PTO for providers
- Burnout is a factor for center staff and home based providers
- Child care as a profession is not respected
- Parents don’t treat providers as a business

“Being a provider has lost its appeal to many, due to regulations, startup and maintenance costs.”
- Local Provider

The challenges of being a family child care provider or running a child care center are well-documented. 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 community support which can lead to issues with sustainability. Child care providers have a tough job – one that can come with few benefits or recognition.

QUALITY AND REGULATIONS: TWO SIDES OF ONE COIN

- Frustration with paperwork and rules
- Highly regulated business
- It feels like the rules are constantly changing
- Parents want their children to be in care that is safe
- Regulations are a barrier for potential family providers
- Regulations are necessary and serve the purpose of keeping our children safe

“Licensing requirements to get started are unbelievable. The amount of work is extremely intimidating and inhibits day care from opening.”
- Local Provider

Parents indicated their interest in having more choices of quality licensed child care programs available to select from. While some of this desire is for new child care offerings, many also wanted enhanced offerings within existing child care. Leveraging interaction and engagement with existing child care programs and families can provide additional insights to support and understand child care programs within the area. As child care quality increases, the community should expect increased family and community investments in child care.
HIGH COST AND LOW AVAILABILITY OF CHILD CARE

- All families could use child care assistance (they have student loans, mortgages, car loans, and other high costs)
- Ask taxpayers to subsidize child care
- Parents are trying to line up infant care in early pregnancy, but some are on waiting lists for up to 2 years
- Many families are struggling to find and afford child care in the local community
- Parents are limiting their family size because of the cost and low availability of child care

“I hope that affordability is kept in mind as Warren isn’t a super wealthy community to begin with.” - Local Parent

There is no clear answer to the ongoing challenge of cost of care versus family investment to get quality child care. Additional support in 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.

CHILD CARE WORK FORCE SHORTAGE

- Fewer family child care providers are opening child care businesses
- Current family providers are retiring
- Difficult for child care centers to hire qualified teachers and aides
- Retention of staff for the center has been an ongoing challenge

“Our center is constantly on the verge of closing due to lack of funds and employees. The in-home providers are quitting because of over regulation and the long hours with little pay. No one wants to be in this business anymore.” - Local Parent
TOWN HALL MEETING

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 child care challenges in the local community.

COMMUNITY DEVELOPED SOLUTIONS

YEAR ROUND SCHOOL AGE CARE AT SCHOOL
- Open more slots of child care
- Provide summer care for school age children
- Child care work experience for high school students

POLICY CHANGES, INFORM STATE LEADERS ABOUT THE CHILD CARE CRISIS
- More County power & resources
- Reduce regulations and training requirements
- More state funding or tax incentives
- More funding and decrease paperwork for food program
- Child care providers eligible for state benefits & retirement
- Federal tax credit for providers
- Federal help for parents to pay child care costs
- Student loan forgiveness for Early Childhood degrees

UTILIZE CHURCHES FOR CHILD CARE
- Community short term solution
- Family child care licenses

BUILD NEW CHILD CENTER BUILDING, OR RENOVATE EXISTING BUILDING
- A viable child care center correlates with growth of the community
- Room for all kids
- Economies of scale
- New larger child care center
- Old hospital, church, or assisted living
- Drop in care
- Employer on-site child care

CITY INCENTIVES
- Utility discounts or incentives
- Tax incentives for child care providers
- City paid health insurance for child care providers
- City pays for child care fees
- Family child care businesses located in city owned homes or buildings
- City grants or loans for windows, fence, or other start-up costs
- City bonuses for each year in business
- Transportation and incentives for activities
- Substitute worker/s approved city wide
- Child Care Co-op with providers and city/county
FINANCING

- No-interest loans
- Businesses invest in child care business
- Grants for start-up to get home up to code
- Info to providers about state and local grants
- Gaming rights in Marshall County
- Employers sponsor child care slots for their employees
- Child Care Aware grants, Teach Scholarships, Retain bonuses

PROVIDER APPRECIATION AND TRAINING

- Trainings
- Child Care Appreciation events
- Grandparents programs to help child care businesses
- Child Care Association for collaborations
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 - By 2022 Build a New Child Care Center Building

Build a new larger building that can accommodate more child care slots and possibly a Head Start program as well.

**Expected Outcomes and Impact**
- Increase availability of infant and toddler slots
- Increase availability of Pre-K slots
- Allow for intergenerational care if the building is attached to the Assisted Living
- Possible school age care in the summer

**Core Team Lead** – Lindsey Buegler

**Additional Core Team Members** – Tyler Golden, Shannon Mortenson (WEDA)

SMART Goal Two - Create a New Family Child Care Program with Existing Space by August 2020

Utilizing a church or home, begin a new family child care program that could be opened quickly to help address the immediate need for additional child care slots.

**Expected Outcomes and Impact**
- Open more child care slots
- Give parents more options of licensed child care
- Economic benefit to the church/home owner/building owner
- Bring or keep families in the community
- Quicker start for a child care business

**Core Team Lead** – Kirk Thorstenson, Shannon Mortenson

**Additional Core Team Members** – Core Team
SMART Goal Three - By Summer 2021 Have Year Round School Age Child Care at the School

Work with the School Board to create a school age child care program that would be available all year. Utilized for kindergarten through 6th grade children.

Expected Outcomes and Impact

- School age care available in the summer
- Families will stay in the district if they have school age care available
- Kids will have access to summer programming
- Will open slots in family child care programs for younger children
- Will provide more structure for children who might otherwise be at home alone
- Affordable school age care

Core Team Lead – Kirk Thorstenson
Additional Core Team Members – Core Team

SMART Goal Four - Create Incentives and Appreciation Avenues for Family Child Care Providers

Increase incentives and appreciation options for local family child care providers.

Expected Outcomes and Impact

- Increase sustainability of family child care programs
- Create new family child care programs
- Rewarding and appreciating child care businesses
- Quick win

Core Team Lead – Shannon Mortenson
Additional Core Team Members – Core Team
The Rural Child Care Innovation Program is possible due to generous funding from the Minnesota Department of Human Services.

Founded in 1991, First Children’s Finance is a national nonprofit organization based in Minneapolis, Minnesota with regional offices in Iowa and Michigan. First Children’s Finance works to stabilize, improve and expand high-quality child care businesses serving low and moderate-income families.

First Children’s Finance provides financing, child care business training and consulting, and build partnerships that connect child care businesses with the resources and expertise of the public and private sectors.

First Children’s Finance understands the issues and challenges child care businesses face in today’s world. We have industry-specific expertise and a shared commitment to the success of child care.

In addition, First Children’s Finance aligns its work with child care leaders, businesses and regional initiatives that are committed to quality. We define quality as the creation of environments that support healthy brain development for young children to enhance early learning. First Children’s Finance brings a unique perspective, approach, and experience to providing business, planning and financial assistance to our child care and economic development partners.

For more information about First Children’s Finance visit www.firstchildrensfinance.org