



RURAL CHILD CARE INNOVATION PROGRAM

COMMUNITY SOLUTION ACTION PLAN
FOR CHILD CARE

Osceola County, Michigan

AUGUST 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 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

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 Osceola 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 Osceola 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 Osceola County, First Children's Finance conducted a Supply and Demand Gap Analysis and community surveys, which showed a child care shortage of approximately 592 child care slots in the Osceola 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 Osceola County. Forty percent of survey respondents declined employment or withdrew from the workforce due to child care issues and 20% of employers responded that child care impacted their ability to attract employees. Additionally, 40% 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 Osceola County include affordability for working families, a child care staffing shortage and lack of support and recognition by the local community.

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

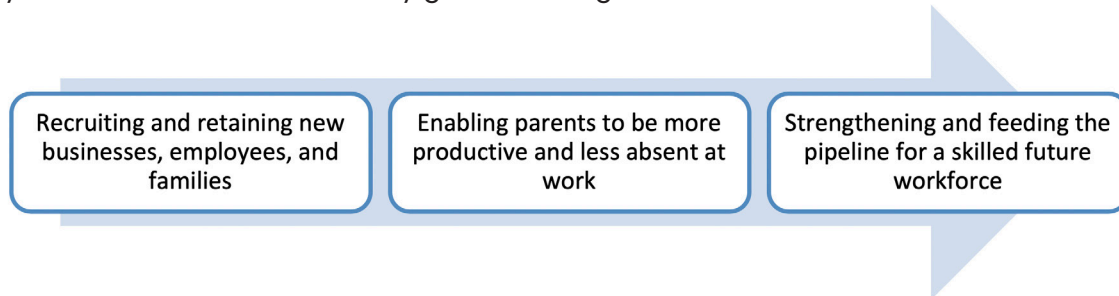
1. By the end of 2024, create a network to support existing and new child care providers.
2. Open one early childhood classroom in Reed City Public Schools, Ewart Public Schools, and Pine River Public Schools by 2025, utilizing Marion Public Schools as a model for success.
3. Integrate the Small Business Development Center (SBDC) into the ECE pipeline for growth and expansion for new home providers by June 2024.
4. By December 2024, develop an employer supported ECE system. Employers will value and recognize the impact of quality child care on a thriving economy by establishing supports for the Early Childhood Educational system. (i.e., FSA, HAS, on-site Child Care, work life balance benefits, etc.)
5. Develop a system for ongoing community engagement and education by January 2024.

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

EXPECTED OUTCOMES AND IMPACT

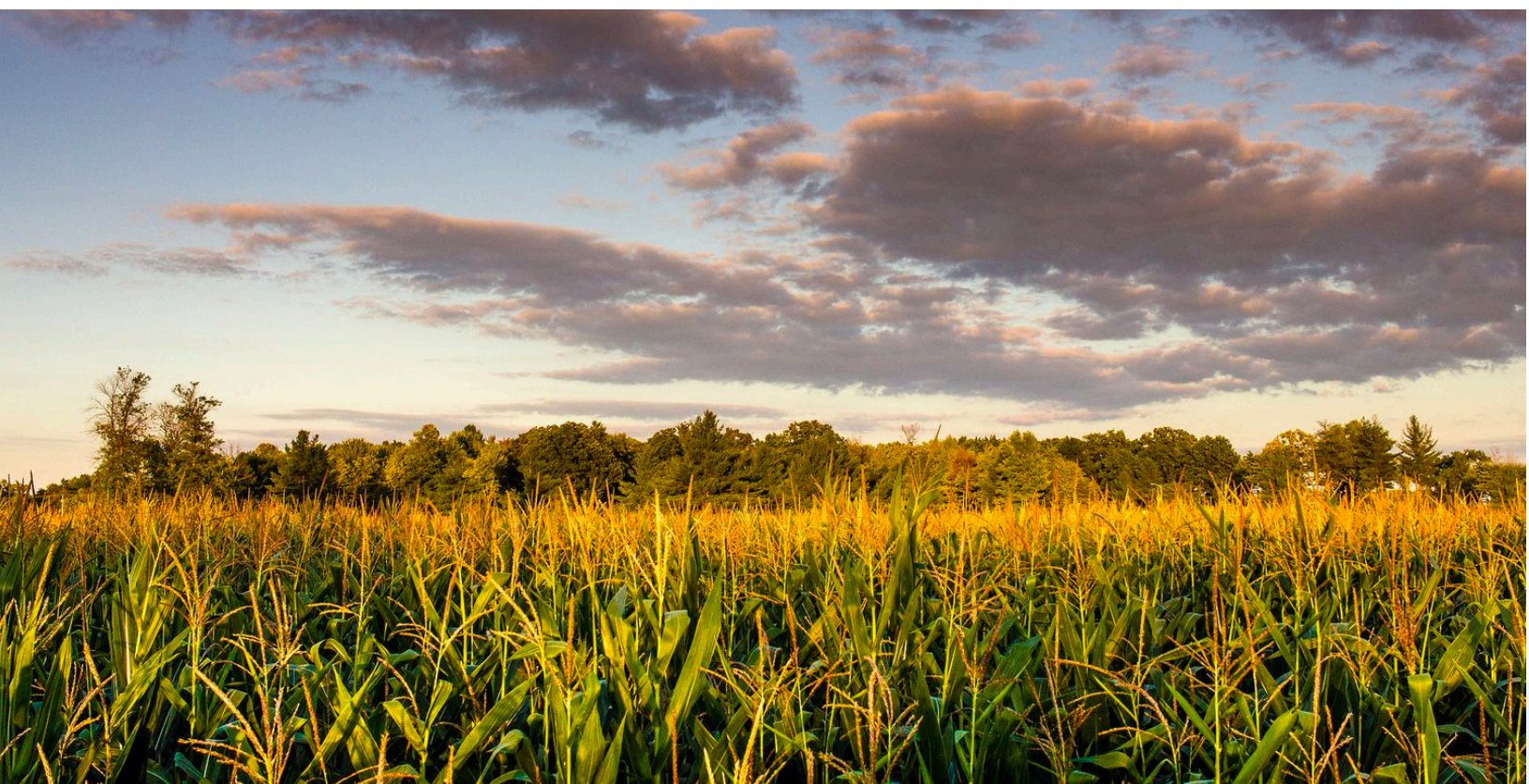
The Rural Child Care Innovation Program is designed to support fundamental change in the overall condition of child care in the areas that it is delivered. This is accomplished through various methods that include:

- 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 OSCEOLA COUNTY

Osceola County is a rural county in the west central portion of lower Michigan. The land is predominantly agricultural and open space. Osceola County has a population of 23,274 and is made up of twenty-two local units of government that include two cities, four villages and sixteen townships according to the U.S. Census. The most common employment sectors for those who live in Osceola County are Manufacturing (2,118 people), Health Care & Social Assistance (1,257 people), and Retail Trade (1,053 people) with the median household income being \$50,722 according to the U.S. Census.



▶ LOCAL TEAM REPRESENTATION

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

▶ Kati Mora*	Middle Michigan Development Corporation
▶ Caroline Roberts*	Middle Michigan Development Corporation
▶ Staci Gillett	Local Parent
▶ Chris Huntey	Huntey's Clubhouse
▶ Tyler Huntey	Huntey's Clubhouse
▶ Alex Cumings	Huntey's Clubhouse
▶ Pepper Lockhart	City of Evart
▶ Tim Ladd	Osceola County
▶ Sara Ladd	Evart Public Schools
▶ Mark Buss	Michigan Works! West Central
▶ Kevin Welch	Michigan Works! West Central
▶ Tricia Smith-Bennett	Mecosta-Osceola Great Start Collaborative
▶ Lynda Bowling	Community Member
▶ Alicia Michell	Marion Public Schools
▶ Denise Allen	Former Provider
*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 Osceola County, First Children’s Finance focused on the data for all zip codes located in Osceola County to determine the overall need. The supply demand gap analysis from March 2023 estimates a shortage of 592 slots for children ages birth–five years of age with all available parents participating in the workforce.

Osceola County Child Care Need Analysis



Osceola County

Selected Zip Codes

- 49631-Evart
- 49639-Hersey
- 49655-Le Roy
- 49665-Marion

- 49677-Reed City
- 49679-Sears
- 49688-Tustin



592

Birth to 5 spots needed

FCF Calculation

4

Licensed Family Child Care Providers

6

Licensed Group Home Providers

6

Licensed Child Care Centers



65%

Children under 5 with all parents in the workforce

Estimate based on the 2021 ACS

509

Current child care capacity

FCF Calculation



1,101

Children under 5 with all parents working

Estimate based on the 2021 ACS



\$780

per month preschool

Cost of family child care

Michigan 2021 Market Rate Child Care Study Survey 75 percentile -Osceola County



\$1,039

per month preschool

Cost of center child care

Michigan 2021 Market Rate Child Care Study Survey 75 percentile -Osceola County



First Children’s Finance

March 2023

When asked about how long family child care businesses plan to remain in operation, 67% of family child care providers reported they are planning to remain in business for another 3–5 years. Thirty-three percent of family child care providers predicted to be in business for 10 or more years. This is important for Osceola County to consider ways to retain the current family child care providers and build additional slots within the community.

FAMILY CHILD CARE – BY THE NUMBERS

In rural communities' family child care or family group care is a primary delivery mechanism for child care; it is a critical factor in the overall supply of child care in rural areas because its size and scale are most likely to be financially sustainable. First Children's Finance evaluated the current supply of family child care to identify trends needing 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.

	Local
▶ Total Family Child Care Providers	4
▶ Total Group Child care Providers	6
▶ Average Length of Service	14.3 years
▶ Less than 5 years / Service	3
▶ More than 20 years / Service	4

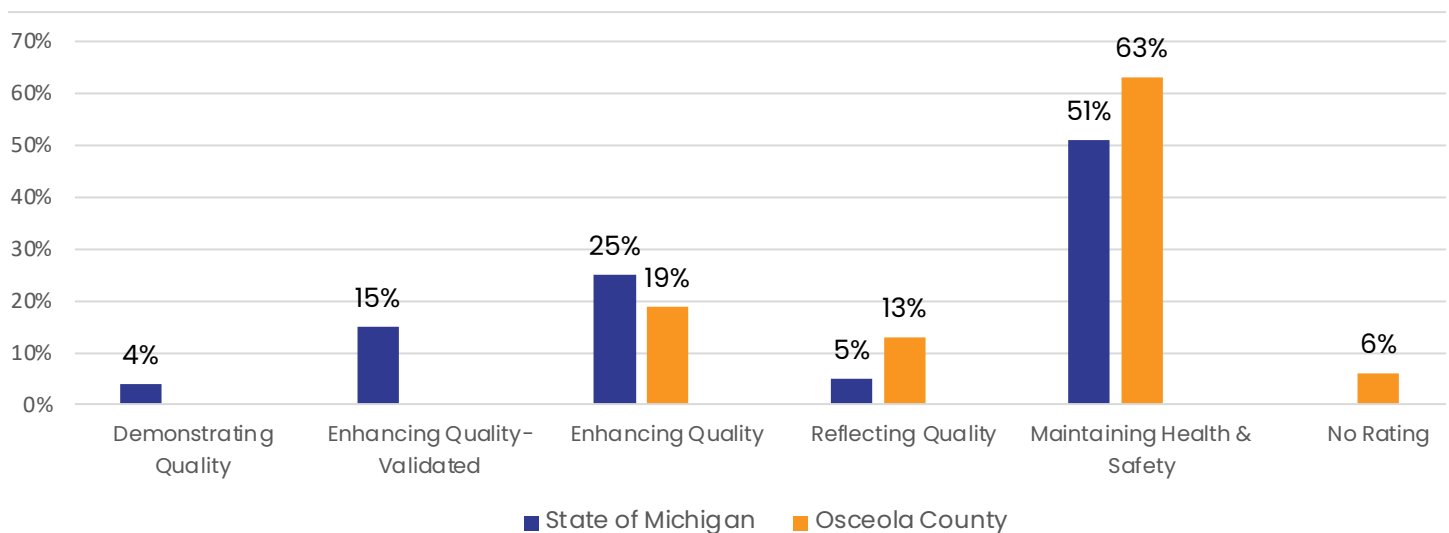
LARA March 2023



▶ QUALITY CHILD CARE OVERVIEW

First Children’s Finance examined state-wide 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 learning 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 programs’ 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 schools 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 Osceola County vs. The State of Michigan



Source: Great Start to Quality

The chart above demonstrates how providers in Osceola County and the State of Michigan are rated with the levels of quality. While the program is optional for those 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 twenty-four 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 Osceola County.

Area Market Rates –Osceola County– Based On (45 hrs./52 wks.)

Age Group	Weekly Rate	Annual Cost
▶ 75th Percentile- Infant weekly	\$175	\$9,102
▶ 75th Percentile- Toddler Weekly	\$175	\$9,102
▶ 75th Percentile- Preschool Weekly	\$165	\$8,587
▶ 75th Percentile- School Age Weekly (15hrs/44wks)	\$50	\$2,198

2020 Child Care Market Rate Survey

While rates of investment for child care are high for families, many child care businesses operate on very slim margins due to the excessive cost of quality staffing and care. Staffing is a significant expense for many child care center programs at 60–80% of overall expenses.



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. Osceola County has reading proficiency levels just below the state average while the graduation rates are slightly above the state average.

Third Grade Reading Levels

District	2021-2022 Proficiency Rate
▶ Ewart Public Schools	33.9%
▶ Marion Public Schools	46.9%
▶ Pine River Area Schools	41.6%
▶ Reed City Area Public Schools	30.1%
Michigan Statewide Average	41.6%

Local Graduation Rates

District	2021-2022 Graduation Rate
▶ Ewart Public Schools	75.95%
▶ Marion Public Schools	76.47%
▶ Pine River Area Schools	94%
▶ Reed City Area Public Schools	80.53%
Michigan Statewide Average	81.01%

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 – Osceola County

Total households ACS 2021	# of Households	%
▶ Less than \$10,000	486	5.6%
▶ \$10,000 to \$14,999	494	5.7%
▶ \$15,000 to \$24,999	902	10.4%
▶ \$25,000 to \$34,999	1,041	12%
▶ \$35,000 to \$49,999	1,345	15.5%
▶ \$50,000 to \$74,999	1,735	20%
▶ \$75,000 to \$99,999	1,128	13%
▶ \$100,000 to \$149,999	1,119	12.9%
▶ \$150,000 to \$199,999	286	3.3%
▶ \$200,000 or more	139	1.6%
Total Households	13,342	
Median Household Income	\$50,722	

U.S. Census American Community Survey 2021

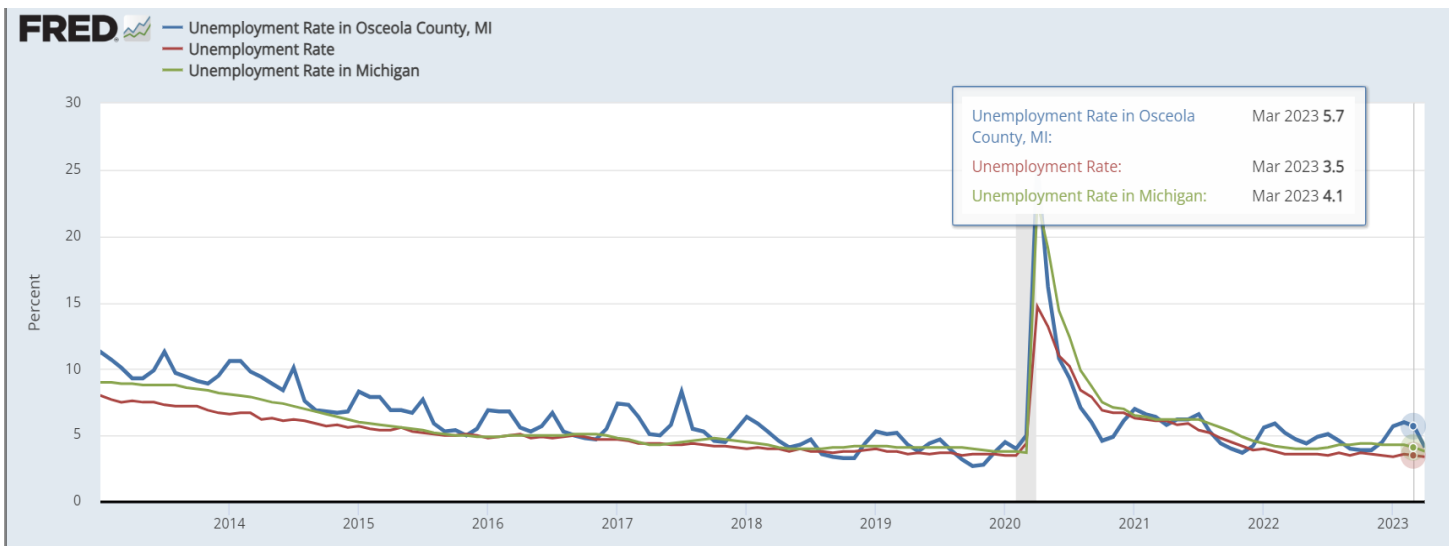


LOCAL EMPLOYMENT CONDITIONS

Employment data was also considered by First Children’s Finance in the analysis of the child care crisis in Osceola 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 – Osceola County

In March 2023, when this initial analysis of data for Osceola County began, the unemployment rate for the country was 3.5%; State of Michigan was 4.1%; and Osceola County was 5.7%. The unemployment rates for March 2023 are portrayed in the chart below and have since decreased within the county to 5% in June 2023. This could indicate a larger need for child care in the community.



Source: U.S. Bureau of Labor Statistics

Community Employers – Osceola County

Employers in the Osceola 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 childcare challenges.



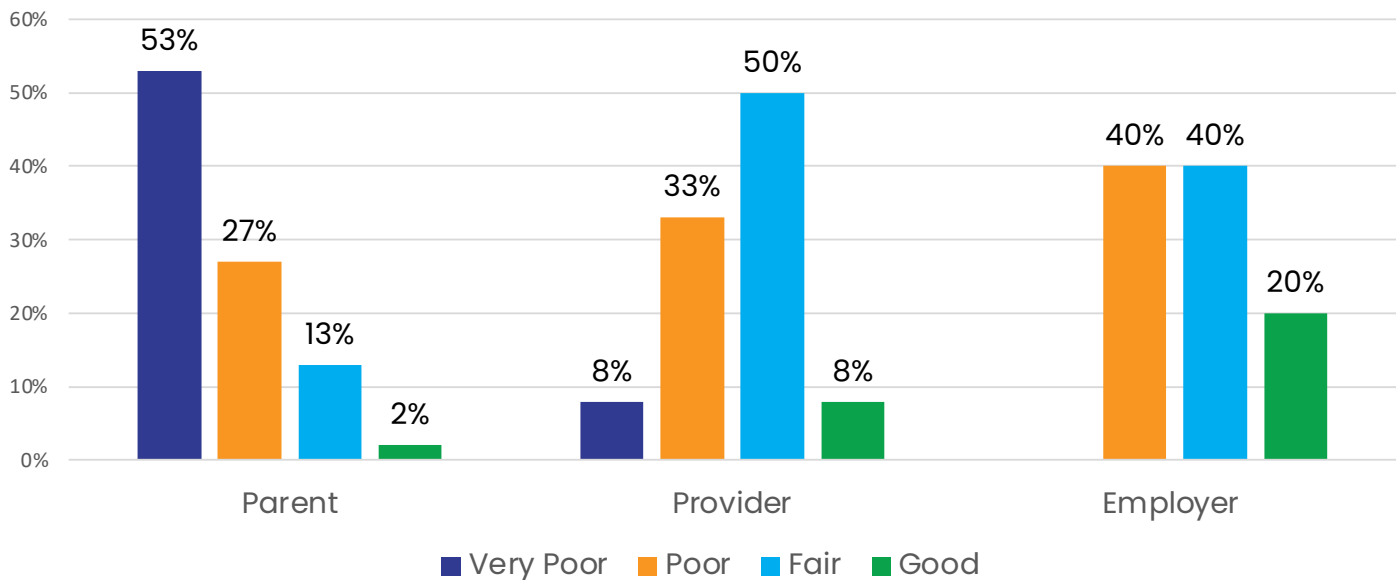
▶ COMMUNITY SURVEYS – SELECTED PERSPECTIVES

The general community was invited to participate in comprehensive surveys about child care in Osceola County. Fifteen individuals completed the parent survey, and five local businesses completed the employer survey. A separate survey gathered information from fifteen local child care businesses.

Perceptions: Availability of Child Care in Osceola County

Survey participants were asked to rate the availability of child care in their community. The chart below reflects those responses

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



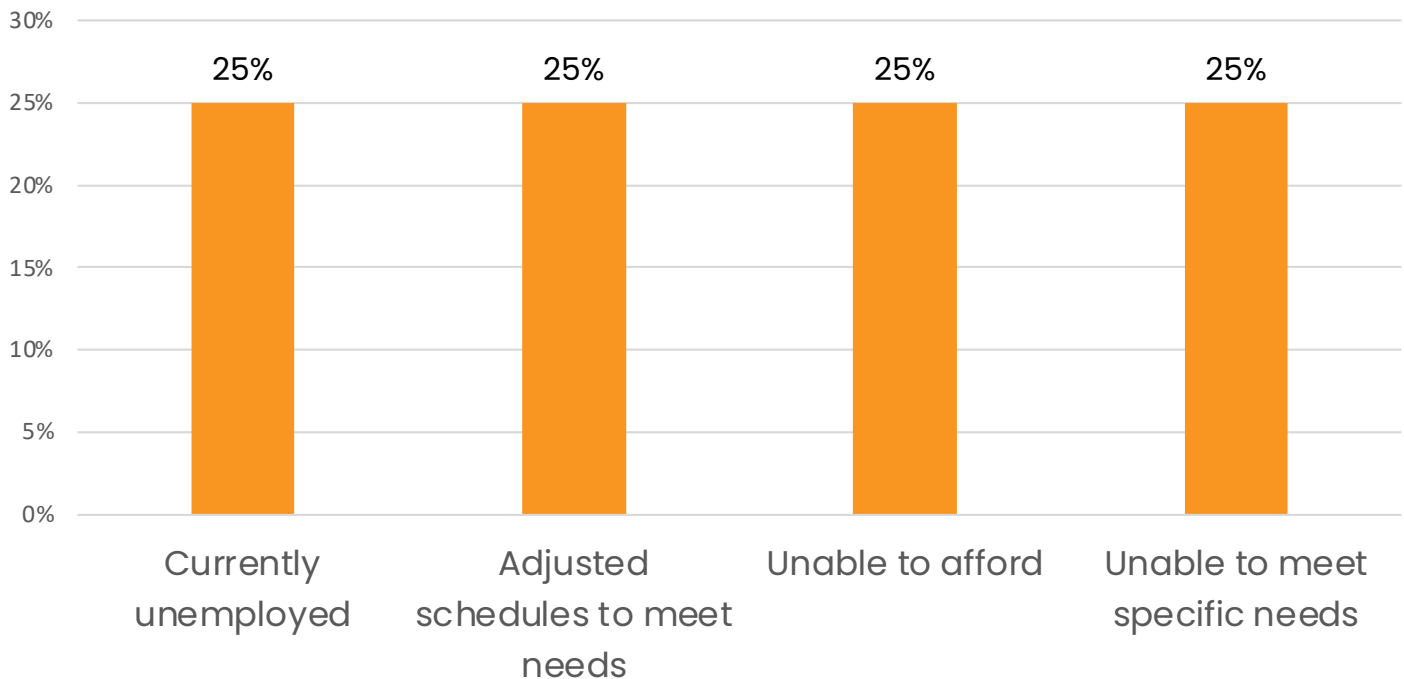
Perceptions: Quality of Available Child Care in the Local Area

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 licensed by the State of Michigan.
3. The provider has achieved an elevated level of education or credentials.
4. The provider uses an educational curriculum.
5. The provider is conveniently located.
6. The provider is a friend, family member, neighbor, or someone I have a personal relationship with.

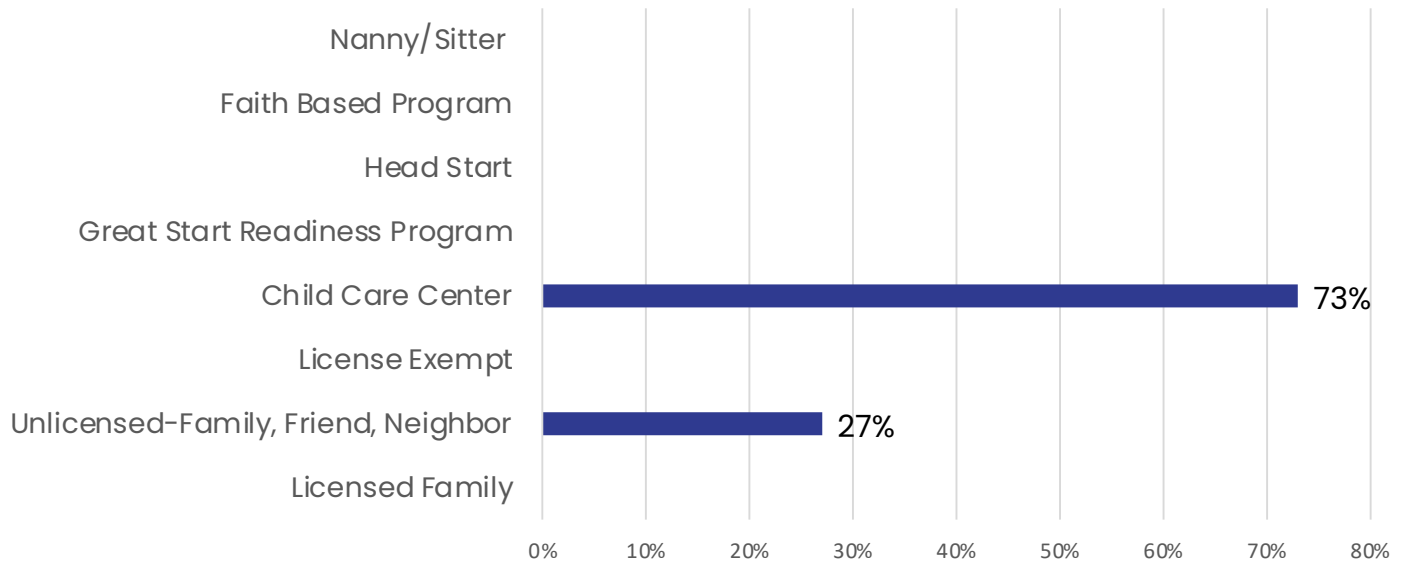
Reasons for Not Enrolling in Paid Child Care

The Osceola County Core Team explored data related to why parents may not be enrolled in paid child care. A breakdown of the parent survey revealed evenly that many are adjusting their work schedules in order to meet their child care needs, many parents are currently unemployed, or simply cannot afford to pay for child care. It was also noted in the survey that many families had trouble finding an appropriate option for their specific situation.



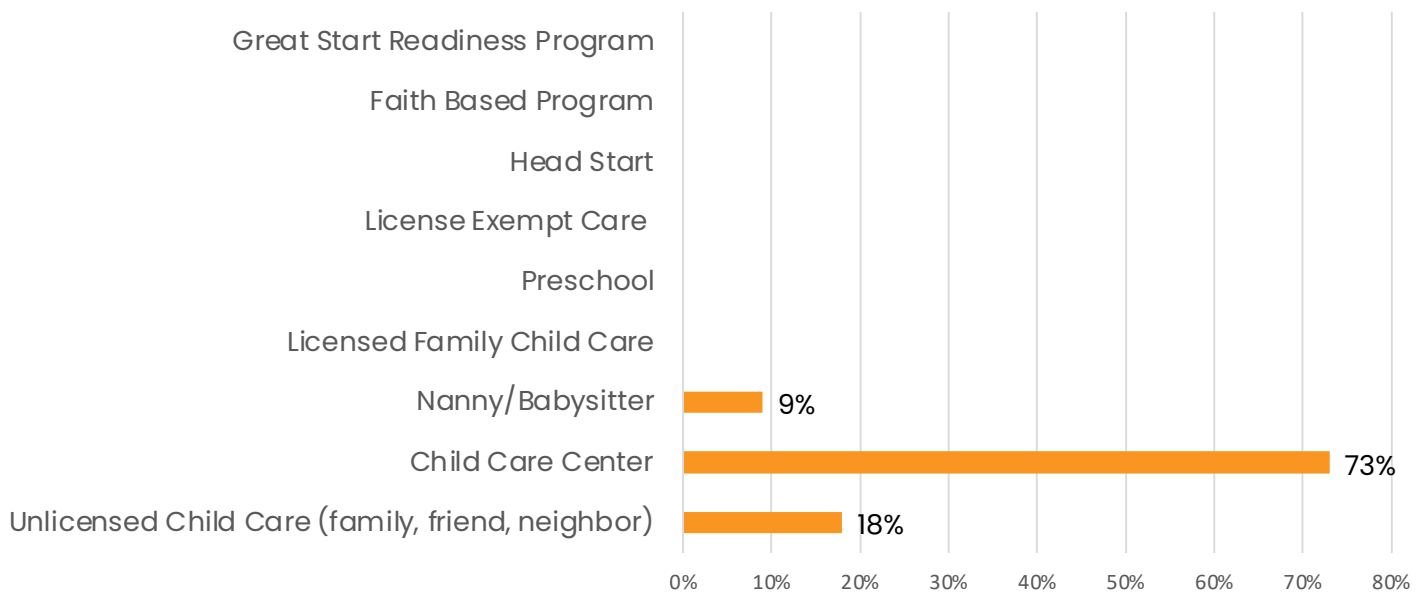
Types of Care Parents are Currently Using

The chart below shows the types of child care utilized by families in the Osceola County Area.



Types of Care Parents Prefer to Utilize

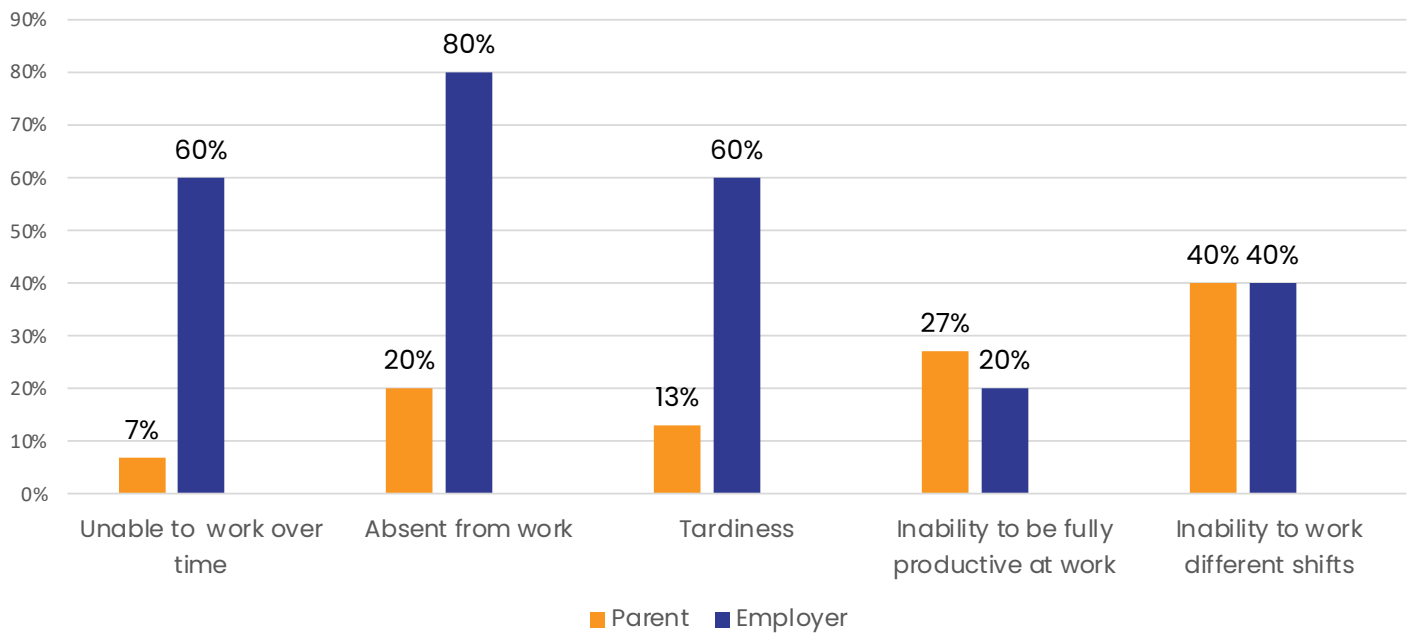
The types of care parents in the Osceola County Area prefer are shown on the chart below. When a community can better meet the preferred child care options of families the community will be more successful in attracting new families and individuals to the community to live and work.



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



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, inability to work a flexible schedule or work different shifts, and tardiness to work.

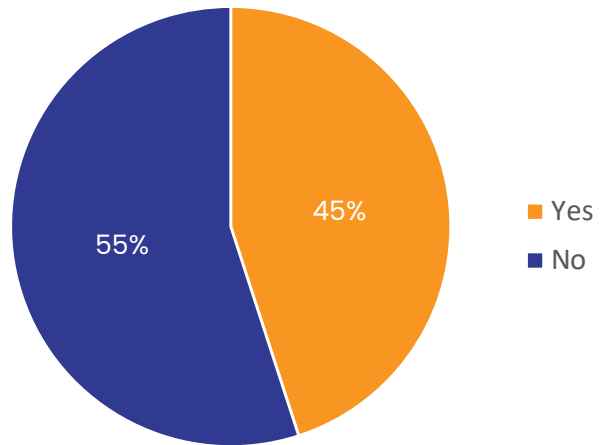
From the employer survey, 40% of employers said the child care shortage has affected their ability to attract employees while 20% of employers indicated the lack of child care has impacted their ability to retain employees.

Additional child care related challenges for parents included 7% not able to travel for work, 20% not considered for a promotion, and 13% were not able to accept a promotion. Employers responded that 20% of their employees were not able to travel for work due to child care challenges.

Impact on Family Planning – Osceola County

Parents participating in the survey were asked if child care availability had impacted their family planning. The chart to the right 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?



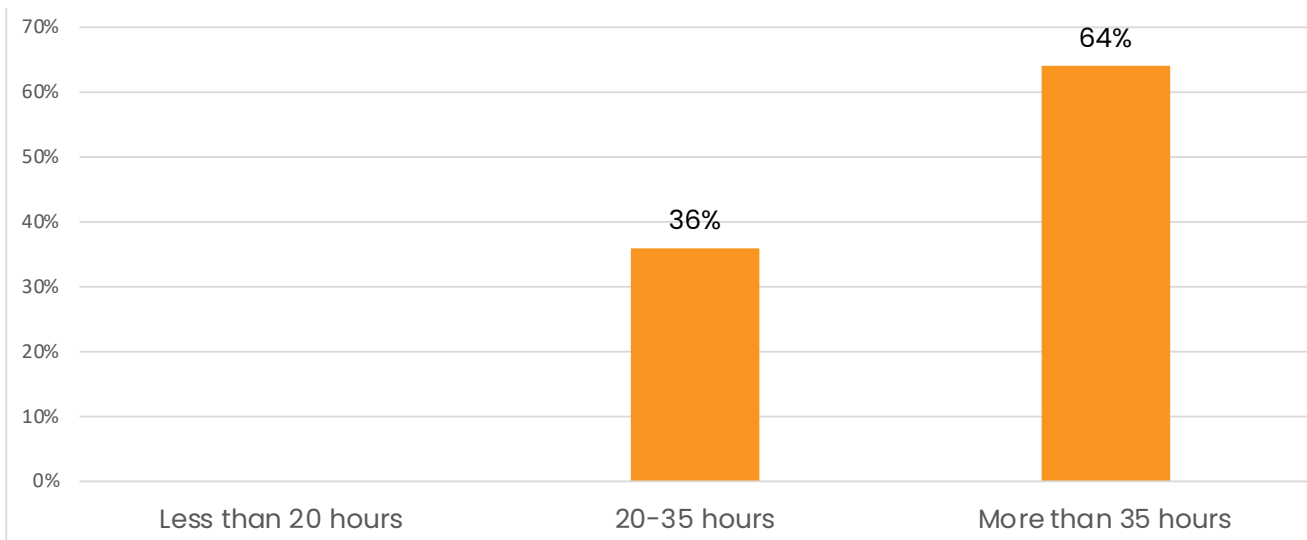
Osceola County must consider this data point. If families report their family size is impacted by the availability of child care, it stands to reason that families could relocate to different communities where child care availability is better.

In addition to impacting family planning, child care shortages can also impact the local employment environment. In the survey, 40% 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

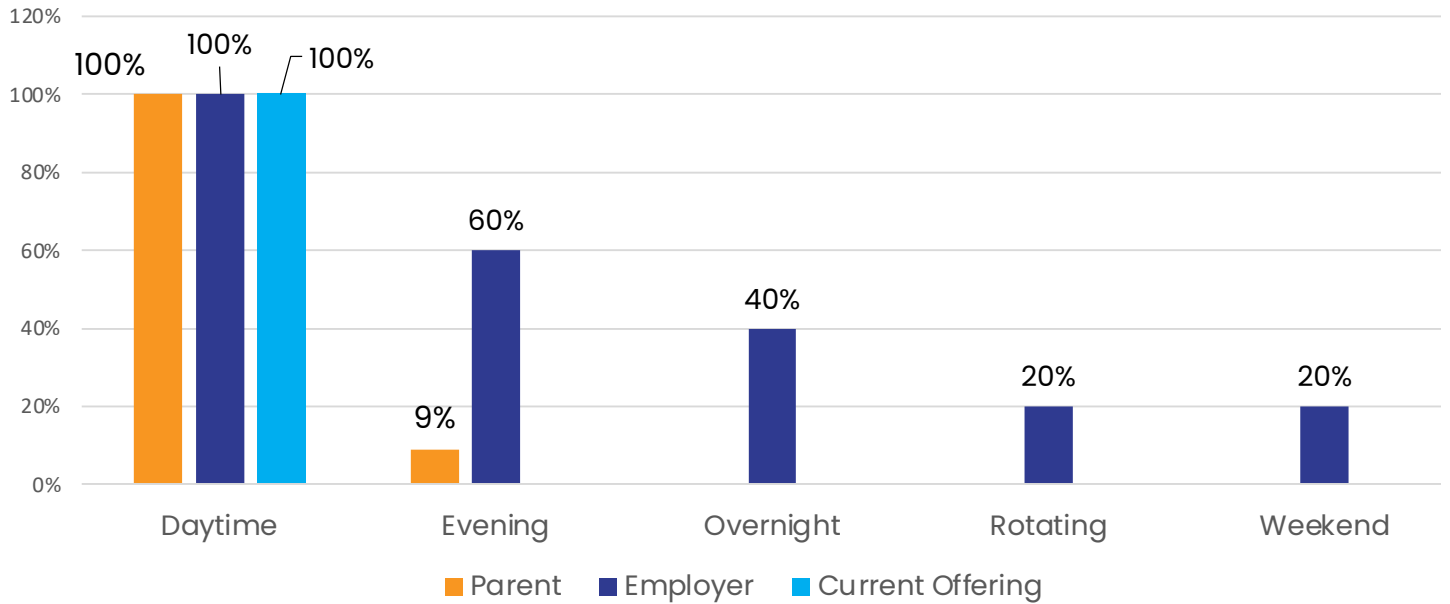
It is important for a community to understand the types of child care parents need to identify the right sized solutions for the community. The survey indicated that 64% of parents need more than 35 hours of care per week and are seeking full-time child care options.

How Many Hours of Child Care Do You Need Weekly?



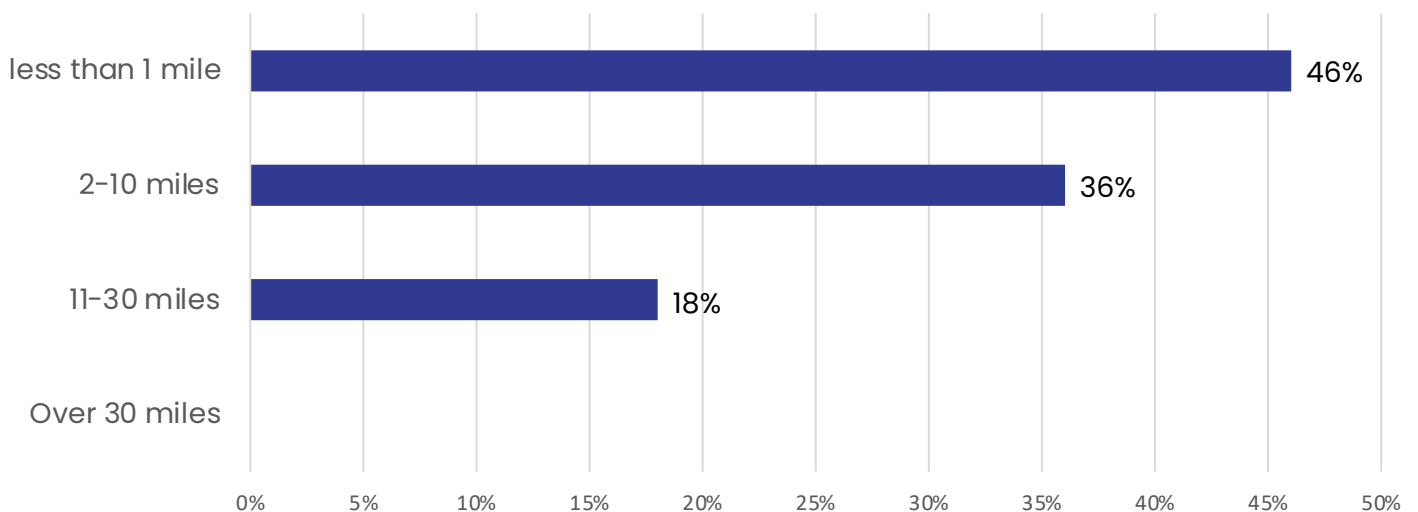
It is also important to determine when parents need care so the community can offer options that meet that need. The chart below shows the hours of care needed from both a parent perspective and an employer perspective. As we see in many communities, the survey showed employers believe families need 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. Osceola 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 Osceola County



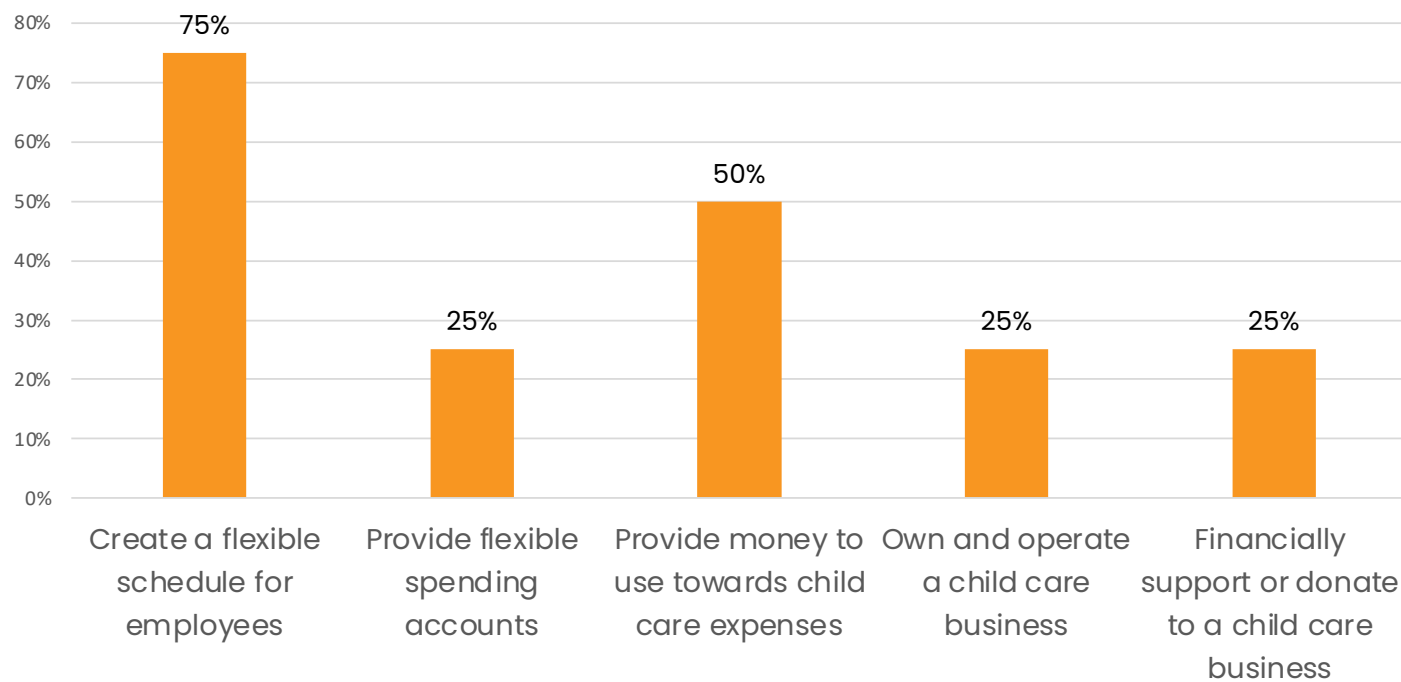
Osceola County Area survey respondents indicated that they were traveling significant distances to find appropriate child care. Eighteen percent indicated that they were traveling more than eleven miles for child care.

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 Osceola County area are willing to help is to 1) create flexible schedules, and 2) provide money to employees for child care expenses. Seventy-five percent of respondents identified they would be willing to create a flexible schedule and 50% reported that they would be willing to provide money for child care expenses.

Employers Willing to Assist to Address the Issue





UNDERSTANDING THE UNDERLYING CHALLENGES

The Core Team in Osceola 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 while 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 for child care 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 Osceola 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
- Ratios for numbers of children in younger age groups reduce the number of infants and toddlers a provider can care for making it difficult to cash flow infants and toddler care, which is also one of the highest needs
- Potential new providers may be intimidated by the licensing process, and experienced providers may be frustrated by the regulations

Osceola 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 two-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 Osceola 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: WORKFORCE DEVELOPMENT

- Establish a succession plan for home providers who plan to retire
- Encourage Michigan Works and Small Business Development Center to develop an apprenticeship, Co-Op, or Career Technical Education programs within Osceola County

THEME: COMMUNITY EDUCATION/PARTNERSHIPS

- Partner with local businesses for sponsorships for early childhood education support
- Utilize Michigan Works, Chambers of Commerce and MMDC for employer support
- Development of a toolkit with data findings, solutions and potential impact for local employers and stakeholders to disseminate materials
- Educate local county and city officials in Osceola County about the child care needs

THEME: RECOGNITION

- Develop a support network for providers that includes Great Start Collaborative and Great Start to Quality support
- Connect with local Chambers of Commerce Middle Michigan Development Center and Michigan Works for provider support
- Establish a list of resources and employers within the community that are able to provide free or reduced services to providers in the community

THEME: FACILITIES

- Explore vacant classrooms within local area schools that may be utilized for early childhood classrooms
- Identify ways to provide funding for start-up
- Impact of staff retention for those employed by the districts

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 the end of 2024, create a network to support existing and new child care providers.

- Connect with Great Start Collaborative for parent involvement.
- Connect with Great Start to Quality for provider support and to develop quarterly meetings facilitated by providers as an educational component in an area of expertise.
- Connect with local Chambers of Commerce, Middle Michigan Development Center, and Michigan Works for employer support.

Project Team Lead – Kati Mora
Additional Team Members – Caroline Roberts

Expected Outcomes and Impact:

To build relationships within the community through employers, providers, and parents so that the early childhood educators in Osceola County have the support that is needed.

SMART GOAL TWO: Open one early childhood classroom in Reed City Public Schools, Evert Public Schools, and Pine River Public Schools by 2025, utilizing Marion Public Schools as a model for success.

- Research Marion Public Schools early childhood education model to include a case study and interviews from school officials. Present to the district the findings.
- Create a detailed budget for potential model.
- Explore funding opportunities including grants and potential employer sponsorships.
- Research pro/cons for early childhood education program to be absorbed by each individual district or a private program.
- Explore ways to provide care during non-traditional school hours (summer/extended care).
- Explore district staffing needs for child care.

Project Team Lead – Kati Mora
Additional Team Members – Caroline Roberts

Expected Outcomes and Impact:

Utilizing current facilities within the community to add additional slots for child care programming. Three new classrooms have the potential to open at minimum twenty-four new slots.

SMART GOAL THREE: Integrate the Small Business Development Center (SBDC) into the ECE pipeline for growth and expansion for new home providers by June 2024.

- Collaborate with Early Childhood Investment Corporation.
- Establish a plan with SBDC and Michigan Works for the development of an apprenticeship, Career Technical Education, and Co-Op programs.

Project Team Lead – Kati Mora

Additional Team Members – Caroline Roberts

Expected Outcomes and Impact:

Establishment of a succession plan for current home providers who intend to retire in the next 3-5 years.

SMART GOAL FOUR: By December 2024, develop an employer supported early childhood education system. Employers will value and recognize the impact of quality child care on a thriving economy by establishing supports for the Early Childhood Educational system. (i.e., FSA, on-site child care, work life balance benefits, etc.)

- Develop a one-page document on child care impact to be shared with employers.
- Build a partnership with Reed City Group to create an innovative child care solution to increase slots for the community.
- Development of a community service network for providers at a free or reduced cost.

Project Team Lead – Kati Mora

Additional Team Members – Caroline Roberts

Expected Outcomes and Impact:

The creation of innovative community solutions that will increase support and understanding of child care business.

SMART GOAL FIVE: Develop a system for ongoing community engagement and education by January 2024.

- Development of a tool kit with data findings, solutions, impact, and outcomes.
- Present to city and county commissioners' data findings.
- Enlist community stakeholders to disseminate educational materials to the community with a focus on local banks, foundations, and large employers.

Project Team Lead – Kati Mora

Additional Team Members – Caroline Roberts

Expected Outcomes and Impact:

To provide education and awareness to the community in Osceola County about the need for child care. Through education and awareness, we will be able to open communication for potential collaboration between providers and employers to add additional slots and/or facilities in Osceola County.

ABOUT FIRST CHILDREN'S FINANCE

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



First Children's Finance