



# **First Children's Finance**

## **Dream Up! Grant Summary**

### **Osseo-Fairchild School District**

Western Region, 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

## Osseo-Fairchild School District – Western, WI

The Osseo-Fairchild School District 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 Madeline Martineau, teacher from Augusta, WI 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 the Core Team in efforts to increase its supply of high-quality child care.

# Community Information

Figure 1: Osseo-Fairchild School District Defined Zip Codes | Community Application Process

Cities	Zip Code	Cities	Zip Code
Alma Center	54611	Osseo	54758
Augusta, Ludington, Rodell, Hale Corner, Hay Creek	54722	Stanley, Huron, Junction, Brownville	54768
Fairchild	54741	Allen, Strum	54770
Fall Creek, Cleghorn	54742	Thorp, Lombard, Bellinger, Reseberg	54771
Humbird	54746		

The Osseo-Fairchild School District is a unique area which falls in 4 counties of Western Wisconsin. These counties include Clark, Eau Claire, Jackson, and Trempealeau. The Osseo-Fairchild School District is a picturesque area in the Western Region of Wisconsin. They were selected for the Dream Up! Strategic Supply Planning Process and were awarded participation with the Fall Dream Up! Strategic Supply Plan Cohort. This project included a geographic region the Core Team planned to focus on, referred to as ‘the community’. The Core Team included the zip codes and corresponding communities listed in Figure 1 as their geographic region and defined community. This geographic region has an approximate population of 30,000 residents and is the focus of this Strategic Supply Plan.

## Core Team

The following people participated in the Core Team meetings to address the child care supply needs in Osseo-Fairchild School District's defined community. The primary contact for this project is Core Team Lead, Madeline Martineau, Educator.

Name	Organization Affiliation
<b>CORE TEAM LEAD:</b> Madeline Williams	Educator   Community Member
<b>CORE TEAM MEMBERS:</b>	
Ronnie Williams	Owner   Williams Engineering Services
Greg LeGare	Osseo resident   Grain Farmer   Representative - Osseo Area Economic Development Corporation
Shelby Mach	School Social Worker at Osseo   Fairchild School District
Bernt Gunderson	Operations Manager   Osseo Automotive
Renee Ernsting	Director   Child Care Partnership
Lori Whelan	Superintendent   Osseo School District
Kylie Gappa	Superior Fresh Farms   Business Owner   Parent of Daycare Child
Emma Kostka	Representative   Osseo Area Economic Development Corporation   Realtor
Josh Pettis	Mayor   Osseo
Sarah Peterson	Community Member



## Community Insights

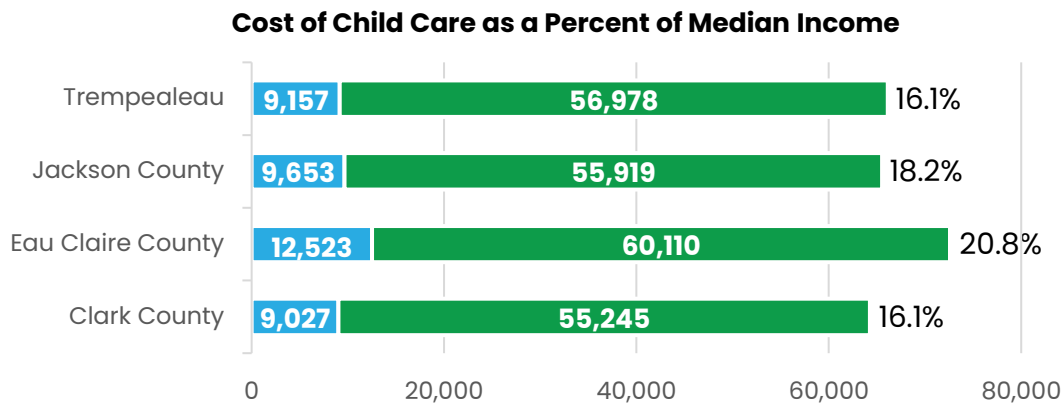
Research by the Core Team was conducted and provided as part of the application process. First Children's Finance provided research and statistics regarding child care needs and sustainable child care solutions. During Strategic Supply Plan meetings, this data was reviewed with the Core Team to better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

In the community application it was reported that:

- *Risk factors within the community due to lack of child care include the loss of residents, a smaller workforce and children entering school with a lack of readiness.*

\*Excerpt from Dream Up! Application

Figure 2: Average Cost of Care and Median Income | Wisconsin PDG Sandbox Data



During the Strategic Supply Planning process, First Children's Finance discussed the affordability of care compared to cost of care. Figure 2 shows that the average cost of care in Eau Claire County is \$12,526, which is 20.8% of the median income. The Federal Government defines affordable care as no more than 7% of a family's income. The cost of care in all counties in the Osseo-Fairchild School District is significantly greater than 7% of the region's median income.

In looking at the true cost of care, which is defined as the dollar value of all resources used to provide high-quality early childhood care and education, the cost is significantly higher. Providers can rarely charge this cost due to parents' inability to pay. True cost 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 with the value of personnel and non-personnel resources used to manage a program. By definition, true cost includes resources that are actual expenditures or donated or volunteered, as well as resources that last for multiple years. In Wisconsin the true cost of care for an infant is \$1,800 a month. Families simply cannot afford the true cost of care; providers charge less, pay staff less than a living wage, and are unable to invest in high quality resources.

## 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 Osseo–Fairchild School District dated August 2022, shows a deficit of 786 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 Osseo–Fairchild School District at only 316 slots.

Figure 3: 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
54611	Alma Center	0	1	1	23	50	<b>-27</b>
54722	Augusta, Ludington, Rodell, Hale Corner, Hay Creek	3	0	0	20	203	<b>-183</b>
54741	Fairchild	0	0	0	0	71	<b>-71</b>
54742	Fall Creek, Cleghorn	0	1	1	45	170	<b>-125</b>
54746	Humbird	0	0	0	0	18	<b>-18</b>
54758	Osseo	1	1	0	38	175	<b>-137</b>
54768	Stanley, Huron, Junction, Brownville	2	2	0	122	157	<b>-35</b>
54770	Strum, Allen	0	1	0	31	102	<b>-71</b>
54771	Thorp, Lombard, Bellinger, Reseburg	1	1	0	37	156	<b>-118</b>
<b>TOTAL</b>		<b>7</b>	<b>7</b>	<b>2</b>	<b>316</b>	<b>1102</b>	<b>-786</b>

## 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 the Osseo-Fairchild School District.

### **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.

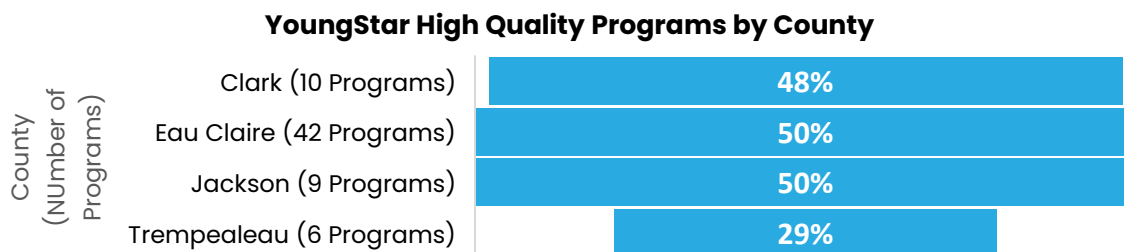
### **Out of Area Care**

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 child care programs that go above and beyond the general licensing requirements to obtain a 3-5-star YoungStar Rating, which is designated as the 'high-quality' care indicator.

Figure 4: High Quality Programs by County | 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 Western Region of Wisconsin and shows 19% 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

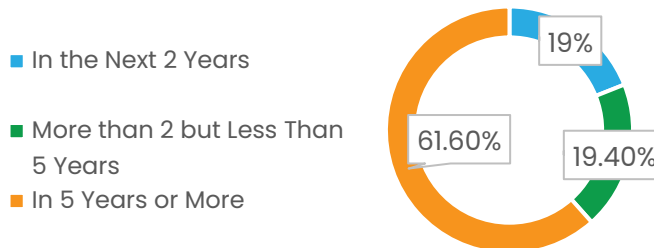


Figure 5: Survey of Center-Based Teachers | Institute for Research and Poverty

## Primary Industries

Additionally, First Children’s Finance examined the top industries in Osseo–Fairchild School District 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 times of employee shifts. In these counties, the top industries often 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.

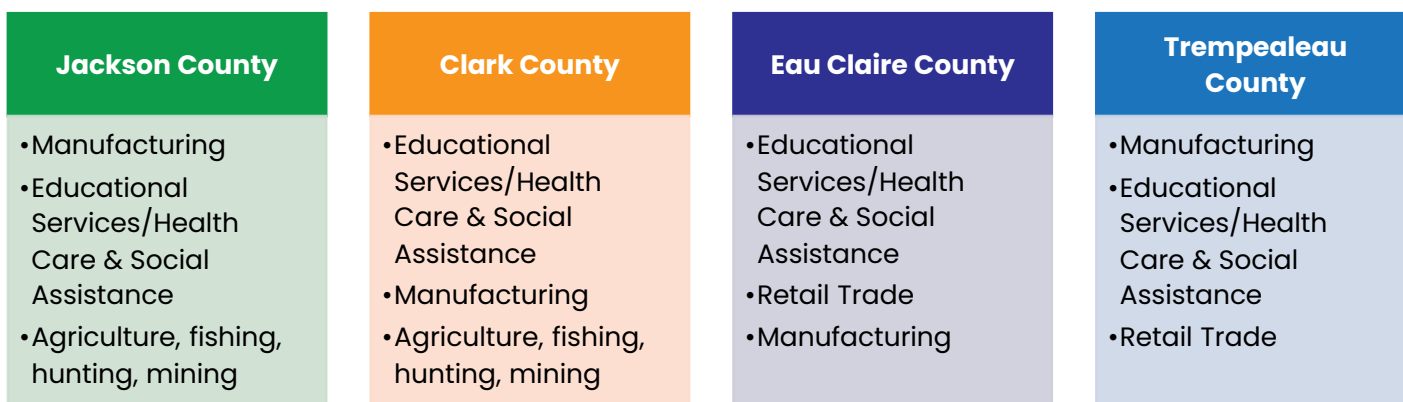


Figure 6: Top Industries in the community | U.S. CENSUS 2021

## Data Overview

<b>2</b> Certified Family Child Care programs (*DCF Licensing Information)	<b>7</b> Licensed Family Child Care programs (*DCF Licensing Information)
<b>7</b> Licensed Group Child Care programs (*DCF Licensing Information)	<b>44%</b> of providers in the defined zip codes have a 3–5 Star Rating (DCF Sandbox Data)
<b>55%</b> of zip codes are considered child care deserts (DCF Sandbox Data)	<b>1,102</b> children under 5 with all parents in the workforce (*ACS 5 Year Estimates)
<b>316</b> *current expected child care capacity (*FCF Calculation May 2022)	<b>786</b> birth to age 5 slots needed (*FCF Calculation)
<b>\$752–\$1044</b> average monthly cost of care (DCF Sandbox Data) Four county area	<b>30,572</b> 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 Osseo-Fairchild School District, 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

Community Awareness

Partnerships

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



### Goal:

To support current child care providers in creating a safe and high-quality learning environment for all children in their care, as well as maintain and increase availability of child care options.

**Project Team Members:** Madeline Martineau, Renne Olson, Ronnie Williams, Renee Ernsting and Amelia Wenzel

#### Objective of the Goal:

- Increase and improve environmental safety for children
- Provide additional resources and materials to engage children and increase learning
- Support existing providers with stipend to help increase staff retention.



### Goal:

To increase the number of child care providers and workers within the Osseo-Fairchild area by providing information and support for licensing, professional work and environment development and improving training opportunities by the end of the grant timeline.

**Project Team Members:** Jessica Schottle, Jamie Fremstad, Ronnie Williams, Amber Smith, Tom Redbird, Dave Carlson, Maddie Martineau

#### Objective of the Goal:

- Increase in number of licensed child care locations and providers
- Improve professional work environments within existing centers
- Provide access to compensated training for students and staff who wish to enter the child care field.



### Goal:

Create partnerships between businesses and the child care industry by creating community awareness of the impact child care has on local businesses.

**Project Team Members:** Lori Whelan, Josh Pettis, Curtis Smith, Jessica Leinon, Tracy Fleck, Kylie Gappa, Bernt Gunderson, Brandon Leinon, Brandon Phelps, Greg LeGare

#### Objective of the Goal:

- Businesses increase their awareness of how child care impacts their employees; therefore, relating the impact on their business' productivity and income
- Businesses financially partner with child care businesses to support the cost of quality child care for their community.

## Project Recommendations

The Osseo–Fairchild School District located in western Wisconsin is a rural area with a long history of community partnership and has a Core Team of individuals that are eager to explore the child care landscape of their community. First Children’s Finance recommends that the Core Team engage in the following activities:

1

Always run financials before committing to a project – look for a broad base of support.

As new and expansion child care projects are discussed to expand child care options in the community, run financials and feasibility reports specific to child care programming. Having an accurate understanding of enrollment numbers, staffing needs and tuition rates are needed to create sustainability in the current child care climate.

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2

Continue to engage the community in this project – many hands make light work.

During the Core Team meetings, it was expressed that there are many businesses willing to help new child care businesses. As programs make plans to expand and new providers express interest, engage the community by letting them know what they can do to support these businesses. Attention to workforce needs when expanding and creating child cares will be important for sustainability.

Community investment in supporting new child care facilities so they can maintain quality programming is critical.

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3

Continue to involve existing providers – they are part of the solution.

Ongoing outreach and support to all types of existing child care in the area should be considered to retain current industry professionals. Continued efforts should be made to ensure current child care providers feel supported and have access to resources they need to be successful in the child care field. Use this information to support and attract members of the community to begin the process of opening a child care. Community support will ensure that all involved in the child care environment feel valued.

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