



First Children's Finance Dream Up! Grant Summary

Oshkosh Area United Way

Winnebago, WI

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Table of Contents

Strategic Supply Planning	1
Core Team	3
Community Insights	4
Supply Demand Gap Analysis	5
Quality Rating and Improvement System Overview	6
Workforce	7
Data Overview	8
Core Team Planning Meeting	9
Goals	10
Project Recommendations	11
References	12

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

Oshkosh Area United Way – Winnebago, WI

The Oshkosh Area United Way was selected to engage in community consultation regarding 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 (PDG)* received by the Wisconsin Department of Children and Families. In this process, a Core Team lead by Beth Oswald, President, and CEO of Oshkosh Area United Way, 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 Oshkosh Area United Way’s Core Team in efforts to increase its supply of high-quality child care.

Community Information

Figure 1: Community Defined Zip Codes | Community Application Process

Cities	Zip Codes	Cities	Zip Codes
Butte des Morts	54927	Oshkosh	54901
Omro	54963	Oshkosh	54902
Pickett	54964	Oshkosh	54904
Waukau	54980	Oshkosh	54906
Winnebago	54985		

The Oshkosh Area United Way is based in Winnebago, Wisconsin. Oshkosh Area United Way is located in a welcoming and active community in the Northeastern Region of Wisconsin. They applied for the Dream Up! Strategic Supply Planning Process and were awarded participation with the Fall Dream Up! Strategic Supply Plan Cohort. Each application included a geographic region the Core Team planned to focus on, referred to as ‘the community’. The Oshkosh Area United Way’s community included the zip codes and corresponding communities listed in Figure 1 as their geographic region and defined community. This geographic region has a population of approximately 90,717 residents and is the focus of the Strategic Supply Plan.

Core Team

The following people participated in the Core Team meetings to address the child care supply needs in Oshkosh Area United Way's defined community. The primary contact for this project is Core Team Lead, Beth Oswald, President, and CEO at Oshkosh Area United Way.

Name	Organization Affiliation
CORE TEAM LEAD: Beth Oswald	President and CEO Oshkosh Area United Way
CORE TEAM MEMBERS:	
Kelly Matthews	Wisconsin Early Education Shared Services Network (WEESN) Co-Director Wisconsin Early Childhood Association
Tracy Gehrke	Winnebago County Health Department
Amy Reese	Oshkosh Area United Way
Cierra Cramer	Director Chiemsee Castle Daycare Preschool
Judy Olson	Executive Director Child Care Resource and Referral
Heidi Keating	Public Health Planner Winnebago County Health Dept
Candy Hall	YoungStar Quality Coach Child Care Resource and Referral
Eric Balza	Business Child Care Advocate Child Care Resource and Referral
Tammy Dannhoff	Owner Kids R Us Family Child Care
Alana Erickson	Public Health Supervisor Winnebago City Health Department
Danielle Florence	Community Health Strategist Winnebago County Health Department
Payton Lehnherr	Workforce Development Coordinator Greater Oshkosh Economic Development Center
Jim Boehm	Executive Director Father Carr's Place
Brian Gabavics	Owner Chiemsee Castle Daycare Preschool
Colan Trembl	Economic Development Director Oshkosh Chamber

Community Insights

Research by the Core Team was conducted and provided as part of the application process. First Children's Finance provided additional research and statistics regarding child care needs and sustainable child care solutions. During the Strategic Supply Plan meetings, this data was reviewed with the Core Team to better understand their community's child care challenges.

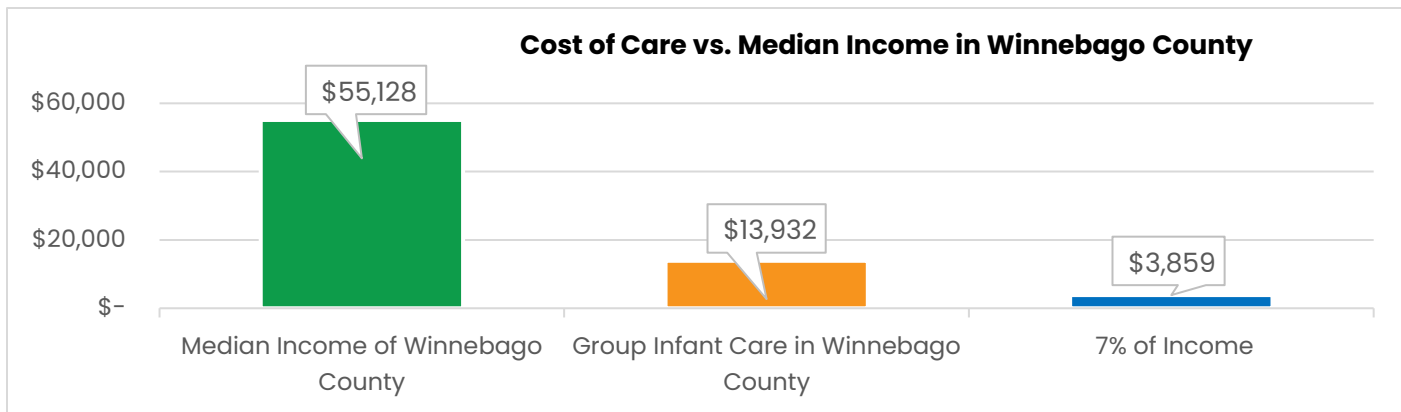
Winnebago County provided demographic data in their initial application that highlighted the community's need for affordable child care solutions.

Major risk factors reported by the Core Team included:

1. *Lack of affordable child care (Winnebago County has higher child care costs compared to the surrounding 8 counties)*
2. *Quality of care (39% of programs in the county are considered high-quality)*
3. *Compensation for child care providers (small percentage receive health benefits)*
4. *Local employers have reported turning away business and delaying growth as a result of not having an adequate workforce.*

*Excerpt from Dream Up! Application

Figure 2: Cost of Care vs. Median Income in Winnebago County | Community Application



During the Strategic Supply Planning process, First Children's Finance shared with the Core Team the data regarding the annual cost of child care in Winnebago County. Figure 2 shows that the average annual cost for infant care in Winnebago County is \$13,932. This is over double what is affordable according to the Federal Government but is still under what the true cost of providing high-quality care would be for a program. True cost of care is not just what a provider charges a family or receives in the state child care subsidy; true cost is what it costs to provide high-quality early learning experiences, including the value of personnel and non-personnel resources used to manage a program, as well as resources that last for multiple years. In Wisconsin, research conducted has the true cost of care at \$1,800 a month for an infant. Families simply cannot afford the true cost of care, leaving providers required to charge less than what it truly costs to provide high-quality care.

Supply Demand Gap Analysis

As part of the Strategic Supply Planning Process, the Core Team was provided with information to help them understand factors that contribute to child care challenges. First Children’s Finance leveraged different data sources to create an illustrative picture of the demand for child care in the community (see Figure 3). These data sources include U.S. Census Bureau, Wisconsin’s Department of Children and Families Data, and First Children’s Finance research and data.

The Supply Demand Gap Analysis completed by First Children’s Finance for the community dated August 2022, shows a deficit of 2,556 slots for children birth to 5 living in households where all available parents are in the workforce. As a result, First Children’s Finance found capacity of licensed and regulated full day year-round care in Oshkosh Area United Way at only 791 children. Results showed 33% of zip codes within the defined community had zero child care slots available.

Figure 3: Oshkosh Area United Way Supply Demand Gap Analysis | First Children’s Finance Analysis

Zip Code	City	Licensed Family Child Care	Licensed Group Child Care Center	Certified Child Care	Expected Child Care Capacity	Expected Number of Children Under Age 5	Expected Child Care Need
54927	Butte des Morts	0	0	0	0	10	10
54963	Omro	3	1	0	44	212	168
54901	Oshkosh	2	3	1	287	1176	889
54902	Oshkosh	3	3	1	165	979	814
54904	Oshkosh	3	4	2	295	918	623
54906	Oshkosh	0	0	0	0	0	0
54964	Pickett	0	0	0	0	52	52
54980	Waukau	0	0	0	0	0	0
54985	Winnebago	0	0	0	0	0	0
TOTAL		11	11	4	791	3347	2556



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 Oshkosh Area United Way’s defined community.

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.

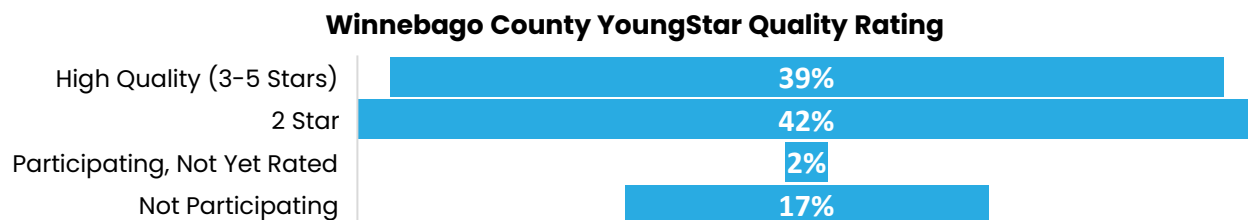
Out of Area Care

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

Quality Rating and Improvement System Overview

First Children’s Finance examined state-wide information about the number of child care programs that are participating in the YoungStar Program (see Figure 4). 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: Winnebago County YoungStar Rating | PDG Sandbox



Workforce

Child Care Workforce

First Children's Finance examined the child care workforce in Wisconsin. Many individuals in the workforce have formal educational 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 a 40% turnover rate in the Early Childhood Education field. Figure 5 shows data collected for the Northeastern Region of Wisconsin and shows 29.3% of the 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, the impact is reflected in child care worker wages. The First Five Years Fund researched the average compensation rate for child care workers and found in Wisconsin; the average hourly rate is \$10.66. The annual salary of \$22,170.00 is below the poverty line for a working family.



Early Education Workforce Survey

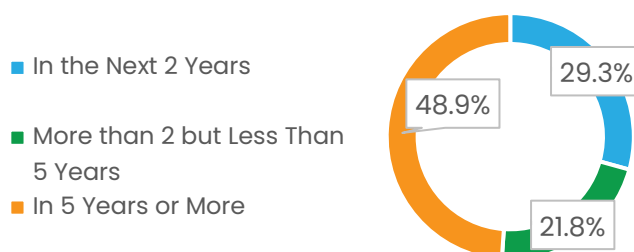


Figure 5: Survey of Center-Based Teachers | Institute for Research and Poverty

Primary Industries

Additionally, First Children's Finance examined the top industries in Winnebago County using available census data. The top industries (see Figure 6) can impact child care needs based on when shift workers are needed, as well as beginning and end time of employee shifts. In Winnebago County, two of the top industries are manufacturing and health care.

Often, these industries call for second and third shift employees. Without sustainable child care options during these shifts, hiring new employees and retaining current employees in fields such as manufacturing can quickly become a challenge.

During Strategic Supply Plan meetings with First Children's Finance, the Core Team was asked to brainstorm ways to address the need of child care for all types of working families within their community.

1. Manufacturing

2. Educational Services, Health Care and Social Assistance

3. Retail Trade

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

Data Overview

4 Certified Family Child Care Programs (*DCF Licensing Information)	11 Licensed Family Child Care Programs (*DCF Licensing Information)
11 Licensed Group Child Care Programs (*DCF Licensing Information)	39% of providers have a 3–5 Star Rating (DCF Sandbox Data)
8% of zip codes are considered child care deserts (DCF Sandbox Data)	3,347 children under 5 with all parents in the workforce (*ACS 5 Year Estimates)
791 *current expected child care capacity (*FCF Calculation May 2022)	2,556 birth to age 5 slots needed (*FCF Calculation)
\$1,161 average monthly cost of care (DCF Sandbox Data)	90,717 Oshkosh Area United Way defined zip code population

Core Team Planning Meeting

Throughout the winter of 2023, 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.



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:

Goal 1: By October 31, 2023, ensure that existing child care providers can remain open and operate at full capacity by implementing a grant program for existing, regulated providers to assist with needed updates/upgrades to their businesses.

Project Team Members: Beth Oswald, Candy Hall, Colan Trembl, Tracy Gehrke, Payton Lehnherr

Objective of the Goal: Deter providers from closing their doors or reducing hours of operation due to operation expenses associated with their business, in order to continue to provide consistent child care options for the community's children and families.



SMART Goal:

Goal 2: By October 31, 2023, increase the number of new and regulated providers by offering a grant program to assist in necessary start-up costs in becoming regulated and/or licensed.

Project Team Members: Payton Lehnherr, Beth Oswald, Candy Hall, Tracy Gehrke, Colan Trembl

Objective of the Goal: Encourage unregulated child care providers to become certified or licensed, as well as relieve the financial commitment for providers to become regulated and/or licensed. Thus, increasing available slots within the community.

Project Recommendations

Oshkosh Area United Way is located in the Northeastern region of Wisconsin and has a committed Core Team of individuals that are heavily invested in the child care landscape of their community. First Children's Finance recommends that the Core Team engage in the following activities:

1

Create a marketing strategy to identify community members interested in starting a child care business. Continuously pursuing and promoting child care as a career path for those currently unregulated and those interested in the field; this will result in more regulated opportunities for families, increase quality child care options in the community, as well as address the ongoing need for child care slots within the area. Ongoing efforts should be made to attract providers to the community after the grant period ends, to ensure sustainability.

2

Engage the community in this project – many hands make light work.

Child care is everyone's issue, not just families needing care. Businesses are directly impacted due to their employee's child care challenges, making their involvement critical. Information presented during meetings highlighted the high cost of delivery for child care businesses, making it difficult to raise wages for employees as well as cover overhead costs. Advocating and pursuing braided funding opportunities to support child care businesses in the community will be critical in the sustainability of both new and existing programs. Without additional funding and support, child care businesses will continue to face challenges sustaining their businesses.

3

Involve existing providers in the community – they are part of the solution.

By engaging current providers in conversations around their needs and connecting them to potential providers in the community, the strength of this ongoing support for all types of existing child care will become effectively necessary for sustainability. It will be crucial to meet the goals set to support existing child care programs and address their workforce shortages. Efforts should be made to ensure current child care providers continue to feel supported and have access to resources to stay in the field; it will allow the process of joining/adding to the child care workforce or supporting the opening of a new child care to successfully begin.

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