

MARCH 2026

# FCF NEWS



March carries with it the promise of spring—and the reminder that new beginnings are always within reach.

If your winter has been long and challenging, here's an official reminder that March asks us to believe that change remains possible. Renewed hope doesn't require us to ignore challenges. Instead, it reminds us to steady our belief in what's possible.

Even as the child care field continues to navigate real challenges, there are meaningful reasons for hope across the child care landscape. In Vermont, for example, a historic investment in child care is already showing what's possible when policymakers, employers, and communities come together to strengthen systems families and businesses depend on.



We're also seeing employers step up in new ways. Companies like DigiKey are demonstrating that child care is not just a family issue—it's essential workforce infrastructure.

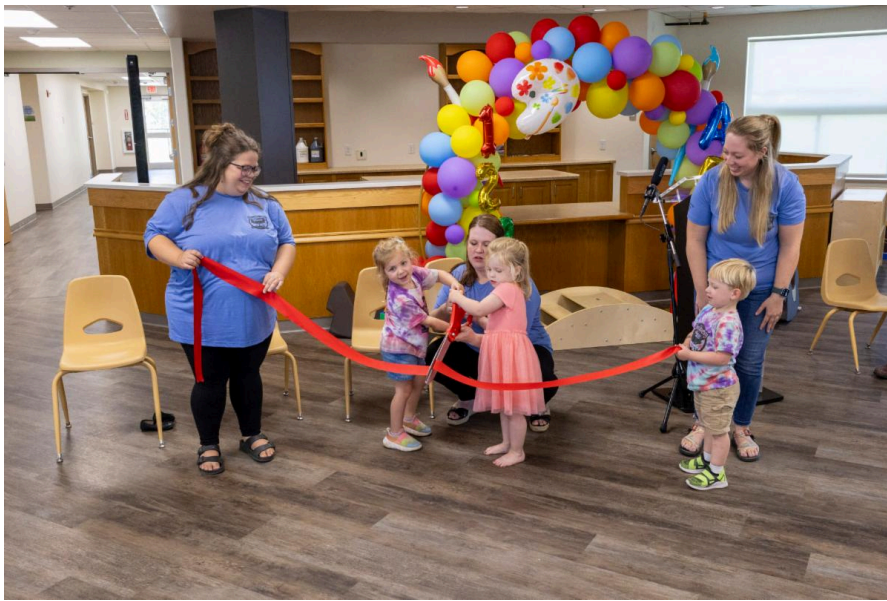
Progress rarely moves in a straight line—but moments like these remind us that momentum is building.

Here's to fresh starts and resilient growth. Here's to a season of renewed hope.

**Heidi Hagel Braid**  
President and CEO

## News

### DigiKey Helps MN Community – and Its Workforce – Find Child Care Solutions



One thing in Thief River Falls, MN, was certain: The city's child care problem wasn't going away. So led by DigiKey, the community's largest employer, the city 100 miles from the Canadian border got working on a solution.

In the northwest Minnesota rural city of about 8,800 people, DigiKey employes about 3,400. Child care was a huge need for its workforce.

"Child care and housing are things that are constantly on our minds," says Mark Borseth, Senior Director of Community Development and Corporate Facilities for DigiKey. "We onboard anywhere from 20-50 new employees every month, and they need places to live and child care for their kids."

The company partnered with others across the community to build a center with space for 156 kids. But they know this important step is just part of solving the issue.



[Read More About DigiKey and Thief River Falls' Story](#)



## What Happens When a State Invests in Child Care? Vermont Is Showing the Results

The *New York Times* recently spotlighted Vermont's Act 76, a major investment in affordable child care—and the video features two programs that First Children's Finance has had the privilege to support through grants and business technical assistance.

At Smugglers' Notch Resort, a major tourism employer, on-site child care expanded to better support the region's workforce. And in a rural community struggling to attract young families, The Growing Tree opened in a former school building and is now preparing to grow to meet rising demand for care.

These stories are part of Vermont's broader child care strategy under Act 76, where employers, policymakers, and communities came together to invest in a stronger system—including new payroll contributions from businesses that recognize how essential child care is to their workforce.

The video offers a compelling look at what happens when policy investment meets the on-the-ground support child care businesses need to grow.

Vermont is showing what's possible when child care is treated as an essential industry.

[Watch the NYTimes Story Here](#)

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## FCF's 2025 Impact Report Shows How Our Work Makes a Difference

We are pleased to share First Children's Finance's 2025 Impact Report!

This year's Impact Report showcases important work being done by First Children's Finance with entrepreneurs, communities, and government and Tribal systems across the country.

We also include data showing our impact – training, cohorts, loans, grants and more – among entrepreneurs. Looking for high-level financials from both First Children's Finance and the Loan Fund? You will find that, too!

We hope you find our Impact Report interesting and engaging! Click on the image to view and download the report!



## Data to Decisions: Analyzing Vermont's Child Care Supply-Demand Gap

First Children's Finance (FCF) recently wrapped a supply-demand gap analysis in Vermont that underscores the importance of pairing rigorous data methods with deep local expertise, informed by Vermont partners' knowledge of the local early childhood and workforce landscape.

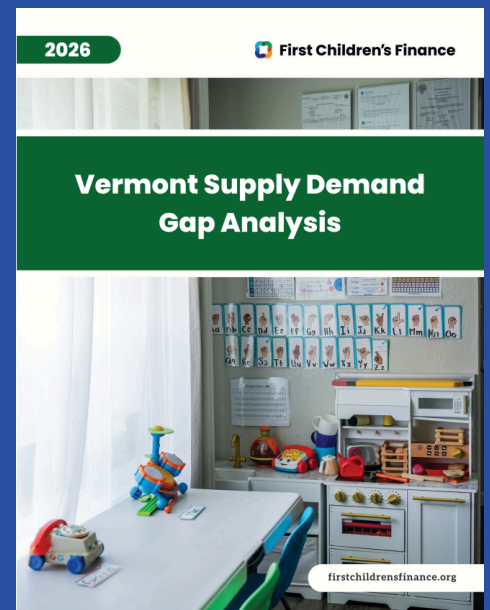
Regularly conducting supply-demand gap analyses is essential for understanding how child care systems evolve over time and how public investments shape access for families and providers.

Equally important, these analyses often surface more nuanced questions about supply and demand, prompting deeper inquiry rather than one-size-fits-all solutions. In Vermont, this supplemental analysis revealed important dynamics. For example, while some regions have expanded capacity to better meet local needs, gaps remain—particularly for full-time universal preschool (UPK) and infant care.

Child care markets are inherently local — shaped by geography, employer needs, program operating models, and family preferences. Vermont's SDG work creates a strong foundation for smarter, more targeted investments that reflect real community needs.

If your state, county, or region has questions about child care supply and demand, First Children's Finance might be able to help. We'd love to connect. Please email [infonational@firstchildrensfinance.org](mailto:infonational@firstchildrensfinance.org).

[Read More About the Vermont Supply-Demand Gap Study!](#)



## FCF Loan Fund Client and Child Care Center Owner Overcomes Challenges to 'Love on the Kids'

All child care providers face challenges as part of business, but how many can be successful after having major health issues that kept them out for three months or more?

LaDonna Kimbrough of Red, White, and Blue Childcare Center in Eastpointe, MI is proof that even an obstacle like brain surgery can be overcome with the right attitude, teammates, and help from First Children's Finance.

First things first: LaDonna LOVES working with kids.

"It's the best job ever," she says. "When I'm out at the store and I hear the kids yell across the store, 'Miss KI,' that really makes my day!"

But while LaDonna had a solid plan to deal with daily challenges, she needed long-term strategy to keep her business sustainable. That's where FCF really helped out.



[Read LaDonna's Story and How the FCF Loan Fund Team Helped!](#)



## FCF IA Director Retires After 17 Years of Service

How do you measure success after 17 years of helping to build and sustain Iowa's child care businesses and systems?

For FCF Iowa Director, Heidi Schlueter, the answer has always centered on collaboration, teamwork, and a commitment to the mission.

"It has been deeply meaningful to contribute to this work and to collaborate with such dedicated colleagues in supporting the growth

## FCF Iowa Presented with 'Partner of the Year' Award

In January, the Iowa Lakes Corridor Development Corporation presented First Children's Finance with the Partner of the Year award during its 15th Annual Business Recognition Luncheon in Spencer.

First Children's Finance was selected to support child care efforts in the region, particularly a child care study in the Spencer Community in 2025, which included a Market Analysis, Strategic Plan, and Financial Modeling.

The project was supported by the Iowa Economic Development Authority (IEDA), Iowa Rural Development Council (IRDC), and the Iowa Area Development Group (IADG). The Market Analysis showed a shortage of over 700 child care slots.

A similar study was done in the Storm Lake Community in 2024,

and resilience of the child care businesses and the communities we serve," Schlueter said in an email to FCF staff.

Schlueter, the longest-serving current FCF employee, retired on March 6.

FCF President and CEO Heidi Hagel-Braid praised Heidi Schlueter's commitment to child care over her career.

"Heidi has been part of FCF's journey through significant growth and evolution, and her steady commitment to our mission, advancing the stability and long-term viability of child care in communities across Iowa, has helped shape who we are today," said Hagel-Braid.

"Through her thoughtful leadership and dedication to her team, she has strengthened our work and supported the growth of those around her. She will be deeply missed by colleagues, partners, and the child care businesses we serve."

After serving as a Head Start Director in Iowa, Heidi joined FCF in 2008, when the organization consisted of only 12 people. Schlueter's work has helped hundreds of communities and child care businesses across Iowa find ways to be more sustainable and to deliver excellent care to children and families.

"Over the past 17 years, I have been proud of the important ways that FCF has carried out its mission — always focusing on supply and sustainability of child care — work that is needed now more than ever."

"I am especially proud of the Iowa team and the strong work we have done and the reputation we've built for high-quality services statewide."

Congratulations on your well-deserved retirement, Heidi! FCF and the Iowa child care community will miss you.

and the City of Lake Park recently received a grant to conduct a study in 2026. First Children's Finance has worked with all these communities to identify the needs and possible solutions to the region's child care shortages.

"On behalf of the Iowa FCF Team, we are so honored to receive this award," said FCF Iowa Director Heidi Schlueter. "We know our mission of growing sustainable child care could not happen without these partnerships across Iowa."

The Iowa Lakes Corridor Development Corporation is the regional economic development champion for Buena Vista, Clay, Dickinson, and Emmet counties.



## Investing in the Leaders Who Power Vermont's Child Care System

Even though the passage of Act 76 in Vermont in 2023 gave a huge boost to child care across the state, the legislation also increased the responsibility on child care owners to succeed and grow to make the funding effort successful.

First Children's Finance Vermont has developed and delivers multiple **leadership development** opportunities that equip child care Directors with practical tools to improve sustainability, expand capacity, and lead programs that fuel local economies.

One of the most important areas of business trainings FCF offers center directors, focuses on staffing: hiring, training, growing, and retaining skilled employees to ensure businesses thrive and grow.



[Read More About Investing in Vermont's Child Care Leaders!](#)

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## Early Childhood Education News

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[How Child Care Costs Could Swing a Key US House District | CNN Politics](#)

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[Small Businesses May Now Apply for Emergency Support Through Economic Response Fund](#)

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## Attention Providers: Upcoming FCF Trainings

First Children's Finance offers online training opportunities in Iowa, Michigan, Minnesota, Oregon, and Vermont.

[Check Out Our Trainings Here!](#)

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## FCF in the News

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[Rural Counties Have Options to Bring Child Care to Their Communities | National Association of Counties](#)

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[Stability Starts with Child Care | Albert Lea \(MN\) Tribune](#)


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[As Child Care Growth Gains Momentum across Vermont, Some Regions Lag Behind - VTDigger](#)

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[New Data Shows Vermont Closing the Child Care Gap, Infant Care Still Lags | Vermont Business Magazine](#)

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