



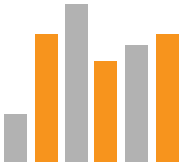
First Children's Finance

BROOKINGS COUNTY
CHILD CARE SUPPLY PLAN
MARCH 2022



Brookings County South Dakota

The Strategic Child Care Supply Plan, 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 this core team to understand the current child care landscape and create goals to address child care needs.



Background

The community of Brookings County, South Dakota contracted with First Children's Finance to engage in community consultation around the supply of child care. Generous funding for this work is provided by the COVID-19 Relief Fund with the Brookings Foundation. Brookings County, South Dakota participated in a process that includes:

- 4 core team meetings facilitated by First Children's Finance Business Development Staff;
- Identification of goals to increase high-quality child-care slots;
- Planning support, facilitation, and technical assistance from First Children's Finance, and;
- A Strategic Child Care Supply Plan that guides Brookings County, South Dakota in efforts to increase its supply of high-quality child care.



CORE TEAM

The following people participated in at least one core team meeting to address the child care supply needs in Brookings County. The primary contact for this project is core team lead Rachel Busmann, Outreach Coordinator, Child and Family Resource Network.

NAME	ORGANIZATIONAL AFFILIATIONS
Nikki Eining	Avera Behavioral Brookings
Nathaniel Schaefer	Avera Health System
Heidi Gullickson	Brookings Area United Way
Kelsey Doom	Brookings Chamber of Commerce
Nick Wendell	Brookings City Council
Tim Reed	Brookings Economic Development Corporation
Michelle Vande Weerd	Brookings School District
Darla Biel	Center for the Prevention of Child Maltreatment
Carrie Benson	Children's Museum of South Dakota
Ambuer Jaacks	Department of Social Services-Office of Licensing and Accreditation
Laura Nordbye	Department of Social Services-Office of Licensing and Accreditation
Barb Caulfield	Early Learning Center
Robin Rice	First Bank and Trust- Kid's World Learning Center
Aaron Hunt	South Dakota State University
Carie Green	South Dakota State University
Kay Cutler	South Dakota State University
Audrey Rider	South Dakota State University Extension
Keli Books	South Dakota State University Foundation
April Flemming	South Dakota State University-Child and Family Resource Network
Rachel Busmann	South Dakota State University-Child and Family Resource Network
Aysia Platte	Tend
Tom Fishback	First Bank & Trust
Joe Santos	South Dakota State University
Kristi Lee	Larson Doors
LaShelle Bruinsma	Daktronics
Laura Sroufe	South Dakota State University



COMMUNITY INFORMATION

Brookings County, South Dakota is located on the eastern border of South Dakota. The total population is 34,375. It is a growing region of the state. The current largest industries in the county are higher education and manufacturing.

This project looked at the specific geographic areas described below:

CITIES / ZIP CODES
 BROOKINGS 57006
 BROOKINGS (SDSU) 57007
 AURORA 57002
 BRUCE 57220
 BUSHNELL 57276
 ELKTON 57026
 SINAI 57061
 VOLGA 57071
 WHITE 57276

SCHOOL DISTRICTS
 BROOKINGS SCHOOL DISTRICT 5-1
 ELKTON SCHOOL DISTRICT 5-3
 DEUBROOK AREA SCHOOLS 5-6
 SIOUX VALLEY SCHOOL DISTRICT 5-5



CURRENT CHILD CARE LANDSCAPE

There are currently 5 types of child care regulated by the state: Registered family day care (up to 12 children in care), licensed group family day care (from 12-20 children in care), licensed day care centers (21 or more children in care) licensed before and after school care (care of school-age children) and informal or in-home child care (care provided for only one family). Data in this report focuses on care for children birth to age 5 that is licensed or regulated by the state.

The Supply Demand Gap Analysis completed by First Children's Finance for Brookings County dated January 14th, 2022, shows a shortage range of 892 to 915 slots for children birth to age 5 living in households where all available parents are in the workforce in the county. Analysis completed by First Children's Finance found the current capacity of licensed and regulated care in Brookings County to be 628 slots for children birth to five with all available parents in the workforce.

7

Child Care Centers

1

Group Family Child Care Program

16

Registered Child Care programs

(South Dakota Child Care Provider Search)

1544

Children under 5 w/ all parents in the workforce
 (*ACS 5 Year Estimates)

628

*Current Expected Child Care Capacity (*FCF Calculation January 2022, SD Child Care Data)

892-915 Birth to age 5 Slots needed

(*FCF Calculation)

\$5,850 to \$7,250 Cost of Family Child Care (*Kids Count data)
 \$7,020 to \$9,830 Cost of Center Base Child Care (*Kids Count data)



Supply Demand Gap Analysis

Data in the following table is found by using data from the South Dakota Provider Search, American Community Survey Data (2019 5 year estimates), and First Children's Finance calculations.

Zip Code	City	Number of Licensed Centers	Number of Family Providers	# of Group Family Providers	Expected Child Care Need
57002	Aurora				-105
57006	Brookings	6	13	1	-495
57007	Brookings - SDSU	1			25
57220	Bruce				-61
57276	Bushnell				0
57026	Elkton		1		-79
57061	Sinai				-9
57071	Volga		2		-147
57276	White				-43
Total		7	16	1	-915

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.

Legal Unlicensed (unregistered) Care / Family, Friends, & Neighbors

Providers in South Dakota can care for up to 12 children in their home without registering with the state. Data reviewed by the core team notes that a significant number of children are cared for in Brookings through unregistered care. An article published by Kids Count in December 2021 shared that although a large portion of need is being met through unregistered care, but a significant number of parents report this is not the care they prefer.

Under-Employment / Shift Alignment

Parents are working split shifts, working part-time, or limiting their work hours to stay home with their children.

Illegal Unlicensed/Unregistered Care

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.

Out of Area Care

Parents who have children in the region studied are taking their child to care outside of the area of this report. This may be due to parents' work location, access to care, or other reasons.

In addition to the ways parents are filling the need for care found above, 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.



1. <https://sdkidscount.org/a-modern-economy-depends-on-child-care-south-dakota-can-make-it-affordable-and-accessible>



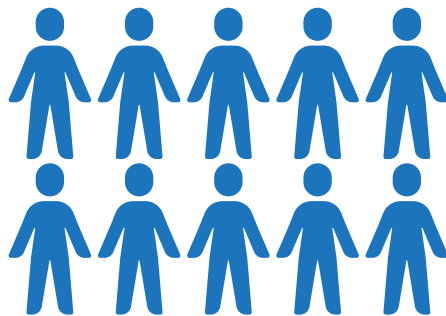
Core Team Planning Meeting Results

Throughout January and February of 2022, 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 Brookings County and to develop strategies to increase the number of high-quality child care slots. Below are the primary topics that were addressed in the conversations and the goals that were developed to address the shortage of child care.

Primary Topics Discussed:

Community Awareness · Access to Subsidy · Workforce · Compensation · Access to Care · Partnerships · Child Care Funding

After discussing these topics, the core team focused on primary areas of child care need, where current resources should be directed, and where additional resources are needed. The core team created the following goals to support the child care needs in the community.



GOALS

Goal Area: Access to Child Care

Goal: Increase Access to Affordable Quality Child Care

Objectives of this goal:

- Expand child care slots by adding one childcare center and increasing state registered providers by 10, so that families can access Child Care Assistance. Up to 120 slots will be created through this expansion.
- Employer-Sponsored child care /business support care:
 - Identify facility partners who may have space available for child care entrepreneurs to start a small business. Potential partners may include churches, school districts, Head Start and local companies.
- Create a marketing campaign to promote grants, loans, and forgivable loans available for new and startup programs.
- Explore support for and methodology to create City or Country grants and incentives such as an initial grant to set up space or facility.
- Showcase how current child care at First Bank and Trust has been an asset to the employees and the community.



Goal Area: Child Care Funding

Goal: Increase Supports to Current Childcare Providers and Future Providers

Objectives of this goal:

- Increase child care workforce
- Entrepreneur support
- Identify the resources businesses are currently providing to support the child care needs of their employees.
- Learn how the core team can advocate for changes to barriers for child care entrepreneurs to start their businesses. Use the information obtained to have conversations with the Small Business Administration, local government units, and funders who may be able to provide support for child care businesses and advocated for the changes needed.
- Provide businesses interested in supporting child care capacity for the community and their employees' resources to be able to do so effectively.
- Create a Community Fund to support start up, workforce initiatives, financial assistance, or address gaps in funding.



Goal Area: Community Awareness

Goal: Promote Community Awareness of High-Quality Childcare Needs

Objectives of this goal:

- Connect current childcare providers who are experiencing staff shortages to support as the core team works toward longer-term goals. (Fall 2022)
- Work with all goal areas to develop a marketing plan that reaches the target audience.
- Communicate the benefits of the South Dakota Child Care Assistance program to employers and employees to increase more Brookings County families to utilize these supports.
- Continue to learn from local business, First Bank & Trust on employer sponsored child care and this business tax credit.
- Engage in further dialogue with organization that serve the needs of low-income, historically marginalized families to ensure that childcare services are inclusive of families with the highest needs.



Project Recommendations:

Brookings County South Dakota is a vibrant area, with a committed core team, invested in the child care landscape. First Children's Finance recommends that the core team engage in the following activities:

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

Discussion throughout the project involved the number of un-registered programs that currently fill a significant portion of the need for child care in Brookings County. These programs are not tracked and not accounted for in the data sources available publicly.

Through prior research completed in Brookings County, parents revealed that many parents are not using their preferred type of care and would prefer licensed or regulated programming, it is just not available. Using resources to support the registration of providers will support parents' desires for regulated/licensed programming.

By increasing the number of registered child care providers you are also supporting the addition of slots where low-income families can utilize Child Care Assistance Program (CCAP) funding.

2. Use current data and information already obtained to support the registration of programs (new and currently unregistered).

A wealth of information exists around the child care landscape in Brookings County. Moving forward focusing efforts specifically on adding child care slots: connecting with currently unregistered programs about registration, working with businesses to support funding of new child care slots, and supporting currently licensed and registered programs to expand their programming will be vital to increasing access to excellent child care for families in Brookings County.

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

As new and expansion child care projects are discussed run financials and feasibility reports specific to child care programming to have an accurate understanding of what type of enrollment numbers, staffing possibilities, and tuition rates are needed to create sustainability in the current child care climate. Community investment in aggressive compensation plans are needed to address the workforce shortage.

4. Continue to meet with focus on the primary goal of the Strategic Supply Plan Process; The support and expansion of child care capacity in the community.

The core team participants have a great passion and desire to support early care and education of the youngest members of the Brookings County, South Dakota community. This project is specifically focused on supply and sustainability of child care. As activities are developed to achieve the goals and objectives developed by this group, continue to check that they will impact child care supply. Assign team members to tasks and check in regularly.

Impact on child care capacity may be through partnerships that provide funding, space, or staff to retain and expand the current child care supply. Activities that focus on training to develop new staff will in turn help to retain existing child care slots and support the potential expansion of programs. Finally, registration of current legal but unregulated programs will increase slots that can be used by families who may benefit from Child Care Assistance Programs and support parents' reported desire for regulated care.

5. Take Action

There is no doubt that there is a need for regulated child care in Brookings County. To achieve the primary goal of the Strategic Supply Plan process – increase access to quality child care, the team will need to meet regularly and take action on each of the goals they developed, reaching out to additional community members and stakeholders to accomplish the objectives.





First Children's Finance

Founded in 1991, First Children's Finance is a national nonprofit organization based in Minneapolis, Minnesota with regional offices in Iowa and Michigan. First Children's Finance works to stabilize, improve and expand high-quality child care businesses serving low- and moderate-income families. First Children's Finance provides financing, child care business training and consulting, and build partnerships that connect child care businesses with the resources and expertise of the public and private sectors.

First Children's Finance understands the issues and challenges child care businesses face in today's world. We have industry-specific expertise and a shared commitment to the success of child care.

In addition, First Children's Finance aligns its work with child care leaders, businesses and regional initiatives that are committed to quality. We define quality as the creation of environments that support healthy brain development for young children to enhance early learning. FCF brings a unique perspective, approach, and experience to providing business, planning and financial assistance to our child care and economic development partners.