RURAL CHILD CARE
INNOVATION PROGRAM

COMMUNITY SOLUTION ACTION PLAN
FOR CHILD CARE

Benzie County, Michigan
September 12, 2022
The Rural Child Care Innovation Program is supported by the Michigan Preschool Development Grant, award number 90TP0055-02-00, from the Office of Child Care, Administration for Children and Families, U.S. Department of Health, and Human Services. Its contents are solely the responsibility of the authors and do not necessarily represent the official views of the Office of Child Care, the Administration for Children and Families, or the U.S. Department of Health and 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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**Program Leads**
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**Contributing Members:**
CARE for Benzie Core Team
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“If employees cannot find quality care for their children, they won’t work for you. They won’t move to your community, or they will 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 Michigan’s rural communities. The goal of RCCIP is to help communities identify the scope and size of their childcare challenges, and to empower and support communities to develop solutions to address these challenges.

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

To understand the potential need of childcare in Benzie County, First Children’s Finance conducted a Supply and Demand Gap Analysis and community survey, which showed a childcare shortage of 442 slots (includes Head Start, Great Start Readiness Program and any school year early childcare and education program). The analysis revealed that there is a shortage of open/available slots in the immediate vicinity of Benzie County. Out of the 442 spots are needed, there are 384 licensed slots available currently to support the county. Staffing is a significant expense for many childcare programs, resulting in 60-80% of overall expenses. This heavily influences the ability of childcare providers to sustain their childcare operations.

The analysis revealed that the childcare shortage has severely impacted parents living in Benzie County. Nearly 75 percent of survey respondents declined employment or withdrew from the workforce due to childcare 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 childcare shortage in Benzie County include high cost and low availability. Furthermore, there is a lack of resources and funding.

Through the RCCIP, Benzie County has identified goals to address the childcare challenges. These goals include:

1. Communication Model that encompasses technology to develop a central hub of information related to early childcare and education needs and resources in and around Benzie County.
2. Regular recognition specific for early childhood business owners through the creation of booster clubs and regional community support.
3. Increasing capacity for 3 family/group childcare businesses within the next 2 years (parking lot goal)

In implementing these goals, Benzie County will improve the state of childcare, empower local childcare providers through continuous community support, provide parents with more care options, and providers with better resources to run and operate their childcare business. In the next 4 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 childcare supply, and vice versa. That is why the Rural Child Care Innovation Program addresses childcare and early education challenges through a framework of regional economic development. A robust supply of high-quality childcare 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

Childcare is an economic driver for rural communities across the United States, but many communities are facing shortages of high-quality childcare. The Rural Child Care Innovation Program (RCCIP) 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 Michigan.
## Program Activities & General Timeline

<table>
<thead>
<tr>
<th>PHASE</th>
<th>TIMING</th>
<th>ACTIVITIES</th>
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</table>
| Project Planning | August – September 2021 | • Project planning  
• Marketing and communications strategies to launch awareness of RCCIP launch |
| Project Planning         | September – October 2021 | • Marketing and communication of application; outreach to rural communities as potential applicants  
• Host information webinar  
• Answer questions and offer TA for application components  
• Application deadline |
| Project Planning          | November 2021            | • Review and score applications  
• Determine selections  
• Notify selected communities |
| Discovery              | December 2021–March 2022 | • Launch Core Team onboarding sessions  
• Complete Supply/Demand/Gap analyses for RCCIP communities |
| Discovery              | May 2022 – June 2022    | • Core Teams identify Town Hall dates, begin regular planning meetings and Discovery Phase  
• Provide appreciation events in RCCIP communities  
• ECIC conducts qualitative data collection and analysis  
• FCF preps for Community Solution Action Plans  
• Town Hall logistics confirmed by Core Team, promotion/registration |
| Discovery              | May – June 2022          | • Qualitative data collection analyzed and shared with Core Teams  
• Town Hall logistics set and confirmed by Core Team, promotion/registration  
• Town Hall events hosted |
| Discovery              | July 2022–August 2022    | • Smart goal meeting  
• Community Solution Action Plan (CSAP) drafts created by BDS to include consensus workshop materials  
• Launch community consultation projects |
| Planning               | September 2022          | • Community Solution Action Plan drafts reviewed by Core Teams, preliminary timelines for implementation drafted  
• CSAPs finalized, designed, and published on FCF website  
• Ongoing progress on community consultation projects |
| Implementation         | September 2022 –October 2022 | • Finalize project implementation plans for Core Teams  
• CSAP kickoff events  
• Ongoing progress on community consultation projects |
| Implementation         | October 2022–December 2022 | • Core Team implementation support  
• Technical expertise to community projects as needed  
• Track progress of implementation goals and adjacent initiatives  
• Complete community consultation projects |
| Implementation         | December 2022            | • Prepare final reports |
EXPECTED OUTCOMES AND IMPACT

The Rural Child Care Innovation Program is designed to support fundamental change in the overall condition of child care businesses in the vicinity where child care is delivered. This is accomplished through various methods that include:

• A thorough analysis of the current childcare supply and demand and evaluation of community factors impacting the local childcare supply.
• Events that educate community members about the link between quality childcare, 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 childcare providers and childcare 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 BENZIE COUNTY

Benzie County is a rural community in lower northwestern portion of Michigan bordering Lake Michigan with approximately 17,753 people and with 6 villages and 1 town making up the county. Benzie County is the smallest geographic county in Michigan with 315 square miles and one stoplight. Over 36% of Benzie County is publicly owned land that encompasses Sleeping Bear National Lakeshore and popular tourist attraction Crystal Downs County Club.
The Core Team was identified locally and asked to commit to investigating the childcare challenges in Benzie County. The Core Team has and will continue to support development of solutions to sustain a high quality and sustainable childcare infrastructure in the local area.

<table>
<thead>
<tr>
<th>Member</th>
<th>Affiliation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amanda McLaren</td>
<td>Benzonia Public Library</td>
</tr>
<tr>
<td>Amber Wilson</td>
<td>Early Childhood Benzie Central &amp; Frankfort Schools</td>
</tr>
<tr>
<td>Ashley Stanton</td>
<td>Parent, Whistle Stop Learning Center</td>
</tr>
<tr>
<td>Bethany Dugan</td>
<td>NMCAA Head Start</td>
</tr>
<tr>
<td>Deb Aldridge</td>
<td>Benzie-Leelanau District Health Department</td>
</tr>
<tr>
<td>Erica Canfield</td>
<td>NMCAA Early Head Start</td>
</tr>
<tr>
<td>Gaia Pampu</td>
<td>Grow Benzie</td>
</tr>
<tr>
<td>Jennifer Flohe-Payne</td>
<td>Benzie-Leelanau District Health Department</td>
</tr>
<tr>
<td>Jennifer Kelly</td>
<td>NMCAA Head Start</td>
</tr>
<tr>
<td>Josh Stoltz</td>
<td>Grow Benzie</td>
</tr>
<tr>
<td>Kaitlin Matesich</td>
<td>Benzie Shores District Library</td>
</tr>
<tr>
<td>Kim Micham</td>
<td>Northern Michigan Community Action Agency</td>
</tr>
<tr>
<td>Kimmie Wenkel</td>
<td>Cognition: Discovery and Learning Center</td>
</tr>
<tr>
<td>Laura Bachman</td>
<td>NMCAA Head Start</td>
</tr>
<tr>
<td>Laurie Smith</td>
<td>Benzie Dept. Health and Human Services</td>
</tr>
<tr>
<td>Leanna Caverly</td>
<td>Parent, Early Childhood Educator</td>
</tr>
<tr>
<td>Maggie Bacon</td>
<td>BEST Benzie County Cradle to Career Education Network</td>
</tr>
<tr>
<td>Marcia Landsman</td>
<td>Advocates for Benzie County</td>
</tr>
<tr>
<td>Mariah Kaufman</td>
<td>Benzie-Leelanau District Health Department</td>
</tr>
<tr>
<td>Mary Manner</td>
<td>Great Start Collaborative/Great Start to Quality Northwest Resource</td>
</tr>
<tr>
<td>Missy Smith</td>
<td>Great Start Collaborative</td>
</tr>
<tr>
<td>Rebecca Tanner</td>
<td>First Steps Childcare</td>
</tr>
<tr>
<td>Sarah May</td>
<td>Benzie Human Services Collaborative</td>
</tr>
<tr>
<td>Sue Campana</td>
<td>Betsie Valley Community Center</td>
</tr>
<tr>
<td>Terri Bauman</td>
<td>Great Start to Quality Northwest Resource Center</td>
</tr>
<tr>
<td>Val Gerhart</td>
<td>Advocates for Benzie County</td>
</tr>
</tbody>
</table>
CHILDCARE 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 childcare challenges. First Children’s Finance leveraged different data sources to pull together an illustrative picture of the impact of childcare in the local area. These data sources include US Census Fact Finder, Great Start to Quality Demographic and Programmatic Data pulls, MI School Graduation, Michigan Market Rate Child Care Study, FRED Economic Data, and Reading levels 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 childcare needs.

When analyzing the data, we look at a range of slots, this gives us best picture of need in the community. The Supply Demand Gap Analysis for Benzie County dated June 2022 shows a shortage range of 442 slots for children birth to five with all available parents in the workforce.

When observing the length of service that providers stay in the business, 40% of providers have been in business between 10-20 years and 60% less than 5 years in business. This is important for Benzie County to think about ways to retain family childcare 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 childcare programs that are participating in the Great Start to Quality program.

Great Start to Quality is Michigan’s Quality Rating and Improvement System that identifies programs that go above and beyond the general licensing requirements to obtain higher quality in their childcare programs.

Great Start to Quality Participation in Benzie County vs. The State of Michigan

The chart above demonstrates that childcare providers in Benzie County lag behind the state average when it comes to Great State to Quality enrollment. This is a critical component when we evaluate the quality childcare program offerings in the area.
AVERAGE COST OF CHILD CARE

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

The following chart shows the average cost of childcare investment on a weekly basis at the 75th percentile based on the information gathered from the Michigan 2020 Market Rate Child Care Study that spans all childcare settings. This number means 25% of childcare programs charge more than this number and 75% of childcare programs charge less.

Area Market Rates –Benzie County (Based on 45 hours/52 weeks)

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Weekly Rate</th>
<th>Annual Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>75th Percentile- Infant weekly</td>
<td>$177.40</td>
<td>$9,224.80</td>
</tr>
<tr>
<td>75th Percentile- Toddler Weekly</td>
<td>$177.40</td>
<td>$9,224.80</td>
</tr>
<tr>
<td>75th Percentile- Preschool Weekly</td>
<td>$164.40</td>
<td>$8,548.80</td>
</tr>
<tr>
<td>75th Percentile- School Age Weekly</td>
<td>$155.60</td>
<td>$8,091.20</td>
</tr>
</tbody>
</table>

Though child care rates are high for families, many child care businesses operate on very slim margins due to the high cost of quality staffing and care. Staffing is a significant expense for many childcare 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 (based on the weekly rate from the 2021 Child Care Market Rate Survey).
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 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.

ELA Proficiency Rates

<table>
<thead>
<tr>
<th>District</th>
<th>2020 ELA Proficiency Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frankfort/Elberta</td>
<td>56.4%</td>
</tr>
<tr>
<td>Northwest ISD overall</td>
<td>47.7%</td>
</tr>
<tr>
<td>Statewide</td>
<td>41.6%</td>
</tr>
</tbody>
</table>

Graduation Rates

<table>
<thead>
<tr>
<th>District</th>
<th>2021 Graduation Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frankfort/Elberta</td>
<td>97.14%</td>
</tr>
<tr>
<td>Benzie Central</td>
<td>91.09%</td>
</tr>
<tr>
<td>Statewide</td>
<td>80.47%</td>
</tr>
</tbody>
</table>

(From Michigan Department of Education)

ABILITY TO PAY FOR CHILD CARE

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

Local Poverty Information – Benzie County

<table>
<thead>
<tr>
<th>Measure</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Population Living Below Poverty Threshold</td>
<td>252</td>
</tr>
<tr>
<td>Related Children Under Age 18 Living</td>
<td>21.8%</td>
</tr>
<tr>
<td>Families With Related Child Under Age 5 Living</td>
<td>23%</td>
</tr>
</tbody>
</table>
### Household Income – Benzie County

<table>
<thead>
<tr>
<th>Household Income</th>
<th># of Households</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than $10,000</td>
<td>285</td>
<td>4.2%</td>
</tr>
<tr>
<td>$10,000 to $14,999</td>
<td>319</td>
<td>4.7%</td>
</tr>
<tr>
<td>$15,000 to $24,999</td>
<td>713</td>
<td>10.5%</td>
</tr>
<tr>
<td>$25,000 to $34,999</td>
<td>726</td>
<td>10.7%</td>
</tr>
<tr>
<td>$35,000 to $49,999</td>
<td>984</td>
<td>14.5%</td>
</tr>
<tr>
<td>$50,000 to $74,999</td>
<td>1,236</td>
<td>18.2%</td>
</tr>
<tr>
<td>$75,000 to $99,999</td>
<td>1,134</td>
<td>16.7%</td>
</tr>
<tr>
<td>$100,000 to $149,999</td>
<td>991</td>
<td>14.6%</td>
</tr>
<tr>
<td>$150,000 to $199,999</td>
<td>217</td>
<td>3.3%</td>
</tr>
<tr>
<td>$200,000 or more</td>
<td>190</td>
<td>2.8%</td>
</tr>
<tr>
<td><strong>Total Households</strong></td>
<td><strong>6,792</strong></td>
<td></td>
</tr>
</tbody>
</table>

U.S. Census American Community Survey 2019
In Benzie County, at least 41% of families have only one parent in the workforce. Therefore, employment data was also considered by First Children’s Finance in the analysis of the child care crisis as it can be an indicator that additional child care is needed to support the employment needs of the community.

**Unemployment Rates – Benzie County**

When this initial analysis of data for Benzie County began, the unemployment rate for the country was 5.9% in March 2022 in the middle of the pandemic and the highest the unemployment ever reached was 26.7% at the height of the pandemic. The unemployment rates for Benzie County have decreased to 4.3% as of August 2022. This could indicate a larger need for child care in the community now that families are back to work.

**Top Local Industries – Benzie County**

Employers in the Benzie County Area were invited to participate in the child care conversation and complete surveys because they are impacted by absenteeism and decreased employee productivity when child care is a challenge. Furthermore, many employers have been able to provide valuable insight and resources into child care discussions.
COMMUNITY INSIGHTS

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

COMMUNITY SURVEYS – SELECTED PERSPECTIVES

The general community was invited to participate in a comprehensive survey about childcare in the local Benzie County community. 45 individuals completed the parent survey, 21 local businesses completed the employer survey and 6 early child care business owners completed the provider survey. The following charts represent some highlighted perspectives within the community:

Perceptions: Availability of Child Care in the Local Area

Survey respondents indicated that the availability of childcare didn’t match the need that employers and parents/guardians required to ensure appropriate childcare could be rendered. Nearly 68% parents/guardians indicated that they need childcare and 73% of the parents/guardians are making sacrifices to find childcare.
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 a disconnect between childcare providers and the local community on the availability of high-quality childcare in the area. When survey participants were asked about what is important for them in a childcare program, they ranked their preferences as follows (1 being the most important):

1. Availability
2. Proximity to home/work
3. Cost of care and quality of staff
4. Provider is someone I know and trust
5. Uses an educational curriculum
6. Flexible Hours (Early Morning, Before/After Care, and summer care)

Community and Business Impacts of the Childcare

Beyond families and children, the greater community and local businesses can also be impacted by childcare challenges and issues. Childcare 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 childcare or by businesses relocating to environments with better availability of care. The chart below illustrates how parents/guardians deal with the uncertainty of childcare and how it effects their livelihoods when trying to secure childcare.
Work Issues Occurred Due to Child Care Arrangements in the Last 12 Months

Normal work environments can be adversely impacted when childcare is a challenge for employers and workers. As illustrated, the biggest impact of childcare limitations includes availability of childcare which reflects absenteeism from work (for example, when a provider closes for the day), inability to work a flexible schedule or work different shifts, and tardiness to work.

41% of employers responded that the lack of childcare impacted their ability to attract employees and 24% stated that it has had an impact in retaining employees. A study in 2004 showed the national impact of childcare issues on the economy, and it was valued at over $3 billion dollars annually.

Impact on Family Planning – Benzie County Area

In the survey, nearly 75 percent responded that they require childcare in order to go to work or attend school regularly. There is a direct connection between childcare and the local economy. Without adequate supply of good quality childcare, local employees and employers alike lose out.
TYPES OF CHILDCARE REQUIRED

It is important for the community to understand the type of childcare necessary to provide right size solutions for Benzie County. The survey indicated that more than 65% of parents/guardians need more than the traditional 8am-4pm care that’s offered during the school year.

Parents/guardians are looking for flexible models of care
- 29% need care before 8am
- 13% need care after 6pm
- 11% need care on the weekends
- 49% need care for the summer
UNDERSTANDING THE UNDERLYING CHALLENGES

The Core Team in Benzie County spent several months investigating the underlying reasons for the local childcare 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 childcare system in Availability of Resources:

**FACTOR: Availability**

- Hard to find care that meets family’s needs.
- Overall employers believe there is high quality childcare in the area but availability of care to cover multiple shifts isn’t there.
- Early childcare providers do not feel treated as business owners and parents do not understand the value of the service they offer.
- Most of the childcare facilities have a hefty waitlist.

**QUOTE**

“We’ve lost staff and had potential employees not work here due to childcare issues.”

- Concerned Employer

There are 3 Home, 3 Family and 10 Centers open within the county along with 6 school-based programs that serve 172 kids during the school year. According to the US Census, the villages with the largest expected need are Lake Ann, Interlochen and Benzonia, alone they make up 89% (534 children) of the need in Benzie County. With the data from the community surveys all parties have a better understanding of the needs for services. Not only are more slots needed to meet the supply demand gap but also flexible models to accommodate the needs of parents/guardians.
FACTOR: Proximity to home/work

• Lack of space to expand or operate outside of the home.
• Parents have to choose childcare that’s close to work or home or leave children home with relatives if childcare facilities are at capacity.
• Current ECE owners report there isn’t any infrastructure available within their budgets to expand or grow their programs, not to mention it’s costly.

QUOTE

“Location! There is nowhere to rent and the cost of purchasing a building is unreasonable.”

- Local Early Childcare and Education Business Owner

All of the local ECE business owners surveyed see the following are hindrances to their success within their community: location/space, cost and available and qualified staff. All of the factors mentioned impact ECE business owners’ ability to be sustainable.

The chart above provides a snapshot of Benzie’s economy and how child care is affected. More than 4000 residents of Benzie County work outside of the county. Families have to make a choice to locate child care closer to their employment which removes capital from the local economy when there aren’t enough facilities in the immediate area to accommodate the family needs.
FACTOR: Affordability (Cost of Care)

- Parents want high quality care, but many aren’t paid well or must work multiple positions to compensate providers for care.
- Programs have a hard time charging enough to maintain staff or be financially stable.
- Parents understand providers need vacations; however, parents don’t necessarily want the burden of paying for services not being rendered and having to locate a substitute caregiver that they will in turn have to pay while the provider is on vacation.
- Childcare is expensive to start and the first year may not/may never have a positive cash flow.
- Families have a hard time finding affordable childcare.

QUOTE

“Yes, either I cannot work because I cannot afford the childcare options available, especially being so rural, or I have to rearrange all of my work duties to accommodate what is available. I have been terminated from work due to the lack of affordable childcare options in our area.”

- Concerned Parent

There is no clear answer to the ongoing challenge of cost of care versus family investment to get quality childcare. Operational expenses with small businesses particularly with ECE are hard to capture because they vary based on the business model (i.e., home, group, or center). The cost to run a sustainable business requires cash management, rate structure, staffing, moderate upgrades, and investments, which all impact quality and tuition rates that can accommodate the cost to do business and ensure parents/guardians can afford to pay for care.

The example below shows a low to moderate single parent with one child. This example doesn’t included insurance (i.e., health, dental, vision, car, or home), car loan, entertainment nor additional educational expenses (student loan) so you can see how important the balance of affordability is for the average parent. This is a typical wage for an early childcare employee without a CDA (child development associate).

Example:
Cost of Care – Parent working 40 hours a week

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parent Wage</td>
<td>$10.00 per hour</td>
</tr>
<tr>
<td>Weekly pay before taxes</td>
<td>$400</td>
</tr>
<tr>
<td>Funds after taxes (as a single filer 22%):</td>
<td>$312</td>
</tr>
<tr>
<td>Childcare cost per week (avg):</td>
<td>$150.00</td>
</tr>
<tr>
<td>Gas (small vehicle):</td>
<td>$55</td>
</tr>
<tr>
<td>Food:</td>
<td>$75</td>
</tr>
<tr>
<td>Rent/Mortgage:</td>
<td>$219.25</td>
</tr>
<tr>
<td>(low/m moderate priced 2bd $877 prorated for a week)</td>
<td></td>
</tr>
<tr>
<td>Funds left from check:</td>
<td>($187.25)</td>
</tr>
</tbody>
</table>

“We are too poor to afford the things we need when I work because of daycare costs, and we are too poor when I don’t work because of my lost income. This whole town is a social and economic black hole.”

- Local Parent
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 childcare challenges in the local community.

COMMUNITY DEVELOPED POTENTIAL SOLUTIONS:

THEME: COMMUNITY EDUCATION AND PARTNERSHIPS
- Identify and Expand partners
- Paul Oliver (EHS), Benzie Schools, Chamber of Commerce, Churches
- 5 to One Resource Guide
- Great Start to Quality
- Business Owners, Parents, Educators/Facilitators, Employees, Building Owners

THEME: RECOGNITION
- Spread the word regarding the importance of ECE with employers, churches, and community organizations
- Host Appreciation Events (i.e., picnics, bonuses)
- Provide giveaways for ECE equipment
- Create a Childcare Booster Club (includes businesses, ECE and community members)

THEME: FACILITIES
- Quality of facility to expand slots
- Accessibility of location/hours with employment
- Research cost of space/lack of rentals with the ability to purchase
- Partner with churches/large employers
- Increase home business owners

THEME: TRAINING
- Locate funds to support training costs
- Communication network – reaching beyond
- Return on investment for required credentials is not good
- Market the profession positively
- Maintain hourly wages to pay for time at required trainings
- TEACH Scholarship; ECE staff know about it
- Reach out to the next generation (i.e., high school students, co-operative)
THEME: FINANCIAL SUPPORT/INCENTIVES
- Create ways to incentivize lenders to support ECE owners and educate on the why
- Expand TRI-Share
- Develop ways to support owners with fees for opening/inspections
- Research tax incentives for building owners to rent to ECE owners

THEME: WORKFORCE DEVELOPMENT
- Increase Supply
- Wages, benefit, daycares, recruit young people, internships, create career pathways
- Investing in Children
  - Taxes should be extended to ECE just like public education, add ECE to curriculum in schools
- Cost-Basis to determine levels of support
  - Certification options
IMPLEMENTATION PROJECTS

The Town Hall meeting is an opportunity to leverage multiple viewpoints and ideas related to addressing the local childcare 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: Community Education and Partnerships

**Project Team Lead** – Sara May  
**Additional Team Members** – Mary Manner, Sarah B, Josh Stoltz, Maggie Bacon and Marcia Landsman

In the next 3-6 months the Core Team will research and develop a central hub of information (software app/website) for all early childcare and education (ECE) needs and resources in and around Benzie County.

Team Lead will contact Wonderschool’s software application and/or a website developer and set up a meeting for the Communications Team to hear about the options available to them. The team would like an easy, local, customizable tool to communicate existing resources in and around the regional community. The team would like a volunteer for this IT position if the software/website meets their expectations to reach not only the ECE business owners, community business owners, employers, and employees/parents. If the software works for the Team, they will begin searching for the volunteer. The IT person and Communications Team will begin to capture community ECE business owners and partners as resources to subscribe to the application/website. They will spend 3 months gathering information from the various subscribers to Wonderschool’s website. The following 3 months will be used to promote the application/website to the businesses, ECE owners, employers, employees/parents to utilize the online resources. The application/website will be updated via weekly calls to the IT volunteer. Ideally, the team would like to pilot this for 2 years and evaluate quarterly with subscribers as to how the software/website is working for them.

**Expected Outcomes and Impact:**
- Increase licensed ECE slots (matching need)
- Decrease stress for parents locating services and resources related to childcare
- Increase visibility for childcare in the community
- Increase qualified staff and training through the software/website
- Decrease the supply gap
- Increase resources to support employers, employees/parents
SMART GOAL TWO: Recognition

Project Team Lead – Ashley Stanton
Additional Team Members – Sue Campana, Valeria Gerhart, and Kim Micham

Within the next 3 months the Recognition Team will create an Early Childhood and Education Booster Club starting with members from St. Andrews Church and invite other booster members from surrounding churches and communities regionally.

Team Lead will reach out to Pastor Ann and Judy H. to see how they can develop this extension of the St. Andrews Booster Club specific to early childcare. Initially Ashley and the Recognition Team will start gathering “wish list” items from the local childcare business owners to assist in supporting their businesses. Quarterly (1) center and (1) family home/group will be gifted an item from their wish list. The following quarter those ECE business owners will receive a survey so the team can evaluate the program success and making sure the ECE business owners are experiencing the support and recognition the program intended. The team would like for this to be a 2-year commitment, so every ECE business owner has an opportunity to receive support from the booster and add value to their community in a positive way.

Expected Outcomes and Impact:
• Increase longevity of service
• Decrease employee turnover
• Increase in community involvement/engagement
Founded in 1991, First Children’s Finance is a national nonprofit organization based in Minneapolis, Minnesota with regional offices in Iowa, Michigan and Vermont. 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 builds 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. FCF 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

For more information about Rural Child Care Innovation Program visit www.ruralchildcare.org