

Childcare Innovation Grant Report

*Funded by the Early Childhood
Investment Corporation*



JANUARY 2024

Addressing the Lack of Childcare Options in Northeast Michigan: A Comprehensive Report on Potential Solutions

Executive Summary

Childcare is a critical component of a thriving community, supporting both working parents and early childhood development. However, in the quad county region (Alcona, Arenac, Iosco, and Ogemaw Counties), there is a significant shortage of affordable, accessible, and high-quality childcare options. The QCCC worked collaboratively with the Northeast Michigan Council of Governments (NEMCOG) to address these issues for the Sunrise Side of Northeast Michigan.

Northeastern Michigan is known for its picturesque landscapes, outdoor activities, and close-knit communities. However, residents of this region face a substantial challenge in finding adequate childcare services, which hinders workforce participation and economic growth. This report examines the causes of the childcare shortage and presents a range of solutions to mitigate the problem.

Recommendations Summary

- 1. Unified Advocacy Voice:** Create a unified advocacy voice for childcare providers to facilitate communication and support when interacting with Michigan's Department of Licensing & Regulatory Affairs representatives.
- 2. Community Liaison:** Create a community liaison position for prospective and current childcare providers to provide assistance in childcare startup and operation.
- 3. Childcare Capacity Expansion:** Offer funding to support in-home childcare startup or expansion efforts to address the lack of available quality childcare in the region.
- 4. Streamlined Zoning:** Make recommendations to local units of government to streamline and define zoning regulations to make childcare startup and operation more accessible.
- 5. Employer Engagement:** Encourage employers to view the lack of childcare as a shared problem, potentially supporting childcare services for their employees.
- 6. Explore creation of a joint venture Management Services Organization:** The MSO would function as one-stop shop for back-office administrative services such as billing, finance, regulatory and compliance, as well as a staffing company for childcare providers to recruit, train, certify and provide healthcare benefits (which could be a step toward dealing with equity in pay for childcare workers).

Conclusion

Childcare challenges in Northeastern Michigan affect providers, parents, and employers; impacting both the workforce and the community's economic well-being. Addressing these challenges with strategic recommendations can lead to a more sustainable and supportive childcare system in the region.

THE REPORT

Our Research included surveys and interviews with:

7 Providers



Alcona-2
Arenac-1
Iosco-2
Ogemaw-2

In addition to the 7 interviews, NEMCOG hosted provider roundtable events with 10 providers.

29 Families



Alcona-2
Arenac-2
Iosco-25
Ogemaw-0

Included parents in Early Head Start, School Success Program, and other community members that wanted to contribute.

25 Employers



Alcona-7
Arenac-4
Iosco-11
Ogemaw-3

Employers for 1,395 workers representing manufacturers, school systems, non-profits, government, and for-profit retail agencies.

Current Challenges in Childcare

Challenges for Childcare Providers:

- **Lack of Potential Applicants:** Childcare providers in Northeastern Michigan are struggling to find qualified staff to meet the growing demand for their services. Providers can't compete with other employers in the area, wage wise.
- **Expansion Capacity:** Providers are limited in their ability to expand their services due to space and resource constraints.
- **Business Planning Needs:** Many providers require assistance with business planning, including financial management and long-term sustainability.
- **Lack of Qualified Employees:** Finding certified and experienced caregivers remains a significant challenge.
- **Ratio Issues:** Maintaining appropriate staff-to-child ratios is challenging due to staffing shortages.

It all began with a simple plan: to understand what childcare providers in the area think and go through. The goal was to gain insight into the important work they do, the challenges they face, and ways to improve childcare. Ten surveys were crafted to gain a glimpse into their lives and thoughts.

To ensure a wide reach to childcare providers, a partnership was established with the Great Start to Quality Northeast Resource Center, a trusted organization in the community. Social media was utilized to share the survey, ensuring it reached those on the frontlines of childcare.

The effort went beyond surveys. Conversations were held with childcare providers in different counties. Two caregivers from Alcona County, one from Arenac County, two from Iosco County, and two more from Ogemaw County generously shared their stories. These conversations shed light on the challenges and successes of childcare providers in various settings, from small towns to rural areas.

But the commitment didn't end there. Two special meetings were organized, bringing together ten childcare providers. These gatherings were open discussions where they shared their experiences and ideas. It was an opportunity for childcare providers to discuss their concerns and brainstorm solutions collectively. These meetings demonstrated the strength of the community when working together.

Through the surveys, conversations, and meetings, a wealth of valuable information was collected. It revealed the challenges childcare providers face, including financial difficulties and the need for more training. It also highlighted the joyful moments and rewards they experience while nurturing children's growth. Most importantly, it emphasized the vital role of childcare providers in the community's well-being.

The gathered information was not just a collection of numbers and words; it was a narrative underscoring the crucial role of childcare providers in the community. Numerous ideas were uncovered to enhance childcare, improve providers' lives, and support the children they care for. It serves as a reminder that those who care for children are genuine heroes, strengthening the community as a whole.



Childcare Providers

Themes from Surveys and Interviews



Lack of Potential Applicants



Not Enough Expansion Capacity



Business Planning Needs



Lack of Qualified Employees



Ratio Issues

Provider Roundtables

Brainstorming Sessions

“
We wish that there was less red tape and system silos with organizations like MiRegistry, CDC, Great Start to Quality, and Licensing. You're not providing for the child anymore, you're providing for the agency.”

“
Why are 0-5 educators left out of the education conversation? We're told they are the most important years.”

“
There is a negative stigma around home childcare. Providers are often seen as “babysitters” rather than professionals.”

“
All of the different inspections every two years gets expensive. The cost is daunting.”

“
It's hard to keep up with licensing regulations. You almost need a law degree to figure every thing out.”

“
Staff recruiting and retention are high due to the level of training required coupled with the lower pay.”

“
A child's education shouldn't rely on the parent's income when it comes to getting into programs.”

“
I was intimidated by the Zoning process, but it was actually easy.”

“
We could care for more children if licensing would expand ratios for children aged 24-30 months.”

Challenges for Parents:

- **Cost of Childcare:** The high cost of childcare in the region places a significant burden on parents, affecting their financial well-being.
- **Lack of Certified Caregivers:** Parents often struggle to find childcare providers with the necessary certifications and qualifications.
- **Limited Hours of Operation:** A lack of childcare providers operating during extended hours poses difficulties for working parents.

The mission was clear and significant: To understand the experiences of parents and community members who rely on childcare services in our area. The goal was to learn about the challenges they face, the positive aspects they appreciate, and the improvements they'd like to see. To achieve this, a total of 73 surveys were collected, painting a picture of how childcare impacts families.

To ensure a wide outreach to parents, those participating in programs like Early Head Start and the School Success Program, as they are closely connected to childcare, were included. Additionally, other community members who recognized the importance of childcare and wanted to contribute their thoughts were also invited to participate.

As the survey responses started coming in, it became evident how essential childcare is. Parents from Alcona County, Arenac County, Iosco County, and even some from Ogemaw County had much to share about how childcare significantly influenced their lives.

The interviews, another critical part of the data collection, were equally revealing. A total of 29 interviews were conducted across the region, right in the heart of the communities that depend on childcare. Alcona County and Arenac County each contributed two interviews, while Iosco County took the lead with an impressive 25 interviews. Although interviews couldn't be conducted in Ogemaw County, the other counties had plenty to say about how childcare played a vital role in their communities.

The gathered information illustrated that childcare was more than just a convenience; it was an integral part of their lives. Parents shared stories about how childcare enabled them to work and provided peace of mind. It was more than a service; it was a partner in nurturing their children and securing their future.

All these surveys and interviews collectively showed just how valuable childcare was to the families it serves. It served as a reminder that childcare wasn't merely a place; it was a community and a crucial support system. It was a testament to the positive outcomes that can be achieved when people come together. The significance of childcare for families, as demonstrated by the surveys and interviews, was a story of thriving communities. In these communities, parents could pursue their goals while having confidence that their children were well cared for. It highlighted that the most essential support systems often work behind the scenes, yet their impact is immeasurable.

Parents

When parents were asked what prevented them from accessing the childcare needed, here's what they said...

Affordability



Certified Caregivers



Hours of Operation

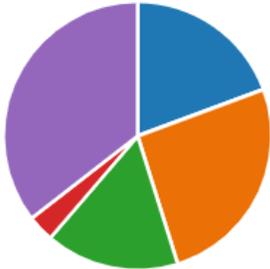


Parent Survey

Detailed Responses

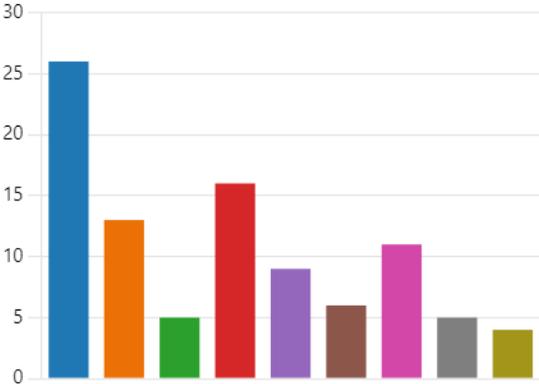
What's the most important factor when selecting a childcare provider?

● Price	6
● Hours Open	8
● Caregivers are certified	5
● Location	1
● Other	11



If a childcare center offered services during the following days/hours, how likely would you be to use them? Select all that you would potentially use.

● Monday – Friday 6:30 am – 6:30 ...	26
● Monday – Friday 2:30 pm – 11:3...	13
● Monday – Friday 10:00 pm – 8:0...	5
● Saturday 6:30 am – 6:30 pm we...	16
● Saturday 2:30 pm – 11:30 pm w...	9
● Saturday 10:00 pm – 8:00 am w...	6
● Sunday 6:30 am – 6:30 pm week...	11
● Sunday 2:30 pm – 11:30 pm wee...	5
● Sunday 10:00 pm – 8:00 am wee...	4



“Those afternoon/night shifts are needed in our community especially with medical and factory jobs that require shift work. The community would benefit from offering these off shifts.”

“I’ve passed up job offers and promotions just to be able to keep childcare assistance funds. It would cost me more to move up the ladder.”

“Finding affordable childcare for my infant was hard. Either places were full or they did not accept infants or were too expensive..”

“I have to drive out of my way for childcare because the providers by me are all full.”

“Being over income for the state to pay has made it difficult to pay for day care, causing us to find uncertified childcare providers, which could put the kids at risk if something were to happen.”

Challenges for Employers:

- Lack of Childcare: Employers face disruptions in their workforce when employees must miss work due to childcare issues.
- Lack of Recruitment Options: It is difficult to recruit in this area for new staff due to lack of childcare options, especially in the smaller counties.

The goal was clear: the objective was to gather insights and knowledge from employers in our region to understand the significance of childcare services. The aim was to explore how childcare impacts different types of businesses, including manufacturers, schools, non-profit organizations, government agencies, and for-profit retail stores. To achieve this, 19 surveys were collected, and 25 interviews were conducted with employers from Alcona, Arenac, Iosco, and Ogemaw counties.

The surveys provided a comprehensive understanding of how childcare influences businesses in our area. They revealed something significant: the 19 employers who participated employed a total of 1,395 workers. This data illustrated the extensive impact of childcare on our local economy, workforce, and the overall well-being of our community.

The interviews were equally enlightening. They offered a deeper perspective on why childcare services are essential. Employers in Alcona County and Arenac County shared in 14 interviews, respectively. Iosco County was a central hub for these conversations, with 11 interviews, and Ogemaw County contributed three more.

To ensure a diverse range of employers were heard, the support of local chambers of commerce was enlisted. They played a pivotal role in connecting with various businesses. This collaborative effort allowed the collection of opinions and experiences from employers in various industries and locations, making the narrative more comprehensive and representative of our region's diverse economy.

What emerged from the surveys and interviews was a compelling story. Childcare wasn't just a convenience for businesses; it was a key to their success. Employers shared how childcare services helped them attract and retain talented workers and supported parents in their workforce. It wasn't merely a service; it was an investment in the well-being of the community.

This data served as evidence of the extensive impact of childcare on employers, employees, and the entire community. The importance of childcare for employers, as demonstrated by these surveys and interviews, was a narrative of flourishing local economies. Businesses thrived, workers prospered, and everyone knew that their families were well taken care of. It emphasized the concept that a strong community supports and uplifts one another, and childcare services played a crucial role in that narrative. In rural Michigan, the significance of childcare for employers was a story of resilience, growth, and prosperity, where the success of the entire community was closely linked to the well-being of its youngest members.

Employers

Here's what employers had to say when interviewed...



Biggest challenge for employees is lack of childcare, hours of operation, and the cost



Employees missed work monthly/weekly and even daily due to lack of childcare



On-site daycares not probable



Would provide support and partner with local childcare providers



Tri-Share model sounds interesting, need more information



Lack of childcare affects staff recruitment and retention



Employer Survey

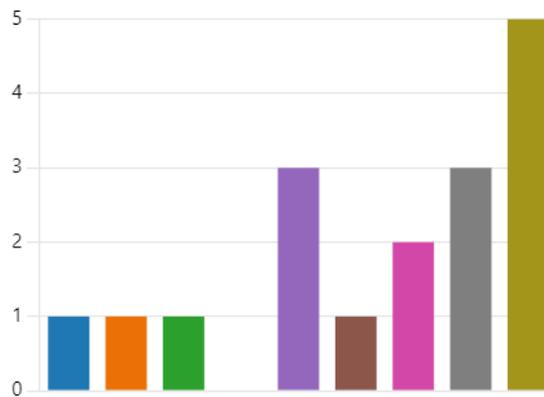
Which of the following descriptions best fits your role within the company?

Owner	6
Human Resources	4
Employee	2
CEO/Chief Leader	6



Which of the following best describes the business or industry of your organization?

Real Estate	1
Recreational	1
Insurance	1
Childcare	0
Government	3
Retail	1
Non-Profit	2
School System	3
Other	5



About what percentage of employees at your company have children younger than 13?

0 percent	2
25 percent or fewer	8
26 to 75 percent	7
More than 75 percent	0



Employer Survey

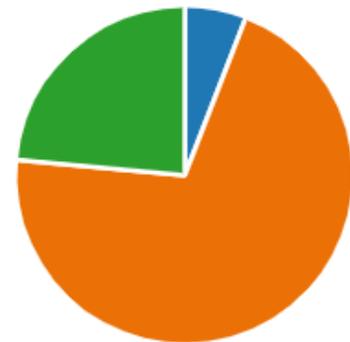
How often have employees missed work, arrived late, left early or had to quit due to childcare?

● Daily	1
● Weekly	3
● Monthly	4
● Never	1
● Other	8



Would you ever be willing to have on-site child care?

● Yes	1
● No	12
● Maybe	4



Employer Survey

. Would you be willing to participate in Tri-Share model (employer, employee, and State split cost of care)

Yes	2
No	8
Maybe	7



. Would you be willing to provide support to/develop partnership with a local child care provider?

Yes	5
No	3
Maybe	9



Employer Survey

Detailed Responses

“ It has been difficult to find employees and retain employees. This puts stress on the current long-time employees with having to pick up shifts or stay later than their schedules out time. ”

“ Being spread over rural geography makes clustering for daycare difficult. Some drive significant distances to find childcare. A close second is cost. Good daycare is (and should be) expensive. ”

“ Many women in the office have had children in the past two years and have struggles to be able to find child care options in the area. When trying to hire new employees people are not able to work unless they are paid a higher wage to be able to pay for child care. ”

“ While we haven't made any written policy changes, we are certainly impacted by the child care topic. Some employees have shifted their hours, and many have not come to work, due to illnesses of children, or lack of child care. ”

“ Lack of Daycare prevents many potentials from working. Financially, the cost doesnt justify working outside of home. It is hard to compete and be able to offer the kind of wages that would make working worth it. State is offering too heavy assistance packages...when on the border, they cant turn those benefits down while not having to work. ”

“ Our biggest issue is with searching for quality safe environments with adequate coverage for non traditional hours and varied days. Little to no infant care spaces ”

Key Questions and Concerns

Effectiveness of the Great Start System

We need to assess the effectiveness of the Great Start System in addressing the childcare challenges in Northeastern Michigan.

Impact on Employment

Understanding how many Michiganders are not working due to a lack of childcare is crucial for comprehending the economic implications.

Licensing and Start-up

Acknowledging that Michigan does not offer a more streamlined childcare startup system, similar to states like California, and the negative of stopping COVID reimbursements.

Career and Tech Centers

The absence of childcare in career and tech centers and the lack of consistency in consultants must be investigated.

Impact on Women

Assessing the severe impact on women's careers, including the loss of earning power due to childcare constraints, is essential.



Effectiveness of the Great Start System

Impact on Employment

Licensing and Start-up

Career and Tech Centers

Impact on Women



Michigan League For Public Policy
<https://mlpp.org/child-care-in-michigan/>

Child Care in Michigan

Child care access and affordability continues to be an issue for all families in Michigan, and it's a particularly troubling concern for families with low incomes and...

Childcare access and affordability continues to be an issue for all families in Michigan, and it's a particularly troubling concern for families with low incomes and families of color.

Michigan families know firsthand the struggles of finding the right child care situation. All parents make some kind of trade-off when it comes to child care, whether it's missing out on time with their kids, giving up extras like vacations, losing out on career advancements, or, for many families in

Childcare in Michigan continues to be a critical need. High costs and low availability persist throughout the state, with families with low and middling incomes having the fewest options for care. Supply is concentrated in areas with high median incomes and housing values, where residents can more often afford to pay fees.

Michigan's early childhood system is letting women down

The Alpena News from April 26, 2023

<https://www.thealpenanews.com/opinion/editorials-and-columns/2023/04/michigans-early-childhood-system-is-letting-women-down/>

Insufficient state funding for providers, poor compensation for workers, and high costs for families harm both early childhood workers — 96% of whom are women — and moms who can't return to the workforce without affordable and reliable childcare.

Lack of investment in childcare doesn't just harm women with young children. It also harms the 22,540 workers — nearly one in four of whom are women of color — who provide care. Those are women who are well-trained — the majority have bachelor's degrees — but for whom higher education and training does not translate to higher wages.

Families earning less than 200% of the federal poverty level, about \$55,500 for a family of four, can qualify for child care subsidies. However, less than one in six income-eligible children younger than 5 actually receives a childcare subsidy.



Many Michigan families don't realize they qualify for child care subsidy

Why are just 10% of eligible families using Michigan's child care subsidy?

Detroit Free Press from March 13, 2023.

<https://www.freep.com/story/news/local/michigan/2023/03/13/michigan-child-development-care-subsidy-expenses-low-income-families/69987676007/>

Nearly 19,000 Michigan families receive subsidized child care through the state's Child Development and Care program. But they represent only 10% of families who are eligible for the benefit. The vast majority of eligible families do not participate in the program.

Childcare is considered "affordable" if it costs 7% or less of a household's income. For many Michigan families, infant care can cost more than university tuition. Around the state, child care expenses are eating up 35% of many low-income families' earnings.

The state set a ceiling on how much a family can earn and still qualify for the subsidy. Legislation with bipartisan support raised this ceiling last year.

A family of two can now make up to \$36,620 annually.
A family of four can bring in up to \$55,500.

Kentucky had an outside-the-box idea to fix child care worker shortages. It's working

October 6, 2023 · 5:00 AM ET

 Andrea Hsu



4-Minute Listen

+ PLAYLIST



NPR - October 6, 2023

<https://www.freep.com/story/news/local/michigan/2023/03/13/michigan-child-development-care-subsidy-expenses-low-income-families/69987676007/>

With most of the federal government's pandemic relief money for child care now spent, it's up to states to step in with new ideas to solve the many problems plaguing the sector. A year ago, Kentucky came up with a creative solution that is already paying dividends.

The state made all child care employees eligible for free child care, regardless of household income.

In the pandemic, competition for workers intensified. The local Target started paying \$17 an hour. The starting wage at Domino's was \$15 an hour. In Kentucky, child care paid around \$12 an hour.

Kentucky made day care free for child care workers through a change in licensing regulations. A year later, the number of children receiving state subsidies for child care has jumped up to 40,000, of whom 3,600 are the children of child care employees.

Recommendations for Action

Unified Advocacy Voice:

Action: Childcare providers should form a unified advocacy group or organization to serve as a central point of contact for elected officials, funding sources, and employers.

Persuasion: By unifying their voices, childcare providers can better communicate the importance of their services and advocate for the changes required to support their growth. Elected officials can benefit from the collective insights and recommendations provided by this group, which will lead to informed policy decisions.

Funding Sources: This advocacy group can collaborate with funding sources to secure financial support for initiatives that enhance childcare accessibility and quality.

Employers: Employers can contribute by supporting the advocacy group and engaging in conversations with them to understand how they can help improve the childcare landscape.

Community Liaison:

Action: Appoint a community liaison position specifically focused on childcare startups and ongoing operations, who can work closely with elected officials, funding sources, and employers.

Persuasion: A dedicated ombudsman or coordinator can provide valuable assistance to childcare providers and act as a liaison between providers and regulatory bodies. Elected officials can be persuaded to allocate resources for this role to ensure smooth coordination in the childcare sector.

Funding Sources: Funding sources can allocate resources to support the ombudsman's efforts in streamlining the startup process and ensuring compliance.

Employers: Employers can work with the ombudsman to understand how they can better support their employees in accessing quality childcare services.

Childcare Capacity Expansion:

Action: Offer funding to support in-home childcare startup or expansion efforts to address the lack of available quality childcare in the region.

Persuasion: Elected officials can be persuaded to allocate funds for this program as an investment in the region's economic development.

Funding sources: Should be encouraged to provide financial support for this initiative.

Employers: Employers can collaborate with this program by promoting it among their employees and potentially contributing to the fund. Supporting childcare startups aligns with their interests in maintaining a stable and productive workforce.

Streamlined Zoning:

Action: Collaborate with local authorities to streamline zoning regulations to facilitate childcare startup and operation.

Persuasion: Elected officials should recognize that simplified zoning regulations can stimulate economic growth by making it easier for childcare providers to operate. This not only benefits childcare providers but also has a positive impact on parents and employers in the region.

Funding Sources: Funding sources can invest in initiatives aimed at simplifying zoning requirements, ensuring that childcare providers can focus their resources on offering quality services.

Employers: Employers should support this effort, as accessible childcare benefits their employees and, by extension, their businesses.

Employer Engagement:

Action: Employers should actively engage in discussions and partnerships with childcare providers, offering support where possible.

Persuasion: Elected officials can be encouraged to promote employer engagement in childcare support as it aligns with the overall goals of economic growth and workforce stability.

Funding Sources: Funding sources can incentivize employers' participation through grants or tax benefits that support their contributions to childcare services.

Employers: Employers benefit from a more stable workforce and increased productivity when their employees have access to reliable childcare. Engaging with childcare providers is a strategic investment in their business success.

Solutions for Addressing Childcare Challenges

Co-Op Programs:

Solution: Encourage the establishment of cooperative childcare programs, where parents and providers collaborate to share responsibilities, space, and costs.

Child Care Network (Mentor/Mentee Program):

Solution: Implement a mentor/mentee program within the childcare network, where experienced providers guide and support newcomers in navigating the complexities of the childcare industry.

Co-Working/Child Care Locations:

Solution: Develop co-working spaces that integrate on-site childcare facilities, allowing parents to work in close proximity to their children.

Church Involvement (New Locations):

Solution: Promote the use of church facilities for childcare services during non-religious hours, creating new childcare locations to meet the demand.

Employer Toolkit:

Solution: Create a toolkit for employers that offers guidance on supporting their employees' childcare needs, including resources for establishing on-site or nearby childcare facilities.

LARA Policy Recommendations:

Solution: Collaborate with the Michigan Department of Licensing and Regulatory Affairs (LARA) to review and revise policies that may be hindering the growth of childcare providers and access to quality childcare.

Shared Services Program (NEMCCC):

Solution: Establish a shared services program within the Northeast Michigan Child Care Coalition (NEMCCC), allowing providers to share resources, such as staff training and purchasing power, to improve efficiency and reduce costs.

West Branch Rec Center/Pod Model/Micro-Centers:

Solution: Explore the use of community centers like the West Branch Rec Center as potential locations for creating pod-based childcare centers or micro-centers to serve local families.

Community Foundation/Crowd Funding:

Solution: Explore whether there is an appetite for Community Foundations to participate in funding. Alternately, communities that are invested in the need for high quality child care may be interested in crowd funding opportunities. Economic Development entities such as Develop Iosco are well positioned to explore these potential opportunities.

Increasing Youth Involvement in Child Care:

Solution: Increasing the availability of teen babysitting classes and co-op programs is a strategic move to enhance awareness of early childhood education careers from a young age. By starting these initiatives earlier, we can inspire a new generation of caregivers and educators, laying the foundation for a deeper appreciation of the importance of early childhood education.

Individual Development Account for Future Childcare Providers:

Solution: Introduce an Individual Development Account (IDA) program to provide aspiring childcare providers with financial support and education to help them establish their businesses.

Possible Partnership with SBDC:

Solution: Collaborate with the Small Business Development Center (SBDC) to offer tailored assistance and resources to individuals interested in starting a childcare business.

These solutions can enhance the accessibility and quality of childcare services in Northeastern Michigan while addressing the challenges faced by providers, parents, and employers. By considering a diverse range of approaches and partnerships, the region can work towards a more comprehensive and sustainable childcare system.

Childcare Subsidy Enhancement:

Solution: Enhancing the Child Care Assistance subsidy and expanding eligibility up to 200% of the poverty level in Michigan is a pivotal step towards supporting working families and promoting early childhood development. By increasing the income threshold, more parents would be able to access affordable and quality child care services, which is not only a significant relief for their financial burden but also an investment in the future of our children. This initiative can empower parents to continue their employment or education, contributing to economic growth while ensuring that children have access to nurturing environments that foster learning and social development. By making such a change, Michigan would demonstrate its commitment to the well-being of its families and the long-term success of its youngest residents.

Conclusion:

By effectively implementing these recommendations key stakeholders, elected officials, funding sources, and employers can work together to create a more robust and accessible childcare system in Northeastern Michigan, benefiting the entire community. This collaborative effort can foster economic growth, workforce stability, and an improved quality of life for families in the region.



Co-Op Programs

LARA Policy Recommendations

Child Care Network

Shared Services Program

Co-Working/Childcare Locations

Pod Model/Micro Centers

Church Involvement

Individual Development Account

Employer Toolkit

SBDC Partnership

Out of the Box Ideas

Employer Shareholder Childcare Centers

Where an employer, who might desire a childcare option, but not developing an entire center, can buy into shares of an existing, dedicated facility with other organizations.

- Allows employer to control financial investment
- Utilizes a facility centrally located in the community; reduces the capital investment and space needs for employer.
- Employers can cost share and control the services to align with the employees needs and better guarantee service

- (childcare barrier elimination).

Creates a talent attraction, employee retention, and

- marketing benefit for the employer.

Employer contracts with non-profit to provide services at agreed rates and program design; program is totally

- run and managed by the non-profit.

Leverages multiple business investing to create a

- financially stable, high quality childcare option.

Non-profit controls the facility and operation.

Start-Up Funds Grant

- The Leelanau Early Childhood Commission worked on a pilot program called the Infant & Toddler Childcare Start-up Initiative.
- The ITCS has been working under a \$318,000 grant from the Early Childhood Investment Corporation.
- Through the grant, ITCS addressed the severe lack of child care slots in Leelanau County by creating a new working model for establishing rural, home-based and licensed, quality childcare facilities.
- As a result of these efforts, five new childcare facilities are on target to open in Leelanau County in 2023.

Out of the Box Ideas

MSO

To address the childcare deserts that exist in the quad county region (Alcona, Arenac, Iosco, and Ogemaw) of Northeast Michigan, the QCCC leaders are exploring the following concept to expand the number of childcare providers by offering shared back-office services through a management services organization (MSO). The MSO will help establish and/or expand home-based childcare providers and provide owners with a navigator service to ensure successful start-up and expansion efforts. The creation of the non-profit management services organization would assist childcare businesses/providers with back-office administrative functions including:

- Group Purchasing (supplies, materials, etc.)
- Health insurance benefits
- Billing
- Help Line
- Technology Support
- Human Resources (recruitment, background checks, retention)
- Education (training, orientation, certification)
- Financial Reporting
- Compliance with licensing and surveys

In effect the MSO would function as a staffing company for childcare providers to recruit, train, certify and provide healthcare benefits (which could be a step toward dealing with equity in pay for childcare workers).

Childcare providers become members of the MSO to participate in the GPO and healthcare benefits by paying annual membership fee based on size of childcare business, and ala carte fees for the back-office services selected for utilization at their individual business.

Summary

To summarize, while this report is designed to provide an insight into, possible causes of, and possible recommendations for, the childcare shortage in northeast Michigan, it is only that - a summary. The road ahead to solving the shortage is long, however, the core team remains committed to seeing it move forward. Through working towards goals and objectives as defined by the workgroup, steps can be made in the right directions and solutions will continue to grow and evolve over time.

Quad County Childcare Coalition Members - 2023

Gloria Brooks, Co-Chair, Develop Iosco, Inc.
Lisa Bolen, Co-Chair, Northeast Michigan Community Service Agency
Janet Bovee, Grandparent Representative, Business Owner, Hale
Jamie Carruthers-Soboleski, Parent Representative, Iosco County Government
Melissa Chambers, Northeast Michigan Council of Government
Lee Anne Comer, Michigan Works! Region 7B Arenac
Marianne Johns, Parent Representative, City of Whittemore Government
Fred Lewis, Plainfield Township
Christopher Martin, Develop Iosco, Inc.
Shannon McKinstry, Northeast Michigan Community Service Agency
Pam O'Laughlin, Michigan Works! Region 7B
Frances Ommani, Northeast Michigan Community Service Agency
Penny Payea, Michigan Works! Region 7B Ogemaw
Patrick Ready, Plainfield Township Zoning
Piper Santini, Michigan Works Northeast Michigan Consortium Alcona
Clara Sherman, Michigan Works! Region 7B Iosco
Christina Tappan, Great Start Collaborative NE Resource Center
Michael Timreck, Parent Representative, Baldwin Township Zoning
Tammy Tyler, Parent Representative, Great Start Collaborative
Rich Van Tol, Bay-Arenac Intermediate School District
Krystal Wolanin, Parent Representative, South Branch
Jeffrey Yorke, Hale Area Schools



DEVELOP IOSCO^{INC}

Community. Synergy. Solutions.





More about Develop Iosco (DI):

Develop Iosco is a 501-c-3 nonprofit volunteer organization serving as a convener and facilitator for economic development activities and initiatives within Iosco County. As an economic development organization, DI promotes Iosco County as a place for business growth to improve the quality of life for business owners as well as current and new residents. For additional information about Develop Iosco and its initiatives, please visit the DI website at www.develop-iosco.org. Follow DI on Facebook and LinkedIn.



More about Northeast Michigan Community Service Agency (NEMCSA):

NEMCSA is a private, nonprofit Community Action Agency committed to providing a diverse range of programs and services across its eleven core counties in northeast Michigan. These counties include Alcona, Alpena, Arenac, Cheboygan, Crawford, Iosco, Montmorency, Ogemaw, Oscoda, Otsego, and Presque Isle. With a legacy spanning 55 years, NEMCSA has earned the trust of the community and has positively impacted thousands of individuals in Northeast Michigan. For comprehensive details on NEMCSA's extensive array of programs and services, we invite you to visit our official website at www.nemcsa.org.



More about Early Childhood Investment Corporation (ECIC):

Created in 2005 to be a statewide leader in early childhood, ECIC collaborates to increase public and private investment in the earliest years, to elevate issues affecting young children and their families, and continuously improve Michigan's comprehensive early childhood system, ensuring every child has the opportunity to succeed in school and in life. Learn more at www.ecic4kids.org.