



# RURAL CHILD CARE INNOVATION PROGRAM

COMMUNITY SOLUTION ACTION PLAN  
FOR CHILD CARE

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**Alcona County, Michigan**

July 2023



**First Children's Finance**





The Rural Child Care Innovation Program is provided by the Michigan Department of Education utilizing American Rescue Plan Act (ARPA) funding, from the Office of Child Care, Administration for Children and Families, 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 walk through every stage of the community engagement process through solution development and implementation. Please visit [www.ruralchildcare.org](http://www.ruralchildcare.org) for continued updates on community progress.

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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

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# 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 size and scope of their child care challenges and to empower and support communities to develop solutions to address these challenges.

The Community Solution Action Plan for Alcona 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 Alcona County, with the support of First Children's Finance, conducted a thorough investigation and analysis to uncover the factors contributing to 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 Alcona County, First Children's Finance conducted a Supply and Demand Gap Analysis and community surveys, which showed a child care shortage of approximately 264 child care slots in the Alcona County Area. The analysis revealed it is exceedingly

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 Alcona County. Fifty three percent of survey respondents declined employment or withdrew from the workforce due to child care issues, and 73% of employers responded that child care impacted their ability to attract employees. Additionally, 67% of employers said the child care shortage has impacted their ability to retain employees. Absence from work, 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 and the ability of employers to meet their business needs.

Some of the major factors contributing to the child care shortage in Alcona County include affordability for working families, a child care staffing shortage and lack of support and recognition by the local community.

**Through the RCCIP, Alcona County has identified five goals to address child care challenges. These goals include:**

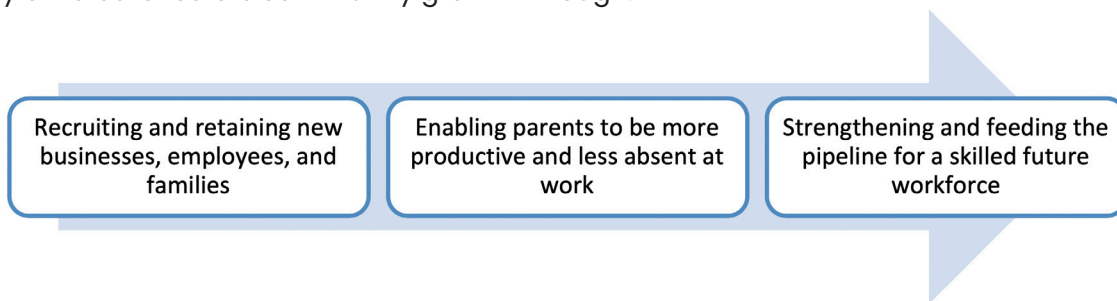
1. By June 2024, the Core Team will create an early childhood pathway for high school students that includes partnering with educational post-secondary programs to offer opportunities for students in early childhood education.
2. Throughout the next year, with the help of Great Start Collaborative and Great Start to Quality, a support network will be formed with Alcona County Providers that will offer Provider engagement, resources, grant opportunities, and training.
3. An ongoing effort to research and apply for grants both local and statewide that will provide funding for existing, expanding and start up programs within Alcona County.
4. Research before, after and summer programs for school age children to open availability for home providers to enroll additional children ages 0–4 by November 2023.
5. By October 2023, engage with large employers, within the region, to seek increasing child care slots by 20% through potential program development, financial support and/or employee FSA support.

In implementing these goals, Alcona County will improve the state of child care, empower local child care businesses through continuous community support, provide parents with more care options,

and give child care entrepreneurs stronger resources to run and operate their child care business.

## THE IMPORTANCE OF HIGH QUALITY CHILD CARE IN COMMUNITIES

In rural communities the ebbs and flows of the local economy influence the sustainability and supply of child care and vice versa. Because of this 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:



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 (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 innovative spirit required to develop nimble, creative solutions that will be effective in their communities. The Rural Child Care Innovation Program leverages communities' independent, can-do attitudes to address early care and education in Michigan.



## Program Activities & General Timeline

PHASE	TIMING	ACTIVITIES
Project Planning	September – December 2022	<ul style="list-style-type: none"> <li>Marketing and communication of application process; outreach to rural communities as potential applicants</li> <li>Application opened November 14, 2022</li> <li>Informational Webinar hosted November 16, 2022</li> <li>Application Deadline December 9, 2022</li> </ul>
Project Planning	December 2022– February 2023	<ul style="list-style-type: none"> <li>Reviewed and scored applications.</li> <li>Determined selected communities.</li> <li>Notified selected communities.</li> </ul>
Discovery	February 2023– April 2023	<ul style="list-style-type: none"> <li>Launched Core Team onboarding sessions.</li> <li>Completed Supply/Demand/Gap analyses for RCCIP communities.</li> <li>Core Team identified Town Hall date.</li> <li>Town Hall coordination set and confirmed by Core Team, promotion/registration.</li> <li>Conducted qualitative data collection and analysis.</li> </ul>
Discovery	May 2023– June 2023	<ul style="list-style-type: none"> <li>Provider Appreciation event hosted.</li> <li>Qualitative data collection analyzed and shared with Core Teams</li> <li>FCF prepared for Community Solution Action Plans</li> <li>Town Hall event hosted.</li> <li>SMART Goal/Implementation Meeting hosted</li> </ul>
Discovery	May–June 2023	<ul style="list-style-type: none"> <li>Community Solution Action Plan (CSAP) drafts created by First Children’s Finance</li> </ul>
Discovery	June 2023	<ul style="list-style-type: none"> <li>Community launched SMART goal projects with goals based on Community Solution Action Plans.</li> </ul>
Discovery	July 2023– August 2023	<ul style="list-style-type: none"> <li>Community Solution Action Plan reviewed by Core Team for feedback.</li> <li>Community reported ongoing progress towards SMART/ implementation goals and projects.</li> </ul>
Implementation	September 2023	<ul style="list-style-type: none"> <li>Finalized project implementation plans for Core Teams.</li> <li>Community Solution Action Plans completed and published.</li> </ul>

## EXPECTED OUTCOMES AND IMPACT

The Rural Child Care Innovation Program is designed to support fundamental change in the overall condition of 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 process.
- Support and business improvement services to existing family child care providers and child care centers.
- Access to First Children’s Finance’s expertise, resources, and tools, including research and financial modeling.
- Links to other communities working on similar issues.

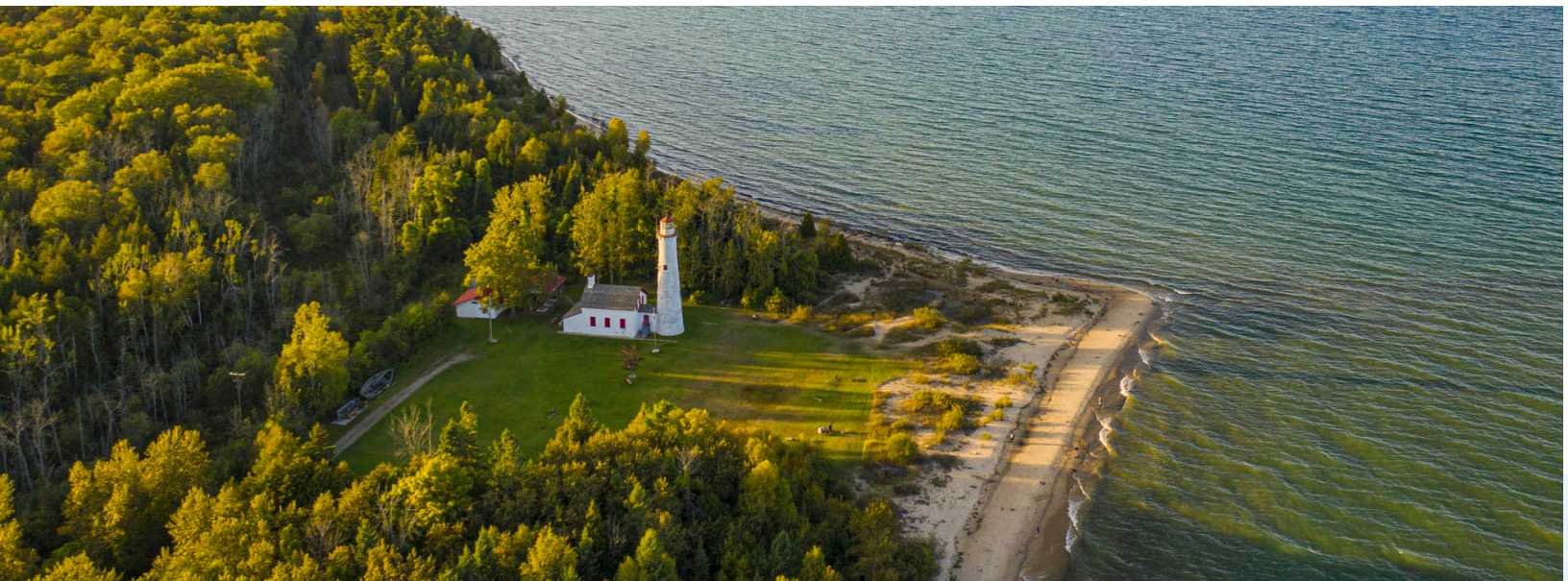
Measurements of success are determined through a tactical project management grid that provides guidance to the Core Team about the involved participants and their projected steps and progress towards project completion.

## ABOUT ALCONA COUNTY

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Alcona County is located in the northeast corner of northern lower Michigan and is made up of Barton City, Black River, Curran, Glennie, Greenbush, Harrisville, Lincoln, Mikado, and Spruce. Alcona County has a total area of 1,791 square miles of both land and waterfront according to the 2021 U.S. Census. Seventy percent of the land is made up of forest, which includes the Huron-Manistee National Forest. Alcona County is also home to sixty lakes, three major rivers and thirty-six miles of Lake Huron coastline. Hubbard Lake, one of Michigan’s largest inland lakes, is a popular destination for all things water related in the summer and ice fishing in the winter months. Alcona County thrives on tourism, recreation, agriculture, and timber production.

According to the 2021 U.S. Census, the total population for Alcona County is 10,235 and families in the community report that there is a large need for child care for working families. The lack of child care has negatively impacted the workforce within Alcona County as families often go to other communities to meet their child care needs.





## ▶ LOCAL TEAM REPRESENTATION

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

▶ Angie Bruning*	Great Start Collaborative - Alpena Montmorency Alcona Educational Service District
▶ Dan O'Connor*	Alcona Community Schools
▶ Christina Bright	New Life Lutheran Church
▶ Alex Cole	Cole's Appliance
▶ Helen-Ann Cordes	Alcona Community Schools
▶ Lauren Dietrich	Parent & Owner Harrisville Eyecare
▶ Jeanie Ellis	Licensing & Regulatory Affairs
▶ Melissa Furhman	Michigan Department of Human Services
▶ Heather Gagnon	Great Start Collaborative-Alpena Montmorency Alcona Educational Service District
▶ Ashley Goddard	Alcona Health Center
▶ Shellie Gohl	Alpena Montmorency Alcona Educational Service District
▶ Danielle Hansen	Alpena Montmorency Alcona Educational Service District
▶ Tim Lee	Alcona Community Schools
▶ Desiree Lipski	Northeast Michigan Great Start to Quality Resource Center
▶ Jacquelyn Schwanz	City of Harrisville
▶ Ali Yokom	Alcona Community Schools
*Indicates Core Team Lead	

## 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 to 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 the U.S. Census, Michigan Child Care Licensing Records, Michigan Department of Education, Federal Reserve Economic Data, and other internal research tools including First Children's Finance data.

## POTENTIAL NEED OVERVIEW

First Children’s Finance conducted a child care supply demand gap analysis which provided a snapshot of potential child care needs. When analyzing the data for Alcona County First Children’s Finance focused on the data for all zip codes located in Alcona County to determine the overall need. The supply demand gap analysis from May 2023 estimates a shortage of 264 slots for children ages birth–five years of age with all available parents participating in the workforce.

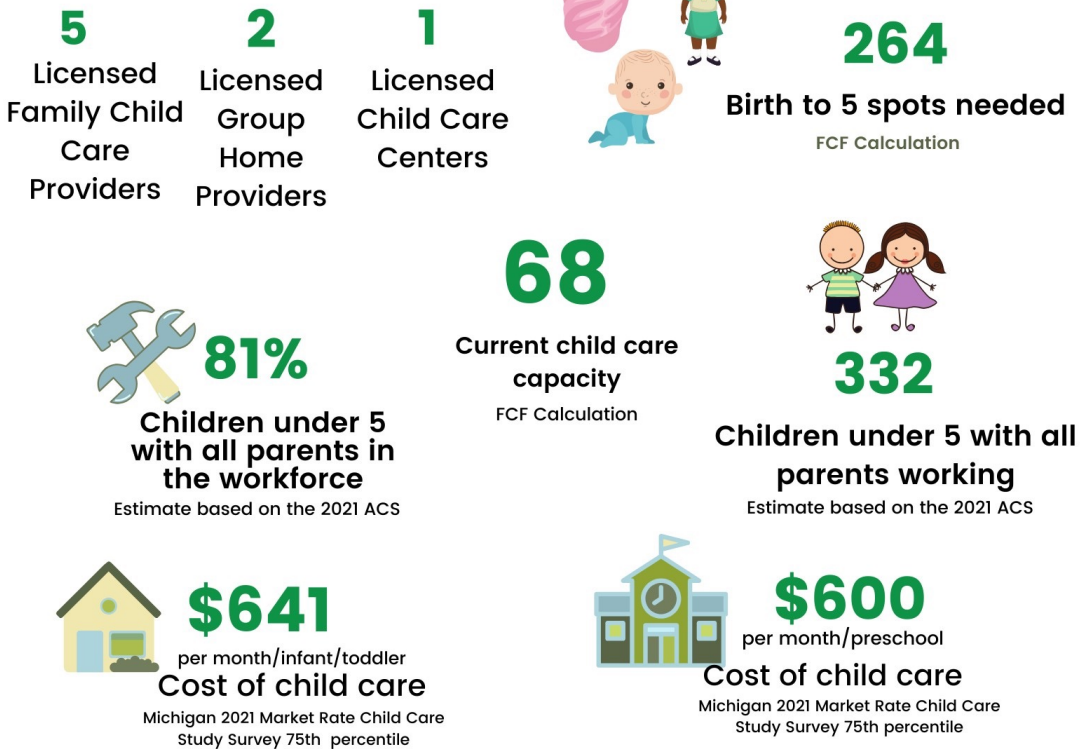
### Alcona County Child Care Need Analysis



Alcona County

### Selected Zip Codes

- 48705 Barton City
- 48721 Black River
- 48728 Curran
- 48737 Glennie
- 48738 Greenbush
- 48740 Harrisville
- 48742 Lincoln
- 48745 Mikado
- 48747 Hubbard Lake
- 48762 Spruce





## ▶ FAMILY CHILD CARE – BY THE NUMBERS

In rural communities, family or group home providers are a primary delivery mechanism for child care. This type of care is more likely to be financially sustainable, due to the size and scattered population of most rural areas. This makes smaller “in home” programs a critical factor in the overall supply of child care within the community.

First Children’s Finance evaluated the current supply of family child care to identify trends requiring further examination. Providers with less than five 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 turnover rates.

In surveying family child care providers, we learned 67% plan to stay in business for 3-5 years. Furthermore, the survey indicated 33% of providers plan on being in business 6-9 more years. It is important for Alcona County to consider ways to retain the current family child care providers as well as building more slots within the community. It is also crucial to consider a succession plan for the 67% of providers that are planning to retire in the next 3-5 years.

	Local
▶ Total Family Child Care Providers	7
▶ Average Length of Service	<b>18 years 3 months</b>
▶ Less than 5 years / Service	1
▶ More than 20 years / Service	3

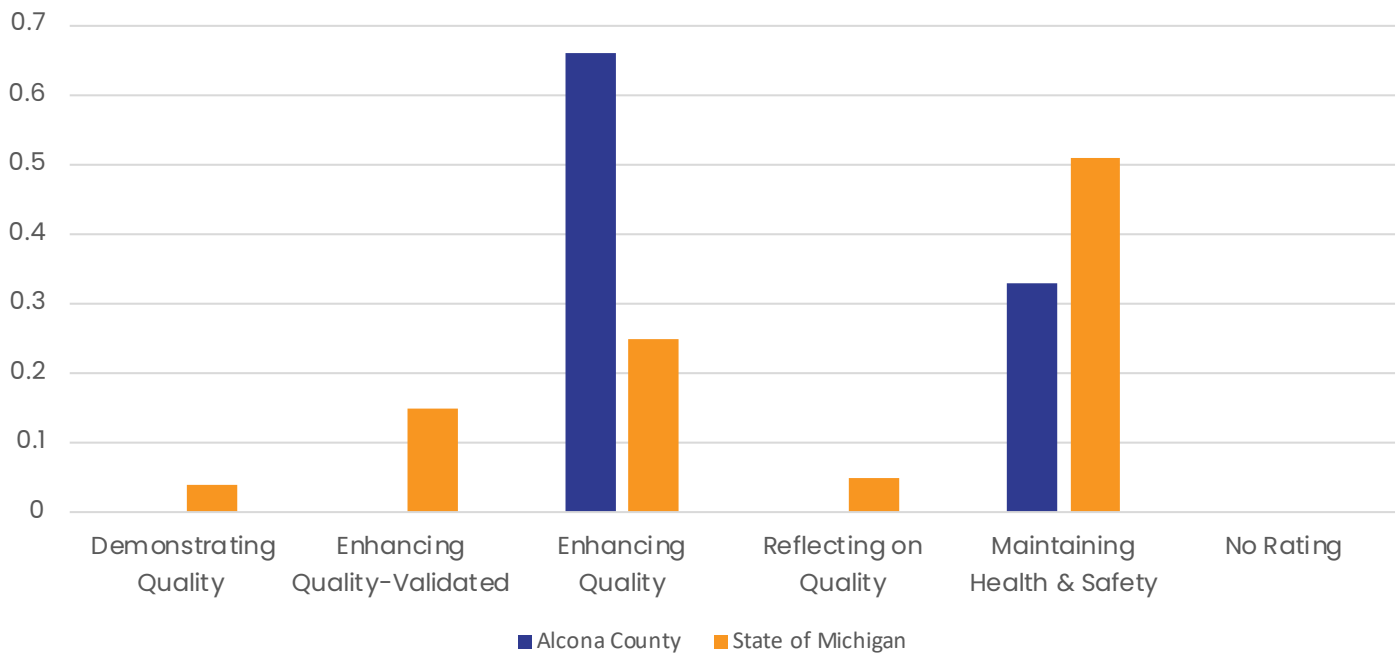
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## ▶ QUALITY CHILD CARE OVERVIEW

First Children’s Finance examined statewide information about the number of child care programs that are participating in Great Start to Quality. According to Great Start to Quality, the process of quality improvement never ends. There is always new research and learnings in the field of Early Care and Education and in the new process, programs are encouraged and supported to continue to reflect on their practices, in line with the program’s philosophy. Great Start to Quality’s mission is the focus on high-quality early learning experiences that build the foundation for skills children need to thrive in school and in life. To accomplish this, they offer support to strengthen Michigan’s providers of early care and education so they can continuously improve the services and support they provide young children, their families, and the community.

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



Source: Great Start to Quality

The chart above demonstrates how providers in Alcona County and the State of Michigan are rated with the levels of quality. While the program is optional for providers to enroll in, it can provide great benefits and resources to those that do so. Programs are rated on the scale in the figure below. This is a critical component when we evaluate the quality child care programs offered in the area. We should note that Great Start to Quality has recently changed their rating systems from a STAR system to Levels of Quality. The conversion chart is below to further explain the transition.



Star Ratings transition to Quality Levels	
Base Rate ☆☆☆☆☆	Maintaining Health & Safety
1 STAR ★☆☆☆☆	Maintaining Health & Safety
2 STAR ★★☆☆☆	Reflecting On Quality
3 STAR ★★★☆☆	Enhancing Quality
4 STAR ★★★★☆	Enhancing Quality-Validated
5 STAR ★★★★★	Demonstrating Quality

## AVERAGE COST OF CHILD CARE

Child care is a large investment for families with children. According to Public Policy Associates the 2020 market rate survey included a survey of 6,896 licensed child care providers known to be open across Michigan. Public Policy Associates conducted in-depth interviews with 24 providers and analyzed the cost to provide care using a variety of extant data and the Provider Cost of Quality Calculator from the U.S. Department of Health and Human Services, Office of Child Care. These rates are reflected below for Alcona County.

### Area Market Rates –Alcona County- Based On (45 hrs./52 wks.)

Age Group	Weekly Rate	Annual Cost
▶ 75th Percentile- Infant weekly	\$202.50	\$10,530
▶ 75th Percentile- Toddler Weekly	\$202.50	\$10,530
▶ 75th Percentile- Preschool Weekly	\$180	\$9,360
▶ 75th Percentile- School Age Weekly (15hrs/44wks)	\$60	\$2,640

2020 Child Care Market Rate Survey

Child care prices, across all age groups, are higher among centers than among home-based providers. Consistent with findings from the prior market rate study, the price differences between centers and home-based providers are greatest for the infant and toddler group, with centers charging approximately \$2.00 per hour more than home-based providers. The difference drops to about \$1.00 per hour for the school-age group.

## ▶ OTHER LOCAL SUPPORTING DATA

As part of the overall collection and review of data, First Children’s Finance shared additional data outcomes such as third grade reading proficiency rates and local graduation rates. There are multiple studies indicating a link between the quality of early education opportunities and school readiness. Third grade reading proficiency rates and high school graduation rates are one way to link the two. Lower achievement levels from birth to age five can be an early indicator of future challenges in school, engagement in higher education, and teen pregnancy rates. The higher the quality of early care and education programs for children birth to age five the higher the achievement later in life. Alcona County has reading proficiency levels significantly below the state average while the graduation rates are comparable to the state average. By raising the quality and availability of early childhood education in the community, there is potential to meet even higher state testing and graduation rate levels.

### Third Grade Reading Levels

District	2021–2022 Proficiency Rate
▶ Alcona Community Schools	18.2%
<b>Michigan Statewide Average</b>	<b>41.6%</b>

### Local Graduation Rates

District	2021–2022 Graduation Rate
▶ Alcona Community Schools	81.63%
<b>Michigan Statewide Average</b>	<b>81.01%</b>

Source: 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 child care. The following chart provides an overview of the local household income.

### Household Income – Alcona County

Total households ACS 2021	# of Households	%
▶ Less than \$10,000	336	7%
▶ \$10,000 to \$14,999	264	5.5%
▶ \$15,000 to \$24,999	551	11.5%
▶ \$25,000 to \$34,999	628	13.1%
▶ \$35,000 to \$49,999	849	17.7%
▶ \$50,000 to \$74,999	897	18.7%
▶ \$75,000 to \$99,999	633	13.2%
▶ \$100,000 to \$149,999	393	8.2%
▶ \$150,000 to \$199,999	139	2.9%
▶ \$200,000 or more	105	2.2%
<b>Total Households ACS 2019 5yr Estimate</b>	<b>4,795</b>	
<b>Median Household Income</b>	<b>\$46,187</b>	

U.S. Census American Community Survey 2021





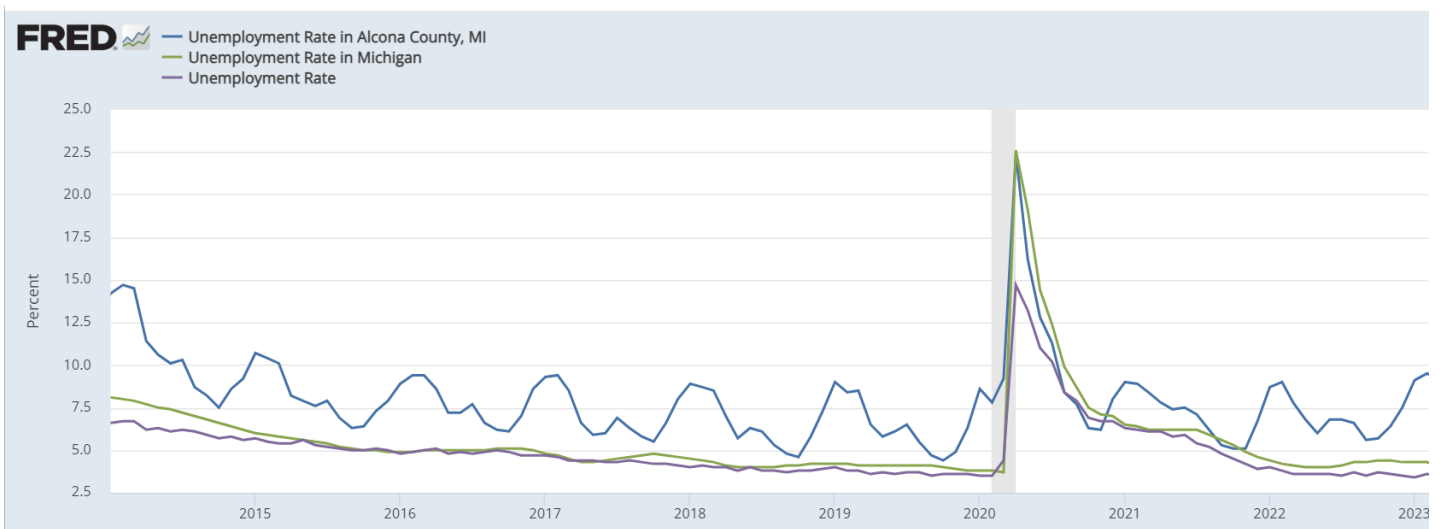
## LOCAL EMPLOYMENT CONDITIONS

Employment data was also considered by First Children’s Finance in the analysis of the child care crisis in Alcona County. It can be an indicator that additional child care is needed to support the employment needs of the community, since there are more families with all parents in the workforce.

### Unemployment Rates – Alcona County

In March 2023, when this initial analysis of data for Alcona County began, the unemployment rate for the United States was 3.5%, State of Michigan was 4.1%; and Alcona County was 9.3% and are reflected in the chart below.

Unemployment Rate in Alcona County, MI:	Mar 2023 9.3
Unemployment Rate in Michigan:	Mar 2023 4.1
Unemployment Rate:	Mar 2023 3.5



Source: U.S. Bureau of Labor Statistics

### Community Employers – Alcona County

Employers in the Alcona 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 child care. This work included one-on-one stakeholder meetings with various community leaders and electronic surveys of parents, providers, and employers. Through these inputs, the Core Team better understood the underlying causes of local child care challenges.



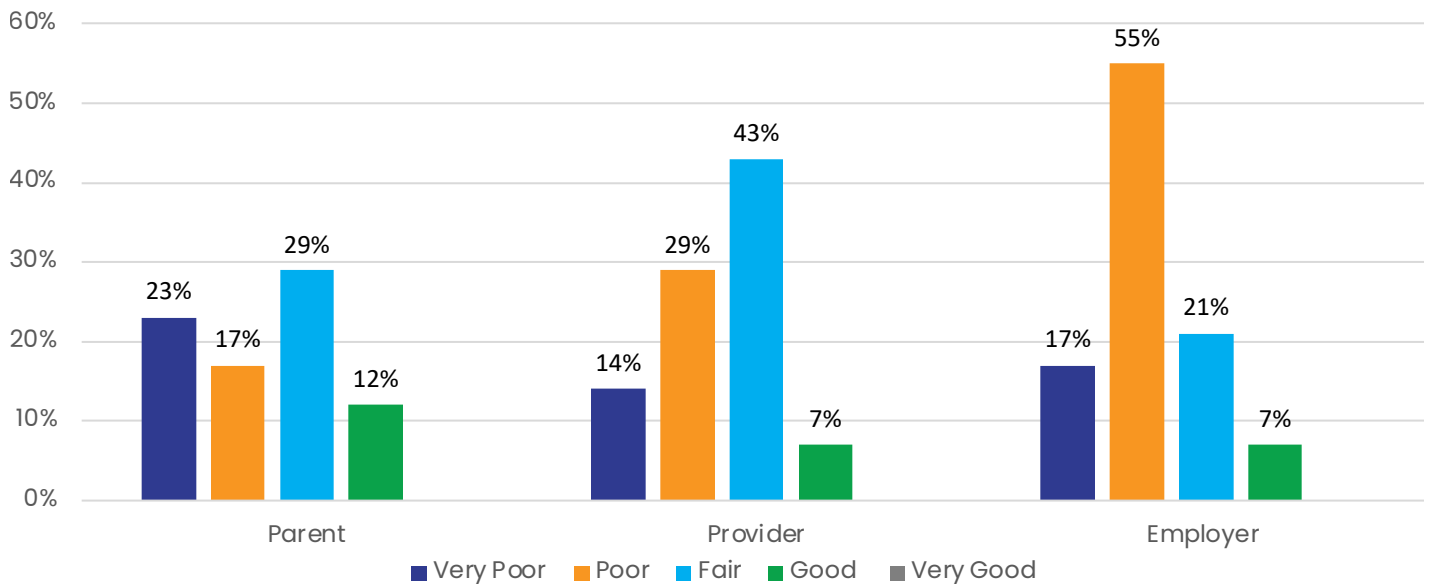
## ▶ COMMUNITY SURVEYS – SELECTED PERSPECTIVES

The general community was invited to participate in comprehensive surveys about child care in Alcona County. Forty individuals completed the parent survey, and 37 local businesses completed the employer survey. A separate survey gathered information from four local child care businesses.

### Perceptions: Availability of Child Care in Alcona County

The general community was invited to participate in comprehensive surveys concerning child care in Alcona County. The following charts represent some highlighted perspectives within the community.

#### How Would you Rate the Availability of Child Care Options in Alcona County?



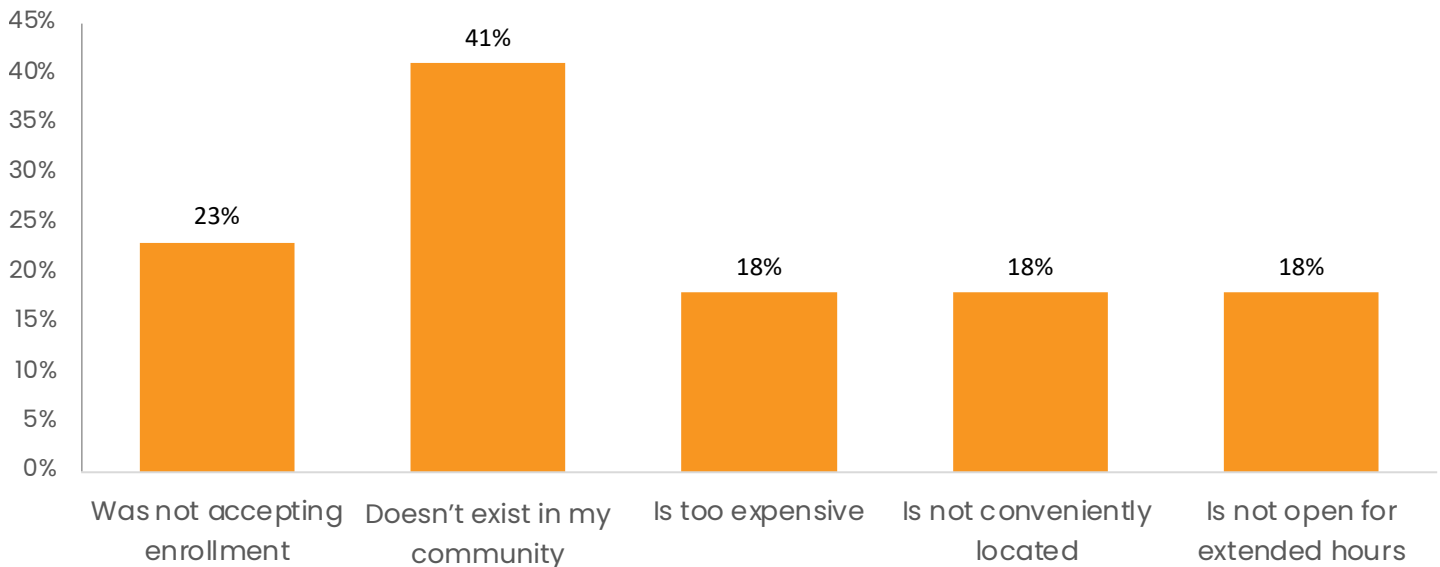
## Perceptions: Quality of Available Child Care in the Local Area

While specific questions about quality were not part of this survey, it was noted that there is a positive perception between child care providers and the local community on the quality of child care programs 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. The provider demonstrates a safe and healthy environment.
2. The provider is conveniently located.
3. The provider is licensed by the State of Michigan.
4. The provider uses an educational or accredited curriculum.
5. The provider has achieved a high level of education or credentials.
6. The provider is rated by Great Start to Quality or nationally accredited.

## Reasons for Not Enrolling in Paid Child Care

The Alcona County Core Team explored data related to why parents may not enroll in paid child care. A breakdown of the parent survey revealed that most parents who do not use paid child care reported that they have chosen to be a stay-at-home parent because they simply could not find the appropriate child care for their specific situation. Second to that reason, Alcona parents reported that they had adjusted work schedules with their spouse or partner to accommodate the child care struggles that they face personally.

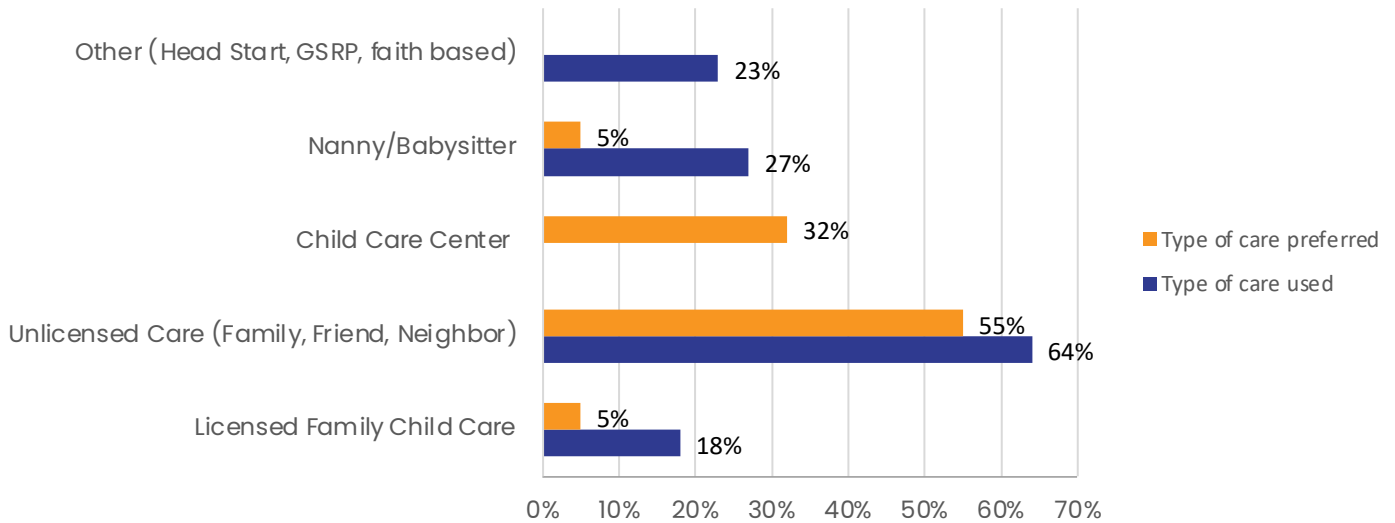




## Types of Care Parents are Currently Using

The chart below shows survey results from parents in Alcona County. It indicates the types of care parents are using vs. the types of care that is preferred for their children. This layered chart helps to illustrate the percentage of families that are continuing to make child care sacrifices in Alcona County. If the community can better fit the needs of its families it will attract new families to live and work within.

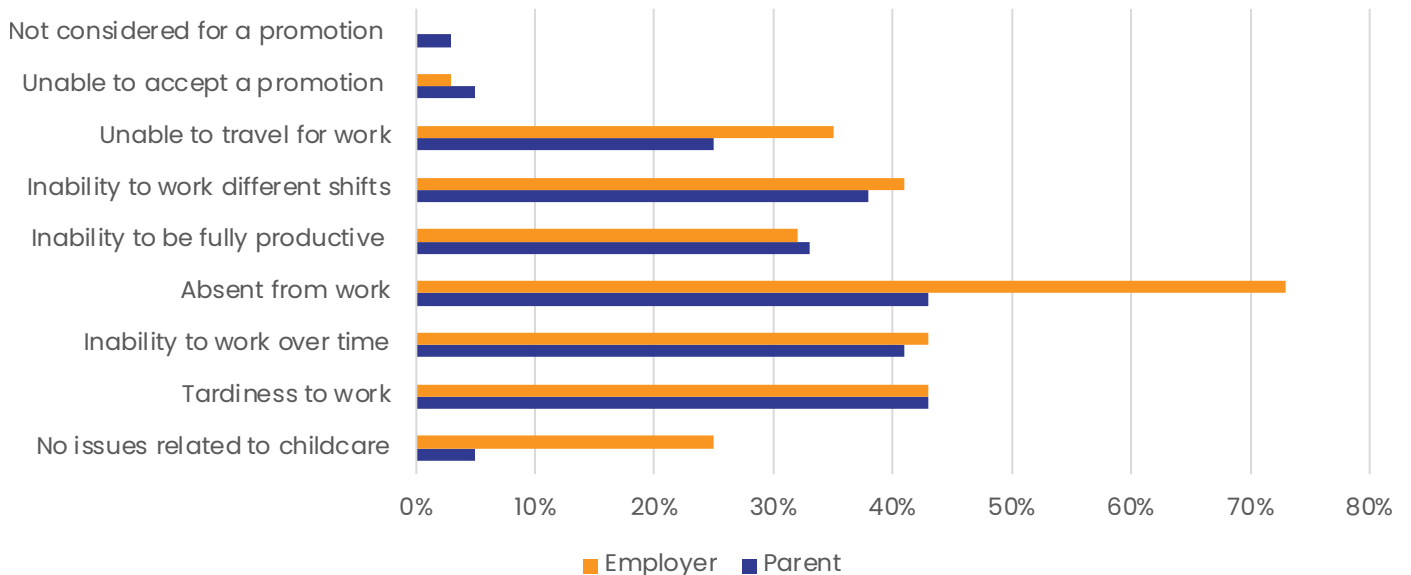
### Type of Care Parents are Currently Using vs. Types They Prefer



## How Child Care Shortages Impact the Community and Employers

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 workforce. These issues can compound and further extend into the business community by causing the loss of workers due to the lack of child care or by businesses relocating to communities with better availability of care. The chart below illustrates the occurrence of various work-related issues from a parent (employee) and an employer perspective.

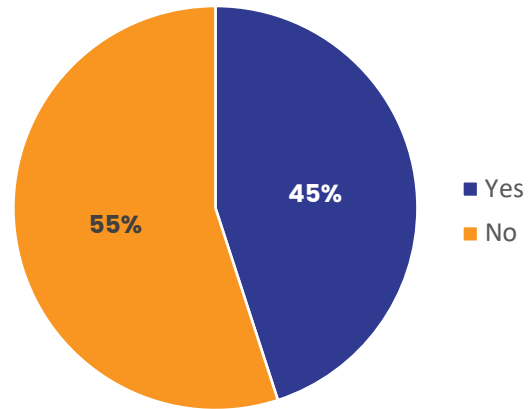
### Work Related Issues That Occurred Over the Past 12 Months



## Impact on Family Planning – Alcona County

Parents participating in the survey were asked if child care availability had impacted their family planning. This pie chart shows the results.

**Has the Availability of Your Preferred Child Care Option Impacted Your Decision to Have Another Child or Limit the Size of Your Family?**



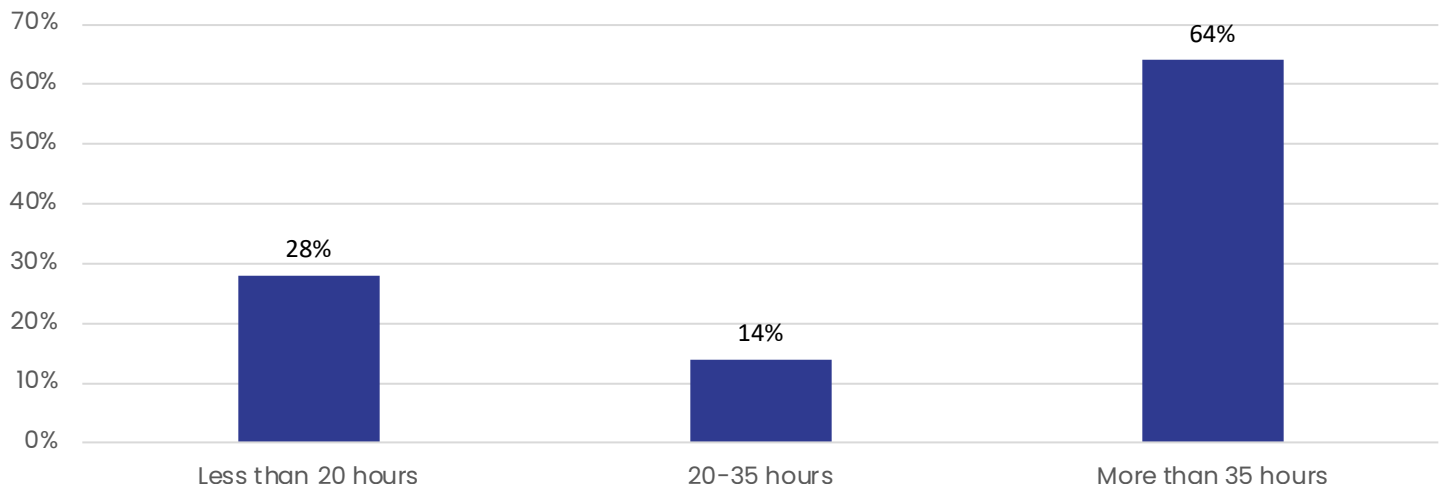
Alcona County must consider this data point. If families report their family size is impacted by the availability of child care, it stands to reason that families could relocate to different communities where child care is readily available.

In addition to impacting family planning, child care shortages can also impact the local employment environment. In the survey, 53% of parents have declined employment or withdrawn from the workforce due to child care issues at some point in their career. Rural communities need to look closely at child care as a strategy to retain young professionals and their families.

## ▶ TYPES OF CHILDCARE REQUIRED

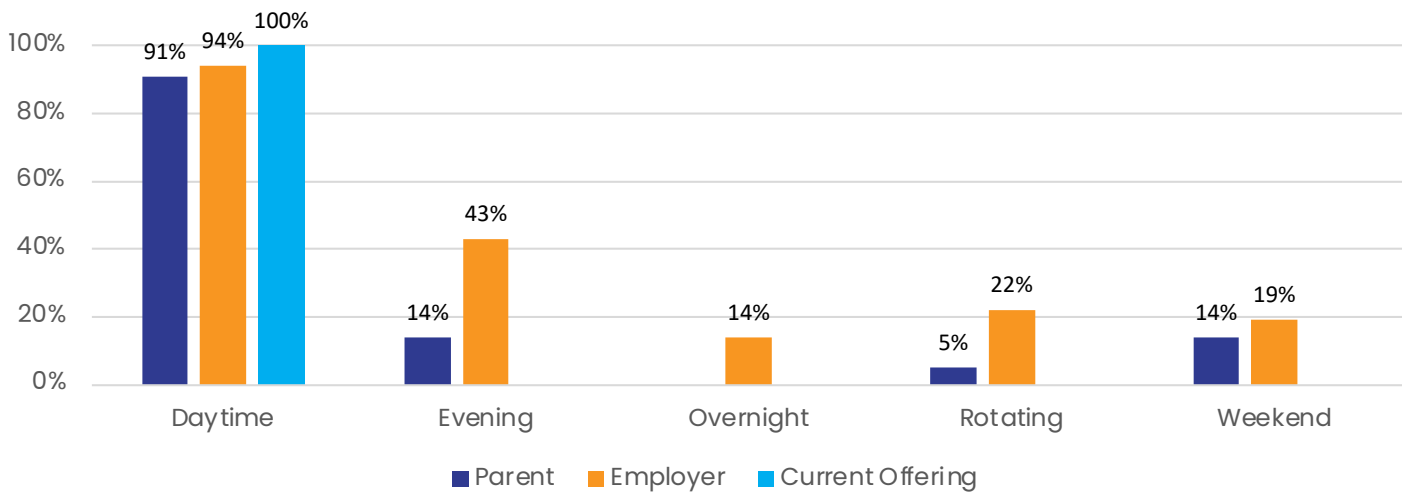
It is important for a community to understand the types of child care parents need to identify the right sized solutions for the community. The survey indicated that 64% of parents need more than 35 hours of care per week and are seeking full-time child care options.

**How Many Hours of Child Care Do You Need Weekly?**



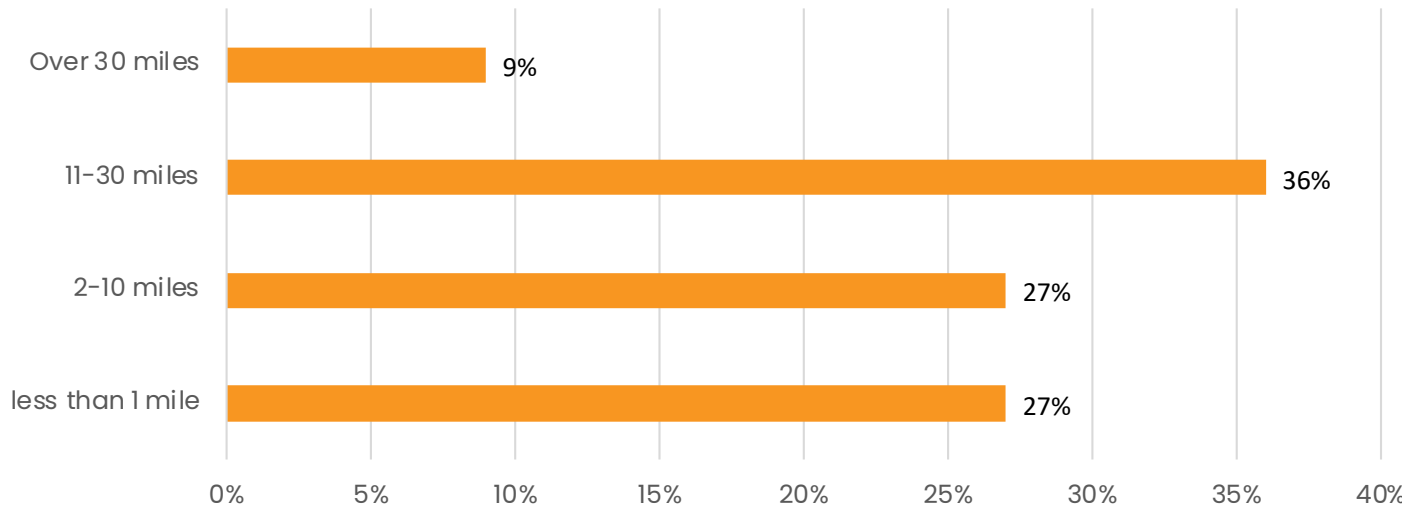
It is also important to determine when parents need care so the community can offer options that meet that need. The chart below shows the hours of care needed from both a parent perspective and an employer perspective. As we see in many communities, the survey showed employers believe families need care options on evenings, overnights, rotating shifts, and weekends at a much higher rate than families want. It is important to be aware of these things as a community creates options for child care. Alcona County should carefully consider child care options that will be utilized by families.

**What Type of Child Care Arrangements are Needed vs. What is Currently Being Offered in Alcona County**



Alcona County Area survey respondents indicated that they were traveling significant distances to find appropriate child care. Forty-five percent indicated that they were traveling more than 11 miles for child care.

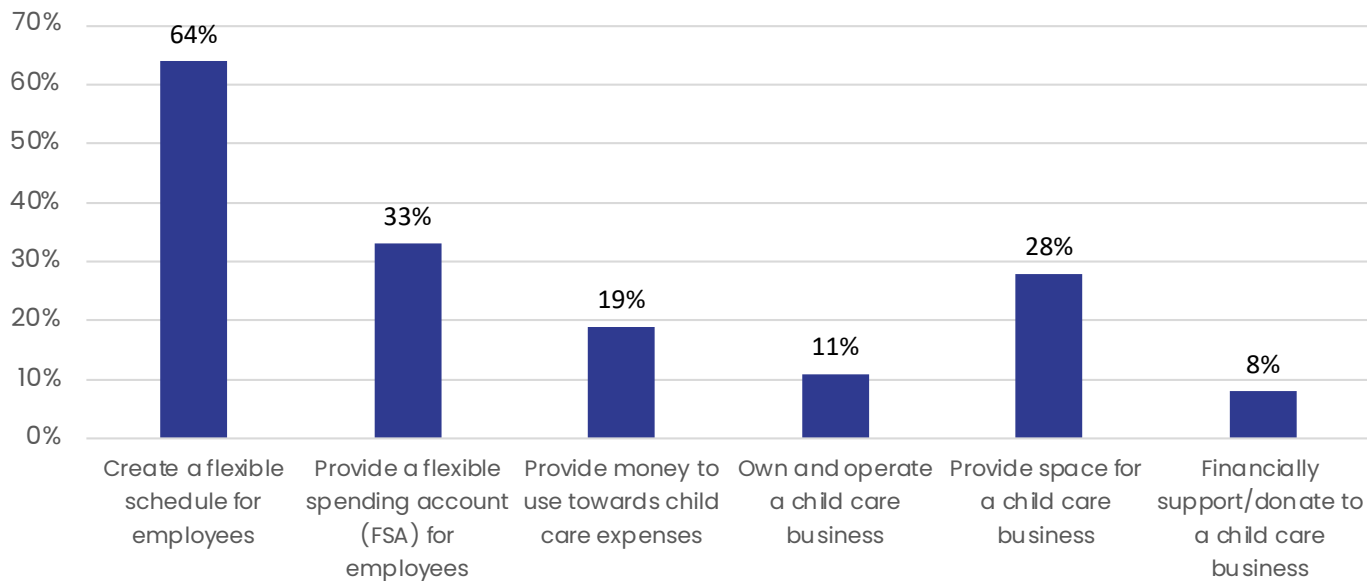
**How Many Miles (one way) are You Traveling for Child Care?**





Employers can help address the child care shortage in multiple ways. From the employer survey, the top two ways employers in the Alcona County area are willing to help is to 1) create flexible schedules, and 2) provide flexible spending accounts for child care expenses. Sixty-four percent of respondents identified they would be willing to create a flexible schedule and 33% reported that they would be willing to provide a flexible spending account.

### Employers Willing to Assist to Address the Issue





## UNDERSTANDING THE UNDERLYING CHALLENGES

The Core Team in Alcona County spent several months investigating the underlying reasons for the local child care challenges by engaging with members of the community and surveying community members. Digging deeper into the child care challenge led to discovery about the situations many families, providers and employers are experiencing and the factors contributing to those challenges.

### FACTOR: It is Challenging to be a Child Care Provider

- Providers do not feel respected as business owners and parents, and the larger community do not understand the value of the services they offer.
- Child care centers cannot find, retain, and afford to pay quality workers competitive wages.
- The child care workforce receives low wages for long hours of work and has no access to benefits such as health insurance, retirement, or PTO.
- Many family child care providers find it stressful and overwhelming to provide care within their home, but a lack of affordable and appropriate space to expand or operate outside of the home limits their options.
- Child care is a complicated business model-and regulations and supports are constantly changing.
- A child care business is expensive to start and the first year may not have a positive cash flow.

The challenges of being a family child care provider or running a child care center is well-documented. Licensing rules and regulations have changed over the years along with increasing expectations around outcomes for children entering kindergarten. 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 comes with very few benefits or recognition. The Alcona County community can recognize the ongoing contributions and continuous innovation of family child care providers and child care centers in the region. This could be achieved through recognition programs and other financial or material support.

### FACTOR: Quality & Regulations: Two Sides of One Coin

- Need for low-cost, local training to increase quality care, or other support to enhance programs
- Overall parents agree there is high quality child care, but sometimes parents take what they can get – even if they do not like or trust the program
- Frustration with paperwork and rules
- Highly regulated industry – a growing number of requirements and regulations for centers and home-based providers
- Potential new providers may be intimidated by the licensing process, and experienced providers may be frustrated by the regulations
- Alcona County Area residents indicated the desire to have more licensed child care choices and quality offerings available to families. While some of this desire is for new child care offerings, many also want 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.

## **FACTOR: High Cost and Low Availability of Child Care**

- Families have a tough time finding and affording child care
- Employers see the need to provide flexibility to schedules, when possible, to accommodate lack of child care
- Infant care is extremely hard to find, and some families find that there is a 2-year wait list
- Child care has small profit margins, is expensive to start, and may require time to achieve desirable cash flow
- Parents want high quality care, but they cannot pay enough to compensate providers
- Employers struggle with lost productivity and many other grievances when employees have challenges with child care
- It is challenging to find care that meets families' needs
- Programs have a challenging time charging enough to maintain staff or be financially stable

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 can help bridge the gap.

## **COMMUNITY DEVELOPED SOLUTIONS**

First Children's Finance and the Alcona County Area RCCIP Core Team conducted a consensus workshop with the community to produce a variety of viable solutions to address the child care shortage. Below are the main points of conversation from the session.

### **THEME: EMPLOYER ENGAGEMENT**

- Develop a partnership with local employers that have expressed interest to support the growth and development of additional programs and slots in Alcona County.
- Provide education to local employers and stakeholders about the availability and economic impact of the lack of child care in Alcona County.

### **THEME: ECE PIPELINE**

- Work with Bay Mills Community College to encourage and offer early childhood education classes within Alcona Community Schools for college credit.
- Development of an apprenticeship program in high school for early childhood education.
- Explore creative options for future providers to learn about the licensing process and steps to take to become a provider.
- Development of a support network for current ECE providers within Alcona County.



## THEME: EXPANDED CARE

- Expanded Care is needed for Before and After School Programming for school-age children.
- Finding a solution to before/after school care will open up slots in family and group home facilities that “hold” school age slots for children.
- Exploring summer camp opportunities for school age children will allow early childhood programs to take in full time full year children ages 0-5.

## THEME: FINANCIAL SUPPORT/INCENTIVES

- Provide tax incentives for new and current home-based family child care businesses.
- Once identified, educate potential new in-home providers about incentives and grant opportunities.
- Explore ways to create and provide health insurance for child care providers.

## THEME: FACILITIES

- Seek and assist unlicensed and license-exempt family providers to become a licensed family child care program.
- Explore current vacant facilities within the community that may be a viable solution for a child care program.
- Explore closed facilities within the community.

# IMPLEMENTATION PROJECTS

After the consensus workshop held during the Town Hall session, the Core Team met to develop SMART Goals to address the prioritized child care needs of the community. The SMART Goals, project team leaders, team-members and expected outcomes are listed below.

## SMART GOAL ONE

By June 2024, the Core Team will create an early childhood pathway for high school students that includes partnering with educational post-secondary programs to offer opportunities for students in early childhood education.

**Project Team Lead** – Helen Ann Cordes

### **Expected Outcomes and Impact:**

- Creating a pathway for the future of Alcona County early childhood education.
- Maintaining and creating additional slots in Alcona as current providers prepare for retirement.
- Develop relationships with Bay Mills Community College, MIAEYC-TEACH Scholarship.

## SMART GOAL TWO

Throughout the next year, with the help of Great Start Collaborative and Great Start to Quality, a support network will be formed with Alcona County Providers that will offer Provider engagement, resources, grant opportunities, and training.

**Project Team Lead** – Angie Bruning

**Additional Team Members** – Desiree Lipski, Heather Gagnon

### **Expected Outcomes and Impact:**

- To form and strengthen the provider relationships within Alcona County.
- Exploration of licensed exempt providers within Alcona County.
- To ensure that Providers feel supported and have the resources needed to remain sustainable in a learning community forum.
- To potentially work together to recruit additional community members to open additional Family/ Group care programs.

## SMART GOAL THREE

An ongoing effort to research and apply for grants both local and statewide that will provide funding for existing, expanding and start up programs within Alcona County.

**Project Team Lead** –All of Alcona County Core Team

### **Expected Outcomes and Impact:**

- To create additional slots in Alcona County.
- To provide additional child care opportunities for families.

## SMART GOAL FOUR

Research before, after and summer programs for school age children to open availability for home providers to enroll additional children 0-4 by November 2023.

**Project Team Lead** – Helen Ann Cordes and Ali Yokom

**Additional Team Members** – Lauren Dietrich

### **Expected Outcomes and Impact:**

- Engage with local programs to oversee and run a before, after and summer program for school-aged children.
- School age offerings for before and after including summer camp will open up slots for child care providers to accept full time children ages 0-4 into care.

## SMART GOAL FIVE

By October 2023, engage with large employers, within the region, to seek increasing child care slots by 20% through potential program development, financial support and/or employee FSA support.

**Project Team Lead** – Dan O’ Connor  
**Additional Team Members** – Alex Cole

### Expected Outcomes and Impact:

- Partnership development for onsite child care with Kalitta Air.
- Partnership development with Iosco County Core Team.
- Potential for FSA accounts with employers. Families will be able to utilize the FSA to help with child care costs.



# ABOUT FIRST CHILDREN'S FINANCE

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Founded in 1991, First Children's Finance (FCF) is a national nonprofit organization based in Minneapolis, Minnesota with regional offices in Iowa, Michigan, Minnesota, 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 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 visit [www.firstchildrensfinance.org](http://www.firstchildrensfinance.org)



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