



# First Children's Finance

## RURAL CHILD CARE INNOVATION PROGRAM

COMMUNITY SOLUTION ACTION PLAN FOR CHILD CARE

**NOBLES COUNTY, MINNESOTA**

FEBRUARY 2024

The Rural Child Care Innovation Program is possible due to generous funding from the Minnesota Department of Human Services.

**mi** DEPARTMENT OF  
HUMAN SERVICES



This Community Solution Action Plan is designed to be a deep dive into the Rural Child Care Innovation Program.

You will step through every stage of the community engagement process from solution development to implementation.

Please visit  
[www.ruralchildcare.org](http://www.ruralchildcare.org)  
for continued updates on  
community progress.

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"If employees can't find quality care for their children, they won't work for you. They won't move to your community, or they'll be forced to move away, or they might have to consider quitting their job to stay home with their children because **they have no other option.**"

**Kris Bevell**

Editor  
Prairie Business Magazine

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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 Minnesota's rural communities. The goal of RCCIP is to help communities identify the scope and size of their child care challenges, and to empower and support communities to develop solutions to address these challenges.

The Community Solution Action Plan for Nobles 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 Nobles County, with the support of First Children's Finance, conducted a thorough investigation and analysis to uncover the factors creating the child care shortage in the area through focus groups, individual interviews, and surveys with a multitude of stakeholders.

To understand the potential need of child care in Nobles County, First Children's Finance conducted a Supply and Demand Gap Analysis and community survey, which showed a child care shortage of approximately 952 slots. The analysis revealed that it's very difficult to be a child care provider due to numerous rules and regulations, low pay and no benefits, long hours, and high operating costs. Staffing is a significant expense for many child care programs, resulting in 60-80% of overall expenses. This heavily influences the ability of child care providers to sustain their child care operations.

The analysis also revealed that the child care shortage has severely impacted parents living in Nobles County. Forty-Three percent of survey respondents declined employment or withdrew from the workforce due to child care issues, and 29% of employers responded that child care impacted their ability to attract employees. Additionally, 29% of employers said the child care shortage has impacted their ability to retain employees. Absence from work (when a provider is closed for the day), inability to work a flexible schedule, inability to work different shifts, and tardiness to work hinders the ability of parents to advance in their careers and the ability of employers to meet their business needs.

Some of the major factors contributing to the child care shortage in Nobles County include an increase in dual-working families, attraction of new employees to the area, affordability of child care, difficulties of being a child care provider, and a lack of community recognition for child care providers.

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

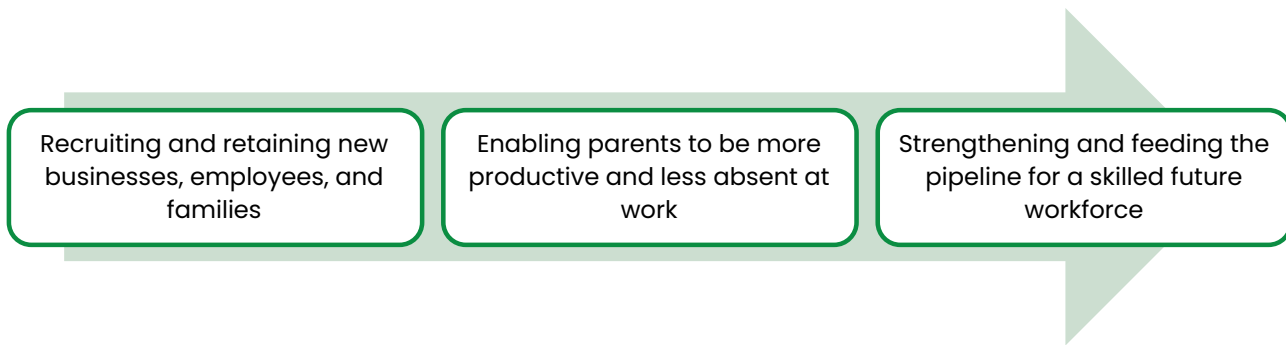
1. Over the next three months, create a "Resource Handbook" for providers and those interested in becoming providers that lists all local, regional, and state resources.
2. Nobles County and the community will host an annual appreciation event and celebrate child care provider day in May. Our appreciation will be shown to all of Nobles County's Family Child Care Providers and Child Care Centers.
3. Within the next six months, collaborate with local stakeholder agencies to market and educate community groups on the need and importance of quality child care to the Nobles County Community.
4. Over the next year, the facilities team will promote and develop partnerships between the city, county, and local businesses to develop emergency and drop-in care for community residents. This would include sponsored center and family child care slots in Nobles County.
5. Within 6 months, we will contact all schools in Nobles County and create a plan for preparing students and community members for a career in child care.

In implementing these goals, Nobles County will improve the state of child care, empower local child care providers through continuous community support, provide parents with more care options, and give providers stronger resources to run and operate their child care business. In the next 12 months, First Children's Finance will support the core team in implementing these goals and measuring the outcomes of their efforts.

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## THE IMPORTANCE OF HIGH QUALITY CHILD CARE IN COMMUNITIES

In rural communities, ebbs and flows of the local economy greatly influence the sustainability of a community's child care supply, and vice versa. 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.

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## INTRODUCING THE RURAL CHILD CARE INNOVATIVE PROGRAM

Child care is an economic driver for rural communities across the United States, and 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 innovation it takes 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 Greater Minnesota.

## PROGRAM ACTIVITIES & GENERAL TIMELINE

PLANNING PHASE		
ACTIVITIES	TIMING	DETAILS
Core Team Lead Orientation	February, 2023	Zoom meeting with Core Team Leader to set expectations
Core Team Onboarding (6 Hours)	March 14, 2023	A face-to-face meeting to discuss the RCCIP details and expectations.
Core Team Planning Meeting (4 Hours)	April 11, 2023	During the face-to-face or virtual meeting, the community engagement activities will be mapped out and a timeline for the process will be developed
Data Gathering & Community Engagement Activities	Summer 2023	The Core Team engages the community in data collection and informs them about their work
FCF Facilitated Ongoing Core Team Check-ins	May 1, June 5, July 10, 2023	Virtual monthly Core Team meetings
Child Care Provider Appreciation Event	July 19, 2023	A face-to-face dinner or virtual event is organized to recognize and appreciate the community's providers
Synthesize Data	July 2023	FCF synthesizes data into useful info for Town Hall event
Planning Meeting for Town Hall	August 7, 2023	Virtual Core Team meeting to plan for the Town Hall event
Town Hall Event	October 11, 2023	A face-to-face community wide event held to learn about data collected and identify and develop projects
Child Care Provider Recruitment	On-going	Recruit providers to participate in business trainings, business leadership cohorts, and one-on-one consultations conducted by FCF
IMPLEMENTATION PHASE		
ACTIVITIES	TIMING	DETAILS
Organization of Town Hall ideas	October 2023	FCF staff organizes Town Hall ideas into a workable format
Goal Setting and Implementation Meeting (4 Hours)	October 30, 2023	Face-to-face meeting to prioritize goals, develop SMART goals, map out implementation activities, and plan for the Community Launch
SMART Goal Finalization Meetings	November 2023 – January 2024	One or two virtual meetings action steps, and identify local project leaders
Community Solution Action Plan (CSAP) Development	February – March 2024	FCF creates a report detailing community data, types of solutions, and community-identified projects
Planning meeting for Community Launch and Action Step updates	May 2024	Face-to-face or a virtual meeting to share the CSAP, plan the CSAP Community Launch, and share updates on action steps
Community Launch of CSAP	Early Summer 2024	Press release and/or community activities to share the CSAP
Regular Core Team Meetings	March 2024–February 2025	Updates discussed from project teams to the core team; frequency determined by the core team; facilitated by the Core Team Lead
Biannual Reporting	March 2024–February 2025	Core team lead provides written biannual update to FCF
Technical Assistance & on-going Support	March 2024–February 2025	FCF provides technical assistance when needed
Final Report	January 2025	Core Team leader submits final written report to FCF
Celebration with the Core Team	February 2025	Core team celebrates its success
Learning Communities	Various Times as determined by FCF.	Opportunities to learn from and network with other RCCIP communities who are either in the implementation phase or who have completed the RCCIP process.



## EXPECTED OUTCOMES AND IMPACT

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

- A thorough analysis of the current child care supply and demand, and evaluation of community factors impacting the local child care supply.
- Events that educate community members about the link between quality child care, rural economic development, and viable communities.
- A Community Solution Action Plan that includes innovative solutions generated through a facilitated Town Hall process.
- Support and business improvement services to existing family child care providers and child care centers.
- 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.

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## ABOUT NOBLES COUNTY



Nobles County is a rural county in Southwest Minnesota with a population of 21,991. It is a highly diverse community, with county agencies and the largest employers reporting as many as 72 languages and dialects spoken in the county. The median income for families is \$55,304 and manufacturing is the largest sector of the economy.

Families in the area report that there is a large need for infant and toddler care, as well as multilingual providers. The lack of child care has negatively impacted the workforce as families often go to other communities to meet their child care needs.



## LOCAL CORE TEAM REPRESENTATION

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

- Joshua Schuetz, CEDA – Nobles County
- Angie Kopplow, CEDA – Nobles County
- Amber Waldner – Nobles County
- Angela Freking, Nobles County
- Bruce Heitkamp, Nobles County
- Cory Greenway, City of Worthington
- Karen DeBoer, Southwestern Minnesota Opportunity Council – Child Care Aware
- Matt Widboom, Worthington Public Schools
- Molly Schilling, Adrian Public Schools
- Paige Stearns, Nobles County
- Scott Marquardt, Southwest Initiative Foundation
- Stacie Golombiecki, Nobles County
- Robert S. Demuth Jr., Nobles County
- Fabiola Cuna, Citizen Volunteer
- Karri Olmanson, Worthington Area YMCA
- Beth Mahoney, Citizen Volunteer
- Mike Kuhle, Citizen Volunteer
- Chris Kielblock, City of Worthington
- Cristina Adame, City of Worthington
- Pam Duffy, Kids-R-It Child Care Center

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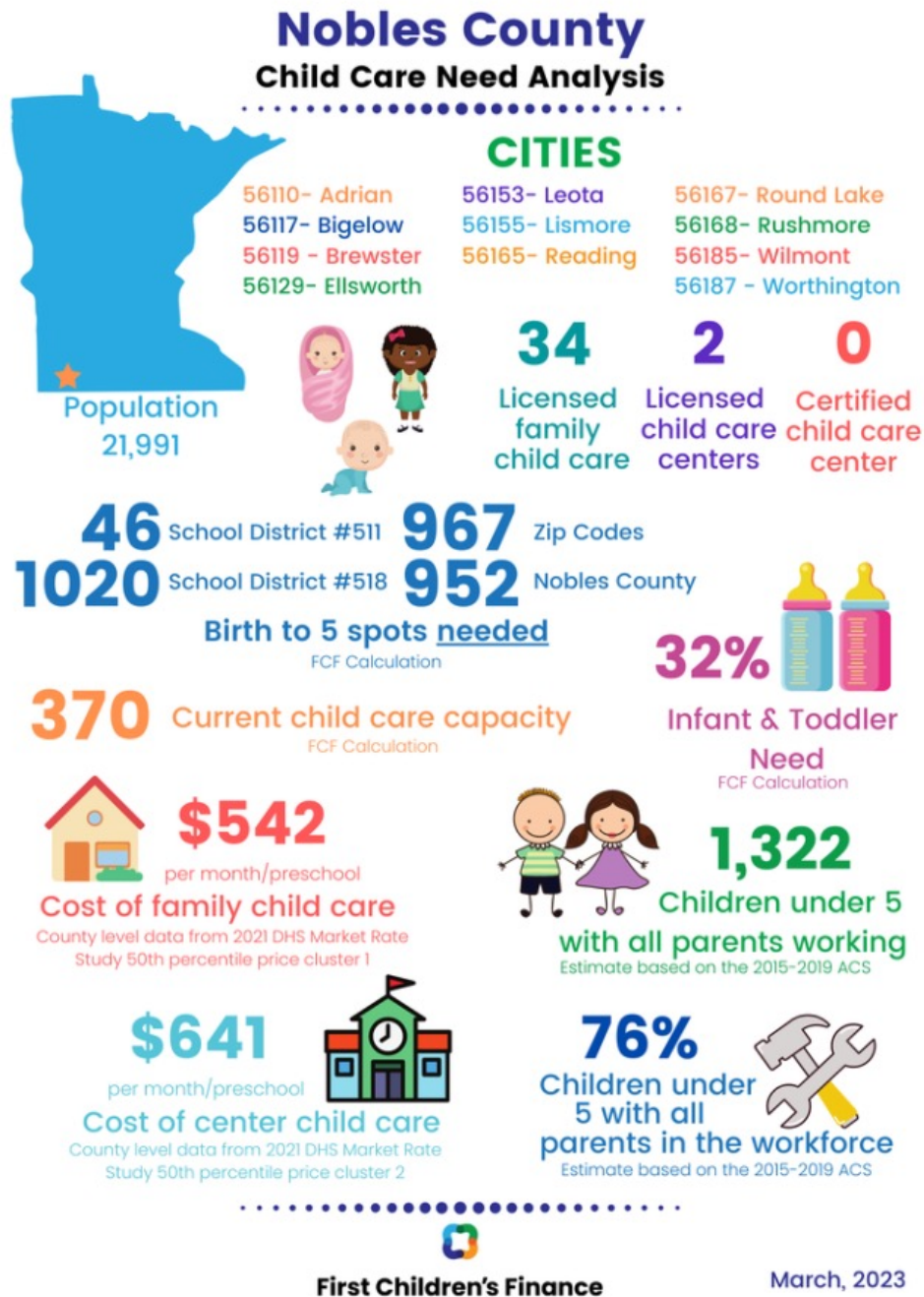
## CHILD CARE DATA AND EARLY EDUCATION TRENDS

As part of the Rural Child Care Innovation Program, the local community was provided with various forms of data to understand the contributing factors for the child care challenges. First Children's Finance leveraged different data sources to pull together an illustrative picture of the impact of child care in the local area. These data sources include US Census Information, MN Child Care Licensing Records, Minnesota Department of Education, MN DEED, School District Census information and other internal research tools including First Children's Finance data.



# POTENTIAL NEED OVERVIEW

First Children’s Finance conducted a supply and demand gap analysis which provided a view of potential child care needs. When analyzing the data, we look at a range of slots. This gives us the best picture of the need in the city. The Supply Demand Gap Analysis for Nobles County dated March 2023, shows a shortage of 952 slots for children birth to age five with all available parents in the workforce. The highest potential need shows 753 slots needed in the city of Worthington. Narrowing that down even further, the data shows that roughly 32% of the slots needed are for infants and toddlers.



In surveying family child care providers, we learned 42% plan on staying in business for 3–5 years. 8% of providers stated they are planning on being in business 6–9 more years, while 42% said they are planning on staying for 10 plus years. It is important for Nobles County to think about ways to retain family child care providers as well as building more slots within the community.



## FAMILY CHILD CARE – BY THE NUMBERS

First Children’s Finance evaluated the current supply of family child care to identify trends that needed further examination.

- The average length of service is slightly higher than the state average.
- Twenty eight percent of providers have less than 5 years of service, which is slightly higher than the state average of 27%. Forty one percent of providers have more than 20 years of service is higher than the state average.
- Providers with more than 20 years of service typically indicates that they may be nearing retirement.
- Providers with less than 5 years of service and those with more than 20 years of service are most at risk for turnover in an industry that already sees tremendous employment turn-over rates.

	LOCAL	STATE
TOTAL FAMILY CHILD CARE PROVIDERS	34	6,177
AVERAGE LENGTH OF SERVICE	15.08 years	14.2 years
LESS THAN 5 YEARS / SERVICE	13 / 28.2%	1,642 / 26.58%
MORE THAN 20 YEARS / SERVICE	14 / 41.2%	2,023 / 32.75%
NON-OWNER OCCUPIED	1 / 2.9%	243 / 3.93%
NON-RESIDENTIAL DWELLING	0 / 0.0%	52 / 0.84%

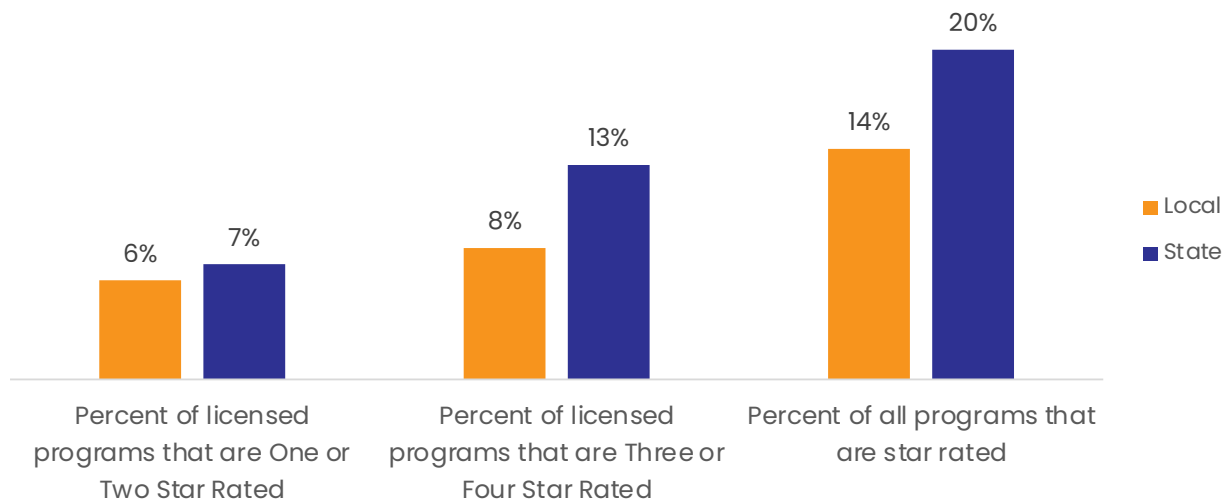
March 2023



## QUALITY CHILD CARE OVERVIEW

First Children’s Finance examined state-wide information about the number of child care programs that are participating in the Parent Aware program.

Parent Aware is Minnesota’s Quality Rating and Improvement System that identifies programs that go above and beyond the general licensing requirements to obtain higher quality learning environments in their child care programs.



The chart above demonstrates that child care providers in Nobles County are slightly below the state average when it comes to Parent Aware enrollment. This is a critical component when we evaluate the quality child care program offerings in the area.



# AVERAGE COST OF CHILD CARE

Child care is a large investment for families with children. A review of the 2021 DHS Child Care Market Rate Survey was conducted as part of the RCCIP to inform child care investments in the area.

The following chart shows the average cost of child care investment on a weekly basis at the 50th percentile for each age group in both a center and family child care setting. This number means 50% of child care programs charge more than this number and 50% of child care programs charge less.

## Area Market Rates – Nobles County

AGE GROUP - CHILD CARE CENTER	WEEKLY RATE	ANNUAL TOTAL
50TH PERCENTILE - INFANT WEEKLY	\$208	\$10,816
50TH PERCENTILE - TODDLER WEEKLY	\$194	\$10,088
50TH PERCENTILE - PRESCHOOL WEEKLY	\$180	\$9,360
50TH PERCENTILE - SCHOOL AGE WEEKLY	\$160	\$8,320

AGE GROUP - FAMILY CHILD CARE	WEEKLY RATE	ANNUAL TOTAL
50TH PERCENTILE - INFANT WEEKLY	\$125	\$6,500
50TH PERCENTILE - TODDLER WEEKLY	\$125	\$6,500
50TH PERCENTILE - PRESCHOOL WEEKLY	\$125	\$6,500
50TH PERCENTILE - SCHOOL AGE WEEKLY	\$115	\$5,980

*Results of the 2021 Child Care Market Rate Survey: Minnesota Child Care Provider Business Update*

The Child Care Assistance Program (CCAP) is a statewide program that helps families of low-income to afford high quality child care. Families need to financially qualify to access CCAP and the amount of financial assistance received by families will vary depending on their income levels. There are maximum reimbursement rates a county can distribute to qualifying families and as of October 30, 2023, the CCAP reimbursement rates are based on the 75th percentile of the county market rates. The maximum reimbursement rates can vary from county to county. When surveyed, 38.46% of family providers and 100% of centers accept CCAP reimbursement for families.

## CCAP –Nobles County (No quality differential)

AGE GROUP - CHILD CARE CENTER	WEEKLY RATE	ANNUAL TOTAL
NO QUALITY DIFFERENTIAL - INFANT WEEKLY - CENTER	\$225.00	\$11,700
NO QUALITY DIFFERENTIAL - TODDLER WEEKLY - CENTER	\$205.00	\$10,660
NO QUALITY DIFFERENTIAL - PRESCHOOL WEEKLY - CENTER	\$193.00	\$10,036
NO QUALITY DIFFERENTIAL - SCHOOL AGE WEEKLY - CENTER	\$175.00	\$9,100

AGE GROUP - FAMILY CHILD CARE	WEEKLY RATE	ANNUAL TOTAL
NO QUALITY DIFFERENTIAL - INFANT WEEKLY - FAMILY	\$140.00	\$7,280
NO QUALITY DIFFERENTIAL - TODDLER WEEKLY - FAMILY	\$135.00	\$7,020
NO QUALITY DIFFERENTIAL - PRESCHOOL WEEKLY - FAMILY	\$130.00	\$6,760
NO QUALITY DIFFERENTIAL - SCHOOL AGE WEEKLY - FAMILY	\$125.00	\$6,500

Because high-quality child care programs cost more to operate there is a CCAP differential for programs that are volunteering to participate in the Parent Aware Star Rating Program. If a child care program has a 3-Star Parent Aware rating, the CCAP maximum reimbursement rate increases by a 15% differential. Three-Star Parent Aware rated programs are required to implement curriculum and assessment tools throughout their entire program. The chart below shows the increased maximum reimbursement rate. If a child care program has a 4-Star Parent Aware rating the CCAP maximum reimbursement rate increases by a 20% differential. Four-Star Parent Aware programs are also required to implement curriculum and assessment tools throughout their entire program. Below is the 4-Star 20% differential maximum CCAP reimbursement rate for the Nobles County.

**CCAP –Nobles County (20% quality differential)**

AGE GROUP - CHILD CARE CENTER	WEEKLY RATE	ANNUAL TOTAL
20% QUALITY DIFFERENTIAL - INFANT WEEKLY - CENTER	\$270.00	\$14,040
20% QUALITY DIFFERENTIAL - TODDLER WEEKLY - CENTER	\$246.00	\$12,792
20% QUALITY DIFFERENTIAL - PRESCHOOL WEEKLY - CENTER	\$231.60	\$12,043.20
20% QUALITY DIFFERENTIAL - SCHOOL AGE WEEKLY - CENTER	\$210.00	\$10,920

AGE GROUP - FAMILY CHILD CARE	WEEKLY RATE	ANNUAL TOTAL
20% QUALITY DIFFERENTIAL - INFANT WEEKLY - FAMILY	\$168.00	\$8,736
20% QUALITY DIFFERENTIAL - TODDLER WEEKLY - FAMILY	\$162.00	\$8,424
20% QUALITY DIFFERENTIAL - PRESCHOOL WEEKLY - FAMILY	\$156.00	\$8,112
20% QUALITY DIFFERENTIAL - SCHOOL AGE WEEKLY - FAMILY	\$150.00	\$7,800

While rates of investment for child care are high for families, many child care operations run on very slim profit margins due to the high cost of quality staffing and care. Staffing is a significant expense for many child care center programs, averaging 60-80% of overall expenses.

Many Family Child Care Providers invest significant portions of tuition revenue back into their operations leaving providers with less than minimum wage for compensation, according to research by First Children’s Finance.





## 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. As depicted in the tables below, Nobles County has reading proficiency levels and graduation rates that are slightly lower than the state average.

### Third Grade Reading Levels

DISTRICT	2021 PROFICIENCY RATE
Adrian Public Schools #0511	34.9%
Ellsworth School District #0514	46.2%
Fulda School District #0505	34.6%
Round Lake–Brewster District #2907	34.6%
Worthington School District #0518	29.10%
<b>Statewide</b>	<b>47.40%</b>

Minnesota Department of Education Report Card

### Local Graduation Rates

DISTRICT	2021 GRADUATION RATE
Adrian Public School District #0511	87.2%
Ellsworth Public School District #0514	91.7%
Fulda School District #0505	87.5%
Round Lake–Brewster District #2907	N/A
Worthington School District #0518	65%
<b>Statewide</b>	<b>83%</b>

Minnesota Department of Education Report Card



## ABILITY TO PAY FOR CHILD CARE

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

### Household Income – Nobles County

TOTAL HOUSEHOLDS ACS 2019 5YR ESTIMATE	%
Less than \$10,000	4.3%
\$10,000 to \$14,999	5.6%
\$15,000 to \$24,999	6.4%
\$25,000 to \$34,999	7.1%
\$35,000 to \$49,999	13.6%
\$50,000 to \$74,999	20.3%
\$75,000 to \$99,999	16.5%
\$100,000 to \$149,999	16.3%
\$150,000 to \$199,999	4.7%
\$200,000 or more	5.2%
<b>TOTAL HOUSEHOLDS</b>	<b>7,689</b>
<b>MEDIAN HOUSEHOLD INCOME</b>	<b>\$62,973</b>

U.S. Census American Community Survey 2019



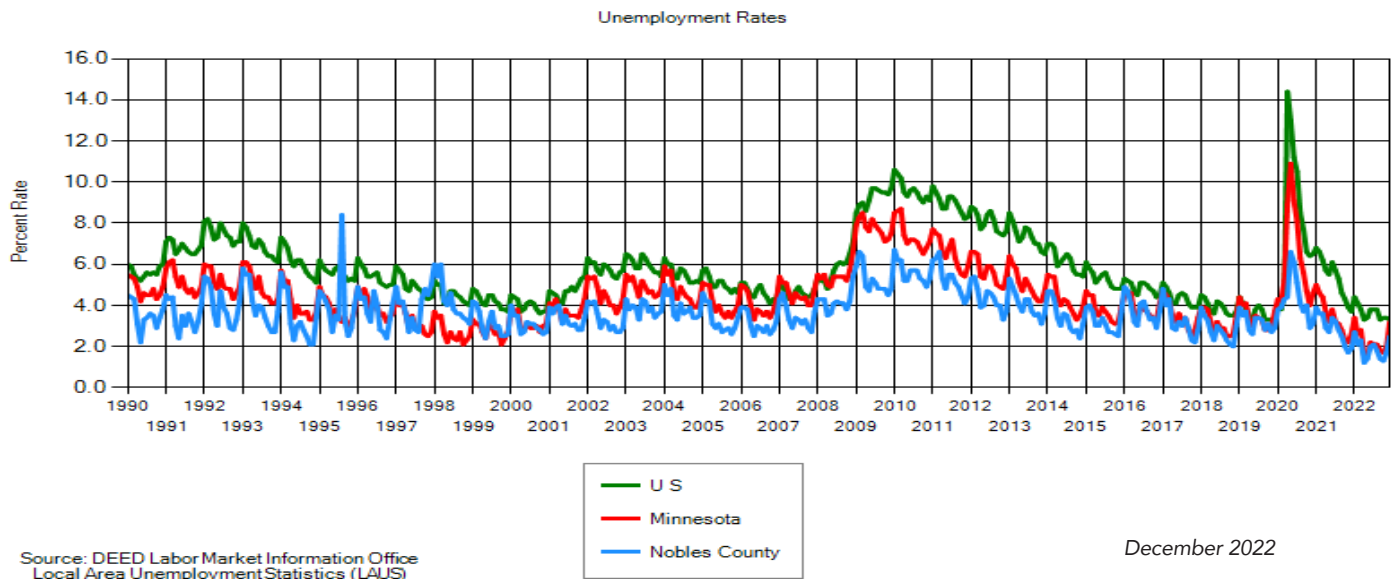


## LOCAL EMPLOYMENT CONDITIONS

Employment data was also considered by First Children’s Finance in the analysis of the child care situation in Nobles County. Employment data can serve as an indicator that additional child care is needed to support the employment needs of the community since there are more two-parent families employed.

### Unemployment Rates – Nobles County

In March of 2023, when this initial analysis of data for Nobles County was completed, the unemployment rate was 2.5% which is a relatively low unemployment rate. This can also indicate a need for more child care in the community. Adding additional child care strengthens the local economy by allowing more families to return to the workforce.



### Top Local Industries – Nobles County

Employers in the Nobles 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, employers have been able to provide valuable insight and resources into child care discussions.

Top 3 Industries: Nobles County	# Employees	% of Workforce
Industry: Manufacturing	3,325	32.4%
Industry: Retail Trade	1,288	12.5%
Industry: Health Care & Social Assistance	1,240	12.1%



# 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, parent, provider, and employer electronic surveys, focus groups, and presentations about child care. Through these various inputs, the Core Team was able to better understand the causes of local child care shortages.

FOCUS GROUPS



ONE ON ONE MEETINGS



SURVEYS



PRESENTATIONS

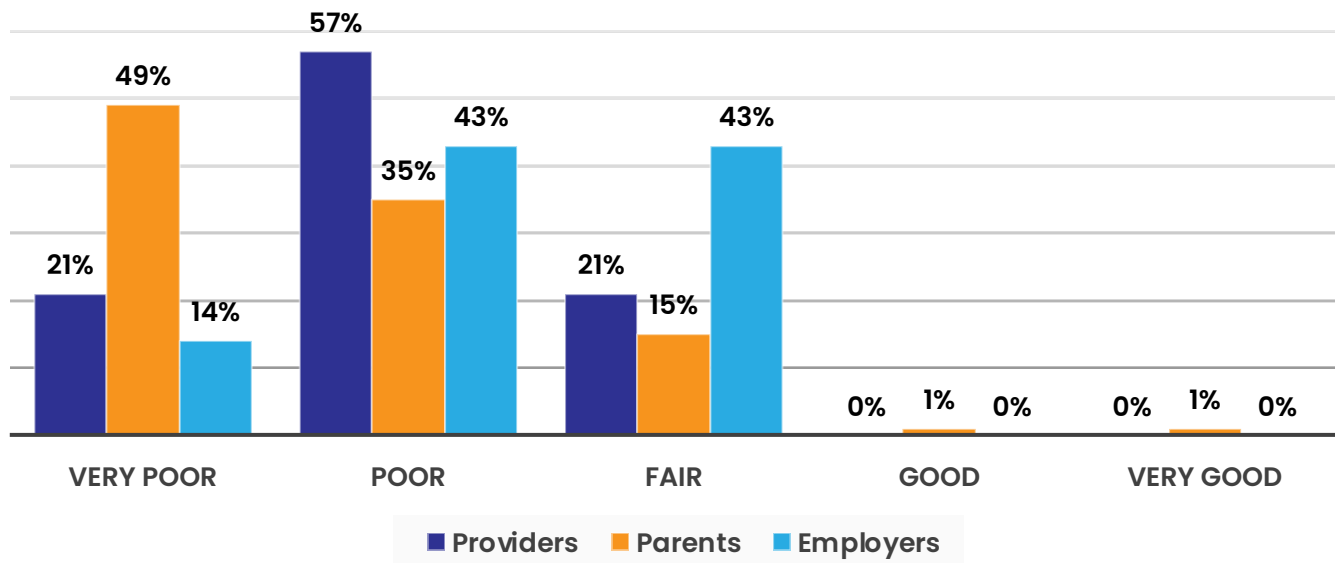


## COMMUNITY SURVEYS – SELECTED PERSPECTIVES

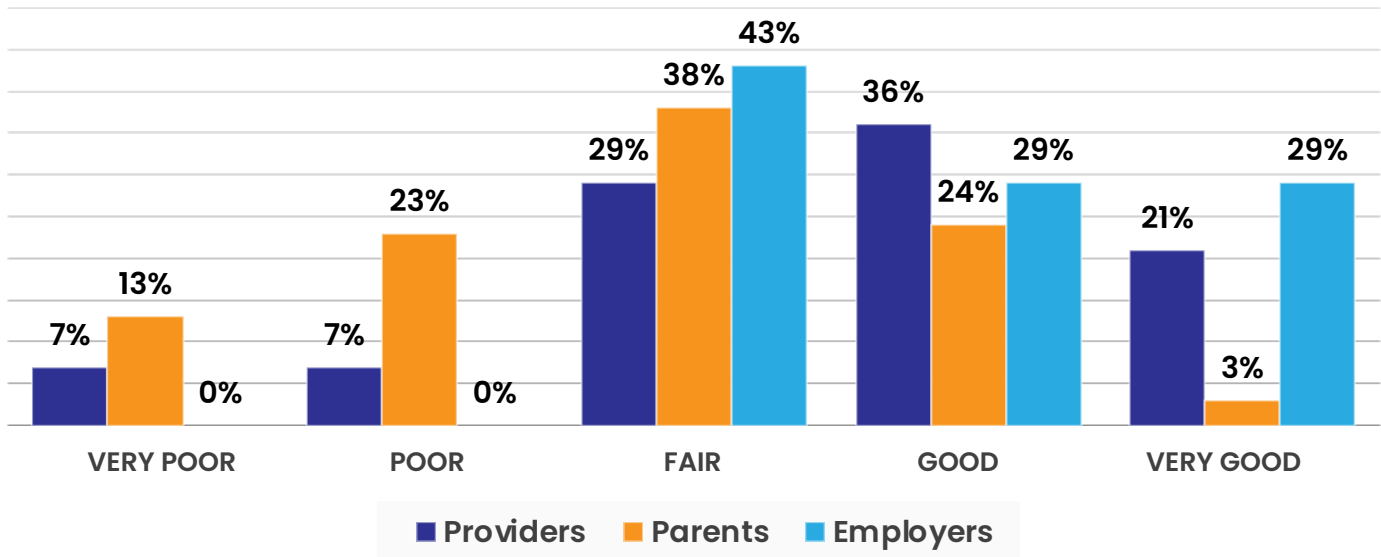
The general community was invited to participate in a comprehensive survey about child care in Nobles County. Respondents included 135 individuals for the parent/employee survey and 7 employers for the employer survey. A separate survey gathered information specific to child care businesses from 13 family child care providers and 1 child care center.

The following charts represent some highlighted perspectives within the community:

### Perceptions: Availability of Child care in the Local Area



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

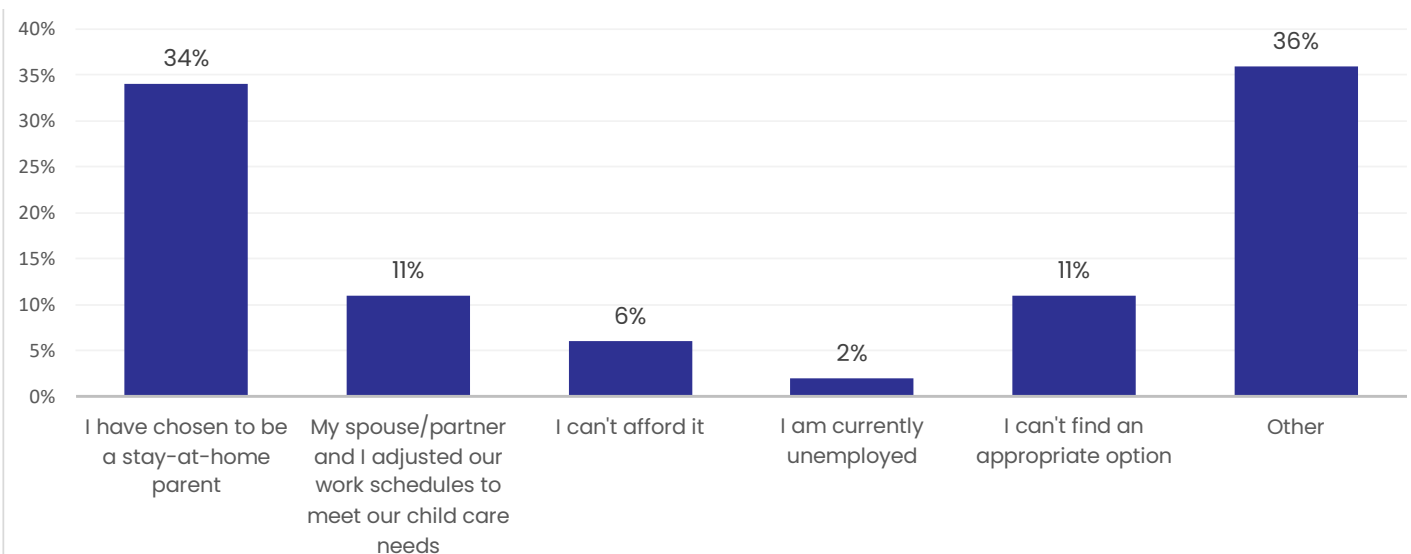


While specific questions about quality were not part of this survey, survey responses show child care providers and the local community are in general agreement on the availability of high quality child care in the area. When survey participants were asked about what is important for them in a child care program, they ranked their preferences as follows (1 being the most important):

1. A safe and healthy environment
2. Conveniently located
3. Licensed by DHS
4. Uses an educational curriculum
5. Provider is a friend, family member, neighbor, or someone I know personally
6. Provider has a high level of education
7. Provider is Parent Aware rated and/or nationally accredited

## Reasons for Not Enrolling in Preferred Care

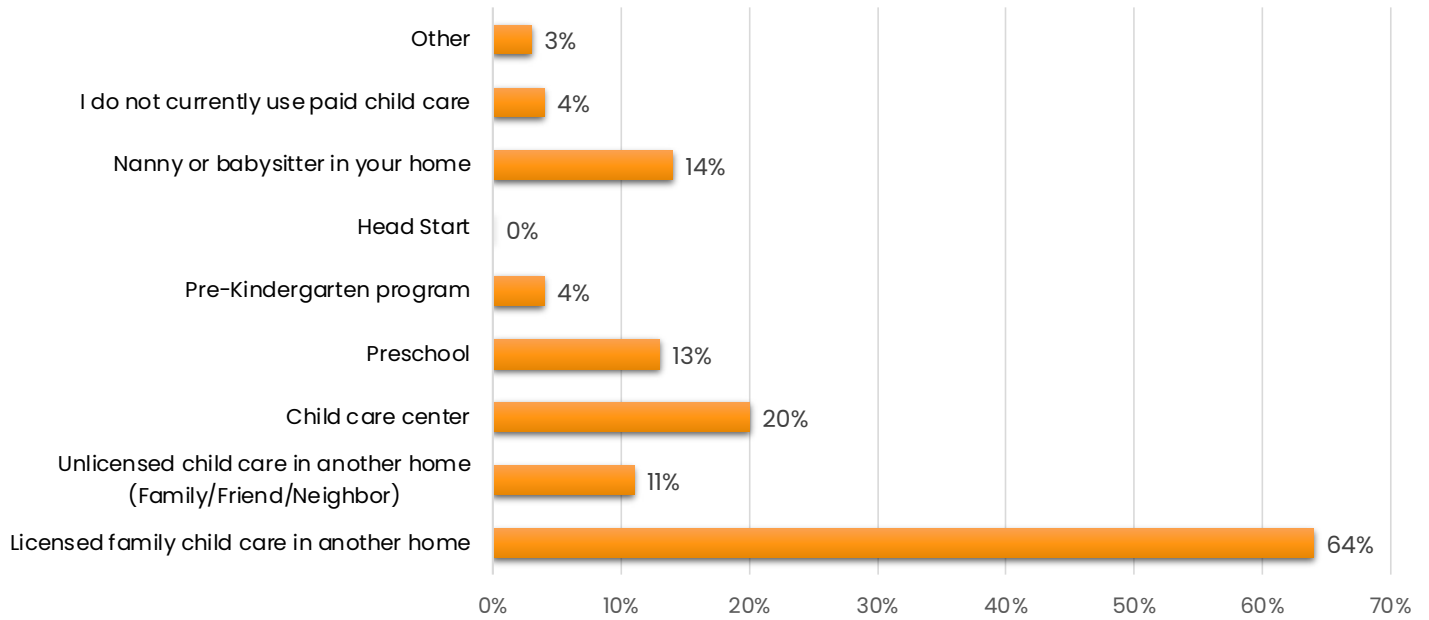
Below is a chart depicting the percentage of parents who responded to the survey stating they no longer require child care. It is worth noting that 41% of the individuals who completed the survey did not answer this question. We also see notable responses stating that they chose "other" because they meet 2 or more of the category options.



## Types of Care Parents are currently using

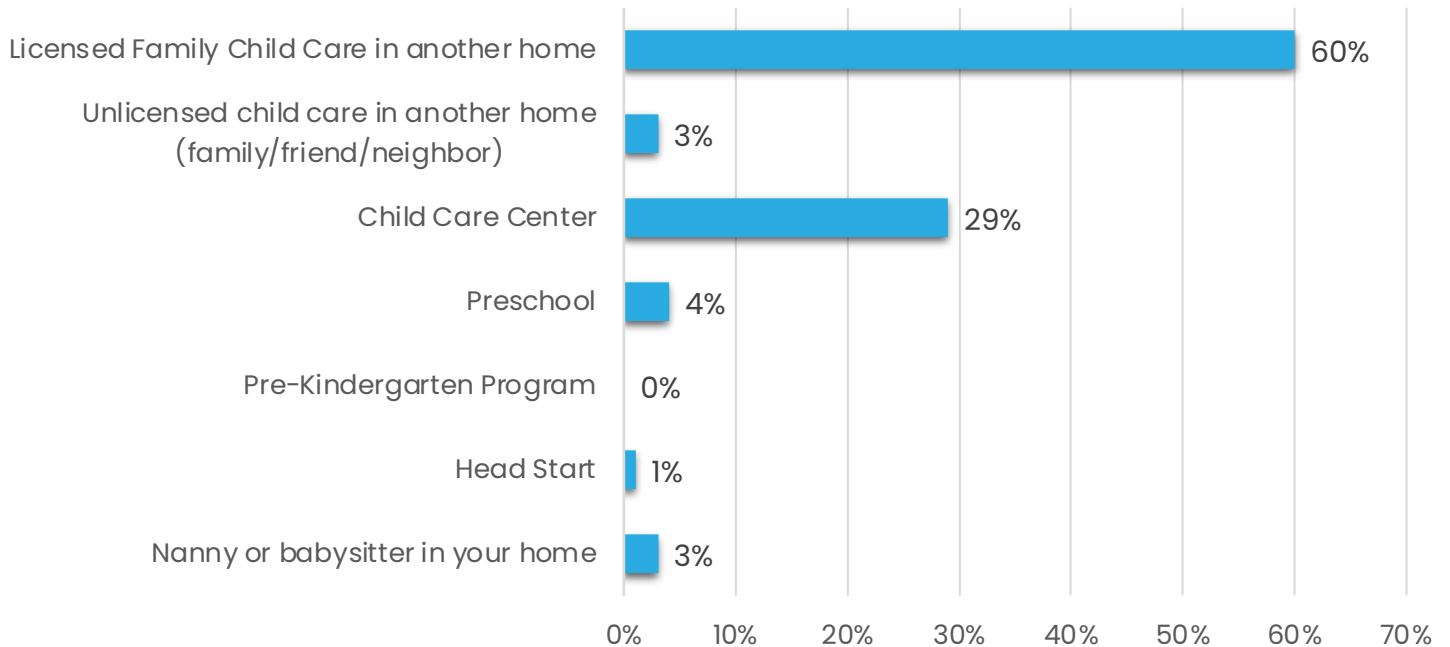
The chart below shows the types of child care currently being used by families in the Nobles County Area.

**What kind of child care do you use? (select all that apply)**



## Types of Care Parents Prefer to Use

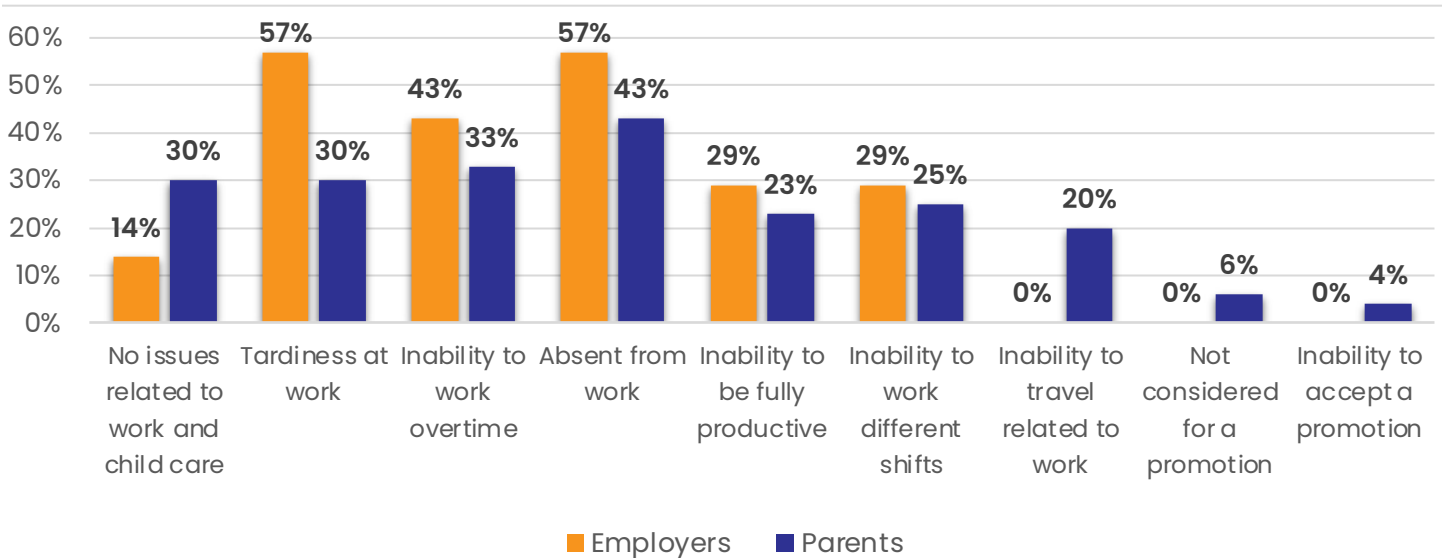
The types of care parents in the Nobles County Area prefer are shown on the chart below. When a community can better meet the preferred child care options of families the community will be more successful in attracting new families and individuals to the community to live and work.



## Community and Business Impacts of the Child Care

Beyond families and children, the greater community and local businesses can also be impacted by child care challenges and issues. Child care is often framed as an economic development issue by communities facing declining populations or challenges with the work force. These issues can compound and further extend into the business community by causing loss of workers due to unavailable child care or by businesses relocating to environments with better availability of care. The chart below illustrates the occurrence of various work-related issues from both a parent employee and an employer perspective.

### Work Issues Occurred Due to Child Care Arrangements in the Last 12 Months

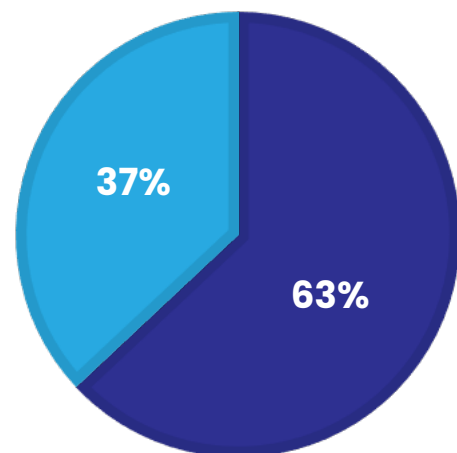


Normal work environments can be adversely impacted when child care is a challenge for employers and workers. As illustrated, the biggest impacts of child care limitations include absence from work (when a provider is closed for the day), tardiness to work, and inability to work overtime. Fifty percent of employers responded that the lack of child care impacted their ability to attract employees and 50% stated that it has an impact on their ability to retain employees.

### Impact on Family Planning – Nobles County

When parents were asked if the availability of their preferred child care option had impacted their decision to have another child and/or limit the size of their family, 63% responded it had.

In addition to the impact on family planning, child care shortages can also impact the local employment environment. In the survey, 43% of parents responding had declined employment or withdrawn from the workforce due to child care issues.

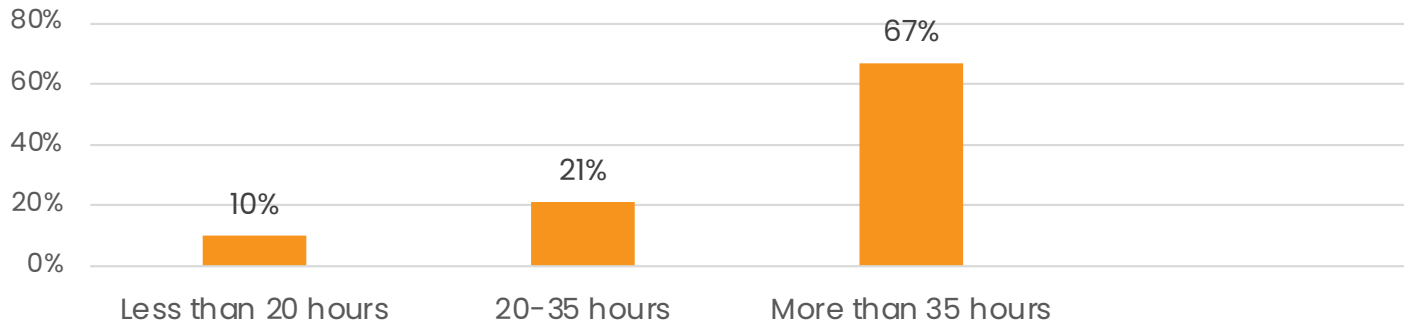


■ Yes ■ No

## TYPES OF CHILD CARE NEEDED

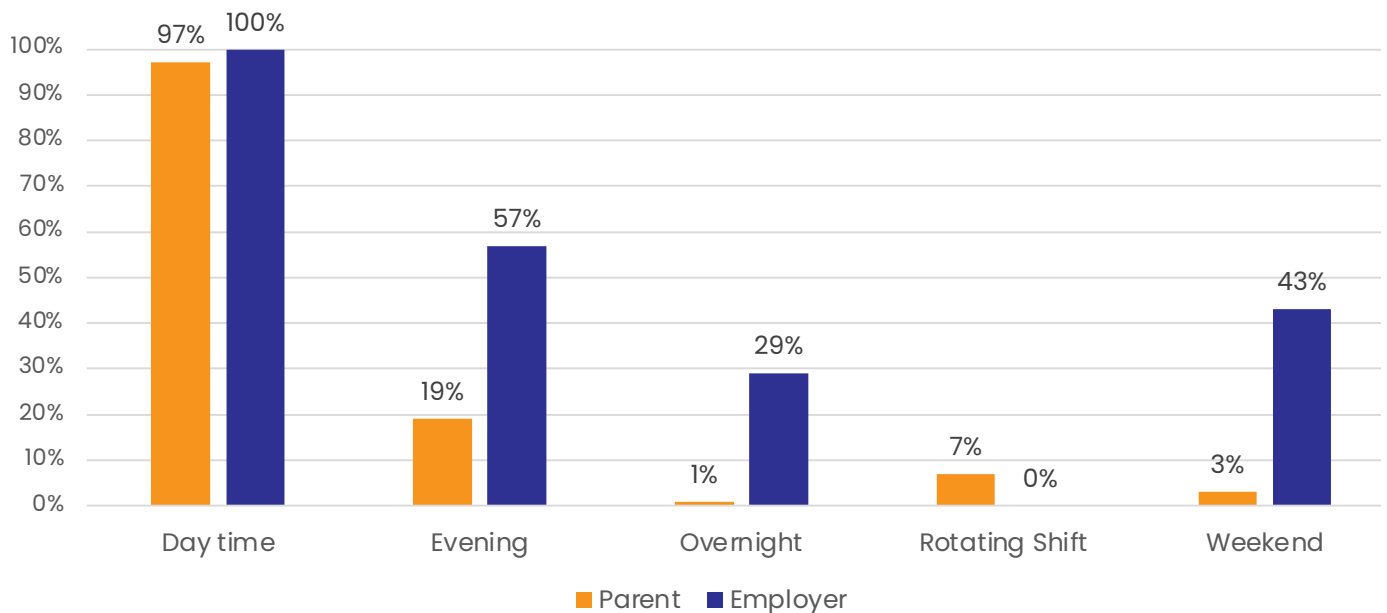
It is important for a community to understand the types of child care parents need to be able to identify the right sized solutions for the community. The survey indicated that 67% of parents need more than 35 hours of care and are looking for full-time child care options.

### Hours of care needed per week



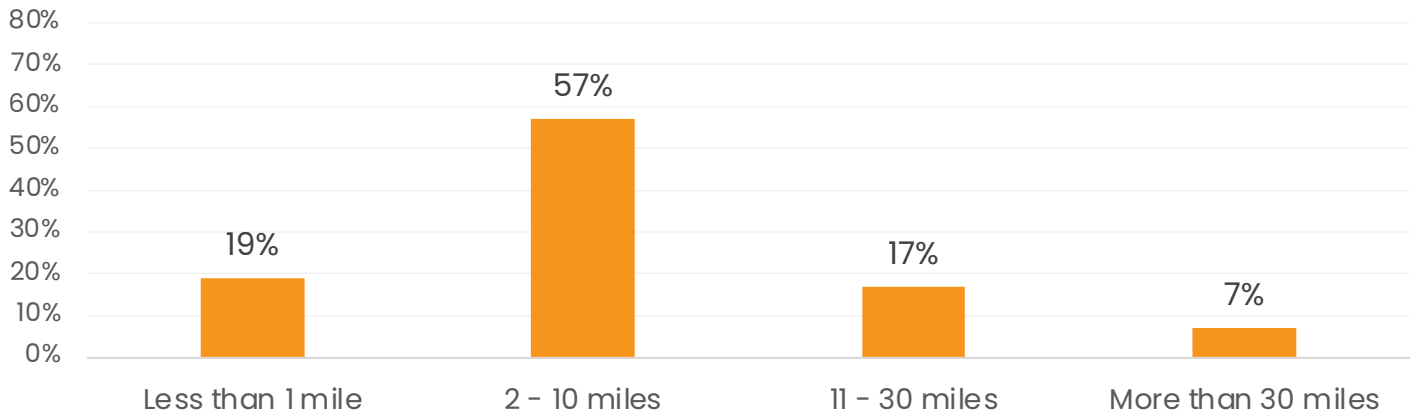
It is also important to determine when parents need care so the community can offer options that meet the need. The chart below shows the hours of care needed from both a parent perspective and an employer perspective.

### What type of care do you need?



As we see in many communities, the survey showed employers believe families need care options in the evenings, overnights, and weekends at a much higher rate than families want. It's important to be aware of these things as a community creates options for child care. We need to be careful not to build or create options that won't be utilized by families.

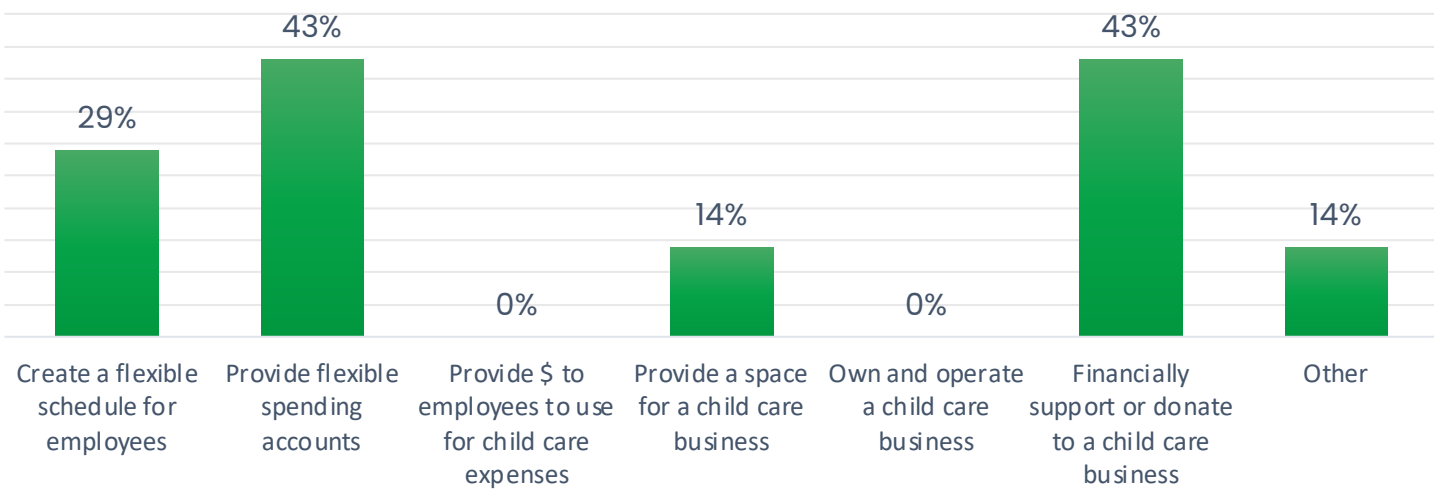
### How far do you travel out of your way (one direction) for child care?



Some Nobles County survey respondents indicated that they were traveling notable distances to find appropriate child care. Twenty-Four percent indicated that they were traveling more than 10 miles out of their way, one direction, 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 Nobles County area are willing to help is to provide flexible spending accounts or financially support or donate to a child care business. 29% of employers surveyed are also willing to create a flexible schedule for employees. 14% of employers surveyed are willing to provide space for a child care business. None of the employers surveyed are willing to own and operate a child care business themselves or provide money to employees to use for child care expenses.

### How would you as an employer be willing to assist in addressing the child care shortage?





## UNDERSTANDING THE UNDERLYING CHALLENGES

The Core Team for Nobles County spent several months investigating the underlying reasons for the local child care challenges by conducting one-on-one interviews, 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 around child care and the factors contributing to those challenges.

**“When a provider is sick or needs to close for various reasons, sometimes our staff doesn’t have back up and needs a sub. We have several staff in this position so when this happens, there aren’t enough subs and we are in a pickle.” –Local Employer**

### FACTOR: IT IS CHALLENGING TO BE A CHILD CARE PROVIDER

**“Many of us long term providers will retire and there are not any new ones opening to replace us.” –Local Provider**

- Money to just start the business.
- The training requirements and paperwork.
- The amount of time it took to get licensed. 6+ months for me.
- Getting needed classes in an expectable time frame and getting all the necessary supplies and equipment at a reasonable cost.

The challenges of being a family child care provider or running a child care center are well-documented. Licensing and regulations have changed over the years along with increasing expectations around outcomes for children entering the primary school system. 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. Local providers and other community organizations have an opportunity to recognize the ongoing contributions and continuous innovation of family child care providers in the child care industry. This could be achieved through recognition programs and other material support such as training.

## FACTOR: QUALITY & REGULATIONS: TWO SIDES OF ONE COIN

**“Parents have no choice, they are forced to take any daycare opening even if it doesn’t fit their family values.” – Local Provider**

- Need for better community-wide understanding of the importance of quality care, and the cost associated with it.
- Child care is a highly regulated industry; however, child safety is of utmost importance.
- Ratios for numbers of children in younger age groups reduce the number of infants and toddlers a provider can care for, making it extremely difficult to cash flow infant and toddler spots.
- There are a growing number of requirements and regulations for all providers.
- Potential new providers are frightened of the regulations and experienced providers are frustrated with all the paperwork and rules.
- In some communities, there is a lack of local affordable training opportunities.

Residents indicated the desire to have more licensed child care choices and quality offerings available to select from. 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

**“There is a lack of affordable child care providers in the community with availability for the little children you need care for. I know many families who have a parent unable to work due to the availability and the affordability of child care.” – Local Parent**

- Many low-to-middle-income families make too much to receive child care assistance but not enough to pay for child care on top of their everyday expenses.
- Employers are beginning to see the need for flexibility in work schedules, when possible, to accommodate the lack of child care.
- Infant care is very hard to find. Parents are trying to line up infant care in early pregnancy or before they become pregnant.
- Child care has small profit margins and is expensive to start.
- Parents want high quality care, but most cannot pay enough to compensate providers for their true value.

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 and Early Learning Scholarships can help bridge the gap.



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# COMMUNITY-DEVELOPED SOLUTIONS

The Nobles County RCCIP Core Team conducted brainstorming with the community to come up with a variety of possible solutions to address the child care shortage. Below are the main themes from the brainstorming session. To ensure the community's ideas remain authentic, little to no content edits were made in the solution ideas listed within this section.

## THEME: TRAINING

- Super Saturday. \*Free\* training for providers.
- Online trainings.
- More local trainings.
- Training: MN West Internship program.
- Getting subsidized training so we can get trainers from other areas.
- Incentives + food for in person trainings.
- Update to SUID and AHT training. It is a very emotional and scary training that can drive people to not care for infants, but the info is needed.
- Trainings in different languages.
- Lobby for DHS to let certain trainings be trained by more trainers. As of now they limit who gets what trainings.

## THEME: WORKFORCE DEVELOPMENT

- CDA program at WHS!!!
- Tuition reimbursement for early childhood degrees.
- Provide more education/information to high school students to spark interest.
- Heighten the prestige of the child care profession.
- Explore special family child care expansion options.
- Promote child care as a career path with value.
- 3-4 weeks program to get licensed and easy access.
- Focus on adding diversity into workforce. Education on the need. Expand training into different languages.
- Back up/Sub list
- More grant/free for first year of business.
- Mentorship programs: Current providers, and business owners.

## THEME: COMMUNITY EDUCATION/PARTNERSHIPS

- City, County, WREDC creating a fund for unplanned expenses, regulatory costs, and expansion expenses. Forgivable loans or grants!
- Transportation supports for providers to have for child activities.
- Businesses supplement infant room and/or slots.
- Partnerships: City, county, school, monthly agendas.
- MN West needs to offer early childhood for employment opportunities for centers quality staff.
- Partner with MN West on workforce building options, also ISD 518.
- Shared/centralized data on the needs.
- Continue to increase awareness and communication.
- Talking to local churches on awareness and education.
- Nobles county is a diverse county, use different languages for education.

## THEME: FINANCIAL SUPPORT/INCENTIVES

- Scholarships for MWCTC students pursuing EC programs.
- Supports for FFN Providers.
- Government requirements = government support.
- Greater, intentional corporate support.
- Losing our preschool age will greatly determine the survival of centers. They are what support our infant and toddler program. Our tax dollars are paying for the “free” preschool. How could our tax \$ support C.C. per head.
- Start-up assistance.
- Flexible schedules and financial help for employees.
- Financial support expanding infant toddler slots will require public support. Parents can't afford \$10-\$12 per hour is Preschool funds go away.
- Better coordination of funding... less 'fighting' for the same child.
- Financial: Success story in the current grant application program, keep funding.
- Employers need to have skin in the game.
- % of all taxes goes to child care. (NOT a new tax, a % of what is already paid)
- Benefits menu for all employees to include child care expenses.

## THEME: RECOGNITION

- Deliver goodies for child care provider appreciation week.
- Providers really appreciate Nobles County! We will spread the word.
- Build sustainability for our annual child care provider appreciation event.
- Provider appreciation event for 2024.

## THEME: FACILITIES

- Use local churches.
- Day care on site @ work (Pick up and drop off) after shift.
- Daycare at the high school for young moms.
- Urgent day care daily rate.
- The 2 centers that we have are in very old buildings. Need newer options with lots of outdoor space.

## THEME: OTHER

- Advocacy at the legislature.
- Centralized comms & info system.



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# IMPLEMENTATION PROJECTS

The Town Hall meeting is an opportunity to leverage multiple viewpoints and ideas related to addressing the local child care challenge. After the Town Hall meeting, the Core Team met to discuss all ideas and formulated an action plan to move forward. The following SMART goals were developed.

## SMART Goal One

Over the next three months, create a “Resource Handbook” for providers and those interested in becoming providers that lists all local, regional, and state resources.

### Expected Outcomes and Impact

Existence of resource document for new providers and those interested in becoming child care providers to utilize as a way to find resources, and for community partners to use as a guide to what kinds of funding are available, so that future programs can better complement existing efforts.

**Project Team Lead** – Josh Schuetz

**Additional Team Members** – Mike Kuhle, Susu Pyo, Maggie Steinkamp, Chris Kielblock

## SMART Goal Two

Nobles County and the community will host an annual appreciation event and celebrate child care provider day in May. Our appreciation will be shown to all of Nobles County’s Family Child Care Providers and Child Care Centers.

Within the next 6 months, we will partner with local businesses to create this sustainable event.

### Expected Outcomes and Impact

Create a sustainable event(s) to show appreciation for child care providers. We hope to impact all of Nobles County’s family providers, child care centers and thousands of children.

**Project Team Lead** – Paige Stearns

**Additional Team Members** – Angie Kopplow, Amber Waldner

## SMART Goal Three

Within the next six months, collaborate with local stakeholder agencies to market and educate community groups on the need and importance of quality child care to the Nobles County Community.

### Expected Outcomes and Impact

Within the next six months, Nobles County will obtain long term partnerships with stakeholder organizations throughout the county to not only identify new child day care opportunities but to also take roles in establishing and fortifying child day care

**Project Team Leads** – Bruce Heitkamp, Robert S. Demuth Jr.

**Additional Team Members** – Stacie Golombiecki, Karen DeBoer, Cristina Adame

## SMART Goal Four

Over the next year, the facilities team will promote and develop partnerships between the City, County, and local businesses to develop emergency and drop in care for community residents. This would include sponsored center and family child care slots in Nobles County.

### **Expected Outcomes and Impact**

We expect to be able to provide businesses in the community with a tangible list of available providers that can take a short call/emergency care situation. To partner with an organization to provide a training location and opportunities to interested parties. Establish a list of potential sponsorship options for businesses and individuals to provide to family child care and centers. Develop a cost plan per mixed slot to provide businesses the opportunity to pay for secured emergency care for their employees to prevent loss productivity.

**Project Team Leads** – Cory Greenway, Karri Olmanson

**Additional Team Members** – Beth Mahoney, Pam Duffy, Kate Bullerman

## SMART Goal Five

Within six months, we will contact all schools in Nobles County and create a plan for preparing students and community members for a career in childcare.

### **Expected Outcomes and Impact**

Affordable, accessible training is available in Nobles County in a format child care educators can participate in (evenings, weekends, online as well as multiple languages.)

Potential staff at child care centers are informed and have access to training and programs (such as thezCDA). Information about becoming teacher qualified is available. Potential and current staff are connected to resources which assist them in continuing their early childhood education path (CDA, certificate, 2-year degree, 4-year degree, Masters, Doctorate).

Training and staff recruitment efforts are focused on ensuring the child care system in Nobles County is diverse in both staffing and program type.

Scholarship information and funding resources for potential higher education will be collected and made available to potential and existing staff in the child care system (family child care and child care center).

MNWest and high schools in MN will be engaged in conversations about educating and preparing students for a career in child care.

Career Development programs will be involved in the development of potential child care educators.

**Project Team Leads** – – Karen DeBoer

**Additional Team Members** – Stacie Golombiecki, Cristina Adame, Pam Duffy, Amber Waldner, Angie Koplow, Paige Stearns



## First Children's Finance

Founded in 1991, First Children's Finance is a national nonprofit organization based in Minneapolis, Minnesota with regional offices in Iowa, Michigan, and Vermont. First Children's Finance works to stabilize, improve, and expand high-quality child care businesses serving low- and moderate-income families. First Children's Finance provides financing, child care business training and consulting, and partnerships that connect child care businesses with the resources and expertise of the public and private sectors.

First Children's Finance understands the issues and challenges child care businesses face in today's world. We have industry-specific expertise and a shared commitment to the success of child care.

In addition, First Children's Finance aligns its work with child care leaders, businesses and regional initiatives that are committed to quality. We define quality as the creation of environments that support healthy brain development for young children to enhance early learning. FCF brings a unique perspective, approach, and experience to providing business, planning and financial assistance to our child care and economic development partners.

For more information about First Children's Finance visit [www.firstchildrensfinance.org](http://www.firstchildrensfinance.org)

For more information about Rural Child Care Innovation Program visit [www.ruralchildcare.org](http://www.ruralchildcare.org)