



RURAL CHILD CARE INNOVATION PROGRAM

COMMUNITY SOLUTION ACTION PLAN FOR CHILD CARE

DAWSON-BOYD, MINNESOTA

MARCH, 2018

The Rural Child Care Innovation Program is possible due to generous funding from the Minnesota 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 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
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EXECUTIVE SUMMARY

The Rural Child Care Innovation Program is a community engagement process designed to develop right-sized solutions to increase supply of high quality affordable child care. The goal of the 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 Dawson-Boyd, Minnesota, intends to outline the child care challenges identified in the community, and the proposed recommendations to improve the state of child care in the area. To uncover the child care challenges, a core team from Dawson-Boyd with the support of First Children's Finance, conducted thorough research through focus groups, individual interviews, and community surveys with different stakeholders in the community.

The research findings revealed that the Dawson-Boyd area has a shortage of 119 child care slots. Several family child care businesses have closed in recent years due to retirement and other factors.

There are numerous challenges identified for child care providers in Dawson-Boyd including:

- Rules and regulations
- Low pay/no benefits
- Long hours/no flexibility
- High operating cost and damage caused to home
- Challenging licensing process
- High startup costs
- Lack of financial incentives to become a provider
- High cost for parents
- Lack of schedule options
- Lack of respect and understanding of the child care business

Through the RCCIP, Dawson-Boyd has identified five goals to address the local child care challenge. These goals include:

- **Develop recruitment strategies**
- **Develop a new child care partnership with faith-based communities**
- **Provide education and support to prospective providers**
- **Identify partnerships for family child care with local employers**
- **Identify monetary resources for child care programs**

In implementing these goals, Dawson-Boyd will improve the state of child care, provide parents with more care options, and providers with better 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 the established goals and measure outcomes.

INTRODUCING THE RURAL CHILD CARE INNOVATION 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 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

The Rural Child Care Innovation Program is designed to provide a comprehensive solution for communities facing child care challenges impacting their local area. Rural children are more likely to be poor than children in urban areas, and are more likely to be living in deep poverty for longer periods of time. Many rural areas struggle to attract and retain a young, educated workforce, while others lack the resources to keep up with their own growth and success. Although rural communities face many challenges, they are also resilient. They have the innovation it takes to develop nimble, creative solutions that will be effective in rural areas. The Rural Child Care Innovation Program leverages small communities’ independent, can-do attitudes to address early care and education in Greater Minnesota.

PROGRAM ACTIVITIES AND GENERAL TIMELINE

APPLICATION PHASE		
ACTIVITIES	TIMING	DETAILS
Webinar	April 24, 2017	Information session on the RCCIP
Application Deadline	May 5, 2017	Application due date
Selection of Communities	May 15, 2017	Communities notified via email
Program Setup	May 2017	FCF connected by phone with the main contact to set up first Core Team meeting

PLANNING PHASE		
ACTIVITIES	TIMING	DETAILS
Core Team Onboarding Retreat	June 28, 2017	Face-to-face meeting with FCF and the Core Team to discuss project details and expectations
Core Team Planning Meeting	July 17, 2017	Face-to-face meeting to map out community engagement activities and fully develop the timeline
Community Engagement Activities	July 2017-September 2017	Implementation of engagement activities within the community
Child Care Provider Trainings	Spring 2018	Series of business trainings and one-on-one consultation conducted by FCF
Town Hall Event	October 30, 2017	Community wide event to identify and develop community project activities

IMPLEMENTATION PHASE		
ACTIVITIES	TIMING	DETAILS
Implementation Planning Retreat	December 6, 2017	Face-to-face meeting to map out smart goals and implementation activities with project teams.
Implementation Meeting	February 5, 2018	Phone check-in to finalize smart goals and Initial action steps.
Community Solution Action Plan	February 2018	Report detailing community data, types of solutions, and community identified projects.
Regular Project Team Meetings	February 2018 -September 2018	Implement community solutions.
Regular Core Team Meetings	February 2018- September 2018	Connect with FCF to discuss project team outcomes
Technical Assistance Support	December 2017- September 2018	FCF is available for business support when needed.
Final Report	September 28, 2018	Core Team submits final report to FCF

ABOUT DAWSON-BOYD

THE LOCAL CHILD CARE CHALLENGE IN DAWSON-BOYD, MN

Dawson, Minnesota is a progressive community located in Southwestern Minnesota with a population of 1,540. The city is a thriving town positioned on the Lac qui Parle River and U.S. Highway 212. Dawson excels with excellent school and health care systems, promotion of new industry and the support of existing businesses.

The Dawson-Boyd School District is located in the city limits and serves students in grades PreK-12. The excellent public school system offers a 1:13 ratio of teachers to students and has an above state average graduation rate. Expectations are high in our district with kids participating in sports, theater and music. Our musical program is one of the only rural districts to include an active Orchestra program.

Community Challenges

The two biggest challenges facing Dawson in attracting and retaining people is lack of housing and child care. A recent housing study revealed a significant housing shortage. To address the housing shortage, a group of citizens have worked with the City of Dawson and are in the planning phase of building ranch style housing. They have identified key investors and are moving forward with the project. Once completed this will add 8 new housing possibilities in our town.

To address the daycare shortage, Lac qui Parle County participated in and received a community solution action plan focusing on child care in 2014. The findings showed that there are 385 children under age 5. Of those, 78.6% of those families had households with two working parents.

According to the Center for Rural Policy and Development, the number and capacity of family providers has dropped by more than 25% since 2006. There is also a critical shortage of infant care available. Individual providers are dropping out because the pay is too low. Women have more opportunities than ever to work outside the home, and thriving in leadership positions. Child care providers also cited getting older, feeling undervalued, facing increasingly complex regulations, and lack of access to affordable training opportunities.

While the number of licensed child care centers is up by 8% statewide, rural MN is much more dependent on family child care. This is of increasing concern for employers in the community. If people can't find quality care for their children, they can't work. They won't move to our 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.

LOCAL CORE TEAM REPRESENTATION

The following individuals are the Core Team that has committed to investigating the child care challenges and supporting the development of community solutions:

- **Tami Schuelke-Sampson**, Dawson City Administrator
- **Stephanie Clauson**, Boyd City Administrator
- **Shane Tappe**, Dawson-Boyd Superintendent
- **Amy Hiedeman**, Stevens Elementary Principal
- **PJ Ellison**, LqP County EDA Director
- **Stacey Lee**, JMHS CEO
- **Pam Martinson**, JMHS HR
- **Crystal Bothun**, JMHS CFO
- **Dave Lien**, AGP HR
- **Danielle Wager**, LqP Family Service Social Worker

CHILD CARE DATA AND EARLY EDUCATION TRENDS

First Children’s Finance considered several data sources to understand the child care challenges in the community. Extensive outreach was also conducted by the Core Team to inform the community about child care needs, and to further research the factors influencing the child care shortage. The Core Team engaged in:



FOCUS GROUPS



INDIVIDUAL INTERVIEWS



PARENT SURVEYS

POTENTIAL NEED OVERVIEW

First Children’s Finance conducted a supply and demand gap analysis. The analysis revealed that Dawson-Boyd had a shortage of 37 slots. These are children with all parents in the work force that are not able to access child care in the area.

SUPPLY DEMAND GAP ANALYSIS FOR DAWSON-BOYD, MINNESOTA

ZIP CODE	CITY	# OF CHILD CARE CENTERS (CCC)	# OF FAMILY CARE CENTERS (FCC)	PLUS/ MINUS/ TOTAL
56257	Marietta	0	0	-4
56256	Madison	0	10	9
56295	Watson	0	0	-10
56265	Montevideo	2	22	-47
56232	Dawson	1	6	-26
56218	Boyd	0	1	-11
56223	Clarkfield	0	4	-21
56220	Canby	0	14	21

First Children’s Finance also reviewed the data to determine any trends that might be useful in developing solutions. The data highlights that 32% of providers have less than 5 years of experience. Providers with less than 5 years of experience have a very high turnover rate. This challenges the community not only to think of ways to gain new programs, but how to retain programs that are operational. In Dawson-Boyd, 23% of providers have more than 20 years of experience.

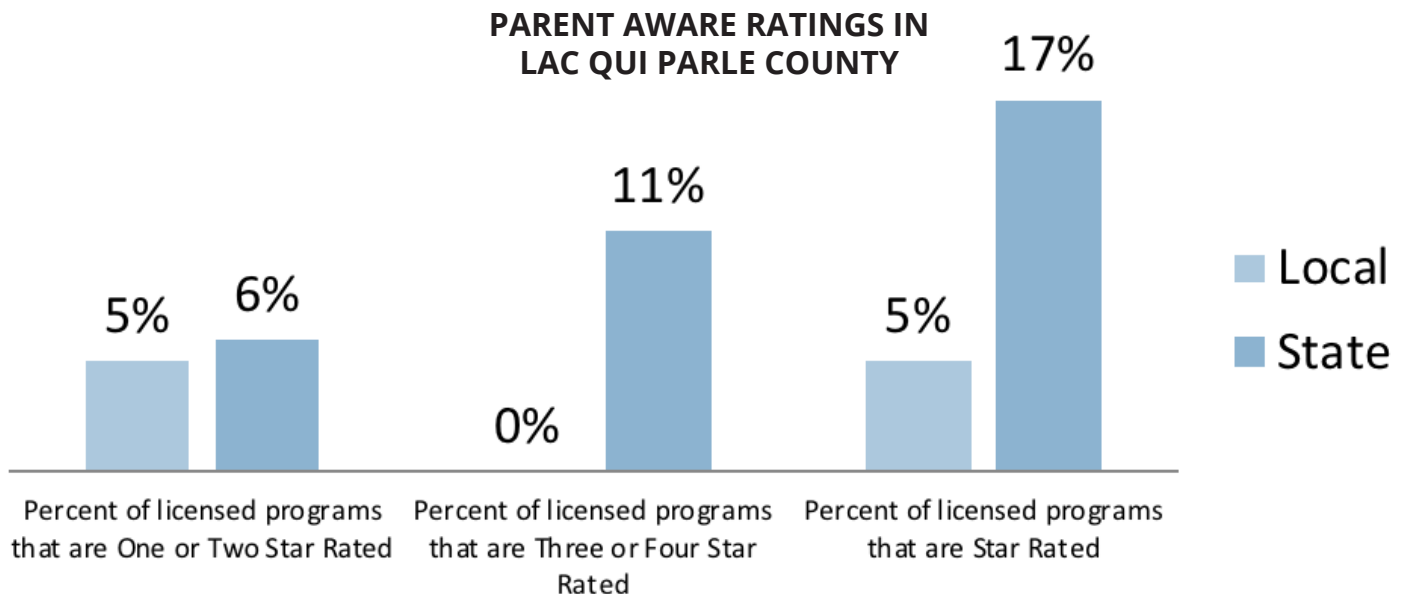
Providers with more than 20 years of experience are nearing the age of retirement and it is important for a community to plan for the future.

- The average length of service was lower than the state average which indicates a population of providers with shorter lengths of service
- 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 turnover rates.
- The area is ahead of the state average for family providers being located outside of their primary residences and in non-residential dwellings.

DAWSON-BOYD BY THE NUMBERS

	LOCAL	STATE
Total Family Child Care Providers	57	8,693
Average Length of Service	11.4 years	12.3 years
Less than 5 years / Service	18 / 31.6%	2577 / 29.6%
More than 20 years / Service	13 / 22.8%	2150 / 24.7%
Non-Owner Occupied	3 / 5.2%	214 / 2.5%
Non-Residential Dwelling	0 / 0%	87 / 1.0%

First Children’s Finance pulled county-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 in their child care programs. This is a voluntary program that providers can choose to participate.



Area Market Rates

In Dawson-Boyd the market rates are in the lowest tier in the state. The 75th percentile is generally the level that we see quality programs charging for child care tuition. It means that 25% of child care programs charge more than the market average and 75% of child care programs charge less. It's important to note that First Children's Finance internal work with family providers around the state of MN indicates that nearly 50% of providers are making less than \$8/hour before taxes.

AGE GROUP- CHILD CARE CENTER	WEEKLY RATE
75TH PERCENTILE - INFANT WEEKLY	NOT APPLICABLE
75TH PERCENTILE - TODDLER WEEKLY	NOT APPLICABLE
75TH PERCENTILE - PRESCHOOL WEEKLY	NOT APPLICABLE
75TH PERCENTILE - SCHOOL AGE WEEKLY	NOT APPLICABLE

AGE GROUP- FAMILY CARE CENTER	WEEKLY RATE
75TH PERCENTILE - INFANT WEEKLY - FAMILY	\$140.00
75TH PERCENTILE - TODDLER WEEKLY - FAMILY	\$130.00
75TH PERCENTILE - PRESCHOOL WEEKLY - FAMILY	\$125.00
75TH PERCENTILE - SCHOOL AGE WEEKLY - FAMILY	\$125.00

UNDERSTANDING THE UNDERLYING CHALLENGES

The Core Team in Dawson-Boyd spent several months investigating the underlying reasons for the local child care challenges. This work involved engaging with many members of the local area to determine the underlying causes for the identified shortage of care.

COMMUNITY PERCEPTIONS: CHALLENGES FOR CHILD CARE PROGRAMS

- ◇ Rules and regulations
- ◇ Low pay/no benefits
- ◇ Long hours/no flexibility
- ◇ High operating cost
- ◇ Damage to home
- ◇ Challenging licensing process
- ◇ High startup costs
- ◇ Lack of financial incentives to become a provider
- ◇ High cost of care for parents
- ◇ Scheduling challenges
- ◇ Lack of respect and understanding of the business

TOWN HALL MEETING & GATHERING

The town hall meeting was a community event designed to provide an opportunity for the Core Team and the community to interact and understand the findings from the extensive surveys and focus groups. During the town hall, all participants were encouraged to contribute their ideas to increase the supply of high quality affordable child care in the local community.

PROPOSED COMMUNITY SOLUTIONS

NEW CARE OPTIONS

- Partner with an assisted living center/Care Center or the Hospital to establish a child care facility on site
- Consider partnering with local churches to establish child care facilities on site
- Encourage large employers to invest in child care
- Rehab existing homes to become child care facilities
- Consider the library basement for a potential child care space

BUSINESS SUPPORTS

- Provide local training and consulting services
- Provide access to capital to providers so they can expand their businesses
- Create a way to have a pool of subs for providers
- Provide cash quality incentives

RECRUITMENT STRATEGIES

- Outreach to find new providers
- Work with the colleges and schools to promote the child care field

IMPLEMENTATION PROJECTS

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 have been developed through the efforts of those involved in the discussion.

SMART GOAL ONE – DEVELOP RECRUITMENT STRATEGIES

CORE TEAM LEAD – Tami Schuelke-Sampson

In the next six months, develop recruitment strategies to find three new family child care providers.

Expected Outcomes and Impact

Support creation of three new child care providers in the area to create 30 new child care slots in the local area.

SMART GOAL TWO – DEVELOP A NEW CHILD CARE PARTNERSHIP WITH FAITH BASED COMMUNITIES

CORE TEAM LEAD – Erik Carlson

In the next 12 months, identify two Church partnerships to develop new family child care within the Dawson-Boyd communities.

Expected Outcomes and Impact

Identify one faith based family child care option to be opened to serve the community and increase the number of available child care slots by 14.

SMART GOAL THREE – PROVIDE EDUCATION & SUPPORT TO PROSPECTIVE PROVIDERS

CORE TEAM LEAD – Stephanie Clauson

Within the next 12 months, provide education and support to existing and prospective providers in Dawson-Boyd communities.

Expected Outcomes and Impact

Provide trainings free of charge to support existing child care providers in their business growth and development. Final metric is TBD.

SMART GOAL FOUR – IDENTIFY PARTNERSHIPS FOR FAMILY CHILD CARE AT JOHNSON MEMORIAL HEALTH SERVICES

CORE TEAM LEAD –Stacey Lee

In the next six months, identify partnerships to locate a child care program at Johnson Memorial Health Services.

Expected Outcomes and Impact

Create a new child care program housed at Johnson Memorial Health Services to increase slots by 10-14 children in the community

SMART GOAL FIVE – IDENTIFY MONETARY RESOURCES FOR CHILD CARE PROGRAMS

CORE TEAM LEAD – PJ Ellison

In the next 6 months, identify monetary support for new child care programs and sustaining existing providers.

Expected Outcomes and Impact

The intended goal is to raise new dollars to support new child care programs and existing providers to increase quality programming. The money will assist with the creation of new child care programs within Dawson-Boyd and increase the quality of existing providers.



ABOUT FIRST CHILDREN'S FINANCE

Founded in 1991, First Children's Finance is a multi-state nonprofit organization. We work with communities, and early care and education businesses to increase the supply and sustainability of high quality early care and education in urban and rural areas. We do this through business management training, one-on-one consulting, and financing. For more information about First Children's Finance, please visit: www.firstchildrensfinance.org

If you are having difficulties viewing this document please contact First Children's Finance, Jessica Beyer at jessica@firstchildrensfinance.org