

Child Care Supply Action Plan



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CHILD CARE SUPPLY ACTION PLAN

Introduction

Child care in the United States has long been a fraught topic without a clear solution. The onset of the Covid-19 pandemic brought to light the underlying issues that the field had been facing for many years. Now, as federal relief funding comes to an end, the child care crisis is becoming even more acute. Families are increasingly unable to afford the exorbitant costs of child care and often wait for months or years for an open slot. Providers, too, are struggling to make ends meet. Educator shortages persist as child care wages and benefits cannot keep up with the market and providers are unable to recruit and retain a high-quality workforce.

Beloit, like the rest of the country, is grappling with these same challenges. City leaders have recognized the vital nature of quality child care within their community and, in partnership, this team has been tasked with developing an analysis of the current state of child care in the city. In addition, the team has created an action plan with a set of comprehensive and sustainable recommendations that aim to increase families' access to high-quality, affordable child care in Beloit. Central to this plan is the need to strengthen and expand the child care workforce and supply.

The first section of the report will provide broader context on child care in Wisconsin and Beloit, explain the stakeholder engagement and data collection process, present an analysis of the existing child care landscape and highlight key findings. The second section will outline the action plan, detailing short and long-term recommendations and action steps for the city of Beloit.



Context

The state of Wisconsin has a population of about 5.9 million, with approximately 326,000 children under the age of 5. Beloit, a small city located in Rock County, has a population of about 36,000, and just under 3,000 children under 5, a slightly higher proportion of children under 5 in comparison with the state.

Demographics

When looking at children and families more specifically, Rock County has a family poverty rate of 12.9%, almost 4% higher than the state, meaning that almost 13% of families with children in the county are living in poverty. In comparison with the state, Beloit is also more racially and ethnically diverse, a major asset, with 14% of the community identifying as Black or African American and 21% as Hispanic or Latino, compared to 6.6% and 7.6% respectively for the state. Recent years have seen rising immigration and a growing Spanish-speaking community, an important consideration as the needs of the community continue to change. As the city considers implementing changes to the child care system, understanding Beloit's context and needs can help to ensure that all children thrive.

Governance

Child care in Wisconsin falls under the purview of the Wisconsin Department of

Children and Families (DCF), whose vision is to ensure that all children have access to high-quality Early Care and Education (ECE). DCF administers child care subsidies through the Wisconsin Shares Child Care Subsidy Program. Families can qualify for Wisconsin Shares if they meet a variety of criteria, including a maximum monthly gross income of no more than 185% of the Federal Poverty Level. If a family is eligible, they receive subsidies for a portion of their child care costs and are required to pay a monthly copayment. The state also oversees the regulation of child care and the YoungStar Quality Rating and Improvement System (QRIS), used to rate child care programs using specific criteria aligned to stars as a measure of quality. Alongside regulation, inclusive of licensing and certification, the YoungStar program is intended to help child care programs meet quality standards and create a pathway to improvement, while also supporting parents in understanding a program's quality.

Methodology

Our approach prioritized engaging the voices of those who are nearest to the child care system itself; specifically, families, educators, providers, and programs.

The following methods were used to engage and collect feedback from community stakeholders:

- Interviews with local child care providers
- Educator focus group
- Parent focus group
- Beloit Memorial High School Early Childhood Education track students
- Quality of Life subcommittee meeting

To further inform our report, we reviewed and analyzed existing data from the following sources:

- Parent/Caregiver Equity Advisory Cabinet (PCEAC) survey
- Previous reports on child care in Wisconsin and Rock County
- Peer city approaches to child care challenges

Our team spoke with other stakeholders including potential funders, business partners, college professors, and city leaders to both better understand existing challenges and establish relationships that may benefit the child care system in Beloit. The team also spoke with school district personnel and ECE leaders in other cities and districts to help inform our recommendations.



Child Care in Beloit

Child care itself lies within a larger context. As we explore the different facets of child care in Beloit, some of the strengths and challenges lie in the surround structures, yet are still crucial to the success of a child care system.

The graphics below provide a framework for understanding how the various components interact and will guide both the analysis of the existing system as well as the recommendations for the City of Beloit.

Figure 1. Child care as part of a system



Figure 1 represents the system in which child care is connected to the mixed delivery system and the community. As noted in the recommendations, the mixed delivery system and community directly impact child care in a multitude of ways, primarily those categories shown in Figure 2 - access, affordability, quality, and workforce.

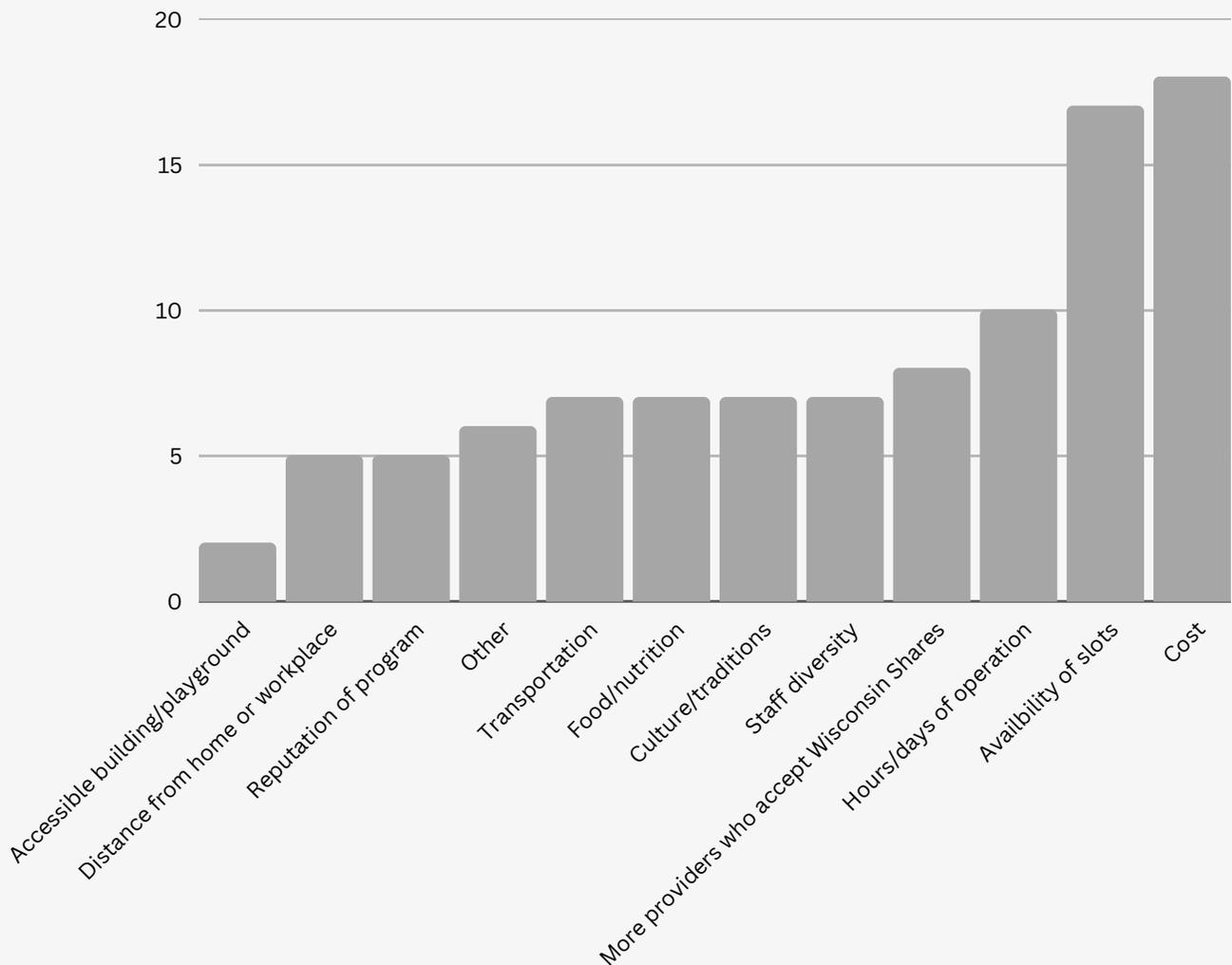
Figure 2. Four pillars of child care



Impact of Child Care on Families

Families in the City of Beloit have been significantly impacted by the challenges of the child care system. In a recent survey conducted by the PCEAC, 88% of Beloit residents agreed that child care is unaffordable, and 61% responded that accessing child care services was difficult or very difficult. Furthermore, almost 40% of families have gone without consistent child care within the past year. This same survey reported cost and availability as the most common factors that would make child care more accessible for families, along with other important components displayed below.

What would make participation in child care more accessible to you and your family?



“

Don't be a working mom with hours outside of care because there's no public transportation.
-Beloit Mother

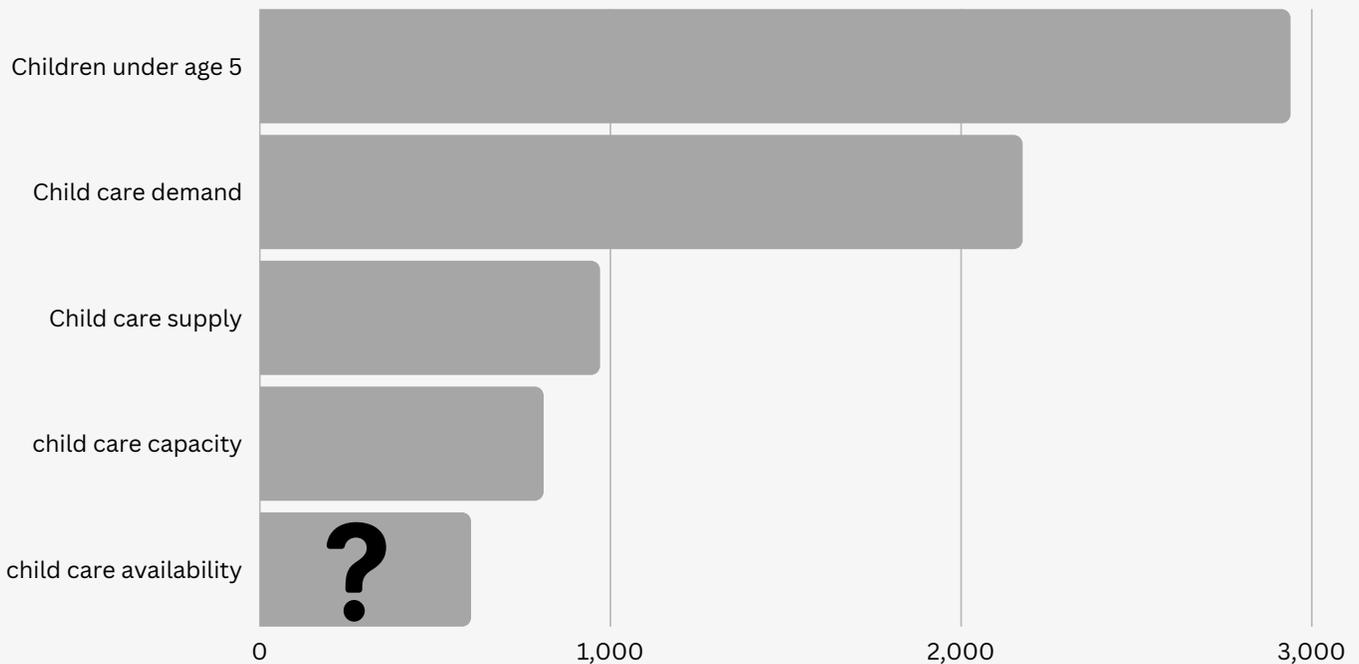
“

Many families hear many negative things happening in daycares and they are afraid to put their kids in care, it is hard to gain trust.
-Center-based/Group Child Care Educator

Access to Child Care

Notably, the challenges for families are across the board, with 61% of surveyed parents saying that child care was difficult to find. Providers confirmed the lack of available slots, with many stating that they have extensive waitlists that they are unable to accommodate. Based on the demographics provided above, and data on child care slots in Beloit, if all child care programs operated at licensed capacity, Beloit would only be meeting 37% of demand. The chart below characterizes the availability of child care, acknowledging that the actual availability is unknown, given that many centers and programs are not operating at licensed capacity due workforce recruitment and retention issues.

As of July 2023, child care capacity meets 37% of demand



“ I am a small center and I have a waitlist over 100 and know another has over 300. This is supposedly a great problem to have but this is stressful for me because I don't have answers. This week I have full staff but I won't know if that will happen next year. I don't have the luxury of extra teachers.
-Center-based/Group Child Care Director



Affordability of Child Care

Most families in Beloit are struggling with affording child care. Families that meet eligibility requirements can receive subsidies through the Wisconsin Shares program, and while many Beloit providers do accept Wisconsin Shares, it is often not enough for families, as copays remain too high for many to afford. For families who don't receive Wisconsin shares, private pay rates are also unaffordable, with tuition at a typical center costing about \$1,000 per month for full-time infant and toddler care. Nationally, the Administration for Children and Families recommends that child care not exceed 7% of a family's income, meaning that a family would have to have an annual income of approximately \$170,000 for child care to be affordable at this rate. In Beloit, the median household income is \$52,000, as of 2021. A family spending \$12,000 per year on one infant would be expending over 20% of their income on child care.

“

The high costs of child care have been detrimental, and while the stories below are just a few examples, they represent the challenges faced by many families in Beloit:

“I have a masters degree and 17 years of experience in my field. If I had two children in daycare it would be cheaper for me not to work than to work and pay for childcare.”

“We cannot afford to use childcare outside of the home. My 3 (almost 4) year old was finally able to get into 3 year old Kinder through HeadStart and he is a little guy that would have greatly benefited from more socialization with kids his age earlier on. Our previous situation did not provide for this.”

“I have had to sacrifice allowing my children to attend a place that I was not fully comfortably because of the lower cost as well as the availability. There are not many options here and many have waiting lists.”



“

It (child care) has severely harmed our economic, social, and psychological wellbeing.
-Beloit Parent

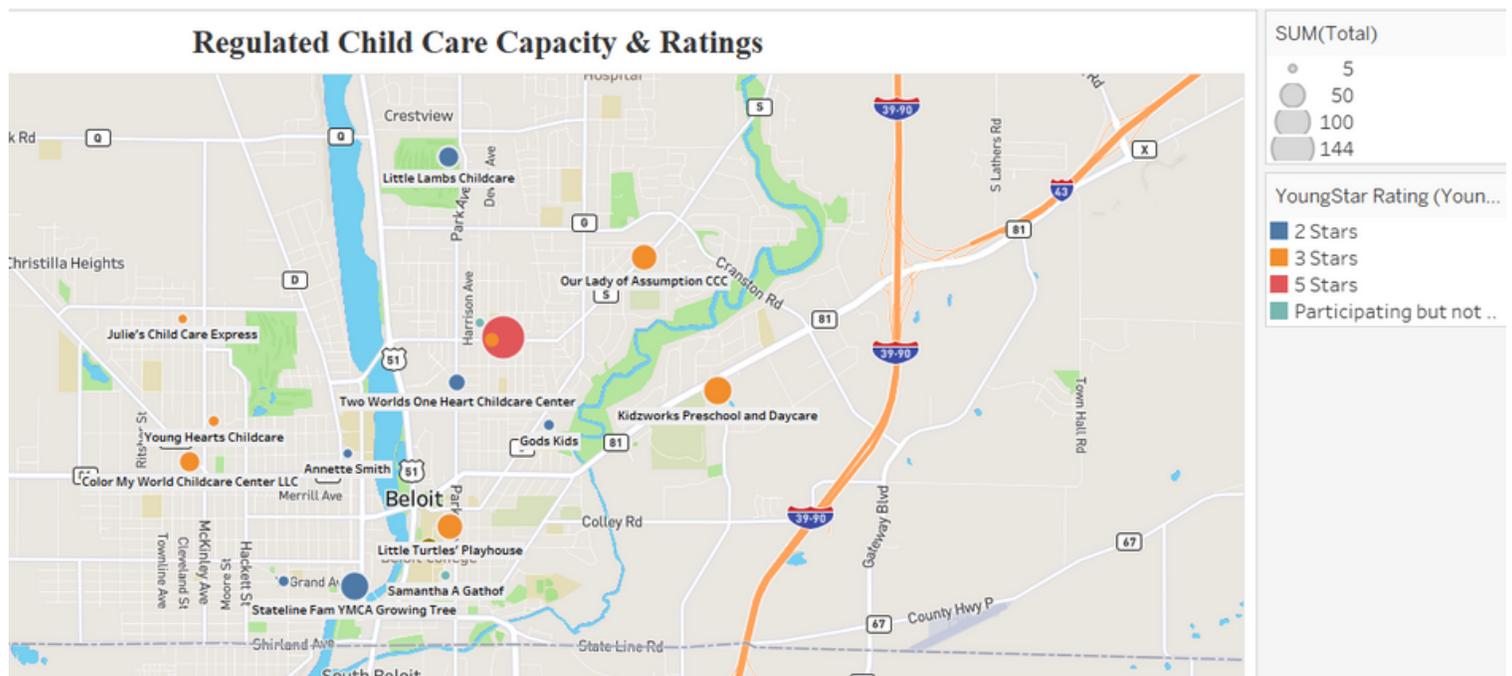
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Quality of Child Care

Currently, Beloit has seven center-based/group child care programs and nine in-home/family child care providers that serve children under age 5. The child care programs and providers range from not participating in YoungStar, Wisconsin's Quality Rating and Improvement System (QRIS), to three stars on a five-star continuum.

The map below highlights child care capacity and YoungStar rating of those programs in Beloit. An interactive Tableau map will be provided.



“

I need more space to serve more kids. Quality staff. Quality trainings. Money to send teachers to quality trainings.

-Center-based/Group Child Care Director

“

Quality is subjective...but the shortage is INCREDIBLE. Will I have to quit my job due to lack of care? If I don't feel confident in the place then it might as well not be there. People are risking their child's safety.

-Beloit Mother



Child Care Workforce

Some of the existing challenges for families, like lack of availability, stem from workforce shortages. Currently, the child care workforce is shrinking, a problem not unique to Beloit. Challenging working conditions, low pay and often a lack of benefits in combination with being in a low-valued and respected role, have made working in child care less desirable and providers across the country are struggling to recruit and retain staff.

While child care programs are avidly trying to hire qualified staff, educators who have higher levels of qualifications and education are choosing to pursue work in other programs within the mixed delivery system, such as 4-year-old kindergarten in school districts, where compensation is higher and benefits are included. While the City of Beloit has strong Early Childhood Education (ECE) programming, specifically through Beloit Memorial High School's ECE career pathway and Blackhawk Technical College's ECE associate's degree, open roles for educators in child care are not providing livable wages. We even heard that out of the 25 students currently attending Blackhawk Technical College for an ECE associate's degree, not one is considering working in child care.

Potential employees are not just looking to work in other areas of the birth-age 5 mixed delivery system, they are also moving out of education as a whole. The City of Beloit has many external threats that impact the child care workforce. Among them, the increasing wages and opportunities for benefits at incoming businesses, such as Amazon, that are providing employees with better pay and working conditions.

Nearby in Illinois, the minimum wage continues to increase, and currently stands at \$13 per hour, almost twice that of Wisconsin's at \$7.25. For potential employees in Beloit, the low pay, lack of benefits, and challenging working conditions of child care stand to push them to other, more sustainable options. The key here is not to consider that these other factors are a problem for Beloit, but instead to think about how the child care workforce can be compensated and valued in the ways that other industries have achieved. Without a change in the way that child care workforce is compensated, the challenges in recruitment and retention will continue, reducing availability and quality of care for children and families.

“
This is a job you do because you love it, not because of the money. The children teach us more than we teach them.
-Family Child Care Provider



Child Care Workforce

Programs and providers themselves are doing what they can to recruit and retain staff, and compensate them fairly, but the challenge lies in covering the true cost of care when revenue is far below it. Many, but not all, providers we spoke to accept Wisconsin Shares, a noted strength within the system, but the rates do not meet the true cost of care. As a result, providers are forced to subsidize the difference. Some providers do not charge co-pays for those who receive Wisconsin Shares. Additionally, providers cannot raise prices for families who are just barely able to afford care as is, and yet are not making enough money to sustain their businesses.

Through interviews and focus groups we heard that staffing is among the biggest challenge for child care programs, to the extent that many have had to close classrooms. Providers mentioned that they struggle to recruit, and when they are able to hire, the staff are often not qualified or not reliable. Furthermore, they do not feel comfortable having the new staff lead a classroom. Providers also noted that new teachers are often quitting within days of starting the role.

Below we provide two examples, from a center-based/group program and another from an in-home/family provider, that reflect revenue from tuition prices in comparison with true cost of care.

Center-Based/Group Child Care Program Tuition Example

| Full-Time (21+ hours per Week) | | | | |
|---------------------------------|---------------------------|----------------------|-----------------|----------------|
| Age Group | Actual Tuition/Month (\$) | True Cost/Month (\$) | Difference (\$) | % of True Cost |
| 0-1 year old | 1063 | 1800 | -737 | 59% |
| 2-year-old | 1020 | 1400 | -380 | 73% |
| 3-year-old | 977 | 1100 | -123 | 89% |
| 4 & 5-year-olds | 977 | 1000 | -23 | 98% |
| Part-Time (1-20 hours per week) | | | | |
| Age Group | Actual Tuition/Month (\$) | True Cost/Month (\$) | Difference (\$) | % of True Cost |
| 0-1 year old | 760 | 1200 | -440 | 63% |
| 2-year-old | 716 | 925 | -209 | 77% |
| 3-year-old | 673 | 725 | -52 | 93% |
| 4 & 5-year-olds | 673 | 675 | -2 | 100% |



Child Care Workforce

In-Home/Family Child Care Provider Tuition Example

| Full-Time (21+ hours per Week) | | | | |
|---------------------------------|---------------------------|----------------------|-----------------|----------------|
| Age Group | Actual Tuition/Month (\$) | True Cost/Month (\$) | Difference (\$) | % of True Cost |
| 0-1 year old | 955 | 1800 | -845 | 53% |
| 2-year-old | 955 | 1400 | -445 | 68% |
| 3-year-old | 955 | 1100 | -145 | 87% |
| 4 & 5-year-olds | 955 | 1000 | -45 | 96% |
| Part-Time (1-20 hours per week) | | | | |
| Age Group | Actual Tuition/Month (\$) | True Cost/Month (\$) | Difference (\$) | % of True Cost |
| 0-1 year old | 477 | 1200 | -723 | 40% |
| 2-year-old | 477 | 925 | -448 | 52% |
| 3-year-old | 477 | 725 | -248 | 66% |
| 4 & 5-year-olds | 477 | 675 | -198 | 71% |

These examples reveal the enormous gaps that exist between revenue and expenses for providers. As indicated in the chart, the largest gap is in infant care, decreasing as children get older. Infant care is universally recognized as the most expensive, since it requires lower educator to child ratios. As a result, child care centers often need to use their preschool and school-age classrooms to subsidize infant and toddler classrooms. While this dynamic worked to some extent in the past, many Beloit providers are no longer benefiting from this system due to the introduction of 4K.

“

The impact of 4K hurt! Janesville does it right with community-based. They keep 4 year olds in house, its better for the kids, less transitions.

-Technical College Instructor

“

I have a BS in social work, what will that get me... I'm exhausted. I'm working on my admin credential and am struggling with time and energy just to do my homework. Sometimes I question my life choices, but at the same time I won't give up my position at the center unless I had someone I trusted to take over. I don't currently see that in my staff.

-Center-based/group child care director





Impact of 4-Year-Old Kindergarten (4K)

In general, the addition of 4K has been positive for the families who have been able to participate in it. The free price tag has alleviated the burden for many families and made preschool accessible to children who otherwise may not have had the chance to participate. However, there has been a significant unintended consequence to the infant and toddler care market. As explained, child care programs rely on their older classrooms to be able to afford their infant and toddler classrooms, and with the expansion of 4K, community-based child care programs are failing to keep up. Providers noted the start of 4K as the key turning point for child care in Beloit. Many providers explained that almost all their 4-year-old children have left, and they have had to shut down their preschool classroom, resulting in a detrimental change to their budget. With such narrow margins, providers are unable to increase wages for staff or even their own profits, reinforcing the cycle that has led to many classroom and program closures.

Notably, a few programs in Beloit have suffered less from the many challenges above. They are compensating staff with a living wage and providing health and retirement benefits, and as a result are dealing with less educator turnover and instability. The key to their success, however, has been embedding themselves in a larger organization. Both programs that did not seem to have the same challenges were part of larger non-profits that were able to cover their overhead costs like rent, and that also pay for employee benefits.

SWOT Analysis

In order to prepare recommendations for the City of Beloit to increase the community's high-quality child care supply, information was obtained through multiple group-facilitated SWOT analysis activities. A thorough analysis of families' experience in accessing high-quality, affordable child care through a strengths, weaknesses, opportunities, and threats (SWOT) lens is found below.

Strengths

- Strong existing programs and partnerships
 - Birth to 3, Wisconsin Early Autism Project (WEAP), Blackhawk Technical College, Wisconsin Early Childhood Association (WECA)
- Beloit Pride
 - Providers are passionate about their careers and dedication to families and children
 - Beloit families are proud to be and reside in their city, proud of their roots and family connections in the city

“
I've worked with B-3 in the past... I had a great experience, they were very professional, tried to help in any way that they could. It was for a child with down syndrome. I do have one parent who is getting assessed. We've had WEAP and they are there daily, we have had a good experience with them too.
-Center-based/Group Child Care Director

- Diversity of community
 - Beloit child care providers serve a racially and linguistically diverse set of families
 - Beloit has a higher than average immigrant population in comparison to the state
- Expansion of full-day 4K has decreased the cost of care for families of 4-year-olds in the district

Weaknesses

- Severe availability shortage for child care slots
- Cost of child care is unaffordable for most families
- Few providers accept Wisconsin Shares child care subsidy
- Low wages and lack of compensation for child care workforce is resulting in educator shortage, further reducing available slots
- Providers are unable to keep up with costs of providing high quality care, leading to classroom or program closures

“
The state of the world is affecting young people, no healthy options or transportation...there's a lot going on and parents are trying to swim.
-Beloit Mother

SWOT Analysis

Opportunities

- Momentum to stabilize child care and invest in workforce
- Community awareness of the need for high-quality, affordable child care
- Interest in expanding and building on existing partnerships
- Rock County Covid Relief Funding for child care workforce
- Space for child care programs
- Existing high school and technical college pipeline

Threats

- Higher wages outside of child care sector but within the mixed delivery system
- Higher wages and benefits in other fields
- Increasing minimum wage in nearby Illinois
- Lack of medical services for children under 5
- Insufficient public transportation
- 4K expansion pulling needed financial resources from community child care

“
I have decided what I want to do already, and they don't get paid enough for all they do and have to deal with.
-Beloit Memorial High School Student
”





Key Findings

Key Findings:

- Available child care slots are not meeting community need and families often have to wait for months or years for an opening
- Available child care is unaffordable for most families
- The child care workforce is neither fairly compensated nor valued by the community
- There is little incentive for new employees to join the field, especially considering the higher wages and benefits at surrounding businesses
- Workforce shortage and instability for providers is leading to closing of classrooms and programs, further reducing available slots
- Providers are unable to keep up with rising costs or fairly compensate themselves and their employees
- Beloit 4K has benefited many families, but is causing community-based child care to lose much needed income, which in turn impacts already limited infant and toddler care
- Factors such as public transportation, medical care and housing are negatively impacting families access to child care

Recommendations

The following section highlights recommendations found in three interconnected categories that are aligned to five specific goals across these categories.

Categories

As noted in Figure 1 and referenced within each recommendation, Child Care opportunities include recommendations that refer to actions directly impacting child care programs, providers, and the workforce, and include action steps that are led by the City of Beloit staff. Recommendations that involve the Mixed Delivery System include actions from the ECE mixed delivery systems, such as 4-year-old kindergarten and early childhood special education. Community-wide Transformational Opportunities highlight recommendations that support all children, families, and the community, ultimately impacting access to child care. Figure 1 illustrates these categories and the interconnected nature of these recommendations.

Goals

Below are five goals with accompanying recommendations that aim to increase access to high-quality, affordable child care options in Beloit.

Five Goals:

- Retain High-Quality, Experienced, and Passionate Providers and Educators
- Recruit Passionate Pre-Service Providers and Educators
- Support the Needs of Families
- Build Awareness of the Importance of Child Care
- Explore Strategic Public-Private Financing Opportunities

Each recommendation, connected to these goals, can be attributed to direct quotes by those who reside in Beloit as child care educators, providers, parents, and other community members.

Retention & Recruitment

An intentional focus on recommendations to stabilize the workforce will need immediate attention. Specific short short-term activities can be found in a subsequent section of this report. As evidenced in the data and quotes, a variety of retention and recruitment strategies must be implemented to ensure families have access to high-quality, affordable care in Beloit.

Goal 1: Retain High-Quality, Experienced, and Passionate Providers and Educators

Recommendation 1a: *Identify ongoing, sustainable funding to compensate for historically low wages in the field.*

Recommendation 1b: *Due to the lack of benefits for the child care workforce and difficulty obtaining care, provide funding and support for specific health and professional development benefits for members of the workforce.*

Recommendation 1c: *Determine supply, demand, and feasibility for afterschool care.*

Goal 2: Recruit Passionate Pre-Service Providers and Educators

Recommendation 2a: *Collaborate with high schools and technical colleges to provide placements in center-based/group and in-home/family child care programs while developing an incentive program for new workforce.*

Recommendation 2b: *Support the recruitment of new providers by investing in incentives that will alleviate start-up and maintenance costs.*

Families, Community Awareness & Strategic Financing

Goal 3: Support the Needs of Families

Recommendation 3a: *Review and consider revising public transportation routes, times and locations, so that families can access these services during drop-off and pick-up times.*

Recommendation 3b: *Identify opportunities and investment in city housing for current and new in-home/family child care providers.*

Goal 4: Build Awareness of the Importance of Child Care as a Critical Resource, Impacting Children, Families, the Community, and the Economy

Recommendation 4a: *Create a comprehensive campaign targeted to a variety of stakeholders, specifically community organizations and employers as well as child care program and families.*

Goal 5: Explore Strategic Public-Private Financing Opportunities

Recommendation 5a: *Collaborate with the Beloit School District, philanthropic partners, and Afton Partners to create financial models for early care and education programs in the mixed delivery system, with a focus on child care.*

Recommendation 5b: *Identify state and federal funding opportunities to support the mixed delivery system, specifically child care.*

Short-Term Action Plan

The final section will highlight specific action steps with flexible timelines and owners for all short-term workforce retention activities. In order to ensure the action plan is relevant and updated as needed, it will be available as a Word document.

Goal 1: Retain High-Quality, Experienced, and Passionate Providers and Educators

Recommendation 1a: Identify ongoing, sustainable funding to compensate for historically low wages in the field.

Activity 1ai: Support ongoing COVID relief funding for regulated child care programs and providers that participate in WEESN.

Background Information: Due to the low wages and lack of benefits, the need for ongoing funding to continue to stabilize the workforce and retain high-quality educators will be needed. Currently, Child Care Counts, the financial lifeline for child care programs, will end by February 2024. Ongoing financial investments are needed to stabilize the child care workforce and programs.

Recommendation 1a: Identify ongoing, sustainable funding to compensate for historically low wages in the field.

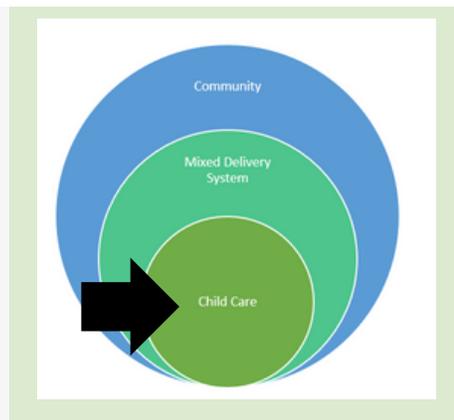
Activity 1ai: Support ongoing COVID relief funding for regulated child care programs and providers that participate in Wisconsin Early Educator Shared Services Network (WEESN).

| Action Step | Timeline | Organizations Involved |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|-------------------------|
| Collaborate with WEESN coaches to provide specific technical assistance for child care providers to the application for Rock County American Rescue Plan Act (ARPA) SLRF funding. | October 2023 | City of Beloit and WECA |
| Create messaging and send to ensure child care providers meet all criteria to be eligible for funding. | October 2023 | City of Beloit and WECA |
| Collaborate with WEESN to create messaging about funding opportunity and send directly to all child care providers in Beloit. | October- November 2023 | City of Beloit and WECA |
| Request updates from WEESN and continue outreach, if needed. | Monthly throughout funding opportunity | City of Beloit and WECA |

Additional Information:

Eligible child care programs:

- Must have been a certified and/or licensed childcare provider, as determined and regulated by the Wisconsin Department of Children and Families (DCF), by March 14, 2020;
- Must generate less than \$1.5 million in annual childcare program income and/or revenue, per a provider's most recent Federal Income Tax Return and/or other customary and usual income verifications;
- Must have at least one (1) full-time staff (e.g., owner/operator, employee, support staff, etc.), but not more than 40 (full-time equivalent) staff, per DCF and/or other customary and usual employment verifications;
- Must be participating in DCF's YoungStar program and have at least a Two-Star rating, per DCF;
- Must be enrolled with the Wisconsin Early Childhood Education Shared Services Network (WEESN), per WECA; and
- Must not be delinquent on any outstanding taxes owed; and current with all applicable county, state and/or federal childcare regulations, per DCF.



Short-Term Action Plan

Goal 1: Retain High-Quality, Experienced, and Passionate Providers and Educators

Recommendation 1a: Identify ongoing, sustainable funding to compensate for historically low wages in the field.

Activity 1a.ii: Solicit philanthropic and business investment for the child care system in Beloit to subsidize wages; create bonus payment system for child care workforce.

Background Information: Due to the low wages and lack of benefits, the need for ongoing funding to continue to stabilize the workforce and retain high-quality educators will be needed. Currently, Child Care Counts, the financial lifeline for child care programs, will end by February 2024. Ongoing financial investments are needed to stabilize the child care workforce and programs.

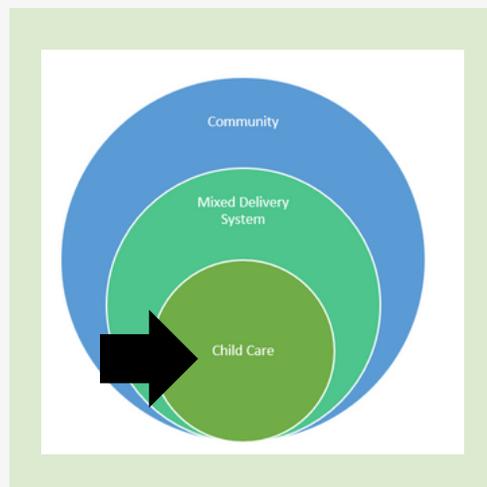
Recommendation 1a: Identify ongoing, sustainable funding for to compensate for historically low wages in the field.

Activity 1a.ii: Solicit philanthropic and business investment for the child care system in Beloit to subsidize wages; create bonus payment system for child care workforce.

| Action Step | Timeline | Organizations Involved |
|-------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------------------------|
| Identify interested philanthropic and business partners to invest in ongoing funding to support workforce after Rock Co ARPA dollars are spent. | Summer-Fall 2024 | City of Beloit and GBDC |
| Collect information from programs, providers, and educators on the payment program structure and details. | Fall-Winter 2024 | City of Beloit and GBDC |
| Finalize payment structure, amounts, and pertinent details to create a program (data collection, payment mechanics, etc.). | Winter 2024-2025 | City of Beloit and GBDC |
| Identify funders and investment amounts to contribute to workforce payment program. | Spring-Summer 2025 | City of Beloit and GBDC |
| Create and communicate about the payment program. | Summer-Fall 2025 | City of Beloit and GBDC |
| Implement the payment program and provide ongoing technical assistance. | January 2026 | City of Beloit and GBDC |

Additional Information: According to data collected from child care educators in Beloit, wages ranged from \$7.25-\$14 per hour for child care personnel (educators and directors). In order to recruit and retain staff, additional funding for bonus payments and wage increases is needed. Low wages was the number one concern from high school students who participated in the survey.

The [Child Care Counts program](#) is one model that was used throughout Wisconsin to support the workforce. The child care workforce is familiar with this program and the design could be used in Beloit.



Short-Term Action Plan

Goal 1: Retain High-Quality, Experienced, and Passionate Providers and Educators

Recommendation 1b: Due to the lack of benefits for the child care workforce and difficulty obtaining care, provide funding and support for specific health and professional development benefits for members of the workforce.

Activity 1bi: Create a marketing and communication campaign to promote use of Marketplace for benefits for child care workforce, and

Activity 1bii: Purchase Docs by Phone for each child care workforce member for \$8/person; Employee Assistance Program will be available at no additional cost.

Background Information: The lack of benefits for child care personnel is contributing to the inability to recruit and retain staff. An alternative option to employers offering insurance is to promote Marketplace, Docs by Phone, and Employer Assistance Program.

Recommendation 1b: Due to the lack of benefits for the ECE workforce and difficulty obtaining care, provide funding and support for specific health and professional development benefits for the ECE workforce.

Activity 1bi: Create a marketing and communication campaign to promote use of Marketplace for benefits for child care workforce.

| Action Step | Timeline | Organizations Involved |
|-------------------------------------------------------------------------------------------------------|---------------|------------------------|
| Connect with Covering Wisconsin to identify specific coverage information and communication strategy. | October 2023 | City of Beloit |
| Widely disseminate Marketplace information to ECE workforce. | November 2023 | City of Beloit |

Additional Information: Covering Wisconsin (coveringwi.org) will provide specific information, technical assistance, and help the workforce enroll in Marketplace.

Activity 1bii: Purchase Docs by Phone for each child care workforce member for \$8/person; Employee Assistance Program will be available at no additional cost.

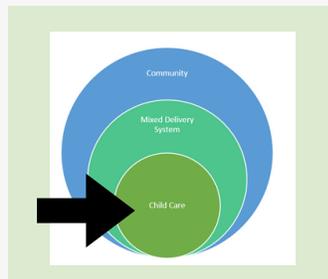
Background Information: The lack of benefits for child care personnel is contributing to the inability to recruit and retain staff. An alternative option to employers offering insurance is to promote Marketplace, Docs by Phone, and Employer Assistance Program.

Recommendation 1b: Due to the lack of benefits for the ECE workforce and difficulty obtaining care, provide funding and support for specific health and professional development benefits for the ECE workforce.

Activity 1bii: Purchase Docs by Phone for each ECE workforce member for \$8/person; Employee Assistance Program will be available at no additional cost.

| Action Step | Timeline | Organizations Involved |
|--------------------------------------------------------------------------------------|---------------|------------------------|
| Connect with WEESN to discuss purchasing Docs by Phone. | November 2023 | City of Beloit |
| Identify number of ECE workers who will use Docs by Phone and purchase subscription. | December 2023 | City of Beloit |

Additional Information: The Docs by Phone and Employee Assistance programs are currently available to selected WEESN program participants. To ensure everyone has access to health/medical information, WEESN will be able to assist the city in ensuring the ECE workforce in Beloit has access to medical support.



Short-Term Action Plan

Goal 1: Retain High-Quality, Experienced, and Passionate Providers and Educators

Recommendation 1b: Due to the lack of benefits for the child care workforce and difficulty obtaining care, provide funding and support for specific health and professional development benefits for members of the workforce.

Activity 1biii: Provide funding and access to required coursework, such as CPR; cover renewal fees and compensation for time.

Background Information: Due to the low wages and lack of benefits, the need for ongoing funding to continue to stabilize the workforce and retain high-quality educators will be needed. Currently, Child Care Counts, the financial lifeline for child care programs, will end by February 2024. Ongoing financial investments are needed to stabilize the child care workforce and programs.

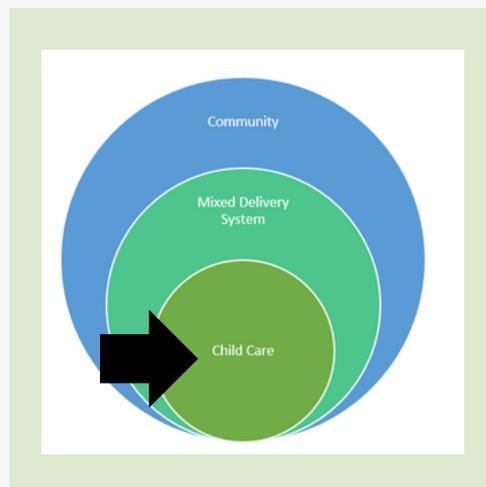
Recommendation 1a: Identify ongoing, sustainable funding for to compensate for historically low wages in the field.

Activity 1aiii: Solicit philanthropic and business investment for the child care system in Beloit to subsidize wages; create bonus payment system for child care workforce.

| Action Step | Timeline | Organizations Involved |
|-------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------------------------|
| Identify interested philanthropic and business partners to invest in ongoing funding to support workforce after Rock Co ARPA dollars are spent. | Summer-Fall 2024 | City of Beloit and GBDC |
| Collect information from programs, providers, and educators on the payment program structure and details. | Fall-Winter 2024 | City of Beloit and GBDC |
| Identify lessons learned from WECA and the County about the process of distributing ARPA funds | | |
| Finalize payment structure, amounts, and pertinent details to create a program (data collection, payment mechanics, etc.). | Winter 2024-2025 | City of Beloit and GBDC |
| Identify funders and investment amounts to contribute to workforce payment program. | Winter 2024-2025 | City of Beloit and GBDC |
| Create and communicate about the payment program. | Spring-Summer 2025 | City of Beloit and GBDC |
| Implement the payment program and provide ongoing technical assistance. | Summer 2025 | City of Beloit and GBDC |

Additional Information: According to data collected from child care educators in Beloit, wages ranged from \$7.25-\$14 per hour for child care personnel (educators and directors). In order to recruit and retain staff, additional funding for bonus payments and wage increases is needed. Low wages was the number one concern from high school students who participated in the survey.

The [Child Care Counts program](#) is one model that was used throughout Wisconsin to support the workforce. The child care workforce is familiar with this program and the design could be used in Beloit.



Short-Term Action Plan

Goal 1: Retain High-Quality, Experienced, and Passionate Providers and Educators

Recommendation 1c: Determine supply, demand, and feasibility for afterschool care.

Activity 1ci: Identify and incentivize current child care programs and providers who are interested in providing afterschool care to children under age 6.

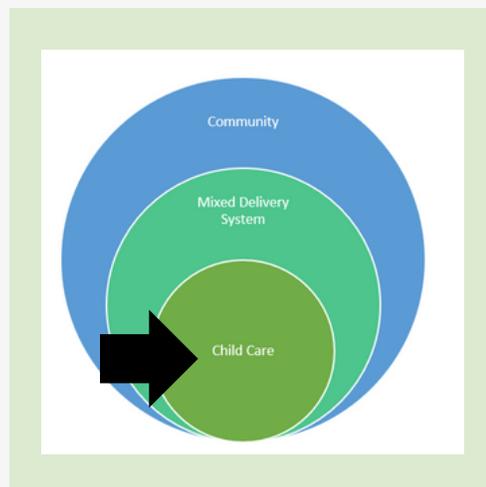
Background Information: The lack of afterschool care for children up to age 6 was voiced as a major concern for parents. Although there may be 4 and 5-year-olds at school, due to the type of afterschool care program at schools, many programs start at age 6. Additionally, afterschool care programs can financially offset a child care program (particularly infants and toddlers), depending on size, as there is a higher teacher-to-child ratio.

Recommendation 1c: Determine supply, demand, and feasibility for afterschool care.

Activity 1ci: Identify and incentivize current child care programs and providers who are interested in providing afterschool care to children under age 6.

| Action Step | Timeline | Organizations Involved |
|-------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------------------------------------|
| Determine school programs that do not have afterschool care or are not located near a child care program that has afterschool care. | January 2024 | City of Beloit |
| Identify potential slot information based on licensed capacity of interested child care programs. | March 2024 | City of Beloit |
| Determine incentive for providing afterschool care (e.g., provide transportation or space). | May 2024 | City of Beloit |
| Collaborate with program to ensure implementation by fall 2024 | Summer 2024 | City of Beloit & Potential Child Care programs |
| Communicate about afterschool care slot availability. | Late summer 2024 | City of Beloit & Potential Child Care programs |

Additional Information: If there is not a child care program near a school, the City of Beloit may want to consider asking currently regulated child care program/provider to start a program in a space, near a school, that is provided by the city at no additional cost to the child care program.



Long-Term Actions Aligned to Goals & Recommendations

Goal 2: Recruit Passionate Pre-Service Providers and Educators

Recommendation 2a: *Collaborate with high schools and technical colleges to provide provider placements in center-based/group and in-home/family child care providers and develop an incentive program.*

Activity 2ai: Pilot a sign-on bonus program for recently graduated high school and/or college students to determine if a financial incentive at 6 and 18 months will recruit students into the ECE field and retain them for at least 2 years.

Recommendation 2b: *Support the recruitment of new providers by investing in incentives that will alleviate start-up and maintenance costs.*

Activity 2bi: Identify funding and invest in at least five future child care providers to participate in the Provider Assistance for Licensing program and will receive Build it Strong training, compensation for time, access to WEESN services and coaching, significant start up stipends, technology and software, and access to relief squad.

Activity 2bii: Identify free or low rent, useable child care space in Beloit that new providers could develop into a high-quality program.

Activity 2biii: Pilot business hub program support (tax preparation, retirement planning, microlending, and debt consolidation) in collaboration with WEESN.

***Activity 2biv:** Communicate the benefits of participating in WEESN services - start-up coaching, onboarding and business practice support, joint purchasing, financial management, and centralized enrollment and processing.

Activity 2bv: Ensure zoning doesn't impede the development of new child care programs. See link for more information:

<https://www.boston.gov/news/executive-order-issued-strengthen-child-care-zoning-regulations>.

*Follow-up is needed on this activity after state budget activities are finalized.

Long-Term Actions Aligned to Goals & Recommendations

Goal 3: Support the Needs of Families

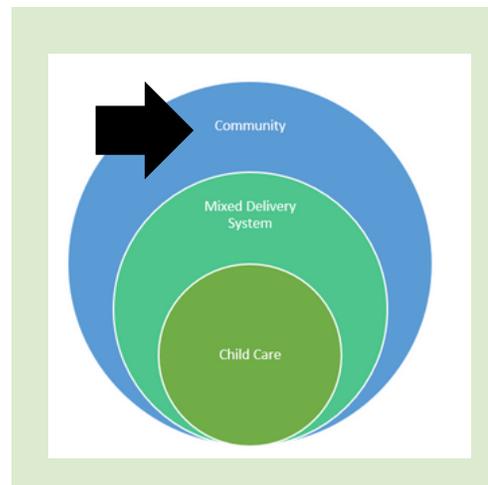
Recommendation 3a: Review and consider revising public transportation routes, times and locations, so that families can access these services during drop-off and pick-up times.

Activity 3ai: As part of the Quality of Life Subcommittee or as another Council, develop a Parent Advisory Council that will inform transportation and other policy-related or adjacent issues.

Activity 3aii: Determine community transportation needs and current gaps; understand feasibility in addressing the gaps.

Recommendation 3b: Identify opportunities and investment in city housing for current and new in-home/family child care providers.

Activity 3bi: Explore housing models for family child care providers (e.g., Nevada's CARE Program at <https://www.care-nevada.org/> and <https://www.liifund.org/policy/how-co-location-strategies-support-strong-communities/>)



Long-Term Actions Aligned to Goals & Recommendations

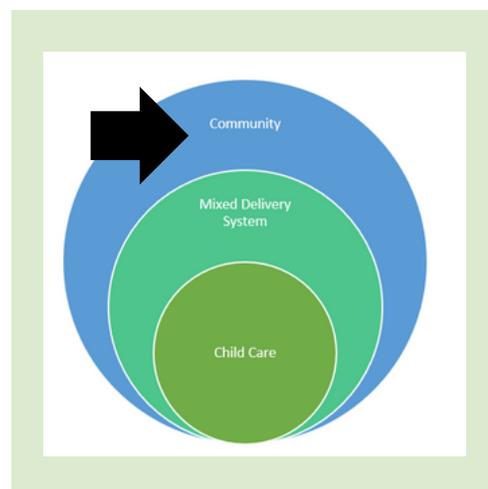
Goal 4: Build Awareness of the Importance of Child Care as Critical Community Resource, Impacting Children, Families, Beloit, and the Economy

Recommendation 4a: Create a comprehensive campaign targeted to a variety of stakeholders, specifically community organizations and employers as well as child care program and families.

Activity 4ai: Create a cross-sector, business-orientated, integrated marketing and communication campaign to build awareness of the importance of high-quality child care options in the community (social media kit, press releases, community ambassadors, events/celebrations); focus on celebrating child care programs and the workforce.

Activity 4aii: Identify Beloit employers that are ambassadors for child care programs and subsidize care for their employees; highlight these stories.

Activity 4aiii: Create and disseminate specific communications to child care programs and families highlighting the new beneficial changes to Wisconsin Shares child care subsidy program.



Long-Term Actions Aligned to Goals & Recommendations

Goal 5: Explore Strategic Public-Private Financing Opportunities

Recommendation 5a: *Collaborate with the Beloit School District, philanthropic partners, and Afton Partners to create financial models for early care and education programs.*

Activity 5ai: Engage the Beloit School District in a strategic public financing process to identify and map various funding sources to ensure all ECE programs are appropriately resourced and meet the needs of families. This may include Title I, Title III, Fund 80, IDEA Part B Section 619 and Section 611, etc.

Activity 5aii: Collaborate with Beloit School District to identify funding opportunities and create a pilot with a pre-determined number of programs using a variety of community-based models - district staffing and child care staffing with reimbursement.

Activity 5aiii: Discuss options for early childhood special education placement and resources in child care to ensure children with disabilities are in their least restrictive environment with typically developing peers. Funding for resources to meet children's needs should be provided by district to program (IDEA Part B 619 funding).

Activity 5aiv: Evaluate child outcomes and funding impact at school district and child care programs.

Recommendation 5b: *Identify state, federal, and philanthropic funding to support the mixed delivery system and diversify revenue sources.*

Activity 5bi: Prepare and submit an Early Head Start/Child Care Partnership application to increase funding, quality, and slots for infants and toddlers.

Activity 5bii: Collaborate with employers to create a funding mechanism like Wisconsin's Partner Up program to diversify child care program revenue.



CHILD CARE SUPPLY ACTION PLAN

Conclusion

Beloit has a unique opportunity to disrupt the unstable and inadequate child care system that has caused stress and anxiety for parents, child care programs and providers, employers, and community members. We strongly recommend an intense focus on retaining child care programs, providers, and workforce as outlined in the specific action steps. As successful outcomes unfold, attention should be given to recruiting new providers and educators while simultaneously focusing on the needs of families, creating an awareness campaign for businesses, and exploring strategic funding opportunities.

Since this is an iterative process, parent input will be necessary to ensure family needs are being met. Furthermore, data should be collected and analyzed before and throughout the implementation of strategies to understand and measure the impact on children, families, child care programs, the mixed delivery system, community partners, and the overall economy.

Community members are encouraged by the City of Beloit investing time and resources into understanding child care needs across the community, particularly by those who have historically been under-served, under-resourced, and not had a voice in the process. Appreciation for this process was expressed by many.

Questions about this report should be directed to Erin Arango-Escalante at erin@allchildren-thrive.com.

