



First Children's Finance

Dream Up! Grant Summary

Greater Watertown Community Health Foundation

Dodge County, WI

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Strategic Supply Planning

The Strategic Child Care Supply Planning Process is a facilitated community planning process designed to engage a Core Team of community leaders to support and expand the child care capacity in their community. First Children’s Finance works with the Core Team to understand the current child care landscape and create goals to address child care needs.

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Background

Greater Watertown Community Health Foundation—Dodge County

The Greater Watertown Community Health Foundation was selected to engage in community consultation around the supply of child care, through the Dream Up! Child Care Strategic Supply Planning Process. Funding for this work is provided by a *Preschool Development Grant* received by the Wisconsin Department of Children and Families. In this process, a Core Team led by Rebecca Glewen at Greater Watertown Community Health Foundation participated in a process that included:



- 8 hours of facilitated meetings by First Children’s Finance National Team Staff
- Identification of goals to increase high-quality child-care slots.
- Planning support, facilitation, and technical assistance from First Children’s Finance
- A Strategic Child Care Supply Plan that guides Greater Watertown Community Health Foundation in efforts to increase its supply of high-quality child care.

Community information

| Cities | Zip Codes |
|------------|-----------|
| Juneau | 53039 |
| Waupun | 53063 |
| Watertown | 53094 |
| Watertown | 53098 |
| Reeseville | 53579 |
| Beaver Dam | 53916 |

Greater Watertown Community Health Foundation is located in Dodge County, Wisconsin. Dodge County is a large, semi-rural area in the Southern Region of Wisconsin with a population of nearly 90,000. The Greater Watertown Community Health Foundation applied for the Dream Up! Strategic Supply planning process and was awarded participation in the Spring Dream Up! Strategic Supply Plan Cohort. Each application included a geographic region the Core Team planned to focus on, referred to as ‘the community’. Greater Watertown Community Health Foundation included the zip codes and corresponding communities listed in Figure 1 as their geographic region and defined community.

Figure 1: Dodge County Community Zip Codes | Community Application

Core Team

The primary contact for this project is Core Team lead, Rebecca Glewen, Community Development Strategist for the Greater Watertown Community Health Foundation. The following participants attended the Core Team meetings to address the child care supply needs in Dodge County.

| Name | Organization Affiliation |
|---------------------------------------|---|
| CORE TEAM LEAD: Rebecca Glewen | Community Development Strategist–City of Beaver Dam |
| Core Team Members: | |
| Alex Allon | Strategic Initiatives and Development Coordinator–City of Watertown |
| Jon Lange | Chief Executive Officer–Watertown YMCA |
| Nate Olson | Community Development Administrator–Dodge County Land Resources and Parks Dept. |
| Kathy Schlieve | City Administrator–City of Waupun |
| Emily Dieringer | Community Benefit Coordinator–Marshfield Clinic Health System |
| Renaë Henning | Administrator–Community Care Preschool & Child care, Inc |
| Matt Camp | Plant Manager–Richelieu Foods |
| Erin Trondson | Early Care and Education Project Manager—Madison College |
| Connie Curley | Manager of Employee Relations–Specialty Cheese |
| Theresa Shaeffer | Wisconsin Early Childhood Association |
| Jenny Husselman | Principal–Dodgeland Schools |
| Tina Crave | CEO–Greater Watertown Community Health Foundation |
| Kelly Matthews | Wisconsin Early Childhood Association–Wisconsin Early Education Shared Services Network (WEESN) |
| Mary Kuntz | School Board Member–Beaver Dam Unified School District |
| Sylvia Orvitz | Parent Representative |
| Harper Mruk | United Way of Dodge County |
| Mailia Bachleitner | Parent Representative |
| Melissa Biel | Parent Representative |
| Tracy Propst | Executive Director–Beaver Dam Chamber of Commerce |
| Tricia Peterson | Administrator/Owner–Future All Stars Academy |
| Connie Curley | Manager of Employee Relations–Specialty Cheese |
| Susan Mejchar | Greater Watertown Health Foundation |

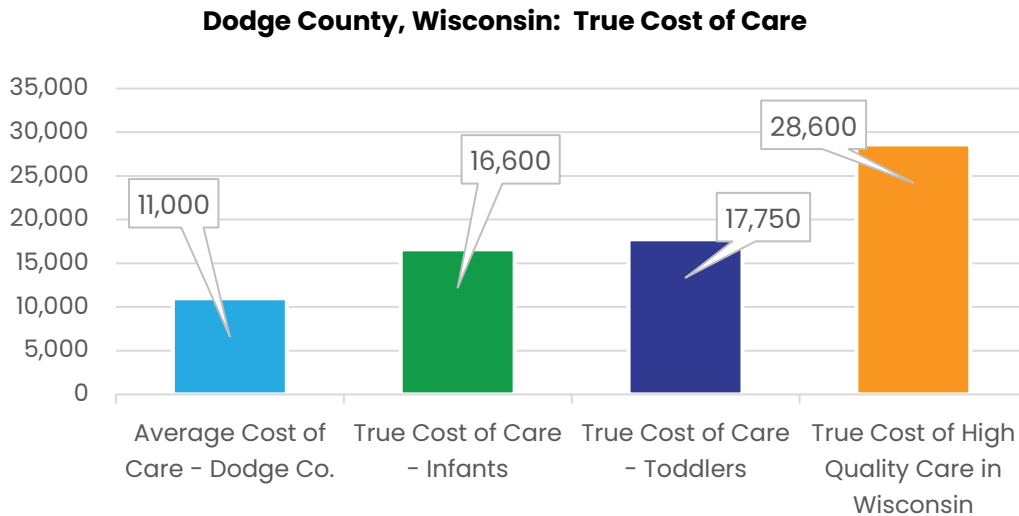
Community Insights

The Greater Watertown Community Health Foundation provided demographic data in their application that highlighted the community's need for affordable child care solutions. First Children's Finance provided additional research and statistics regarding child care needs and sustainable child care solutions. As a result, the Core Team was able to better understand their community's child care challenges.

8.27% of the population in Dodge County, WI live below the poverty line (7.8k out of 89.3K people). Dodge County's median household income in 2020 was \$53,959; slightly lower than the state's reported median household income of \$54,149 (United States Census Bureau).

According to Wisconsin's Department of Children and Families Preschool Development Grant Sandbox Data, a family with a child aged 6+ receiving care in a family child care setting will pay 1.9x the affordable amount (see Figure 2). A family with a child aged 0-1 receiving care in a group child care setting will pay 2.7x the affordable amount. This means that even if child care spots are available near their home or work, they are unable to afford care. The federal government defines, "affordable," as spending no more than 7% of yearly income on child care. No state meets this definition. The average annual price of infant care in Dodge County is \$10,436, an amount that significantly exceeds average in-state tuition for a four-year public college (\$8,475) and average annual rent (\$9,994). Average annual child care tuition in Wisconsin for two children is more than \$22,000 and the average two-parent family spends 30% of their median income covering these prices.

Figure 2: True Cost of Care | Community Application



Supply Demand Gap Analysis

As part of the Strategic Supply Planning, the Core Team was provided with information to better understand the contributing factors to the child care challenges. First Children’s Finance leveraged different data sources to create an illustrative picture of the supply of child care in the local area (see Figure 3). These data sources include US Census Information, Wisconsin’s Department of Children and Families Data, and other internal research tools including First Children’s calculations.

The Supply Demand Gap Analysis completed by First Children’s Finance for Dodge County, dated May 2022, shows a deficit of 1,444 slots for children birth to 5 living in households where all available parents are in the workforce. Analysis completed by First Children’s Finance found capacity of licensed and regulated full day year-round care in the Dodge County at only 646 children. Results showed zip codes within the defined community had zero child care slots available.

Figure 3: Dodge County Supply Demand Gap Analysis | FCF Calculation

| Zip Code | City | Licensed Family Child Care Center | Licensed Group Child Care | Certified Child Care | Expected Child Care Capacity | Expected Number of Children Under Age 5 | Expected Child Care Need |
|--------------|------------|-----------------------------------|---------------------------|----------------------|------------------------------|---|--------------------------|
| 53916 | Beaver Dam | 6 | 7 | 1 | 513 | 946 | 433 |
| 53039 | Juneau | 0 | 1 | 0 | 41 | 68 | 27 |
| 53579 | Reeseville | 0 | 0 | 0 | 0 | 52 | 52 |
| 53094 | Watertown | 0 | 0 | 0 | 0 | 746 | 746 |
| 53098 | Watertown | 1 | 0 | 0 | 7 | 252 | 245 |
| 53063 | Waupun | 0 | 1 | 0 | 85 | 26 | 59 |
| Total | | 7 | 9 | 1 | 646 | 2090 | 1444 |

How Is the Need Supported Today?

When there is a gap in the licensed and regulated child care slots available in a community compared to the children potentially needing care in the community, families find unique ways to meet their needs outside of licensed or regulated child care. The following are common ways that parents may fill their need for child care and may be present in Dodge County.

Legal Unlicensed (Unregistered) Care / Family, Friends, & Neighbors

Friends, family and neighbors may provide care for up to three (3) children without a license; however, under Wisconsin law, no person may provide care and supervision for four (4) or more children under the age of seven (7) for less than 24 hours a day. Care for four (4) or more children under the age of seven (7) would require a provider to obtain a license to operate a child care center from Wisconsin's Department of Children and Families.

Illegal Unlicensed/Unregistered Care

Child care is provided in a setting that requires licensing or regulation, but the provider has chosen to provide care without the proper license or following regulatory guidelines.

Under-Employment / Shift Alignment

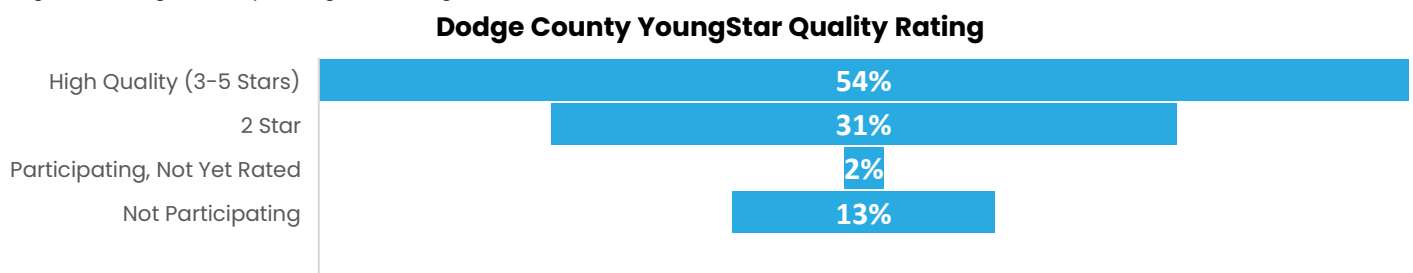
Parents may work split shifts, work part-time, or limit their work hours to stay home with their children. There may be children in the community whose parents have left the workforce and are not looking for employment because of child care challenges. These families are not included in the data in this report, but parents may enter the workforce if viable child care options were available.

Out of Area Care

Parents who have children in the region studied may take their child to care outside of the area of this report. This may be due to parents' work location, access to care, or other reasons.

Quality Rating and Improvement System Overview

Figure 4: Dodge County YoungStar Rating | PDG Sandbox



First Children's Finance examined state-wide information about the number of child care programs that are participating in the YoungStar Program. YoungStar is Wisconsin's child care Quality Rating and Improvement System (QRIS) that identifies programs that go above and beyond the general licensing requirements to obtain higher quality in their child care program. Figure 4 details the YoungStar ratings for Dodge County.

Workforce

Child Care Workforce

First Children’s Finance also examined the child care workforce in Wisconsin. Many individuals in the workforce have formal education backgrounds and more than a decade of experience. However, more than half of early childhood educators rely on some form of public assistance and do not receive benefits. The Institute for Research on Poverty at the University of Wisconsin– Madison reported that there is a 40% turnover rate in the Early Childhood Education field in Wisconsin. Figure 5 shows the data that was collected specifically for the Southern region of Wisconsin in Wisconsin’s Early Care and Education Workforce: Summary Report on the Survey of Center-Based Teachers. The data shows 24.1% of the Southern Region ECE workforce anticipates leaving the field within the next two years.

The cost of care is high for families and the cost of delivery is high for providers. Often, this impact is reflected in child care worker wages. The First Five Years Fund researched the average compensation rates for child care workers and found that in Wisconsin, the average hourly rate is \$10.66. This annual salary of \$22,170, is below the poverty line.



Early Education Workforce Summary

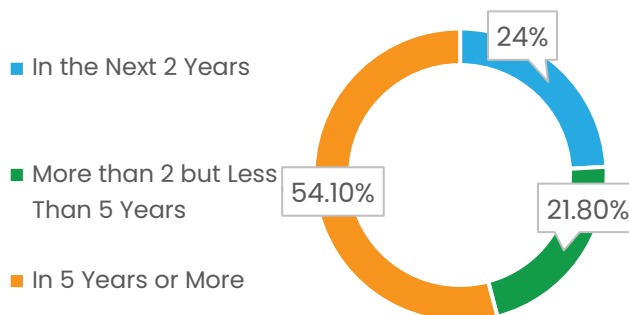


Figure 5: Survey of Center-Based Teachers | Institute for Research and Poverty

Primary Industries

Additionally, First Children’s Finance examined the top industries in Dodge County within available census data (see Figure 6). Top industry can impact child care needs based on shift work needed, as well as

1. Manufacturing

2. Educational Services and Health Care and Social Assistance

3. Retail Trade

beginning and end time of employee shifts. In Dodge County, the top industry in the county is manufacturing. Often, this calls for second and third shifts for employees. Without viable child care available during these shifts, continued employment or hiring new employees for manufacturing industries can quickly become a challenge. During Strategic Supply Plan Meetings with First Children’s Finance, the Core Team was challenged to brainstorm ways to address the need of non-traditional hour child care within their community.

Figure 6: Top Industries in Dodge County | U.S. CENSUS 2021

Data Overview

| | |
|--|---|
| 1 Certified Family Child Care Programs in Dodge County (DCF Licensing Data) | 7 Licensed Family Child Care Programs in Dodge County (DCF Licensing Data) |
| 9 Licensed Group Child Care Programs in Dodge County (DCF Licensing Data) | 54% providers in Dodge County have a 3-5 Star Rating (DCF Sandbox Data) |
| 45% Of zip codes in Dodge County are considered child care deserts (DCF Sandbox Data) | 2,090 Children under 5 with all parents in the workforce in Dodge County (*ACS 5 Year Estimates) |
| 646 *Current expected child care capacity in Dodge County (*FCF Calculation May 2022) | 1,444 Birth to age 5 Slots needed in Dodge County (*FCF Calculation) |
| \$1,011 Average monthly cost of care in Dodge County (DCF Sandbox Data) | 89,396 Dodge County Population |

Core Team Planning Meeting

Throughout the summer of 2022, the Core Team, a group of community stakeholders interested in the supply and sustainability of child care, met to discuss the child care shortage in the defined community and to develop strategies to increase the number of high-quality child care slots. Below are the primary topics addressed in the conversations and the goals developed to address the child care shortage.

Workforce

Facilities

Compensation for ECE Workers

After discussing these core topics, the focus was placed on primary areas of need, where current resources should be directed, and where additional resources are needed. The Core Team created the following goals to support the child care needs in the community.



Goals



SMART Goal:

To increase the number of high quality slots available to ALL families in Dodge and Jefferson Counties and increase the number of licensed/certified early care and education (ECE) slots in Dodge and Jefferson counties from 3,148 to 3,298 (150) by December 31, 2024.

Objectives of the Goal:

1. By offering start-up coaching provided by Wisconsin Early Childhood Association (WECA) and funded by Greater Watertown Community Health Foundation, to individuals/organizations, improvement in operational and administrative efficiencies for early child care providers will be gained.
2. Provide Watertown families access to 126 high quality early care and education slots via the YMCA at the Collective.
3. Provide Reeseville / Juneau families access to 40 high quality early care and education slots via a new child care center slated to open in 2024.
4. Help to establish five new family care providers for the gain of 40 child care slots added within the community.



SMART Goal:

Build child care provider sustainability by transforming the revenue model with employer contributions. To activate 3 employers to financially support ECE (employer-sponsored care) by September 30, 2023.

Objectives of the Goal:

1. Grow a pipeline using social media, advertising in local arenas, and having existing providers expand outreach within their communities and networks.
2. Create an employer sponsored care model for Dodge County employers that will help solidify their participation.



SMART Goal:

By December 31, 2024, a recruitment process will have been completed to add a 25 qualified, passionate early child care professionals to serve in early child care settings.. As a result of intended recruitment, a stronger pipeline to increase sustainability will be actively implemented throughout Dodge County and Watertown.

Objectives of the Goal:

1. To increase sustainability of the child care industry by employing individuals who are qualified and ready to become early child care professionals.



SMART Goal:

Grow the capacity of regional stakeholders in alignment with *Raising Wisconsin* to further advocate for state and federal policies that support access to affordable child care. Encourage a minimum of three business leaders to join *Every Child Thrives* partners in the advocacy and participation effort during *Raising Wisconsin Advocacy Day*.

Objectives of the Goal:

1. Inform and promote engagement with *Raising Wisconsin* among key stakeholders to result in overall state and federal-level support of the early child care industry.
2. To increase participation, awareness and understanding of the early child care industry throughout the business community.



SMART Goal:

Strengthen the capacity of early care and education providers to utilize evidence-based practices that promote the social and emotional development of all children by educating and supporting seven child care professionals who will implement the *Pyramid Model Framework*.

Objectives of the Goal:

1. By providing early care and education providers with training in the *Pyramid Model Framework* and *Conscious Discipline* practices, providers will better understand social and emotional development with children of all ages.

Project Recommendations

Dodge County, Wisconsin, known for its lakes, streams and small towns, offers a peaceful rural environment located within an hour drive of Milwaukee, Madison, and Fox Valley metropolitan areas. The Greater Watertown Community Health Foundation, located in Watertown, Wisconsin is home to a committed Core Team, invested in the child care landscape. First Children's Finance recommends that the Core Team engage in the following activities:

1

Continue to involve existing providers in the community—they are part of the solution. Both the outreach and pipeline goals aim to support child care businesses with their workforce shortages and slot availability. While continuing to engage and attract new members of the community to begin the process of opening a child care is critical, ongoing support to all types of child care in the area should be considered to retain existing providers in the field. Keep in mind that families want options for their child care. Efforts should be made to ensure current child care providers continue to feel supported and have access to resources to stay in the field.

2

Continue to pursue opportunities for employers to sponsor child care. As noted in the community meetings and the initial application, local employers are beginning to note the impact child care has on their businesses. Involve the many employers in the area that have expressed interest and engage those who have not yet been a part of the conversation. Explore the resources (time, financial support, supplies) they could provide to child care programs and benefits they can offer employees.

3

Conduct a financial analysis first before committing to a project – look for a broad base of support. As new and expansion child care projects are discussed, run financials and feasibility reports specific to child care programming. There will need to be an accurate understanding of what type of enrollment numbers, staffing needs and tuition rates are needed to create sustainability in the current child care climate.

Information presented during meetings showed that providers cannot afford to pay teachers a livable wage. With the creation of new child care programs, these workforce challenges may be highlighted. Community investment to ensure that new child care centers can maintain proper staffing will be critical.

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