



First Children's Finance Dream Up! Grant Summary

City of Waupaca

Waupaca, 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

City of Waupaca – Waupaca, WI

The City of Waupaca 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 Gregory Grohman, from Waupaca Chamber of Commerce, 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 City of Waupaca’s Core Team in efforts to increase its supply of high-quality child care.

Community Information

The City of Waupaca is based in Waupaca County, Wisconsin. The City of Waupaca is a motivated, tight-knit 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 City of Waupaca 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 14,902 residents and is the focus of the Strategic Supply Plan.

Cities	Zip Codes	Population
Waupaca	54981	14,902

Figure 1: City of Waupaca Defined Zip Codes | Community Application Process

Core Team

The following people participated in the Core Team meetings to address the child care supply needs in the City of Waupaca’s defined community. The primary contact for this project is Core Team Lead, Gregory Grohman, Grant Writer at the Waupaca Area Chamber of Commerce.

Name	Organization Affiliation
CORE TEAM LEAD: Gregory Grohman	Grant Writer Waupaca Area Chamber of Commerce
CORE TEAM MEMBERS:	
Terri Shultz	President Waupaca Area Chamber of Commerce
Collin Dykstra	City Counsellor City of Waupaca
Tracy Jensen	Program Coordinator Sunny Cay Child Care Center
Sue Abrahamson	Youth Librarian & Interim Library Director Waupaca Area Public Library
Sara Timm	Director of Marketing & Media Waupaca Foundry
Cori Caryl	Clinical Supervisor ThedaCare
Laura Colbert	Executive Director The Waupaca Arts Hub
Laurie Schmidt	Director of Student Services School District of Waupaca
Amanda Jolitz	Child Care Resource & Referral Fox Valley
Melissa Meyer	Employee ThedaCare
Judy Olson	Executive Director Child Care Resource and Referral, Fox Valley
Susan Elandt	Child Care Resource & Referral My 1 st Adventure
Sarah Fink	Child Care Resource & Referral Fox Valley

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 (see Figure 2). During Strategic Supply Plan meetings, this data was reviewed with the Core Team to better understand their community's child care challenges.

The City of Waupaca provided demographic data in their initial application that highlighted the community's need for affordable child care solutions.

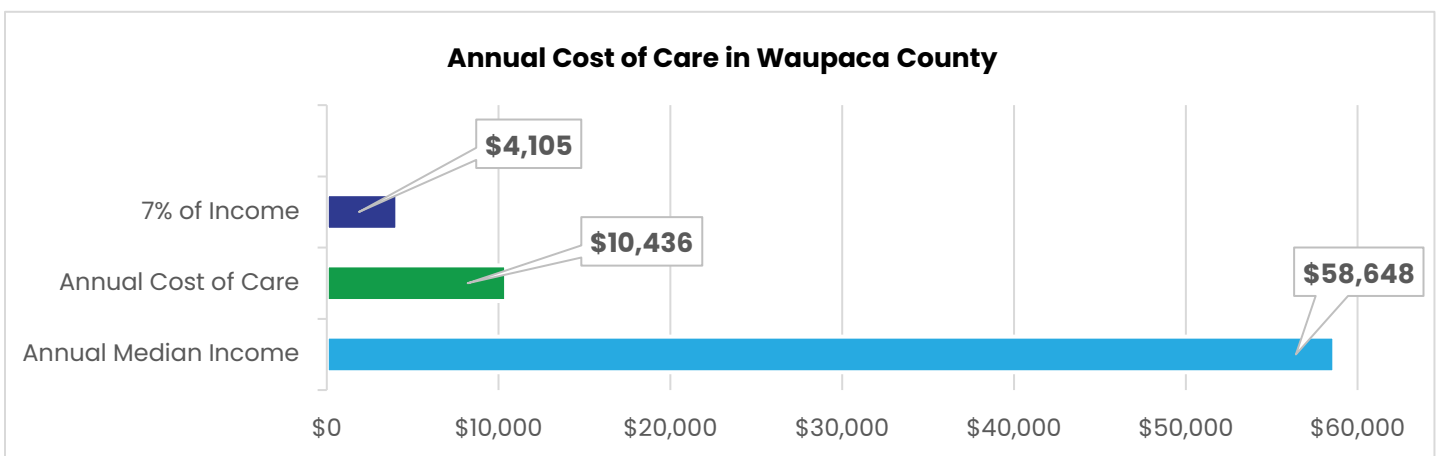
The reported demographics included:

- *Over half of 6,282 residents in the City of Waupaca are classified as low and moderate income by Department of Housing and Urban Development*
- *14% of children live in poverty in Waupaca County*
- *Major employers in the area noted that child care shortages were significantly contributing to their workforce challenges, and stymying aspirations to expand business operations and launch new expansions.*

*Excerpt from Dream Up! Application

During the Strategic Supply Planning process, First Children's Finance shared data with the Core Team regarding the annual median household income in Waupaca County compared to the annual cost of care. Figure 2 shows that the average annual cost of care for an infant in child care in Waupaca County is \$10,436. 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 is defined as the dollar value of all resources used to provide high-quality early childhood care and education. 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 is needed.

Figure 2: Annual Cost of Care in Waupaca County | PDG Sandbox



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 City of Waupaca dated August 2022, shows a deficit of 152 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 the City of Waupaca at only 238 children. Results showed no certified child care providers available in the community.

Figure 3: City of Waupaca Supply Demand Gap Analysis | PDG Sandbox Data

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
54981	Waupaca	1	2	0	238	390	152
TOTAL		1	2	0	238	390	152



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 City of Waupaca.

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.

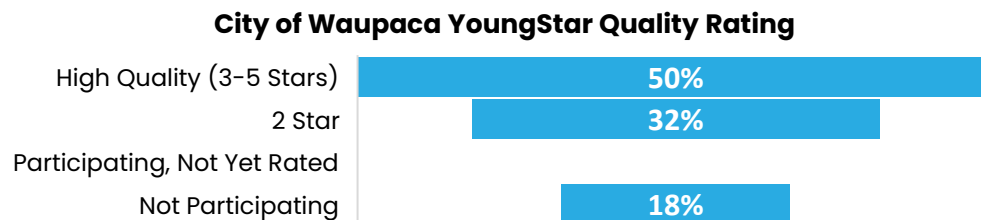
Out of Area Care

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: City of Waupaca 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

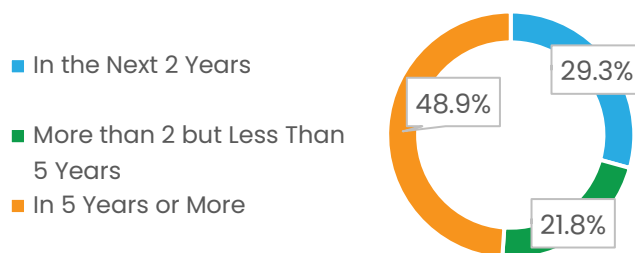


Figure 5: Survey of Center-Based Teachers | Institute for Research and Poverty

Primary Industries

Additionally, First Children's Finance examined the top industries in the City of Waupaca 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 the City of Waupaca, the top two industries shown 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. 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 the City of Waupaca | U.S. CENSUS 2021

Data Overview

0 Certified Family Child Care (*DCF Licensing Information)	1 Licensed Family Child Care (*DCF Licensing Information)
2 Licensed Group Child Care (*DCF Licensing Information)	50% of providers have a 3–5 Star Rating (DCF Sandbox Data)
18% of zip codes are considered child care deserts (DCF Sandbox Data)	390 children under 5 w/ all parents in the workforce (*ACS 5 Year Estimates)
238 *current expected child care capacity (*FCF Calculation May 2022)	152 birth to age 5 slots needed (*FCF Calculation)
\$870 average monthly cost of care (DCF Sandbox Data)	14,902 City of Waupaca’s 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 City of Waupaca, 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: Withing the next 6 months, create and support a more robust career pipeline between the School District of Waupaca and professionals in the early childhood development field.

Project Team Members: Greg Grohman, Tracy Jenson, Susan Elandt, Beth Nash

Objective of the Goal: Create new opportunities for high school students to engage with local early childhood professionals through internships, mock interviews, career coaching and more.



SMART Goal:

Goal: Assist both family and group child care providers in the 54981 zip code to enhance the quality of child care services by making improvements / upgrades to their educational resources, equipment and facilities.

Project Team Members: Greg Grohman, Eric Balza, Stephanie Reif

Objective of the Goal: Provide micro-grants of up to \$3,000 per eligible group facility and \$2,500 per eligible family provider within the community's defined zip codes.



SMART Goal:

Goal: Conduct research on the workforce impact of childcare in the Waupaca area to support future fundraising, advocacy, and legislative efforts to further improve the environment for the local childcare industry.

Project Team Members: Greg Grohman, Ryan Brown

Objective of the Goal: Focus group and survey data will provide qualitative and quantitative research data that will be translated into a detailed report of findings and shared with local and state government officials, area employers, and philanthropic leaders.



SMART Goal:

Goal: Assist up to four start-up, unregulated family providers with micro-grants of up to \$2,500 for eligible providers; micro-grants will help to provide necessary facility/equipment upgrades required to become a licensed family provider.

Project Team Members: Sarah Timm, Sarah Fink, Colin Dykstra

Objective of the Goal: To increase the number of licensed family care providers in the 54981 zip code to create new child care slots in the Waupaca area.



SMART Goal:

Goal: Provide an array of foundational and behavioral trainings to existing and prospective early child care professionals in the 54981 zip code.

Project Team Members: Eric Balza, Sarah Fink

Objective of the Goal: Increase the professional competency of prospective and current child care professionals in the 54981 zip code, enabling higher quality care, assisting with regulatory compliance, and YoungStar ratings.



Project Recommendations

Waupaca, Wisconsin is a semi-rural area with a potential pool of community partnership in bringing needed services to the area. The City of Waupaca 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.

Gather information from outreach to current providers regarding their successes and challenges in the child care industry. Use this information to support current providers and encourage new providers. Continuously promote the child care industry to community members to draw providers into the child care field; furthermore, creating more opportunities for families, increasing the quality of local programming, as well as addressing the ongoing need for child care slots within the community.

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 employees' child care challenges, making the local business community's involvement critical. 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. 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.

3

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

Set a goal aimed towards supporting the workforce shortage within the child care community; continuously work towards engaging and attracting new members of the community to begin the process of opening a child care. Ongoing support is critical to all types of existing child care in the area; efforts should be made to ensure current child care providers continue to feel valued and have access to resources to stay in the field.

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