



KREDI

KIRKSVILLE REGIONAL ECONOMIC DEVELOPMENT INC.

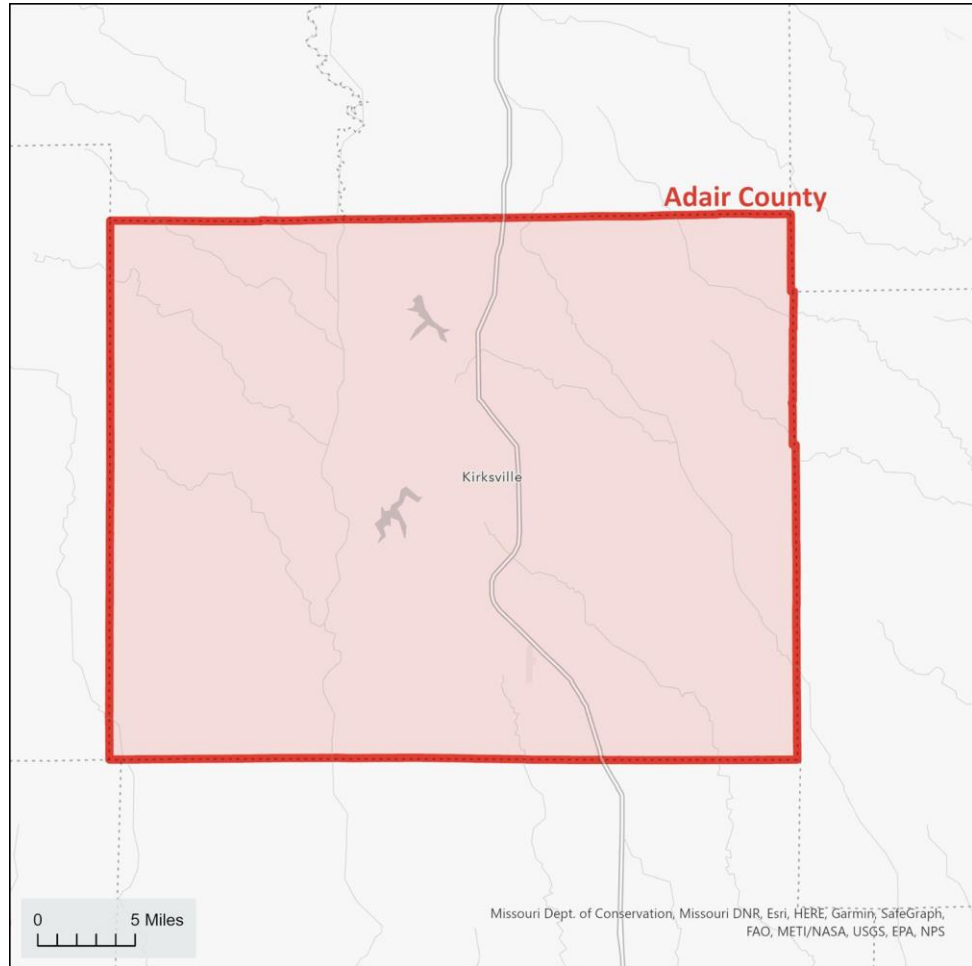
Kirksville Community Team Meeting #2

01.11.24

KIDS
WIN MISSOURI

Study Area

Adair County



Phase I: Research & Community Engagement

- Community needs assessment
 - Supply and demand analysis
- Stakeholder survey
- Fiscal mapping and cost modeling

Data Overview

Data Sources

- Provider information
 - Child Care Aware list of providers
 - Community Action Network of Northeast MO (CAPNEMO) for HS/EHS slots
 - Missouri DSS Block Grant Child Care Monthly Management Report for State Subsidy data
- Family need and workforce characteristics
 - American Community Survey 5-year estimates
 - Esri demographic estimates
 - Bureau of Labor Statistics Longitudinal Employer-Household Dynamics (LEHD)

Supply: ECE Provider Data

- Licensed (and regulated, license-exempt) capacity
- Estimated capacity for age groups 0-2 years, 3-5 years, and Pre-K
- Facility type
- Program(s) and Accreditations

Provider Information

NUMBER OF HOME-BASED PROVIDERS	NUMBER OF CENTER-BASED PROVIDERS	NUMBER OF ACCREDITED PROVIDERS
3	6	1

This table does not include Pre-K programs

Provider Capacity

	NUMBER OF SLOTS, TOTAL	NUMBER OF HEAD START/EARLY HEAD START SLOTS	NUMBER OF STATE SUBSIDY SLOTS	NUMBER OF ACCREDITED SLOTS
INFANT & TODDLER (BIRTH-2 YEARS)	186	25	12	86
PRESCHOOL (3-5 YEARS) <small>Preschool (age 3-5 years) includes Pre-K programs</small>	383	85	16	89

Demand: Family Need Data

- Total number of children 0-5, with Pre-K, 0-2, and 3-5 age groups broken out
- Estimated number of children qualifying for state subsidized care
- Estimated number of children qualifying for Early Head Start and Head Start programming
- Demand for care is based on 70% of total kids

Family Need

	NUMBER OF KIDS WHO NEED CARE	NUMBER OF KIDS IN POVERTY ELIGIBLE FOR HEAD START/EARLY HEAD START	NUMBER OF KIDS ELIGIBLE FOR STATE SUBSIDY
INFANT & TODDLER (BIRTH-2 YEARS)	537	104	187
PRESCHOOL (3-5 YEARS)	522	96	177

This table is based on the assumption that 70% of kids need care

Gap in Total Slots

	NUMBER OF SLOTS, TOTAL	NUMBER OF KIDS WHO NEED CARE	GAP IN SLOTS, TOTAL	PERCENT SERVED
INFANT & TODDLER (BIRTH-2 YEARS)	186	537	-351	35%
PRESCHOOL* (3-5 YEARS)	383	522	-139	73%

This table is based on the assumption that 70% of kids need care

*The Kirksville School District Pre-K program is a mixed age group so is included in the Preschool numbers.

Gap in Head Start & Early Head Start Slots

	NUMBER OF HS/EHS SLOTS	NUMBER OF KIDS ELIGIBLE FOR HS/EHS	GAP IN HS/EHS SLOTS	PERCENT SERVED
INFANT & TODDLER (BIRTH-2 YEARS)	25	104	-79	24%
PRESCHOOL (3-5 YEARS)	85	96	-11	89%

This table is based on the assumption that 70% of kids need care
Preschool (age 3-5 years) does not include Pre-K programs

Gap in State Subsidy Slots

	NUMBER OF STATE SUBSIDY SLOTS	NUMBER OF KIDS ELIGIBLE FOR STATE SUBSIDY	GAP IN STATE SUBSIDY SLOTS	PERCENT SERVED
INFANT & TODDLER (BIRTH-2 YEARS)	12	187	-175	7%
PRESCHOOL (3-5 YEARS)	16	177	-161	9%

This table is based on the assumption that 70% of kids need care

Preschool (age 3-5 years) does not include Pre-K programs

Family Characteristics Data and Trends

- Household income
- Households with all parents working
- Total children aged 0-5
- How have these characteristics changed over time?

Household Characteristics

Median Household Income			Population 0-5			Children 0-5 with All Parents Working		
2016	2021	% Change	2016	2021	% Change	2016	2021	% Change
\$41,442	\$41,977	1%	1,517	1,718	12%	836	871	4%

Adair County Workers

Work and live in Adair County	5,049	57.7%
Work in Sullivan County and live in Adair County	337	3.8%
Live in Macon County and work in Adair County	470	5.2%

Top Employers

#	Employer	Industry	# Employed
1	Kraft Heinz	Food Manufacturing	765
2	Truman State University	Education	750
3	AT Still University	Education	677
4	Kirksville R-III School District	Education	491
5	Northeast Regional Medical Center	Healthcare	372
6	Hy-Vee	Retail	318
7	Preferred Family Healthcare	Healthcare	279
8	Wal-Mart	Retail	266
9	City of Kirksville	Government	203
10	Sodexo	Food & Facilities Management	200

Survey Insights

Research Scope

This report focuses on qualitative community survey research focused on three groups: parents in Adair County, employers in Adair county, and providers from Adair and 5 other counties across Missouri:

Parents of children ages 5 and under (N=53 surveyed):

- Need for, current use of, and interest in early childhood education and care services;
- Awareness of assistance programs
- Preferences for child care type and location
- current challenges with accessing care
- Hopes for their children around ECE opportunities.

ECE Directors and Owners (N=54 surveyed*):

- Experiences providing ECE services within the community
- Resources and support they would find most helpful
- Current challenges they are facing
- Licensed capacity vs enrollment
- If they have a wait list
- Questions to assess their facilities current indoor and outdoor quality

Employers (N=20 surveyed):

- Employee child care related issues and needs that impact them and their workforce
- Their potential interest in supporting ECE services

Survey Dates: September 26 - November 6,

**Providers are drawn from Adair, Buchanan, Cole, Greene, Howell, and Jasper Counties.*

Executive Summary

Parents, ECE Providers, and Employers collectively play back a very consistent story of an under-resourced child care and early learning system in Kirksville:

- **Parents** see low availability, and often perceive available care as either unaffordable or low quality. Parents see their options as years-long waitlists or care providers they are uncomfortable and dissatisfied with. Even when parents find care providers they are satisfied with, they often make major changes to their work and home lives to enroll.
- **ECE Providers** struggle to hire and retain staff without the ability to offer more competitive pay. Even while the cost of care creates difficulties for families, the tuition that they pay is not enough to resolve the staffing challenges. While some providers plan to increase capacity, it's not a uniformly positive story: they might only be anticipating that growth because other providers are failing.
- **Employers** feel the effects of these financial and practical child care challenges on their workers through increased requests for time off or even workers leaving their jobs entirely. Employers largely do not offer child care benefits to their employees, and they don't anticipate that situation changing.

The Parents' View

Parents cite waiting lists and affordability as the top barriers to accessing care, and discontent is almost universal.

Statement	% of surveyed parents who disagree or disagree strongly
It is easy to find a provider who does not have a waiting list for enrollment	78%
There are plenty of affordable child care and early learning providers in my area	76%
It is easy to find a provider who is affordable	57%
It is easy to find a provider whose availability fits my schedule	51%
It is easy to find the right provider for my child(ren)'s needs	49%
It is easy to find a provider who is conveniently located for my family	46%

Survey question: Please select the response that best matches your experience with finding a child care or early learning provider for your child(ren) ages 5 and under.

Most parents face a wait list before enrollment, and some never make it off the waitlist.

Among the 53 parents of children ages 5 and under who responded to the survey:

- 70% have their children enrolled in child care or early learning
- 73% of enrolled families had children placed on a waiting list prior to enrolling. Typical wait times ranged from a few months to a year or more, and some children never make it off a waitlist.

All of my children were put on wait lists from the day they were born. My second and third children were able to get in a facility after being on a waitlist.

Both of my children were on multiple waiting lists for years, [and] I never got a call from anywhere that they had openings for my children.

Both of my sons [were] on a wait list for 3 years for ECLC. My middle child was on the wait list for Faith Lutheran for 4 months.

The quality of available care is frequently identified as a major barrier to finding a satisfactory provider.

When my son was first born, I thought I would have to quit my job because there weren't any available providers. I had interviewed 2 women, but I didn't feel safe leaving my newborn in either place.

I often feel like my child is lacking skills other toddlers her age have because of the structure of the in-home daycare she is at. Furthermore, I have had several instances where I have been concerned for my child's safety. I have had to teach our provider about some safety precautions for the toddler age group.

We have had a really hard time finding any type of daycare for our son. He was at a daycare provider that was based out of her home before going to preschool. That daycare is now shutdown. If we have another child, I am not sure what we would do for daycare

Open-ended responses to “What are the biggest challenges that you have faced when looking for child care or early learning providers? What are the biggest trade-offs you have made in response to these challenges?”

The adjustments that most surveyed parents make for child care cost money and compromise ability to work.

Overall, 77% of surveyed parents have made changes to their work lives or moved homes in order to accommodate their child care needs.

No openings, no childcare providers will take infants, those who offer care are not licensed, and I have to keep [my] infant home with me while I work. This makes my work and my child's care compromised. It is a mess trying to do both.

Thinking about the changes you may have made in order to accommodate child care availability, which of the following have you or another adult member of your household done for this reason?

Changed work schedule without changing employers	38%
Reduced working hours	34%
Switched jobs	32%
Left the work force to stay home with children	21%
Moved to a new home	17%

The Provider's View

When asked about their biggest challenges, providers point to stretched staffing.

68% of surveyed providers report that it is difficult or very difficult to find and retain staff.

The biggest challenge revolves around our employees: finding [quality] employees that are able to work the schedule we need and compensating those employees what they need to provide for their own families.

The biggest challenge is not being able to pay a livable wage to my staff. When we lost staff, it [was] to higher paying jobs.

When it comes to staffing challenges, being able to offer an attractive wage is the barrier providers mention most.

96% of surveyed providers have experienced one or more barriers to hiring and retaining qualified staff.

Which of the following have you experienced with hiring and retaining staff during the last year in your child care or early learning location(s)? Please choose as many as apply.

Cannot afford to offer a wage that will attract applicants	66%
Not enough applicants for open positions	51%
Staff leaving to take positions elsewhere	45%
Applicants do not have the needed work experience	45%
Applicants lack needed training	34%

Providers have waitlists but don't enroll at license capacity: staff and facilities are key limitations.

- 80% of surveyed providers report having a waiting list of children, echoing parents' experiences, yet 56% of licensed providers report operating below licensed capacity: licensed capacity often overstates true capacity.

Enrollment is very close or exactly matched (within 5%) to licensed capacity	44%
Enrollment is slightly (up to 10%) lower than licensed capacity	6%
Enrollment is somewhat (10-20%) lower than licensed capacity	19%
Enrollment is much (20% or more) lower than licensed capacity	22%
Don't Know / Not Sure	8%

I have 5-6 openings to fill but will not be doing so until we are fully staffed. We have had more difficulty keeping staff over the last 2-3 years than ever [before].

Our preschool classroom is licensed for 40 but due to safety reasons we have kept it at 30. We found that 40 children in one space was just too many.

Quotes based on responses to: Please share more about any difference between the licensed capacity and actual enrollment at your child care or early learning location(s). What factors contribute to this difference?

Half of providers expect enrollment to increase, though the stories behind that anticipated growth are complicated.

- 48% of surveyed providers say they expect their enrollment to increase in the next 3-5 years, while 46% saying they expect their enrollment to remain the same.
- Expected enrollment increases include both the positive (plans for investment), and the negative (anticipate closure of existing sites in the area).
- Many providers who plan increased enrollment, identify staffing as a potential hurdle.

We continue to see facilities in our area close down or not have enough staff to run at capacity so we are regularly taking on new children if we are able. We are still struggling to find qualified employees which would be the only concern in enrolling more children.

Numbers went down with COVID and seem to be slowly increasing since then. We have the ability to accommodate more children as long as we have staff to cover as well.

The Employer's View

75% of surveyed Employers report a substantial impact of employee child care on their business.

To the best of your knowledge, how much does your employees' access to child care affect your business? Impacts to consider include: challenges in hiring or retaining employees, scheduling difficulties, operating below full capacity, disruptions to your operations, etc.

Greatly - employees' access to child care causes major challenges for my business	25%
Significantly - employees' access to child care causes moderate challenges for my business	50%
Slightly - employees' access to child care causes minor challenges for my business	25%
Not at all - employees' access to child care does not cause challenges for my business	0%

The challenges parents experience are simultaneously felt by business: disruption is nearly universal.

Which of the following events, if any, has your company experienced during the past year, due to employees' access to child care?

Employees taking time off to fill child care gaps	80%
Employees trading shifts with co-workers, or otherwise temporarily changing their work hours / availability	50%
Employees terminating their employment	45%
Employees permanently changing their work hours / availability	45%
None of the above	5%

Lack of child care options have forced employees into situations where a significant portion of their pay goes to child care expenses, so they're almost better off not working and getting welfare [and government] subsidies.

I've had a teacher that took an extended maternity leave due to lack of child care, teachers who took time off to stay home and raise kids due to lack of child care, teachers who have to adjust their hours due to child care and teachers who have to stay home when child care options cancel.

We have had individuals who have had to step down from positions due to lack of child care. I have also had a faculty member unable to teach during the summer due to unavailable summertime infant care.

Only 15% of surveyed employers offer benefits, and none have specific plans to start doing so.

Which of the following child care benefits, if any, does your company offer to employees?

Other: "FSA"	5%
Other: "Flexibility with work schedule. Hybrid work options."	5%
On-site child care facility	5%
Child care stipends / scholarships	0%
Off-site child care facility	0%

Fiscal Mapping & Cost Modeling

Fiscal Mapping

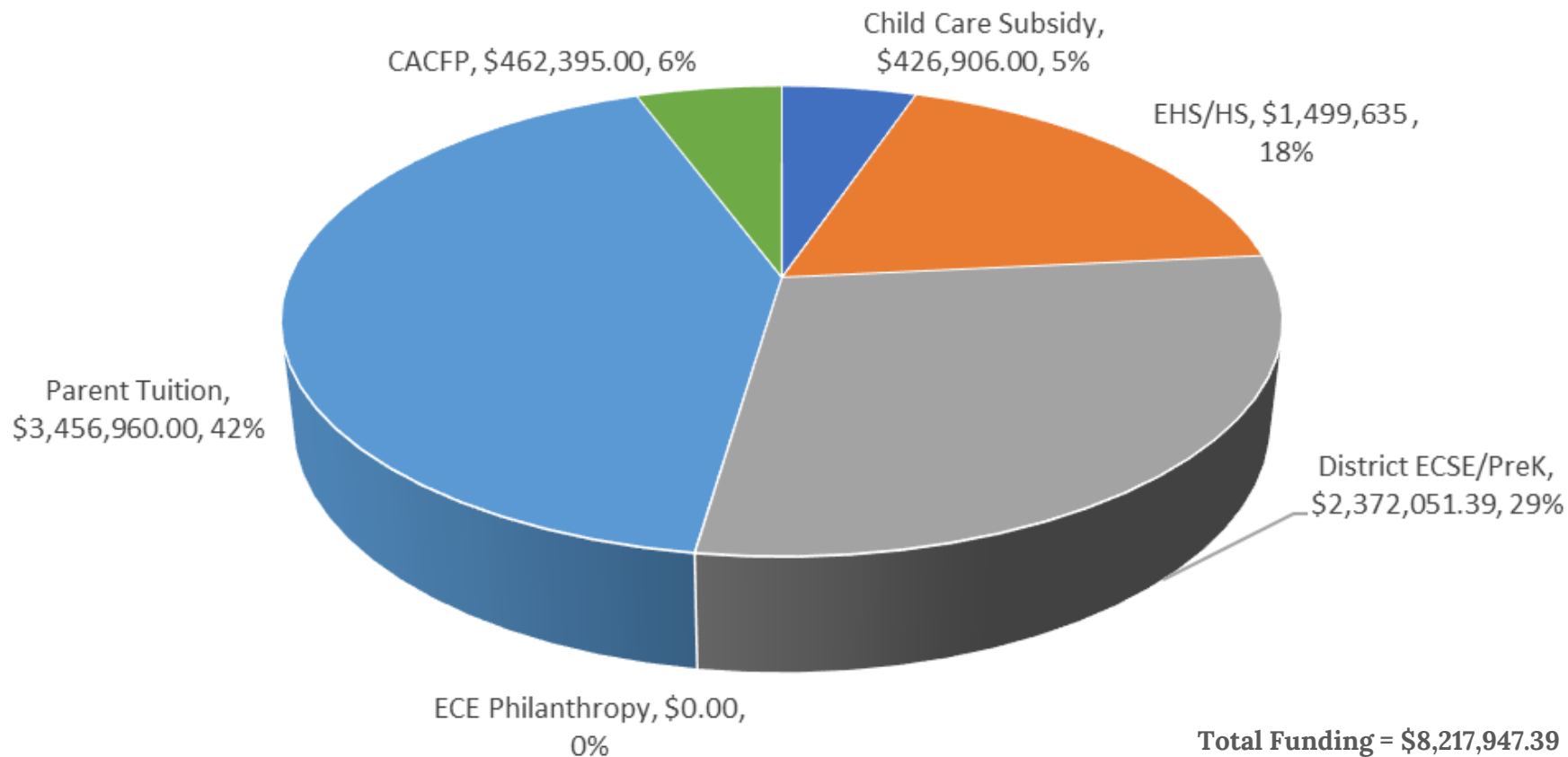
Data Sources

- Office of Childhood: Child Care Subsidy Monthly Management Reports
- Kirksville Public Schools
- Community Action Network of Northeast MO (CAPNEMO)
- Department of Social Services
- Local ECE Provider data
- Missouri Market Rate Survey
- Candid: Philanthropy Database

Fiscal Mapping

- Identified 6 revenue streams: child care subsidy, Early Head Start/Head Start, public Pre-K & public ECSE (combined), parent tuition, and Child & Adult Care Food Program (CACFP)
- No ECE-specific philanthropy (but \$2,419,044.00 in Non-ECE specific giving) or corporate/business contributions
- Average cost of parent tuition:
 - \$10,920.00/year for infants & toddlers
 - \$8,840.00/year for preschool

Adair County ECE Funding, 2022



Cost Modeling

- Created 3 scenarios to represent the current system, including mid-sized, large, and FCC (baseline).
- Baseline models were built using both local provider data and default data for Missouri when local values were not available
- Director/Lead Teacher/Assistant ranges are based on local data (\$35K, \$27K, \$24K)
- Tuition rates were based on average local provider data (\$210/week IT; \$170/PS)

Cost Modeling

Mid-sized Center:

56 children total

16 IT

40 Preschool

***Baseline Models do not include health insurance, PTO, or other benefits or additional administrative support.**

***Assumes 90% enrollment efficiency & 1% uncollected revenue**

***Assumes 25% of children receive child care subsidy**

Net Revenue

Net Revenue	\$32,217
Net Revenue as a Percent of Total	6%

Cost Per Child

Cost Per Child 0-2	\$12,475
Cost Per Child 3-5 years	\$7,269
Staffed Capacity	56
TOTAL TEACHING STAFF	9.6

Cost Modeling

Large Center:

116 children total

24 IT

32 2's

60 Preschool

***Baseline Models do not include health insurance, PTO, or other benefits or additional administrative support.**

***Assumes 90% enrollment efficiency & 1% uncollected revenue**

***Assumes 25% of children receive child care subsidy**

Net Revenue

Net Revenue	\$134,609
Net Revenue as a Percent of Total	12%

Cost Per Child

Cost Per Child 0-2 years	\$12,171
Cost Per Child 3-5 years	\$6,964
Cost Per Child 2-3 years	\$7,832
Staffed Capacity	116
TOTAL TEACHING STAFF	19.2

Cost Modeling

Home-based Program:

10 children total

4 IT

6 Preschool

*Baseline Models do not include health insurance, PTO, or other benefits or additional administrative support.

*Assumes 1 assistant in a 1500 sq ft home (80% space used for care)

*Assumes 90% enrollment efficiency & 1% uncollected revenue

*Assumes 25% of children receive child care subsidy

Net Revenue

Net Revenue	\$6,419
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Net Revenue as a Percent of Total	11%
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Cost Per Child

Cost per child average	\$5,168
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Cost Modeling

Takeaways

- Models impacted by compensation and staffing levels, preschool to infant/toddler ratios, size of the program, tuition rates, % of subsidized care, enrollment, & uncollected revenue
- Models assume no additional revenue from sources such as philanthropy or businesses
- Opportunities to explore additional revenue as well as shared service approaches to decrease costs

Cost Modeling

Higher Level Models can be built with the following adjustments:

- Higher salaries
- Health Insurance
- PTO
- Additional administrative/classroom support staffing

Are these the right benchmarks? What should a more ideal scenario include? What is the size of the program? What is the ideal age mix?

Appendix: Additional Survey Data

In addition to affordability and waiting lists, some parents also find care is unavailable during their working hours.

- Half (51%) of parents indicate that it is not easy to find a provider whose availability fits their schedule
- Nearly half (46%) indicate that it is not easy to find a provider that is conveniently located
- Average weekly travel time related to child care is 103 minutes among surveyed parents

Limited options and hours are not always feasible for our schedules. My husband has had to decrease his work hours to drop the kids off and pick them up on time. I do not work 5 days a week, but cannot help with pick up or drop off when I work.

I can't find the right one, every time it conflicts with my work schedule and I sometimes can't free up time to pick up my toddler.

Open-ended response to “What are the biggest challenges that you have faced when looking for child care or early learning providers? What are the biggest trade-offs you have made in response to these challenges?”

The challenges of finding child care can compound in families with additional needs...

We have a child with autism who [has] difficulty with language and delayed social skills and struggles significantly with transitions and disruptions to routine. We have only been offered half-day preschool placement and were only offered itinerant services before the new school year began. We have also had to adjust our schedules due to half day students not being allowed early drop off care. This is all happening in spite of the fact that my wife is employed by the school district and I am a former employee of the school district.

Open-ended response to “What are the biggest challenges that you have faced when looking for child care or early learning providers? What are the biggest trade-offs you have made in response to these challenges?”

Snapshot: Types of Care and Ways of Finding Care among Surveyed Families

38% of surveyed parents have at least one child in center-based care, while 51% have at least one child in home-based care

- 8% of surveyed ECE-enrolled families have children in a Head Start program
- 6% of families have children with unique needs or disabilities that require specialized care

How surveyed parents discover ECE providers in Adair County

Recommendation from friend or family member	47%
Facebook or other social media	15%
Older children previously cared for by same provider	7%
Google or other general online search	3%
Child Care Aware	2%

Snapshot: Surveyed Family Work & Financials

- 87% of parents who participated in the survey are employed full time
- Surveyed families cover a wide spectrum of income levels and a mix of subsidy use:

\$20,000 or less	6%
\$20,001 to \$40,000	15%
\$40,001 to \$60,000	15%
\$60,001 to \$80,000	23%
\$80,001 to \$100,000	21%
\$100,001 to \$150,000	15%
\$150,000 to \$200,000	4%

No, my family does not qualify for a child care subsidy	56%
Yes, my family qualifies for a child care subsidy AND we use it	15%
I don't know / am not sure if my family qualifies for a child care subsidy	24%
Yes, my family qualifies for a child care subsidy BUT we don't use it	5%

Despite reporting staffing and financial challenges, only 37% of providers report shortages of resources and support.

Which of the following statements best describes the level of resources and support available for programs and operations in your child care or early learning location(s)?

Plentiful - there are more than enough resources and support for programs and operations, so I can afford some "extras"	7%
Great - there are consistently at least enough resources and support for programs and operations, so I can feel at ease	19%
Adequate - there are generally enough resources and support for programs and operations, though there is not generally anything to spare	37%
Stretched - there are consistently not quite enough resources and support for programs and operations, so I have to be careful in how I use them	26%
Scarce - there is nowhere near enough resources and support for programs and operations, and I regularly have to make trade-offs and sacrifices	11%

This seeming disconnect between stated challenges and perceived resource constraints may be due to a mindset of “making due” when it comes to program and operational capacity.

Most providers receive funding via tuition and child care subsidy, as well as federal food program CACFP.

What sources of funding do you use to sustain operations at your child care or early learning location(s)? Please choose all that apply.

Tuition paid by families	78%
Child care subsidy	69%
CACFP	43%
Private philanthropic grants or donations	20%
State Pre-K funds	7%
Loans / Lines of credit	6%
EHS / HS	0%

Private and state funding are less common sources for ECE Providers.

83% of providers anticipate spending to improve their materials and/or facilities.

Which of the following do you plan to do in the next 3-5 years? Please select as many as apply.

Purchase new educational materials	67%
Purchase new furnishings	59%
Renovate / make improvements to your existing facilities	43%
Expand capacity via added facilities or space	31%
Close your facilities entirely (e.g. to retire)	4%
None of the above	13%

Anticipated funding sources for improvements

Tuition paid by families	60%
Private philanthropic grants or donations	40%
Child care subsidy	33%
CACFP	18%
Loans / Lines of credit	13%
State Pre-K funds	9%
EHS / HS	0%

Snapshot: Surveyed Providers

Among the 54 ECE Providers who participated in the survey:

- 50% are Directors of a single center
- 11% are Directors of multiple centers
- 39% are Owner/Operators

- 83% are center-based providers
- 17% are home-based providers

- 14 are licensed by the Missouri Office of Childhood
- 4 are license exempt

Staff size that they lead ranges from 1-100, with a median staff size of 18

Active Professional Network Membership:

Facebook group for Child Care or Early Learning Providers	57%
Family Child Care Network (through Child Care Aware)	31%
Local Chamber of Commerce or Business Association	20%
Missouri Association for the Education of Young Children (MOAEYC)	11%
None of the above	24%
Other Local Support Network (including Community Partnership of the Ozarks)	17%

Snapshot: Children under Care of Surveyed Providers

- Among the 54 ECE Providers who participated in the survey:
 - 37 provide care for infants under 6 months
 - 36 provide care for babies ages 6-18 months
 - 45 provide care for toddlers ages 18 months-3 years
 - 50 provide care for pre-schoolers age 3-5 years
 - 21 provide after-school care for kids age 5 and over

Snapshot: Surveyed Employers

Industries work in:

Higher Education	4
Government	2
Non-profit Organization	3
Health care / Hospital	3
Financial Services / Banking	3
Government	2
K-12 Education	2
Real Estate	1
Pre-K Education	1
Other (Please specify): Social Services	1

Roles at organization:

Executive Leadership (C-suite)	8
HR / Talent Management / Recruitment	1
Supervisor (Director, Manager, Lead, or other role that supervises others)	11
Marketing / Communications	
Other (Please specify):HR/Accounting	