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
Teri Steckelberg, Business Development Manager

Contributing Members
Joan Berntson, Business Development Specialist
“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

Through the RCCIP, Winona County has identified three goals to address the child care challenges. These goals include:

- Creating a child care hub
- Providing resources for existing providers
- Providing resources for child care start-ups

In implementing these goals, the Winona County RCCIP 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 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 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 Winona County 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 Winona County, 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 Winona County, First Children’s Finance conducted a Supply Demand Gap Analysis and community surveys, which showed a child care shortage of 515 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 Winona County. Nearly 29% 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 Winona County include the growing number of requirements on both centers and home providers, long hours, and a lack of benefits for providers. Furthermore, there is a lack of qualified providers and staff in the area.

To understand the potential need for child care in Winona County, First Children’s Finance conducted a Supply Demand Gap Analysis and community surveys, which showed a child care shortage of 515 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 Winona County. Nearly 29% 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 Winona County include the growing number of requirements on both centers and home providers, long hours, and a lack of benefits for providers. Furthermore, there is a lack of qualified providers and staff in the area.
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 29, 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 11, 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</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>November 2, 2019</td>
<td>Dinner is organized to recognize and appreciate providers in the community</td>
</tr>
<tr>
<td></td>
<td>Synthesize Data</td>
<td>December 2019</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>December 16, 2019</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>January 7, 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 25, 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 access to 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 WINONA COUNTY

Winona County is a rural community in Southeast Minnesota with approximately 50,825 people and includes the towns of Winona, Goodview, Minnesota City, Minneiska, Rollingstone, Stockton, Lewiston, Utica, Ridgeway, Witoka and Dakota.

The median household income as of 2018 is $55,529. Approximately 93.7% of the population is white alone, 1.9% is Black or African American alone, 0.5% is American Indian or Alaska Native alone, 2.7% is Asian alone, and 3.1% is Hispanic or Latino alone. There is a slow increase of citizens that are foreign born residents.

Overall the Southeastern region of Minnesota is projected to see a decline in population over the next 20 years. However, the projections estimate a 16.6% bump in children under the age of 5. In the Regional Profile for Southeastern Minnesota, the DEED Labor Market Information office states one of Southeastern Minnesota's most significant barrier to future economic growth is the tight labor market and a growing scarcity of workers.

Couple that with a continued shortage of child care options in the county, Winona County can expect a continued challenge in available labor force.
The Core Team was identified locally and asked to commit to investigating the child care challenges in Winona County. 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.

- Ann Riebel, Core Team Lead- WAPS Community Education
- Alexa Shapiro- Winona YMCA
- Angie Lepsch – WAPS ECSE
- Beth Stanford – SEMCAC Head Start
- Bree Maki, Lewiston-Altura School Board
- Brian Voerding – Engage Winona
- Chris Meyer – Winona County Commissioner
- Christie Ransom – Winona Area Chamber of Commerce
- Deb McClellan – Live Well Winona
- Gwen Lynch – Families First of Minnesota
- Heather Millard – WAPS ECFE
- Jackie Paulson – Main Square Montessori
- Janneke Sobeck – Winona YMCA
- Jenny Losinski – Winona County Child Care Licensor
- Kelli Loveless – Lewiston-Altura Schools –Cardinal Club
- Kelly Dicke – Central Lutheran Church Child Care Center
- Linda Jacobs – WAPS Community Education
- Melissa Price-Zeches – DiscoverTree Child Care Center
- Michaela Newell – Fastenal
- Nick Larson – City of Winona
- Cassie Stratton – WSU Children’s Center
- Vicky Greden – Lewiston-Altura Schools – Early Childhood

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.
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 Winona County dated October 1, 2019 shows a shortage range of 515 to 568 slots for children birth to five with all available parents in the workforce. Narrowing that down even further, that data shows that roughly 31% of the slots needed are for infants and toddlers.

When asked about how long providers plan to stay in business 15.69% of family providers said they are planning on staying in business less than 3 years, while 13.73% said they are planning on staying in business for 3-5 years. The survey indicated that 23.53% of providers are planning on staying in business 6-9 years, while 47.06% said they are planning on staying for 10 plus years. It is important for Winona County to think about ways to retain family child care providers as well as building more slots within the community.

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 vast experience & knowledge.
- The number of providers with more than 20 years of experience is significantly higher than the state average with nearly 37% of providers falling in that category.
- 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.
QUALITY CHILD CARE OVERVIEW

First Children’s Finance examined statewide 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.

The chart above demonstrates that child care providers in Winona County lag behind the state average when it comes to Parent Aware enrollment. This is a critical component when we evaluate the quality of 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 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.

<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>$213</td>
<td>$11,076</td>
</tr>
<tr>
<td>75TH PERCENTILE - TODDLER WEEKLY</td>
<td>$199</td>
<td>$10,348</td>
</tr>
<tr>
<td>75TH PERCENTILE - PRESCHOOL WEEKLY</td>
<td>$175</td>
<td>$9,100</td>
</tr>
<tr>
<td>75TH PERCENTILE - SCHOOL AGE WEEKLY</td>
<td>$151</td>
<td>$7,852</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>$140</td>
<td>$7,280</td>
</tr>
<tr>
<td>75TH PERCENTILE - TODDLER WEEKLY</td>
<td>$135</td>
<td>$7,020</td>
</tr>
<tr>
<td>75TH PERCENTILE - PRESCHOOL WEEKLY</td>
<td>$130</td>
<td>$6,760</td>
</tr>
<tr>
<td>75TH PERCENTILE - SCHOOL AGE WEEKLY</td>
<td>$128</td>
<td>$6,656</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 indicating 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 in high school, engagement in higher education, and teen pregnancy.

**Third Grade Reading Levels**

<table>
<thead>
<tr>
<th>DISTRICT</th>
<th>2019 PROFICIENCY RATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lewiston-Altura #857</td>
<td>69.6%</td>
</tr>
<tr>
<td>St. Charles #858</td>
<td>54.1%</td>
</tr>
<tr>
<td>Winona #861</td>
<td>42.1%</td>
</tr>
<tr>
<td><strong>Statewide</strong></td>
<td><strong>55.0%</strong></td>
</tr>
</tbody>
</table>

*Minnesota Department of Education Report Card*

**Local Graduation Rates**

<table>
<thead>
<tr>
<th>DISTRICT</th>
<th>2019 PROFICIENCY RATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lewiston-Altura #857</td>
<td>95.2%</td>
</tr>
<tr>
<td>St. Charles #858</td>
<td>89.6%</td>
</tr>
<tr>
<td>Winona #861</td>
<td>79.2%</td>
</tr>
<tr>
<td><strong>Statewide</strong></td>
<td><strong>83.2%</strong></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 – Winona County**

<table>
<thead>
<tr>
<th>Metric</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Population Living Below Poverty Threshold in Last 12 Months</td>
<td>14.5%</td>
</tr>
<tr>
<td>Related Children Under Age 18 Living with Income Below Poverty Threshold</td>
<td>11.9%</td>
</tr>
<tr>
<td>Families With Related Children Under Age 5 Living Below Poverty Threshold</td>
<td>14.7%</td>
</tr>
</tbody>
</table>

*U.S. Census American Community Survey 2017*
### Household Income – Winona County

<table>
<thead>
<tr>
<th>TOTAL HOUSEHOLD INCOME &amp; BENEFITS (2017 INFLATION-ADJUSTED DOLLARS)</th>
<th># OF HOUSEHOLDS</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than $10,000</td>
<td>1304</td>
<td>6.8%</td>
</tr>
<tr>
<td>$10,000 to $14,999</td>
<td>1032</td>
<td>5.4%</td>
</tr>
<tr>
<td>$15,000 to $24,999</td>
<td>1905</td>
<td>9.9%</td>
</tr>
<tr>
<td>$25,000 to $34,999</td>
<td>1945</td>
<td>10.1%</td>
</tr>
<tr>
<td>$35,000 to $49,999</td>
<td>2803</td>
<td>14.6%</td>
</tr>
<tr>
<td>$50,000 to $74,999</td>
<td>3861</td>
<td>20.1%</td>
</tr>
<tr>
<td>$75,000 to $99,999</td>
<td>2561</td>
<td>13.3%</td>
</tr>
<tr>
<td>$100,000 to $149,999</td>
<td>2563</td>
<td>13.3%</td>
</tr>
<tr>
<td>$150,000 to $199,999</td>
<td>698</td>
<td>3.6%</td>
</tr>
<tr>
<td>$200,000 or more</td>
<td>556</td>
<td>2.9%</td>
</tr>
</tbody>
</table>

**MEDIAN HOUSEHOLD INCOME**  
$53,975

U.S. Census American Community Survey 2017

### 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.

**Unemployment Rates - Winona County**

3.0% Unemployment Rate

[Graph showing unemployment rates from 1990 to 2019 for the U.S., Minnesota, and Winona County.]
Top Local Industries – Winona 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.

<table>
<thead>
<tr>
<th>Industry</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Educational Services, and Health Care a &amp; Social Assistance</td>
<td>7,753</td>
<td>27.1%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>5,786</td>
<td>20.2%</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>3,421</td>
<td>12.0%</td>
</tr>
</tbody>
</table>

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 businesses, 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, providers and employers were invited to participate in a comprehensive survey about child care in the local Winona County, MN community. Over 495 individuals participated in the community survey and over 52 providers participated in a separate survey specific for child care providers. Furthermore, 41 employers participated in a survey specific to their needs for child care.

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 15% of respondents indicated they were traveling more than 11 miles 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 there is agreement 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 Preferred Care

- Chosen to be a stay at home parent: 15%
- Can't afford it: 15%
- Adjusting schedules: 21%
- Can't find an appropriate option: 8%
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 a flexible schedule or work different shifts, and tardiness to work. From the employer survey, 29% of employers responded that the lack of child care impacted their ability to attract employees and 34% stated that it has an impact on retaining 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 - Winona County 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 29% of parents had declined employment or withdrawn from the workforce due to child care issues.
UNDERSTANDING THE UNDERLYING CHALLENGES

The Core Team in Winona County 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 Winona County:

IT IS CHALLENGING TO BE A CHILD CARE PROVIDER

- The profit margin in child care is thin
- Centers can’t find and keep good quality workers
- No benefits such as health insurance, retirement savings or PTO for providers
- Long hours
- Lack of access to trainings locally
- School based preschool offerings are taking 3-5 year olds away from providers making it difficult to break even

“It is very long hours of not only watching children but being the janitor, chef, bookkeeper, and teacher. You wear many hats with not many benefits.”
- Local Provider

QUALITY & REGULATIONS: TWO SIDES OF ONE COIN

- Parents have concerns about the care their children receive
- Parents want high quality environments with a curriculum
- Licensing ratios for the number of infants and toddlers a provider can care for make it impossible to break even
- Growing number of requirements & regulations for centers and home providers

“I’m concerned with the growing number of requirements for both centers and home providers. The record keeping aspect is becoming overwhelming and time consuming.”
- Local Provider

HIGH COST AND LOW AVAILABILITY OF CHILD CARE

- Some families make too much for child care assistance but not enough to pay for care plus their bills
- Employers see the need to provide flexibility to schedules when possible to accommodate lack of child care
- Employers are being impacted by the lack of child care
- Parents are trying to line up infant care in early pregnancy or before they become pregnant, but some are on waiting lists for up to 2 years
- Parents are taking longer maternity/paternity leave because of a lack of openings for infants

“My spouse and I adjusted our work schedules so one of us was always available to be with the kids because of the lack of availability and the cost of child care.”
- Local Parent
• Parents that want non-religious center options struggle with long waitlists
• Limited access to care that offers an educational curriculum
• Infant care is extremely difficult to find
• Community has jobs that have “odd” working hours & it’s difficult to find care to match those hours
• Difficult to find part-time care
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 the child care challenges in the local community.

COMMUNITY DEVELOPED SOLUTIONS

COMMUNITY SUPPORT
- Add busing to child cares
- Community marketing of open slots
- Child Care Association
- Community funding for infant/toddler care

COMMUNITY EDUCATION
- Educate the community on importance of Birth to 3
- Educate community on the importance of child care and that providers are professionals and business owners
- Communicate with physicians, providers, & support agencies

SUPPORT FOR NEW CHILD CARE START UPS
- Find a business with space available
- Connect people with resources to people with need

PROVIDERS SUPPORT
- Hub for support services for providers

LEGISLATIVE SUPPORT
- Funding to incentivize care for infants & children with special needs
- Regulation changes
- Simplification of paperwork

TRAINING
- Free CPR & First Aid training
- Repeat Linda Jacobs training (child care conference)
- Improve availability of substitute providers

INFANT CARE
- Center doing only infant & toddler care
- Make caring for an infant more appealing for providers
- Research why providers are leaving the field

BUSINESS SUPPORT
- Local businesses sponsor centers
- Pooled benefits for providers and center staff
- Business base assistance for slots
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 – Child Care Hub**

This SMART goal is long term. The group has tabled its development until goals 2 & 3 are established.

**Expected Outcomes and Impact**

A one stop shop will exist for parents, providers & partners to access and distribute resources around child care.

**Project Team Lead** – TBD

**Team Members** – TBD

**SMART Goal Two - Existing Provider Resources**

To provide new and continued resources to help keep existing child care providers in business

**Expected Outcomes and Impact**

Have a sustainable and accessible list of early childhood education options in Winona County and reduce costs for providers.

**Project Team Lead** – Linda Jacobs

**Team Members** – Linda Jacobs, Deb McClellan, Cassie Stratton, Beth Stanford & Jenny Losinski

**SMART Goal Three – New Child Care Resources**

Identify space and funding for start-up and/or expansion of child care in Winona County.

**Expected Outcomes and Impact**

Increase and maintain child care slots in Winona County.

**Project Team Lead** – Ann Riebel

**Team Members** – Nick Larson, Angie Lepsch, Ann Riebel, Heather Millard, Janneke Sobeck & Katie
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