



To: South East Education Cooperative
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From: Amy Cleary, GA Group

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Re: North Dakota Childcare Interviews & Insights

I. INTRODUCTION

Over the course of three months from June to August, GA Group conducted over 35 interviews of key individuals and organizations representing various interests in North Dakota's childcare and school-age care industry. Our goal was to provide SEEC with an analysis of the current challenges facing childcare as described by key stakeholders working in the field, and the policy opportunities to address those challenges. These interviews ranged from Chris Jones, the Director of the Department of Human Services ("DHS"), and Kirsten Baesler, State Superintendent of Public Instruction, to education administrators, large and small center providers, in-home daycare providers, business and chamber executives, coalition groups, and legislators. We have attached a list of interviewees and a one-page summary of each interview (Appendix A).

II. DISCUSSION

Childcare has become one of North Dakota's largest workforce issues. First and foremost, available workforce for childcare providers is severely inadequate. Secondly, when childcare organizations close or openings are unavailable due to a lack of childcare workers, parents are forced to stay home from their jobs to care for their children, further impacting the productivity of our existing workforce.

North Dakota has a unique opportunity to influence the state's childcare industry, thanks to an expected budget surplus. With a growing general fund from tax and oil revenues, and the Legacy Fund's continued growth, many believe now is the time to contribute to the childcare ecosystem in an impactful way.

Pre-existing resources including reports from the Hunt Institute and ND Kids Count have identified and categorized most of North Dakota's childcare concerns into three categories: availability, affordability, and quality. DHS has now publicly proposed the Governor's budget recommendations that too will follow these themes. As we compiled notes from GA Group's interviews under those same categories, the echo of these themes only increases, adding greater color and context.

A. AVAILABILITY

There are simply not enough daycare workers to fill the positions necessary to take care of the children filling providers' waiting lists. Availability is now the largest issue facing childcare, from availability of workers and prospective staff, to the number of openings for children in North Dakota.

When we think about how to increase the availability of childcare, we should consider tools to recruit and retain a childcare provider workforce from enticing career pathway and training opportunities to the promise of a livable wage. Working to also engage community partners and businesses in the solutions can go a long way toward increasing access to childcare across the state.

1. WAGES

North Dakota's childcare professionals do not receive a paycheck worthy of the work performed. Providers are hovering around the poverty level at \$11.19 an hour. One interviewee summed it up: "this is a laughable, non-livable wage." The pool of childcare workers, however in demand, cannot grow without the promise of a livable wage. As access to childcare suffers because of a lack of trained professionals or interested workers, those who are interested are deterred by the low compensation rates.

Certain centers know they cannot compete with the local Target or restaurant across the street and have increased their hourly wage to \$14 or \$15 an hour, but only with the help of temporary state assistance grants, or by raising tuition on working families. When prospective employees are forced to wait while background checks are completed, and that daycare paycheck won't make the rent, it becomes more attractive to flip burgers for \$20 an hour than to follow one's passion of caring for children. Due to today's economy, the childcare ecosystem is losing more and more qualified workers each day.

To combat these concerns, center directors and in-home daycare providers are taking matters into their own hands, but at a likely unsustainable rate. The YMCA has done two pay increases in the last four years, and they know another is coming. Boys & Girls Club of the Red River Valley has put 20 employees on salary with a small health plan. When an in-home provider has to pay her staff even when she's on vacation to ensure they won't quit, she's digging into her own pockets to do so.

One Fargo church-based daycare center works hard to prove its dedication to taking care of employees, helping them get additional education, whether that be their Child Development Associate (CDA) certification or in nutrition, and providing flexibility and higher wages. They have little turnover, no closed rooms, and consistency—all because they promise to invest in staff. The questions they ask daily: can they sustain it?

A common refrain heard among stakeholders is that childcare workers should be paid as much as public school teachers. These are the same children the state begins funding at age 5 in the K-12 system, and their development before kindergarten is even more critical in those years from birth. If the state were to infuse funding into the system to support wages for providers, including employer support and workforce incentive support, the hope is that wages would increase.

The ND Childcare Action Network alliance group suggests two specific models the state could consider. Firstly, a time and service metric, which would reward daycare workers much like teachers for reaching certain milestones like training levels or years employed. The state would pay the worker directly, or consider a pass through the employer. The REWARD Wisconsin program, for example, provides direct salary supplements to childcare workers based on their educational attainments and longevity in the field.

Secondly, there are community-building agreements, whereby if a provider accepts a state grant, then it agrees to provide a wage of a certain percent of the market wage. The state sets the floor for those wages and requires reporting of wage data and turnover. This could be applied to the childcare industry as well.

Asking for government funding of childcare wages, however, is a new concept and could be opposed by some conservative lawmakers. We haven't turned 0-5 into a K-12 publicly-funded system, so "there is no lever to pull," as Lt. Governor Sanford said in an interview with Rob Port. The opposing viewpoint is that government has actually dictated wages before – at least, in the long-term care sector through reimbursements. The main question to answer when talking about government funding to increase wages is: where does the money go? If centers receive the assistance, that leaves a trickle-down-economic approach with no guarantee that money hits workers' pockets. It still may not bring wages up. Instead, if the state puts money into childcare workforce incentive programs, others say the more popular option would be for direct stipends to workers.

Unanimously, stakeholders agree that North Dakota needs to begin talking about day care providers as critical workforce and supporting wages that reflect it as such.

2. CAREER & TECHNICAL EDUCATION

Provider centers have traditionally desired that their employees have related higher education degrees, however, fewer universities are offering early childcare degrees due to lack of interested students. Even when a provider obtains an education degree, the compensation of a Kindergarten teacher is more attractive than that of a childcare worker. Some providers suggested using our career academies and technical colleges to advertise and create an attractive pathway into childcare for interested students. We must show young people that having a career in childcare is not only a necessity for our society, but a strong, viable option on which to build a career. Further, we may need to align center director requirements less with advanced degrees and more with CDA-type certifications.

In fact, the CDA program is ripe for growth. CDAs open the door to becoming a center director or director of Head Start. Where centers may have previously only hired those with college degrees, now they are hiring more CDAs. There is a growing consensus that obtaining a CDA is likely the best pathway toward increasing childcare providers. This is a well-rounded accreditation with training in eight core competencies. One CDA-accredited interviewee believes the program isn't that taxing to obtain (she says it takes roughly 12-18 months) but suggests that knowledge about the CDA credentialing program is lacking. She and others have argued for increasing awareness among high school and college students. Partnering with local area centers and providers to give students hands-on job training would also provide more opportunities to achieve the CDA requirements.

3. TRAINING COSTS

Providers say the cost of training appears to be increasing year over year, and there's difficulty in providing that to employees. While there are multiple programs by which to obtain the CDA training, one has a price tag hovering around \$2,000 for appropriate course instruction and portfolio assistance. The cost for registering to obtain observation on-site credits can reach \$450 alone. We heard multiple calls for the state to consider scholarships to students, or at the very least, to provide mentoring services for those pursuing a CDA to keep them on track.

Training isn't just limited by cost. We heard a call to address the multicultural barriers that exist in our current training processes for childcare workers. Jasmin Childcare and Preschool in Fargo serves a diverse population of students and families, including children from homes where over 30 different languages are spoken. To find workforce, they have tapped into the growing new American population in the Fargo region, including Somali, Swahili, and Arabic-speakers. The problem is training resources are all provided solely in English with few tools available to assist, outside of Google Translate.

4. BUSINESS INCENTIVES

If anyone understands the need for childcare to support North Dakota's workforce and growing challenges, it is our rural communities. Often, these smaller communities quickly witness how important child care is as a service for those who own and operate Main Street businesses, and they've determined childcare to be an economic issue. Economic development associations and community businesses band together to find and renovate appropriate space, to provide toilets and mats, landscaping and playground equipment, to cook food and shore up craft supplies, and support childcare staff.

LaMoure is a prime example of a three-way partnership between the LaMoure School, LaMoure Community Development Corp., and Little Loboes Bright Beginnings ("LLBB"), a 501c3 nonprofit. LaMoure Community Development Corp. owns the building and leases it for \$1 per year to the daycare provider. Little Loboes operates the daycare and is accountable to a seven-person board of directors. They care for roughly 40 children across infant, toddler and preschool-ages, as well as some before and after school student populations. The school is also involved in running a preschool in conjunction with the daycare. LaMoure Community Development Corp. pays the low-interest loan through this partnership. Preschool is free to kids who are enrolled in daycare. LLBB hires the daycare staff and the school hires the preschool teachers. LLBB is set up as a nonprofit and so it can utilize the US Foods program, a sliding scale tuition plan with tuition assistance for families, and LLBB also raises funds.

There are many similar model partnerships between businesses and communities who have come together to build and provide the necessary operations for daycares around the state. For instance, Wolf Pup Daycare in Watford City is built on a non-profit model with money from oil and gas revenue through the county to pay for its needs, including infrastructure. A three-business partnership between Basin Electric and two hospitals in Bismarck cover a YMCA facility with dedicated openings for children of those businesses' employees. In yet another community, a healthcare partner purchased 75 slots in a new program and pays tuition until their own employees can.

Businesses should also be asked what they can do financially for employees in need of daycare. Michigan's Tri-Share model was suggested as one to consider replicating in North Dakota. The program is a public/private partnership and pilot program partially funded by a state grant. Employers may enroll to support their staff, retain talent and attract new talent by offering childcare at reduced rates for qualifying families. If an employee qualifies, the employee will pay one third of the cost of childcare, the employer will pay one third of the cost, and the remaining one third will be paid through the state grant.

B. AFFORDABILITY

In discussions at a national level and according to the federal Department of Health and Human Services, childcare is considered affordable if a family spends no more than 7% of their household income on childcare. A North Dakota family today spends an average of 30% of its household income on childcare, and at least 13% on infant care.

Our interviews coalesced around several state funding ideas including an increase to the eligibility for the state's Child Care Assistance Program (CCAP), a commitment to funding the ARPA-funded stabilization grants, considering a shared benefits pool for health insurance for childcare employees, and supporting childcare workers with children. Putting renewed energy and state support toward these important programs can help both families and providers when it comes to their bottom lines. Similarly, addressing the critical need for childcare infrastructure can also increase engagement from the business community, offsetting major costs for childcare providers and the families they serve.

1. CHILD CARE ASSISTANCE PROGRAM

We heard from countless interviewees that the Child Care Assistance Program (CCAP) for families is not just a help, it is a necessity. CCAP serves families with working parents, those in education or training, or seeking a job. Currently it serves families making up to 85% of the state median income, increased from 60% in February 2022 by the state. Some interviewees suggest the state should consider moving to 100% or higher. While the federal government's 1:1 match is ending, at least one legislator suggested the state's 2023 session may indeed look at extending state support for this program.

2. STABILIZATION GRANTS

The Stabilization grant program provides critical assistance to childcare centers. These grants, funded by the American Rescue Plan Act (ARPA), provide 12 months of supplemental funding for licensed childcare programs in North Dakota. Subject to a monthly renewal process, the funding is capped at \$225,000 per program. These stabilization grants are doing exactly what the title says—helping stabilize many providers. North Dakota's providers appreciate the open-ended parameters for using this funding. Typically, grants like this come with a narrow focus or strings, but this assistance is allowing the professionals we spoke with to buy equipment, supplies, and food, to pay rent and maintenance fees, and most importantly, pay their staff and keep doors open, among other services.

However, the dreaded “cliff” looms. When the funding runs out, providers will have to pass that recurring monthly cost onto parents. They cannot keep raising wages without continued grants. Several voices concurred that the state should raise the \$225,000 cap and allocate additional funds toward the continuation of this program, or take it on as a permanent state offering without a federal component. Some suggested the state run a greater awareness campaign, as providers in small towns had never heard of the stabilization grant program. Those dollars may not be reaching the far corners where they could make a difference.

3. CHILDCARE EMPLOYEES WITH CHILDREN

A surprising complaint echoed several times was how difficult it can be for childcare workers to fund a daycare position for their own children. Oftentimes, they cannot make ends meet on their childcare salary, and so cannot afford enrolling their own kids in daycare. They opt, instead, to forego a job and care for their own children at home. This is a workforce issue at its core, which the state could likely address with minimal financial impact. If the state were to provide stipends to daycare centers that would cover the cost of their employees’ children, stakeholders suggest we could bring more people back to work.

4. EMPLOYEE BENEFITS FOR CHILDCARE WORKERS

“A healthcare plan for childcare workers.” “A system like PERS.” “A pool for health insurance.” These quotes were repeated over and over throughout the course of our discussions. One provider put it this directly: “We need a state insurance program for childcare providers with reasonable rates.”

Many suggest that if workers had benefits, they would be less likely to look across the street for a different job. If providers could show their staff that they are valued by offering health insurance, they wouldn’t have to close classrooms. Childcare workers make so little in wages, there isn’t much left over to pay a health insurance premium. When you’re living paycheck to paycheck, you also are unlikely to save for retirement.

One idea is to offer stipends to centers for healthcare, by which the provider centers would direct their employees to sign up for insurance. Without reporting requirements in place, however, it would be difficult to guarantee that employees are entering the individual market or just using the stipend as a salary boost.

Another brainstorm offers that childcare organizations could band together to form a MEWA, a multiple employer welfare arrangement, to create a healthcare trust. This would require an independent organization to form, likely a childcare trade association-type group, and meet all federal and state requirements for MEWAs. This admittedly may be a heavy lift in the current market, but the state’s insurance department is happy to help inform the industry of its options.

Alternatively, if the state were to consider adding childcare employees to the PERS program, this would be a fundamental shift in how childcare providers are viewed today as private employees to more like public or school employees. While this might go against traditional conservative viewpoints that balk at increasing the amount of people on the government dime, it could be structured in various ways including a tiered step-up to allow the state and providers to share the cost of the premiums.

The state could always decide that children ages 0-5 will eventually comprise the future K-12 system, and allocate \$10,000 per child per year, as an extension of their offerings within the public school system. That would be a fundamental shift in thinking, however, and the cost of literally any alternate approach to providing a benefits package or stipend to providers would likely pale in comparison.

5. INFRASTRUCTURE

Childcare infrastructure, meaning facilities with proper space, outdoor play areas, fencing, indoor play areas, crib rooms for infants, sinks and counters, and adequate bathrooms, among other requirements, are often a heavy financial lift. ND Kids Count reports that rent and utilities make up between 9 percent and 14 percent of the cost to provide care. One provider quoted us a \$1 million start-up cost to build an adequate center. In some communities, schools provide that critical infrastructure space, particularly during summertime for school-age programs. 0-5-age programs can be more difficult with requirements of 35 square feet per child, infant cribs, changing stations and so forth.

When business and community partnerships can fund a property, building, fit-up or renovation costs, or even utilities upon start-up and for the foreseeable future, those overhead costs come off the books of the daycare business. At Fargo's new start-up Peace Academy, a sizable gift from a family donor allowed for a building with proper fit-up. At one daycare that Basin Electric helped start, there was a sizable \$15,000 grant for renovations. Fargo's Jasmin Childcare and Preschool can now expand into Moorhead because Essentia Health is covering the cost of the building. This support for infrastructure makes childcare more affordable to families in those settings. The childcare provider may then use family tuition dollars to raise wages, provide benefits to employees, and address its day-to-day needs for those children.

Making specific infrastructure grants available for existing childcare facilities to expand, or to build new facilities, would support this area of the industry. A recommendation from ND Kids Count reports that grants should be prioritized in areas with limited access to care and at locations convenient for families, including on school grounds.

Additionally, there may be suitable childcare space right under our noses. Several interviewees asked how we can encourage businesses, schools, churches, and nursing homes to share or offer building space or provide daycare for their employees. State officials suggested reviewing existing programs for businesses that could apply, which perhaps aren't being publicized widely enough.

Offsetting childcare infrastructure costs in any way could pay dividends for communities in need of suitable childcare space.

C. QUALITY

When it comes to our most vulnerable infants and children, one provider simply stated, "the goal is to have quality staff providing quality instruction." And to address that quality, we should consider whether we are asking providers to meet quality standards or jump through difficult hoops—and incentivize their participation. Providers are looking for leadership to consolidate best practices and offer mentorship in the industry. They also believe the system could use tweaks to address the

fingerprinting and background check process, reimbursement payments, and licensure inconsistencies. Importantly, we must advocate for the childcare industry as fundamental to the future of North Dakota's economy and treat those workers as the professionals they are.

1. QRIS SYSTEM

North Dakota's Bright and Early Quality Rating System (QRIS) is a useful tool for those centers seeking to provide best practices for the children served.

Today, however, most daycare providers, both in-home and centers, have waiting lists down the block of eager families in need of care. Their enrollment is not dependent on a star rating in the state program, because parents sign their children up for care regardless. Additionally, the state removed incentives for achieving different level ratings, which are a lot of work for providers. The incentives used to be tied to outcomes and there were bonuses after each step. It was also based on children served. These scenarios have chipped away at providers' motivation to pursue a rating through Bright and Early.

The QRIS rating stays with the center, but some argue it should follow the individual provider or director. If a center staff person wants to operate an in-home daycare, they would have to start over from scratch. Further, a center like Jasmin Child Care and Preschool in Fargo qualified for the first star, but argues it is structured differently and finds it difficult to move beyond that level 1 rating, even though the quality provided to families is actually higher than indicated by the ratings.

2. MENTORSHIP & SHARED SERVICES

Many childcare businesses start up with the goal of providing a safe place for children to grow, learn and play. Necessary business services like implementation of best practices, HR consulting, accounting and billing services, budgeting, employee benefits counselling, or other day-to-day operational services come as second thoughts. Considering how the state can elevate peer-to-peer services, mentorship, and a pool of substitute providers would surely make an impact.

For each story heard about a daycare closing, or losing workers and forced to cut classrooms, there seems to be an equally successful story of a currently operating daycare, which offers hope that there are successful models across the state. As previously discussed, several operate under the nonprofit model, utilizing grants and fundraising to meet the bottom line. Others are supported by a county or partnership model. Regardless, there are resources and playbooks to assist those thinking of starting a childcare program or in-home daycare, but people interested are unaware of where to look for help, or a checklist to get started.

Tessa Moberg at Wolf Pup Daycare in Watford City created a handbook and shares it, at no cost, to those who call, including recent inquiries from Williston and Killdeer. These communities are all utilizing the non-profit, county funding model, to which Tessa says, "why reinvent the wheel?" Lori Capouch at Basin Electric has worked to start 10 childcare operators in rural North Dakota communities. She says Basin Electric can share their resources with anyone interested, from the articles of incorporation to the 1023 forms and IRS filings. If a local community has the funding, she knows from experience, it can happen.

Senator Curt Kreun, a 13-year childcare provider himself, agrees with the importance of mentorship. With all the regulations, licenses, paperwork, purchasing requirements, and everything it takes to deal with children and keeping records, more systems should be in place to support our providers. He went so far as to suggest tying mentorship and business plans to receiving state funding, to ensure that best practices are being followed.

Another interesting suggestion was to create a substitute childcare provider database of potential employees who could step in and fill a need when providers are absent. This could be a list of state-authorized and background-checked individuals who could be called upon for the occasional shift. Perhaps it includes retired teachers willing to work one or two days a week, college students who may have available hours due to flexible class schedules, or stay-at-home mothers whose youngest children just started kindergarten and have time during the workday.

3. FINGERPRINTING & BACKGROUND CHECKS

Stakeholders repeatedly shared about the challenges to the fingerprinting and background check process, typically summed up in one word: delayed. According to the bulk of our providers, the process is taking up to a month including at least two weeks for a potential employee to obtain their fingerprints, and another two at the state level to be processed and approved. Anecdotally, providers claim Minnesota can tackle this process in a mere two days. While DHS objects and counters that the processing time has significantly decreased to just one week, it appears there are two main delays in the chain: appointments are not readily available on the front end, and the process of using hard-copy, snail-mail transit is slowing the timeline.

A question we heard time and again was “why can’t these workers start working, with supervision, while we wait for their clearance?” Another complaint was that those who’ve previously worked in the system but left temporarily must go through the background check again, even if they’ve been gone for only 6 months. Could we extend the period for which a fingerprint and background check are considered valid?

DHS Director Chris Jones was under a different impression and believes the state has addressed this problem and is providing background checks in a timely manner. The problem may very well be in obtaining an appointment to have fingerprints taken. Director Jones is willing to hear the anecdotes and listen to anyone explain the trouble they’ve had, in the hope of getting to the bottom of this once and for all.

When considering potential solutions, stakeholders asked if there are opportunities to ensure fingerprinting can be done at more locations throughout the state, perhaps human service zone offices or in every county building. The state should help prioritize fingerprinting appointments, so they are readily available and quickly processed on the front end.

Secondly, since employees must be fingerprinted each time they begin working with a new employer, this impacts the industry greatly when much of the workforce includes college-age individuals and students who may regularly move between the school year at college and their homes for a summer job. There are no provisions for their criminal history checks to be portable to a new employer. If the state were to establish a similar process to the ND Education Standards and Practices Board’s teacher criminal history checks, it may reduce the backlog and keep more employees in the system, ready to work.

4. REIMBURSEMENT & LICENSING

Inconsistencies in both regulatory processes and payment structures can create challenges for our providers that hinder progress in assuring quality service.

While the funding is there, providers argue the CCAP reimbursement process has great room for improvement. CCAP checks are paid to the licensed childcare providers caring for children of participating families. However, it is simply taking too long. Providers are patiently waiting on reimbursement checks—one has had its payments stalled in the system since December 2021—while working to stay afloat without passing that gap on to families.

A few comments were also made regarding childcare licensure which could fall under the category of removing regulations that hinder progress toward all three goals of accessibility, affordability and quality. The first suggested there are inconsistencies with licensers, dependent on their relationships with providers and centers, as well as geography. One provider suggested its licenser is overly strict, while knowing of another who is less stringent, because of a long-standing relationship with a center director. A second stakeholder mentioned childcare licensers do not count outdoor space toward the 35 sq. ft./child minimum, even though it is beneficial to children and likely used often. If the center can't count the large motor space toward their total, there's little or zero incentive to have it. Children may be missing out on large motor areas because of this regulation.

5. PROFESSIONALIZATION

“It’s just babysitting.” These words cut like a knife into the hearts of daycare providers across the state. Caring for infants and children is no small task. Wiping bottoms and messy faces, playing, feeding, holding and rocking, not to mention programming crafts and activities, songs and field trips, are critical components of the most important job – the development of little people.

What providers rarely mention, but clearly show in their body language, is how exhausting the work really is. Children need stimulation, organized play, independent play, and supervision at nearly all times of the day, not to mention meals, naps, help in the bathroom, and more. Providers are in effect raising children when they are not at home. They are an essential extension of the family unit. But they do not receive the accolades, reputation, or wages of a career professional—something that must change.

In order to professionalize the industry, we should define childcare workers as essential workforce, encourage the strongest pathway to childcare work, and respect and pay those career professionals accordingly.

6. ADVOCACY

If there was one thing all interviewees agreed on, it's that there is no organized voice for childcare. The lack of a formalized stakeholder group with organized advocates or lobbyists, particularly for legislative advocacy, hurts the industry at the end of the day. Over the past 18 months, North Dakota has seen the Department of Human Services, Governor Burgum and Lt. Governor Brent Sanford, and several business organizations and local chamber groups advocate for providers, workforce solutions, and ultimately, government investment in this space.

In January, legislators will face a critical debate about what that state investment looks like. The question will be: who from the provider community will be present at the podium? Can small, in-home caregivers afford to miss a day of care and drive to Bismarck to advocate for these programs? Will large center operators devote time to lobbying their legislators, when they need to focus on their staff's needs and the families they serve?

Those familiar with the legislative process know how important those industry voices are in securing attention, support, and funding from lawmakers. Without an advocate spearheading these issues, it will be up to individual providers from around the state to prioritize their requests.

CONCLUSIONS & POLICY RECOMMENDATIONS

As childcare emerges as one of North Dakota's highest profile challenges, rightfully framing the issue as one that impacts workforce has brought it to the forefront of policy discussions across the state. Large and small voices in the childcare space have offered their insights and wish lists for addressing the most pressing needs through state action and support.

At the top is finding ways to increase childcare availability in urban and rural communities. Finding qualified workforce, providing them a viable pathway to becoming trained, and then paying workers a livable wage should be the first priority. Further encouraging community partners and businesses to find ways of supporting childcare offerings in their towns is also key.

Whether North Dakota has available childcare options will not matter if it's not affordable for families, or profitable as a business. The state must support families who are strapped by their monthly daycare bill, a situation for far too many households today. Stabilizing childcare facilities by extending federal programs can help centers stay open. Supporting childcare workers with stipends to cover the cost of daycare for their own children can put more employees back to work, further improving access. Considering a shared benefits pool for childcare employees could be enough to keep someone working at a daycare over a drive-thru. Finally, providing incentives that offset provider infrastructure costs may be the impetus large and small employers need to participate in filling this critical need for their employees and communities.

Childcare workers focus every day on North Dakota's greatest asset—its young people, who will determine the future of our state. Developing these little people is an incredible task, and one that needs to be recognized as such, and its people recognized as true professionals. We can still promote quality without excessive regulation. Increasing access to fingerprinting can speed up employment processes, while we address any other small hiccups in the system. Promoting shared services whereby peers assist one another in start-up opportunities and share, instead of reinventing the playbook, is critical to developing childcare in both rural areas and large population areas in need.

Below we have outlined specific policy proposals for consideration in each category of availability, affordability, and quality.

AVAILABILITY

PROBLEM	Wages are too low.
SOLUTION	Supplemental Salary Grants to Providers: Provide direct salary supplements to childcare workers based on benchmarks including educational attainments and longevity in the field.
IMPACT	Improve wages in the field of childcare.

PROBLEM	Child Development Associate program is not marketed clearly to prospective students.
SOLUTION	CTE CDA Awareness: Partner with Career and Tech Ed centers to market the CDA to students. Allow credit for on-the-job training with childcare providers.
IMPACT	Strengthen provider pathway and grow pool of qualified workers.

PROBLEM	Child Development Associate program training costs can be a deterrent for prospective workers.
SOLUTION	Scholarship Dollars: Provide scholarships to students working to obtain their CDA.
IMPACT	Support prospective childcare workers who may not have ability to pay for training costs.

PROBLEM	Businesses and community organizations need help investing in childcare.
SOLUTION	Business Incentives: Encourage businesses to contribute to childcare partnerships in their community by providing grants for public-private partnerships in the childcare field.
IMPACT	Increased access to childcare for communities in need.

AFFORDABILITY

PROBLEM	Families are finding childcare unaffordable.
SOLUTION	CCAP Funding: Increase funding for Child Care Assistance Program to give more money to families.
IMPACT	Families seeking assistance will be able to access a greater amount of funding to help afford childcare.

PROBLEM	ND families spend too large a portion of their income on childcare
SOLUTION	CCAP Parameters: Increase percentage of state median income for access to CCAP.
IMPACT	A larger population of ND families will be able to access CCAP funding to help afford childcare.

PROBLEM	Stabilization Grants are widely used and appreciated by industry, but set to expire.
SOLUTION	Stabilization Grants: Extend or make permanent the federal program of Stabilization Grants by funding 100% with state dollars.
IMPACT	More ND childcare providers can keep their doors open, pay staff, and afford upgrades.

PROBLEM	Childcare workers can't afford to put their own children in daycare, and often stay home instead of enter the workforce.
SOLUTION	Tuition Stipends for Childcare Workers w/ Children: Provide stipends for children of childcare workers to enroll their own children in daycare.
IMPACT	Help allow childcare workers to enroll their children in childcare centers, and in turn, re-enter the workforce as childcare providers.

PROBLEM	Childcare centers find it difficult or impossible to offer healthcare and benefits to employees.
SOLUTION	Health Care Benefits: Create a shared health insurance pool for childcare workers, or allow childcare workers access to state health plan.
IMPACT	Entice more workers into the field with the promise of benefits; support current workforce by providing critical benefits; boost morale.

PROBLEM	Infrastructure costs from start-up to maintenance are prohibitive for many childcares.
SOLUTION	Infrastructure Grants/loans: Create an incentive for businesses to invest in infrastructure for childcare providers, offsetting overhead costs for those providers.
IMPACT	Remove overhead costs for childcare providers, so that tuition dollars trickle down to salaries.

QUALITY

PROBLEM	ND's current quality system fails to provide incentives to participate and includes constraints that make it less attractive to take part.
SOLUTION	Revise QRIS: Incentivize participation in the QRIS rating system for providers by aligning rewards with quality standards. Allow the rating to follow the provider (individual), not the center, to follow turnover in the industry.
IMPACT	More providers participate in quality assurance program.

PROBLEM	Starting a new daycare is hard with many layers of paperwork and quality checks.
SOLUTION	Mentorship: Encourage or develop a database for mentorship services, from those who have attained best practices to newcomers in the field.
IMPACT	Increased access to childcare for communities in need.

PROBLEM	A lack of providers is hurting childcare centers.
SOLUTION	Substitute Teacher Database: Provide a state-sanctioned provider database of those individuals who meet background checks and would be available for shifts if called upon.
IMPACT	Support childcares with substitute pool for days their staff is off.

PROBLEM	Access to fingerprinting machines and processing is limited and delayed
SOLUTION	Increase Fingerprinting Opportunities: Require human service zone offices to offer weekly fingerprinting services at flexible times.
IMPACT	Reduce lag time in onboarding new workers.

PROBLEM	Reimbursement timeline is lagging.
SOLUTION	Red Tape Review: Review department's reimbursement process for faster exchange of reimbursements.
IMPACT	Providers are not waiting as long for reimbursements and can better manage cashflow.

PROBLEM	There is no organized advocacy at the state capitol for childcare providers or families.
SOLUTION	Advocacy Organization: Create an organized coalition with a voice for childcare, and include state lobbying support.
IMPACT	Childcare advocacy on the state level and during legislative session.



SEEC STAKEHOLDER LIST – INTERVIEWS & EVENTS

Completed as of September 1, 2022

Providers

1. Amy Walters, Jamestown TRAC, school-age provider
2. Angie Puhr, in-home provider, Fargo
3. Angela Jackson & Jana Bruhschwein, Nokomis daycare & Peace Academy
4. Bill Baumann & Jack McDonald, Missouri Valley YMCA, Bismarck
5. Boyd Strand, Director, Minot CLC school-age program
6. Erin Kitzman, Child Care Aware
7. Lori Zahradka, North Valley Career-Tech Center, Grafton, ND
8. Mitch Carlson, Superintendent, LaMoure
9. Rhoda Elmi, Sky Purdin, Mohamed Hussein, Jasmin Childcare & Preschool, Fargo
10. Robin Nelson, Boys & Girls Club of Red River Valley
11. Steve Smith & Lorrie Thoemke, YMCA Cass County
12. Tessa Moberg, Wolf Pup Daycare, Watford City
13. Thomas Hill & Ben Hanson, United Way Cass & Clay Counties

Business

1. Andrea Pfennig, Greater ND Chamber (no write-up)
2. GNDC Workforce Subcommittee re: Childcare meeting
3. Eggs & Issues Panel: "Childcare: The Workforce Dilemma," hosted by FMWF Chamber
4. Katherine Grindberg, Vice President Public Policy, FMWF Chamber
5. Lori Capouch, North Dakota Association of Rural Electric Cooperatives

Organizations & Coalitions

1. ND Childcare Aware staff
2. ND Childcare Action Network: Verla Jung, Andrew Burshaw, Zach Packineau
3. ND Kids Count: Xanna Burg, Executive Director
4. ND United: Nick Archuleta, Chad Oban

Lawmakers & Administration Officials

1. Brent Sanford, Lt. Governor, guest on Rob Port's Plain Talk podcast
2. Chris Jones, Director, DHS and Kirsten Baesler, Superintendent of Public Instruction
3. Rep. Cindy Schreiber Beck, Vice Chair of the House Education committee
4. Sen. Curt Kreun, Grand Forks, former owner/operator of daycare center
5. Sen. Judy Lee, Fargo, Human Services Chair
6. Sen. Ron Sorvaag, Fargo, Senate Appropriations, small business owner
7. Rep. Mike Beltz, Early Childhood Education Council
8. Katie Ralston Howe, Workforce Division Director, Department of Commerce
9. Maria Neset, Policy Advisor to Governor Burgum
10. Wayde Sick, Director, ND Dept. of Career & Technical Education



MAJOR THEMES

- *Economics*
- *State Funding*
- *Reimbursements*

CHALLENGES

- *Funding* – TRAC utilizes 21st Century funding for before and after school program but not 3-5 year olds on site. They did not do this because of a financial gain, but the need in the community. They don't take 21CC block grants because it's a sliding scale for structure and ability to pay, and the program can't remove families, so there's no funding guarantee.
- *Workforce* – We need a way to fund quality staff, and somehow they can pull it off currently, but the future is worrisome. One staffer lives below the poverty line because she has a heart for this work, but its not as valued as a full time-benefitted preschool teacher.
- *Reimbursements* – They take families who are utilizing CCAP, but require payment in advance. The reimbursement can take a long time from the state—it's a slow system and processing--which may be hard on those families. It's easier then to serve the higher-income families who can pay.
- *Economics* – Infant care is too expensive to provide at this point. They would have to build a new facility. She'd consider if there were some funds to access, or construction grants to do a new space or find an appropriate facility and fit it up, because they do lose families by not offering infant. She'd love to increase the families served.

IDEAS

- *Per Pupil Funding* – Can we get the state to allocate funds like it does for public school and fund a per-pupil payment? Preschool teachers are making \$12/hour, which is the same as it as 6 years ago.
- *Construction Grants* - ND loves to build things! Can we see some dollars for construction of childcare facilities?

About Amy Walters

Amy Walters began her role as Jamestown Parks and Recreation executive director on Dec. 1, 2021. She was formerly the facility manager for the Two Rivers Activity Center. Before that, she worked at SEEC. TRAC provides before and after school care for 40 kids, and during the day for roughly 40, ages 3-5.

Angie Puhr, Angie's Playskool, In-Home Daycare Provider

SEEC – North Dakota Interview – June 27, 2022



MAJOR THEMES

- *Background Checks*
- *Workforce*
- *Staff Training & Mentorship*
- *Grant Funding*

CHALLENGES

- *Workforce* – Only started hiring employees in 2017. Finding and keeping good employees is difficult. She has to pay her employees even when she's on vacation b/c they can't afford a week without pay.
- *Training* – Training employees is hard because she can't compete with the centers which typically offer insurance. Everyone has to go through ND Growing Futures. Training used to be offered for free, or you could pay for a level up. Now everything is charged since April, 2001 without explanation and she has to pay to provide that training.
- *Background Checks* – At one point, fingerprinting took 2 months for employees, who can't get trained while waiting. Why can't they be supervised and work during waiting period? (If you're already in childcare specifically, you still have to have worked for someone w/in last 6 months. For example, a previous employee wants to come back, is a paraprofessional at the schools and in the summer, would still have to go through the whole background check again. Can't there be an extended period it remains valid for?)
- *Waivers* – If operating on a 1.34 scale of kids, you can apply for a waiver if the parent writes a letter stating their need and why that specific location. The provider gets approved to go over their 1.34 w/o an extra employee, for one year. If that number changes because a child ages up, even if that extra child fits into her number now, she cannot help additional families. The waiver is "one and done" for that year. Why can't the waiver be flexible within the 1.34 system?
- *School Age Children* – More difficult at in-home if the age group is not as robust as the infants. The 8-year-old plays with the 5-6 year olds, or is bored, despite trying to come up with activities. She can't offer before school, as it's difficult to supervise getting on the bus down the street when you have a room full of babies. Another downside to having older school-age kids is that they take up a full day/number for part time check/care. Also, bigger kids eat more and she's not getting the money to fund the food portion.
- *Regulations* – She is limited by West Fargo's city ratio policy, adopted from Fargo's policy allowing 12 kids in-home, but she is grandfathered in at 18 (from Harwood). Could this be increased at the state level? She could add staff if she wanted to keep 18+. Why is the city weighing in, when they have no idea what her daycare even looks like? (She is the only provider who mentioned ratios.)

IDEAS

- *State Grants* – She currently uses state grant funding to pay her employees. She's also able to pay for a playground set, both of which are helpful additions. These are good—keep that going! Despite the radio show hosts saying providers get rich off grants, she has to still carry the food costs, supplies, toys, teach kids in the preschool program she does, etc. She pays her staff with that grant funding. Current grants are "goods and services," which works well for payroll or equipment, but could be specified for employee pay. She was giving parents money back as well. over→

About Angie Puhr

Angie is an in-home daycare provider of Angie's Playskool for 20 years. She was previously in Harwood and now operates out of her home in West Fargo. She's licensed for 18 kids, and currently serves 17.

Angie Puhr, Angie's Playskool, In-Home Daycare Provider

SEEC – North Dakota Interview – June 27, 2022



- *Shared Services* – She would utilize a payroll system/shared services because that is not her strong suit. Many in-home use Kid Care or BrightWheel (direct deposit). She was previously in the Bright & Early pilot program, but refused to jump through hoops, so they got dropped and no longer even appear on the list, despite doing all the requirements up to that point.
- *Mentorship* – She's participated previously and would again. The program fizzled, was it through Growing Futures? It is impossible to talk to anyone but an email registry at Growing Futures. Bright and Early people talk to their Bright & Early people and that's it. It seems previous offerings have been removed, but the technology is there.

About Angie Puhr

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MAJOR THEMES

- **Workforce & Wages**
- **Regulations**
- **Best Practices**
- **Fingerprinting**

CHALLENGES

- **Workforce** – “We are putting the least qualified in front of the most vulnerable,” when it comes to daycares. Loving children is not enough for 0-5 and the rate of wages/pay being under \$15/hour with no benefits does not produce quality providers. Nokomis tells hires they are going to take care of them, help them get additional education, whether that be their CDA or in nutrition. Little turnover, no closed rooms, and consistency can only be provided when you do that with staff. Invest in people.
- **Economics** – The cost is exponential to start a preschool without a private investment or supportive partner like a church, school or business. Peace Academy is benefitting from a past grandparent’s support to buy a \$1.2 million building and do all the repairs and lease at \$12,000/year or half of market value.
- **Training Costs** - It costs \$2,000 to invest for a CDA. They support education but Elementary Ed degree does not include an understanding of the development of the brain from infancy. Those employees had to go take college credits in early childhood, then they are lead-teacher qualified.
- **Regulations:**
 - **Fingerprinting** – This is brutal. We can’t tell anyone the first day they can start work. “Print clearly” is noted on the form, but gets rejected for not being typed. It takes 2-3 weeks, and 6 weeks is the longest they’ve experienced. Who can help perform the fingerprinting? Social services, Fargo/WF takes longer, smaller towns may be faster but many locations are closed since COVID. Appointments on the hour only and pre-scheduled, you are not allowed to sit and wait. This needs an overhaul.
 - **Infrastructure** – Licensers come and set the population for kids served based on sq footage. You need 35 sq. ft/kid, at a minimum. They do 47 and would love 57 sq ft/kid. This is scientific, high cortisol levels in kids at 35 sq. ft. But centers can’t count space that’s beneficial to kids like a gym or outdoor space toward that number. If we can’t count it, then we don’t need to have it—so some kids are missing out on critical space like large motor areas because there is no incentive to create it or maintain it.
 - **Quality** – The Bright & Early QRIS rating stays with your license but rather, it should follow the people who provide or the directors. Various levels, L1-L4, etc., are all important but the state took away the incentives. Good thing is they do offer coaches toward quality and best practices, but no program for business services.

IDEAS

- **Benefits** – We need a state insurance program for child care providers with reasonable rates. Employing people from high school to age 26 on their parents, but then when they are no longer on insurance they leave.
- **Shared Services** – This is a multi-hundred-thousand dollar business. People think “small people, small business.” We need HR, accounting, budgeting, B12 plan, business support services, etc. That’s how they get to \$15/hour. Nokomis has the church support. They’re working on best practices to share with other day care providers and start-ups, as Peace Academy is a start-up too. Best Practices needs to be a thing!

About Angela & Jana Bruhschwein

Jana is the founder and executive director of newly-founded Peace Academy, a 501c3 preschool and daycare. She formerly worked at St. John’s Preschool. Angela is at First Lutheran running their Nokomis daycare.



MAJOR THEMES

- **Workforce**
- **Business & Community Partnerships**
- **Professionalization**

CHALLENGES

- *Economics* – The economics of daycare are hard! Capacity and affordability are issues. On the employee side, if wages increase to hire, tuition becomes unaffordable. Wage hike is made possible with DHS Sustainability grant. Birth-5 receives no funding. K-12 and Higher Ed are highly funded with state money.
- *Workforce* – Without changing licensing ratios, can we address the requirement for supervision of an 18 year old? It is extremely difficult for us to hire PT afternoon assistants that are over age 18. We do a great deal of rearranging schedules, rooms and children to meet this requirement. Because our schedules are set up so that the full-time aide is on shift until 5pm and almost always is someone over 18, the last hour of the day when they leave is the hardest. We often have to combine groups so that someone in the room is over 18 at 5pm which can put us over maximum group size. We have to "break" one licensing rule to comply with another.
- *Professionalization* – How do we professionalize the industry? CDA takes 12-18 months to complete. Is there a Jr. level step people could take before that? Can we align to CNA requirements, or remove diploma requirement, etc.? BCS & Career Academies – how can we utilize those to create a pathway for interested students?
- *Regulations* – Centers are held to a higher standard than schools. Bus driver anecdote—YMCA couldn't hire Harlow driver for daycare b/c of assault charge 40+ years prior, but he can drive for public schools.
- *Background Checks* – Background checks are taking forever. Can we allow starting under supervision?

IDEAS

- *Business & Community Partnerships* – Their successful partnership with Sanford, St. A's & Basin for the Up North facility is an example for others. Found the building first, business partners pay for spots for their employees, the YMCA manages the family tuition, rent, utilities, etc. because they knew how. It takes a lot of regulations to make a building suitable for childcare, so the daycare provider partner needs to know those things. Start-up money for building/space could be one opportunity to mobilize the business community, make it attractive to them.

About Missouri Valley YMCA

Bismarck YMCA is the largest childcare provider, of the YMCAs in the state. They have approx. 200 kids across I/T/P. They partner with Basin Electric, Sanford and CHI at a North location for those employees.

Boyd Strand, Minot Community Learning Center, school-age program
SEEC – North Dakota Interview – July 15, 2022



MAJOR THEMES

- **Workforce & Wages**
- **State Support**

CHALLENGES

- *Workforce* – Hardest challenge is staff. A lot of staffers are Minot State College students pursuing education. It's a good mentoring program for them, to see if they enjoy the field. They also have high school students over age 16. Losing folks on wages, because fast food is paying \$20/hour. Also lose folks on hours because they want more than 3-5 hours/week. They start wages at \$14/hour and change. They also hire tutors that are certified teachers and start them at \$25/hour which is an extra cost, but their biggest focus is helping kids with homework.
- *Fingerprints* – No issues other than it takes too long. 2 weeks is tough when they can go get a job at fast food location for \$20/hour. If you could do something to speed that up, it would help. He certainly doesn't want to start anyone until the background check is complete, but why does it take 2 weeks?

IDEAS

- *State Funding* – Their funding is all federal and just had another round of grant funding, seeking the 21st century block grant. It would be nice to have the state help. They have 4 sites reliant on grant funds. If they succeed with this round, he can go to 5 funded by federal dollars. The other 7 are all reliant on registration fees. With state support, he could reduce the fees on families and serve more kids.

About Minot Community Learning Center (CLC)

Boyd Strand runs the Minot Community Learning Center, present in 11 schools for before and after school care of students K-8. The Before & After School/CLC program provides expanded learning opportunities and enrichment activities outside of regular school hours for children in a safe and healthy environment. CLC serves 1,400 kids in the community.

MAJOR THEMES

- **Workforce**
- **Training Costs**

CHALLENGES

- *Workforce* – Popularity of the CDA has waned in past years, but seems to be returning. There are different degrees for working as a childcare provider. CDAs can be obtained in a year, even, and you become a float/assistant or even a lead teacher. CDAs open the door to becoming a center director or Head Start. The YMCA, for example, used to hire only those with college degrees, but now are moving to CDAs. It's well-rounded training in 8 core competencies. But CDA council in DC is hard to work with and doesn't understand rural states. Additionally, training can be expensive for folks when you pay per course. People don't know CDA exists. We need to increase the awareness factor. Growing Futures has not taken the opportunity with local high schools and colleges.
- *Quality Regulations* – The Bright & Early QRIS is an entirely voluntary program, the QRIS rating system and incentives used to be tied to outcomes and you'd get bonuses after each step. Also based on number of kids served.
- *Professionalization* – This is looked at as "babysitting." How do we professionalize the industry?
- *Licensing* – This is a gray area, not black and white like it should be. It all depends on your licenser and location.

IDEAS

- *State Scholarships* – Could we provide state scholarship dollars for training workforce? Often, it's \$425-450 alone for registering to do observation. CDA is the best pathway though and it's a reach to fund. Aim for Excellence can cost more around \$1,500.

About Erin Kitman

Erin is a childcare consultant with Child Care Aware of America. She's an expert in the Child Development Associate (CDA) certification process.



MAJOR THEMES

- *State Funding*
- *School Resources*

CHALLENGES

- *State Funding* – The number of kids served is growing because the state’s qualifications for 21st CC funding has changed and is now more spread out. Providing quality programs with less funding is a challenge. The schools in her district provide everything at no cost to the families. Few people realize what an investment that is. They serve 800-900 K-12 kids of all ages for 40% free and reduced lunch students. It used to provide for 20 hours, cut to 15, then down to 12 and now just 7 hours are required to be offered.
- *School Age Programs* – It’s harder to do the paperwork for high schoolers and so most don’t qualify. Also, high schools changed to include an 8th hour for help with tutors or core teachers, so the homework assistance program they previously offered is no longer needed. Many high schools are on job shadow now too for 8-12 or 1-5, they are out of school Used 21 CC funding to coordinate that program and marry kids with employers. This is a successful program of internships, and they pay employers to do the paperwork and evaluations. The community came together to pony up \$1 million for matching the CTE center funding.
- *Reimbursements* – It takes 2 years to get reimbursed by DPI. This is a long time, and then there is not money to pay a coordinator for that work.

IDEAS

- *State Grants* – Could the state match the federal funding for this program? It seems it would only take another \$6 million. If we serve 112 schools on current \$6 million program, we could match that and serve all ~170 schools. Last year their funding was cut by 1/3rd. They had carry over dollars but that is not permanent, and is now depleted. The ARPA funding for out of school time was also one-time. In schools that don’t qualify, parents could pay on a sliding scale.
- *Utilize Schools & Teachers* – They pay the school-day teacher roughly \$30/hour to provide the after-school supervision and programming. Parents only pay tuition in Grafton, otherwise the school matches the program costs to ward against parent fees. They’ve not had staff changes because the pay is decent. In Walsh county, we take it for granted because the school is watching kids all day. Can we replicate this, using the school’s resources and paying teachers to provide complementary academic programing after school?
- *Legislative Session* – She noted Rep. Don Vigessa was a champion in years past, sponsoring legislation for out-of-school programs.

About Lori Zahradka

Lori is the Special Projects Director for North Valley school district out of Grafton. She has been working to coordinate the Century 21 grant program for 21 years. North Valley serves seven different schools.

MAJOR THEMES

- **Business & Community Partnerships**
- **Fingerprinting**
- **Economics**

CHALLENGES

- *Workforce* – Daycare board is involved with staffing. They have 2 half-time positions, and would want to be full time, but you have to have a teaching credential for preschool.
- *Economics* – Cash flow is difficult. Cash flow is positive now, but hard to maintain. There are a lot of hoops to jump through, many of which they were initially unaware of. Had a woman from Jamestown assist, but had to search for the resources.
- *Fingerprinting* – Background checks hindered timeline of hiring. Why can employees not work while waiting 6-10 weeks for fingerprints?
- *Best in Class* – Not doing 4-year old program b/c it doesn't work for small schools or towns. The criteria is limiting, if you only have rooms of 9 or 18, so you would have to turn kids away if you have 15, and that won't work in a small town where you service all kids. It's also limiting on demographics and income level.

IDEAS

- *Partnerships* – There is a 3-way partnership: LaMoure School, LaMoure Community Development Corp., Little Loboes Bright Beginnings 501c3 nonprofit. The Economic Development Co owns the building and leases it for \$1/year to the daycare provider. Bright Beginnings runs the daycare. 7 person board of directors. Care for 40 kids I/T/P, and some after and before school. School is also involved to run a preschool in conjunction with daycare. This helps LCDC pay the low-interest loan. Preschool is free to kids who are enrolled in daycare, half-day preschool. LLBB hires the daycare staff, school hires preschool teacher. They are set up as a nonprofit and can utilize the US Foods program, sliding scale tuition with tuition assistance for families, and still do some fundraising/rummage sale example.
- *Community* – It works in small towns when the community steps up. Volunteers and community businesses outfitted the building. Donors came through with equipment, land, lots of cash. Helped to outfit the building with tables, chairs, toilets, sinks, and did a lot of fundraising. No need to purchase any new equipment. Volunteers even donated the landscaping and helped install it.

About Mitch Carlson

Mitch Carlson is Superintendent of LaMoure Public Schools

MAJOR THEMES

- ***Workforce & Wages***
- ***Fingerprints***
- ***Multicultural Impacts***
- ***Benefits***

CHALLENGES

- ***Workforce*** – This is a huge issue, and they are working with coalition partners to tackle it. We need a bigger focus on compensation for the people working to educate and care for our future(children). Small centers cannot offer benefits and people are deterred from getting a CDA because of the cost and the lack of reward in a salary once their hired. The goal is to have quality staff providing quality instruction. In Canada, state of Alberta is providing subsidies for wages to childcare workers—it tacks on dollars to the centers' wages.
- ***Fingerprinting*** – The process takes a couple weeks to come back. First it takes 1-2 weeks to get an appointment to get fingerprinted (Southeast DHS site does not have readily available appointments). They pay out of pocket to someone to do it privately, \$40/person. They mail the forms and it takes 2-3 weeks. No police stations are available after COVID. When they pinged DHS after two weeks, they got a preliminary report right away and at least could start with supervision.
- ***CCAP Reimbursements*** – This is too slow a process. Jasmin has reimbursements in the system from December, 2021 that have not been paid. Why is it taking 9 months to pay a center? We cannot burden the families with slow reimbursement times.
- ***Multicultural Barriers*** – Jasmin is one, if not the only, multicultural center in the state, outside of tribal providers. The State of ND needs to recognize the population is changing, we have a lot of diversity and new Americans and non-English speakers. We have tried to reach out to the state, DPI, school districts, and so forth, but the reception is poor. Families trust Jasmin but not other institutions. Jasmin applied to grant program for services addressing educational disparities which they've been providing, during COVID, and the state rejected us. They also applied for Bright & Early but only got 1st star, the others have taken longer because they are different than the standards, because of cultural assumptions that are no longer true for a center like Jasmin. The first round of COVID funding was based on quality and star ratings, but they couldn't get any even though they are up to par. Training is also all in English, but they have Somali, Swahili, and Arabic speaking teachers and it takes a translator to sit with them for 15 hours to go through the training.

IDEAS

- ***Partnerships*** – They're a non-profit model reliant on growing their giving hearts day success, grants from the state, federal government and other private grants, the FM Area Foundation and so forth. They're hoping to grow their partnerships with businesses for the future, especially as they look to provide a place beyond just daycare where families can come to talk, share, and find resources for their needs.
- ***Benefits*** – In MN, childcare professionals have access to a state health plan. Help providers access health insurance and benefits, that would assist with stability of workforce. If you offer benefits to a low-salary, sometimes that is the difference. Otherwise, the cost is too much to provide it, even for a nonprofit with fundraising abilities.

About Jasmin Child Care & Preschool

Jasmin Childcare began in 2015 as a for-profit and three years in switched to a non-profit model. It serves approximately 400 children ages 6 weeks to 12 years old, including a day care, preschool program, and before/after school. They are working to incorporate an overnight shift for Fargo's growing third-shift workforce. They are a very diverse center that serves children from multicultural backgrounds, speaking different languages at home and at daycare.



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MAJOR THEMES

- ***Workforce & Wages***
- ***Fingerprinting***
- ***Regulations***

CHALLENGES

- *Workforce & Wages* – They have full staff now, but were down 10 staff, impacting 400 kids without care. They did raise wages. They access college-age students who bring with a base-level pay and some salaried employees (based on teacher qualifying metrics). They use referral program and bonus for campus recruitment. 20 full-time staff on a simple insurance plan and retirement plan. They are keeping up and paying well, while not passing along the cost to parents. Too hard to hire anyone under 18.
- *Regulations* – Century code is written for 0-5, not the school-age kids. There are several things in that older code/admin rules that she'd like to see addressed, but after-school is an after-thought. For example, training includes information on SIDS and bottle feeding, unnecessary for school-age kids. Align the training required with the population served.
- *Fingerprinting* – Taking 4-6 weeks! She's worked on this problem for years. It can take 6-8 weeks to get an appointment, everyone is short-staffed. At the AG's office now where inefficiencies could be addressed. They use a gun shop owner who can do the fingerprinting during high priority times. Why do we not recognize those times—start of summer and start of school year—and account for the increased need?
- *Business Partnerships* – Chamber focus needs to be cost of tuition, competitive pay, and administrative tie-ups.
- *Infrastructure* – Building grants are not moving the needle. Perhaps low-interest loans might... But centers can't save spots for businesses. We need to stay away from public schools to avoid the issues like critical race theory and others impacting education now.
- *Affordability* – Her goal is to help families by raising the threshold/keeping the same rates, and help providers by using stabilization grants. How do you raise wages without raising tuition, longterm, if grants are temporary.

IDEAS

- *Regulations/Training* – Where can we simplify rules for after-school program requirements?
- *Fingerprinting* – Check to see where/in the AG's office, not just DHS, to address fingerprinting. Consider high-volume times.

About Robin Nelson, RRVBGC

RRVBGC is a non-profit, school-age licensed facility serving 10 elementary schools and 3 of their own buildings in Fargo. It provides after-school care to 6 and summer programming to 715 students during the school year and 500/day at the three different locations. It has benefited from charitable gaming as part of its budget since 90s, roughly \$200-250,000/year on a \$3.9 million budget. Robin has been CEO for the last 10 years.

YMCA Cass/Clay – Steve Smith & Lorrie Thoenke

SEEC – North Dakota Interview – July 18, 2022



MAJOR THEMES

- *Affordability*
- *Fingerprinting*
- *Workforce & Wages*

CHALLENGES

- *Affordability* – Infant is the highest demand for care at ~\$1,200/mo. They serve 56 infants, but it costs 2.5x what they charge families. People could not pay the \$170/day that it costs for infant care. Space requirements are the same, if not more – 35 sq.ft. per kid, subtracting furniture like crib space and counters. YMCA doesn't take a waiting list in Fargo, they can't.
- *Workforce* – Back in the 1980s, workers accepted low dollar paychecks. Now we have real staffing challenges. Utilize college students, marketing to them. They are dying out as a workforce (because 19-year-olds won't start their cars in the winter by 6:15 a.m.). We pay \$11.80/hour while they are demanding \$17 an hour, high schoolers want \$13-14/hour. We have challenged our HR to find a new pool of workers. We can't even get bus drivers, as schools are having a hard time.
- *Infrastructure* – We partner with schools but there are some challenges on supervision in the facility. We got dinged because there were stickers put on bleachers, but no one seemed to know whose fault it was. Security, keeping the buildings open, coordinating and consolidating in the summer months, etc.
- *Fingerprinting* – It should take two days like in MN, but it's pony-express in ND. Handled by the AG's office, and Steve has talked with Chris Jones specifically. It's 4-5 months to deal with someone from out of state, though. DHS logs—go to AGs, which logs paperwork and process all by paper—back to DHS—logged again—mailed out to provider.
- *Schools* – We cannot have government run day-care operated through school districts. The 4- and 3-year-olds in day care allow us to care for 0-3 population because it pays the difference.

IDEAS

- *Partnerships* – Goal for Sanford to partner with employer and pass through them. Businesses can't start childcare alone. FSA-type programs cover about half of the cost.
- *CCAP* – Raise the minimum threshold to 135% of poverty. 100% won't cover the parents, and you're giving nothing to providers. Federal government defines childcare as 7% of a family's income and we should get close to this. The new tax situation and 1040 itemizes it, but young families can't afford to use a professional tax person to figure out the opportunities. If a single mom works more than 32 hours, she'll lose her housing assistance, plus she loses care over the holiday Dec-Jan school break, and can't find childcare. Getting off assistance is hard because the rules are tough, and there's little incentive to take a pay raise and lose assistance.
- *Wages* – We need a livable wage. YMCA has done 2 pay increase over 4 years, about to do a third in September. We have to commit to this and pay people more. Can the state cover retention grants and subsidies for qualifications of workers and Growing Futures rankings?

About YMCA of Cass & Clay Counties

The YMCA serves roughly 600 kids in 5 early childhood programs, including infants and toddlers in 4 locations, preschool students in one location. There are 27 school age locations, across Fargo, West Fargo, and Moorhead. They serve over 2,600 students each year.

MAJOR THEMES

- *Background Checks/Fingerprinting*
- *Economics*
- *Non-Profit Model*

CHALLENGES

- *Fingerprinting* – Background checks are taking forever. It's up to a month sometimes and those employees go elsewhere. We need them to work while they're waiting, and they can't. Why are we still using snail mail for these, when all the licensing is going electronic/online. Employees used to be able to work, supervised, while waiting, but no longer can. Why the change?
- *Economics* – Difficult to find anyone to step up and provide daycare and there are hardly any in-home providers. They are a non-profit because the county has significant oil tax revenues to help pay for it. The county understood the economic development issues and needs are boiling down to daycare needs. No one can find workers because employees can't take their kids anywhere. WolfPup provides insurance/full benefits after 60 days to employees. She has no time to do additional fundraising.
- *Mentorship* – Tessa created a handbook and shares it, at no cost, to those who call. Had inquiries from Williston, Killdeer, etc., all utilizing the non-profit, county funding model. Why reinvent the wheel?

IDEAS

- *State Funding* – The state's Stabilization Grant, as well as employer retention credit, have been huge for them. They actually did well during COVID. The cap should be lifted or increased from the current \$225,000. We also need to do a better job publicizing the opportunity, as new providers in Killdeer hadn't even heard about it.
- *Scholarships* – Some of her employees are in the CDA program. These employees don't have a lot of extra money to pay for school, they are living paycheck to paycheck, so scholarships for CDA programs would go a long way.
- *Non-Profit Model* – Can the state incentivize counties to utilize their funding and support local providers?
- *Culture* – Support depends a lot on your elected officials. Walk them through a daycare at 8 am, so they see the chaos and the need. The way of the world has changed and they may not have the occasion to see it. The state is moving in the right direction, albeit very slowly.

About Tessa Moberg

Tessa has been in childcare since 2003. Upon graduating, she owned and operated her own provider, Wiggles, from 2007-2014 when she went to WolfPup. WolfPup, one of the top 20 employers in the state, has roughly 85 employees and 320 kids, including part-timers. It operates as a non-profit with a board of directors, obtaining most funding from the county and Watford City. She also accesses the state's Stabilization Grant.

United Way of Cass Clay (UWCC) – Thomas Hill & Ben Hanson

SEEC – North Dakota Interview – August 15, 2022



MAJOR THEMES

- *Child Care Assistance Program*
- *Funding Models*
- *Benefits*

CHALLENGES

- *Child Care Assistance Program (CCAP)* – Families access through DHS but they cannot fund the gap payment between the cost of care and that grant. A program like UWCC provides can assist. They utilize a grant where the family doesn't have to then count that assistance toward their income.
- *Economics* – The childcare funding model is broken. This is critical infrastructure. "The business that allows your business to do business." We need a large pool of funds infused into the system.
- *Culture* – There's a disconnect in how we talk about daycare between the education community and childcare community. It is blatantly untrue that we are "backing the bus up the maternity ward." High quality early learning is play-based, we know this. The state sees a divide between childcare and PreK/education, but there is education occurring within this group of 0-3. Further, when schools provide 4K, child care centers lose money. We need older kids to make the models work of providing for 0-5. Have a regional approach and flexible criteria for population sizes.

IDEAS

- *Child Care Assistance Program (CCAP)* – Increase funding for CCAP. National policy groups agree a family should spend no more than 7% of their household income on childcare. For context, housing is 30%.
- *Funding Models* – Start with centers. Give them the money to stabilize and attract staff, because if you give it to parents, they look at the bottom line. Incentivize like we do trade schools, i.e. "if you get a CDA, come out and make \$50K right away." Or consider a per-pupil funding model for early childhood.
 - *Regional Grants* – Can we tailor grant programs/funding and do block grants for regional funding. Not every region of the state will look the same, and we have such differences between the rural communities and large cities.
 - *Stabilization Grants* – Make the stabilization grants permanent in code. The cliff effect everyone is talking about needs to be taken away. When families make a nickel more, they're kicked off food stamps and state support. Can we have a phase-out approach to assistance, at all levels (CCAP, stamps)? Otherwise, people are incentivized to stay in poverty rather than take a better paying job. State is actively working against families.
 - *Business Grants* – Basin Electric idea with employer-sponsored location grants. High tech manufacturers and other bigger businesses can do it. Make cash payments to businesses, to help allow them to offer cafeteria-style benefits. Give the employees options for the benefits they want. We can help pay for childcare, just like you'd choose dental or vision coverage. If an employee doesn't take it, they get the cash.
- *Benefits* – There are opportunities to think about insurance pool for providers. Put child care providers under the same umbrella as public school teachers and state employees for insurance, an uniquely ND solution.

About UWCC

UWCC works to address the needs of historically marginalized populations. It serves all low-income families through education, housing, health, income stability, and child-focused programs that provide opportunities for all families in our community to become stronger and healthier. Thomas Hill has been Vice President of Community Impact for the last 14 years, and Ben Hanson recently joined as Community Impact Manager.

GNDC Workforce Committee Meeting – DHS Presentation

Chris Jones, Kay Larson

SEEC – North Dakota Event – June 28, 2022



MAJOR THEMES

- State Funding
- Business & Community Partnerships
- Child Care Assistance Program (CCAP)

CHALLENGES

- *Wages* – Most ND labor market is \$35/hour – Childcare is less than \$13/hour.
- *Business Incentives* - Flexible Savings Accounts (FSAs), they have been set at \$5,000 at the federal level since 1986, a limiting number for some. Chris acknowledged this is on their radar. They're working with folks like Mike Schmitz, a local accountant (and now mayor of Bismarck) from an accounting perspective. Additionally asking the CoDel why this hasn't been increased in 20 years. Could the state also provide a match?
- *Access* – There is some talk about the State supporting pay differentials for after-hours, including a stipend for childcare providers to push to employees for those hard-to-fill evening/night shifts.

IDEAS

- *State Funding* – There will likely be a budget request in the low hundred millions. The governor is committed to and spending time on childcare, expecting this to be among his top 3-5 priorities. The goal is to increase workforce participation with one-time spends, tied to outcomes. Whoever solves childcare wins the workforce battle. Some of the specific policy ideas fall under their larger themes of access, affordability, and quality:
 - *Partnerships/"ND3"* – State wants to partner with employers and build a public-private partnership to create a funding model to assist parents with childcare costs.
 - *Best in Class* – Taken from Alabama, a leader in Pre-K movement, the idea is to increase the available grants for those serving kids in the year before they enter kindergarten. The results show less propensity for disciplinary issues and special education for those enrolled.
 - *Child Care Assistance Program (CCAP)* – Currently this is at 85% of the median income level. Looking at increasing the threshold for those with more modest incomes.
 - *Shared Services* – Facilitate greater business operating expertise and support for daycare operators to increase sustainability.
 - *Infrastructure* – We need business support not only to do childcare, but support childcare. We don't want to see failing childcare centers when we hand out grants, so a partnership is needed between provider and business community.

About DHS

DHS is working on an intensive stakeholder process and with the Hunt Institute to provide a strong funding recommendation for the 2023 budget. Governor Burgum is very supportive of addressing childcare funding and hosting roundtables on the barriers to workforce. Chris Jones and Kay Larson presented to the GNDC Workforce Policy Committee on June 28 to share what they are working on.

MAJOR THEMES

- **Workforce & Wages**
- **Partnerships**
- **Fingerprinting**

CHALLENGES

- *Wages* – We need staff to make a livable wage. We need to up the expectations of quality care and increase the level of support, according to Chelsey. There is a current cap on the Stabilization grants at \$225,000. When that runs out, we have to pass the cost to parents.
- *Access* – We have extensive wait lists with all levels of providers. Bright Futures' wait list is over 700 families long. Largest struggle is answering those requests. We are trying to stay afloat.
- *Background Checks/Fingerprints* – Needs more efficiency. Who is at the table on this issue? These rules were previously made with input from providers, but it is taking too long, over 2.5 weeks. Senator Lee was surprised at the delays. This is hard for new American community, forms are in English-only.
- *Infrastructure* – Cost of space is the biggest. It can cost \$1 million to build a group facility. You need interior, outdoor space with fence, and so forth. Training outside of regular work hours and cost is a problem. Regarding overnight/3rd shift, there are little child-care solutions for third-shift workers, but it is a growing need for communities with manufacturing industry growth. Hard enough to find day staff, but children want to be at home at night, and programs find it difficult to sustain.

IDEAS

- *Community Partnerships* – Senator Lee talked about the importance of community participation. She referenced First Lutheran Church which has donated space for Nokomis Child Care, revitalizing that program. We can't discount strip mall space, and non-traditional staff options like apprenticeship programs for high schoolers. We need to find more partnerships as this takes a community solution, not just one or two businesses.
- *CCAP* – Considering increasing the qualifying income. It's currently 85% of the median income level. Data shows families pay 35% of their income on childcare. The 1:1 benefit and federal match is ending, but there is a legislative session coming up (Judy Lee).
- *Business Solutions* – Karen shared a number of innovative solutions to support employees. 1) Corporate investing in collocated space for new childcare slots, so private daycares can set up shop in your business. 2) Invest in new facilities, about \$10-15K/child for a new facility. 3) Support employees with flex spending. 4) Consider flex-scheduling and remote work. Also, think more about how we can support people from an HR standpoint, like a counselor who can help navigate and access childcare and support people through that process.

About FMWF Chamber

On July 12, the FMWF Chamber hosted a panel discussion for their Eggs & Issues: ChildCare: The Workforce Dilemma. "Wait lists stretching for months. Costs that are overwhelming for families. Wages that are falling behind for childcare staff. More and more often we are hearing stories about struggling families and employers as it relates to childcare in the FMWF metro. At this session we are going to get childcare providers, policymakers and employers in the same room to discuss the causes and effects of this dilemma and how our community can begin to move forward with necessary and innovative solutions to our childcare situation. The FMWF metro is growing at a rapid pace, and cannot afford to have such a major workforce barrier. Join us for this crucial discussion as we actively work to solve this issue." Panelists included Senator Judy Lee, Chelsey Steinlicht from Bright Futures Learning Center, Nancy Jost from West Central Initiative, Karen Pihfer of Creating Community Consulting, moderated by Robin Nelson of Boys & Girls Club.



MAJOR THEMES

- **Workforce**
- **Fingerprinting**
- **Business Incentives**

CHALLENGES

- *Workforce* – She has heard a lot about businesses losing employees to stay home and care for their children. One woman worked at the Economic Development Corp and could not find childcare, so she had to quit her job.
- *Fingerprints* – She heard an anecdote from a Casselton in-home provider that it took 4 weeks to get scheduled and 2 more to get back. They had to call daily to ask about cancellations. This is inefficient. Senator Lee seemed surprised to hear during the panel discussion that this is still an issue.
- *Business Incentives* – Employee matching grants are an idea that would trickle down to parents. Concerns from the business side revolve around equity issues between benefits offered to employees. Amy has a child, Katherine does not, and that is unfair. Second issue is sustainability. If they are using grant funds, how does this continue long-term? Businesses are only likely to want to be the pass-thru, to use as a recruitment and retention tool.
- *Economics* – Infants are the most expensive, yet there seem to be few/no ideas for this sector of childcare. How can we address the accessibility issue for infants when parents cannot find a spot?
- *Access* – Third shift/overnight services are needed. With manufacturing growing in the Valley, new Americans and single parents are filling those jobs and the 3rd shift overnight. There are little daycare options then. Jasmin Daycare is trying to address this need, but what can we do to help those who may be able to provide it but need assistance?

IDEAS

- *Infrastructure* – In Moorhead, Jasmin Childcare Center is expanding to Moorhead because Essentia is covering the building cost. How can we offset infrastructure costs?
- *Replicate Successful Models* – Think about how we fund long term care. Can we replicate long term care funding in the child care space?

About Katherine Grindberg

Katherine is the Vice President Public Policy for the FMWF Chamber. She coordinated the Chamber's Eggs & Issues roundtable on childcare and workforce on Tuesday, July 12th. We spoke after the roundtable. FMWF Chamber plans to help with childcare issues this session, supporting legislation to help providers, businesses, and parents.



MAJOR THEMES

- *Rural Communities*
- *Business Incentives*
- *Benefits*
- *Economics*

CHALLENGES

- *Economics* – It is all about money. We only can make it work because of a large donor who infused \$15,000.

IDEAS

- *Small/Rural Centers* – Lori has helped piece together 10 centers in small and rural towns; the largest is Hazen. These are patch-worked together, including nonprofit 501c3 models that operate like a coop. Employers came together and put money in, receiving a tax break, including energy coops, banks, schools, nursing homes, etc. The employers then stay on as board members to help handle finances.
- *Infrastructure* – All centers need buildings provided for free to save on overhead. Can we provide incentives for businesses to purchase and fit-up buildings? They otherwise can't pay staff and building loans. In rural towns, they are using houses to serve 15 kids or so. If that number increases, they need a different building. The school locally may have room, despite saying they do not. In rural towns, we have to serve 0-12th grade.
- *Benefits* – Can we provide a health care plan for child care workers? We could hire more individuals if that was offered. Develop a trust for healthcare coverage at the state like ND PERS.
- *Workers With Children* – Women would like to work in the childcare setting, but they need a subsidy for their kids. Can we provide subsidies for their children to attend the daycare where they work?
- *Mentorship* – Basin Electric can share their resources with anyone interested including example articles of incorporation, the 1023 forms and IRS filing, etc. If a local community has the funding, it can happen! The only problem then becomes finding the staff.

About Lori Capouch

Lori is the Rural Development Director at the ND Association of Rural Electric Cooperatives (NDAREC). She has assisted in supporting small and rural communities with setting up daycare programs.

Child Care Aware

SEEC – North Dakota Interview – June 27, 2022



MAJOR THEMES

- Fingerprinting
- State Funding
- Shared Services
- Workforce

CHALLENGES

- *Fingerprinting* – Taking up to 1 month to complete, especially in small towns. MN knows in 24 hours. Timeliness of fingerprints is problematic.
- *Workforce* – Different workforce, waiting for fingerprints, higher wages flipping burgers, no benefits, and low morale—where is the outrage? Additionally, summer staffing challenges exist. Long wait lists and programs are hard to get into, though some operate in the schools. Additionally, during a school-year, funding staff on a split-shift for before and after school care is hard.
- *Regulations/Training* – The qualifications of staff to become center directors could be looked at. We cannot negate the degree needs but it's becoming harder to obtain. Less universities are offering early childcare because it's not a livable wage. 120 hours of CDA to be a center director but need a 4-year degree.
- *State Funding* – Reimbursements are slow. Need for subsidies of some kind to providers. They can't afford to bring their own children to a daycare at which they work. Similar to education, we need funding also for materials.
- *Quality* – Sometimes there is not enough room at facilities for parents to bring more than one child. In rural areas, they have no choice on quality. Inequities across the state.
- *Economics* – Most closures are due to the economics and not enough money to pay staff. There is almost no margin in infant care. Cash flow is different than 4-5 year olds. 4-year-old program is difficult based on facility requirements. School buildings are already up to code, but challenging structurally to meet needs for diaper changing and cribs for lesser-aged kids.

IDEAS

- *Child Care Assistance Program (CCAP)* – Consider tax credits, but wages and subsidies first. Have reimbursements follow the person for tax purposes. CCAP was expanded but can we infuse even more money into this program? The intent was the wage of the caregiver, is that happening everywhere?
- *Benefits* – Childcare providers are passionate about children, not necessarily payroll, cooking, bus driver, billing services, etc. They often let families take advantage. Could the state offer a shared system of benefits, ie. pool of workers for substitutes? Liken this to public school system substitutes.
- *Business & Community Partnerships* – They understand the need. Smaller, rural areas see it the most and the issue there is usually the facility/building space. Some dollars are being offered, often led by economic development association in a community, to renovate or get the building up to code. For example, a healthcare partner purchased 75 slots in a new program and paid for it until their own employees can. Community grant funding could assist this opportunity, but there are no additional benefits to businesses. How can we encourage businesses, schools, churches, and nursing homes to share or offer building space or provide daycare for their employees?

About Child Care Aware

Child Care Aware® of North Dakota is a training and information hub for child care providers and offers parents customized referrals to licensed child care options. We work to build the capacity of child care in North Dakota and insure that children have the opportunity to play and learn in a safe and healthy environment. We met with Verla, Sarah, Tammy, Cassie, Krista, Lynette, Brianna and Kristin to discuss all facets of their offerings.

MAJOR THEMES

- **Access**
- **Workforce & Wages**
- **Economics**

CHALLENGES

- *Wages* – It all comes down to increasing wages for childcare workers. The state must make a large investment, period. Businesses need to be asked what their plan is for increasing wages.
- *Economics* – Childcare is a broken market. The largest issues they've seen in listening session are access, staffing, and wages. Access includes notice by providers when closing or cutting back, to availability of financial assistance. Staffing means we are losing workers to higher wage jobs and childcare is not seen as a career option, just "babysitting." Wages hover above the poverty line at \$11.19/hour in 2021 and even fell after the pandemic, sacrificing quality.

IDEAS

- *Shared Services* – The term appears broadly and a specific definition is unclear today. Providers may want business piece like help with quarterly filings, payroll, collection, or have someone else ease the burden of training, cooking, driving the bus, etc. Can we purchase in bulk, and who does the purchasing?
- *Benefits* – What about a pool for health insurance, paid family leave, or a retirement fund option like ND PERS?
- *Infrastructure* – It's fine to have the state buy buildings, as long as it's not dependent on trickle-down economics. Just because they pay for a building, doesn't mean the provider passes on the savings to workers.
- *Increase Wages* – Two models for successfully infusing state money into wage increases:
 - Time & Service Metrics (WI model): Treat daycare workers like teachers on a salary metric for reaching certain milestones—training levels, years worked, etc. State pays worker directly, or through pass-through at employer.
 - Community Building Agreements – IF you accept a state grant, THEN wages must be a certain % of market. Set the floor, and require reporting of wage data and turnover.
- *Child Care Assistance Program (CCAP)* – The coalition supports increases to the income eligibility levels metric for determining who is available for assistance. Can we make the online portal and access to the application easier and more user friendly for families? The form is dull and the system is difficult/unclear when navigating. Who decides what a livable wage is? Also, assistance payments come too late for many. Do we not have enough staff and need more FTEs to process these? Further, you cannot access assistance for your own children if you are a childcare worker.

About ND Voices Network

ND Voices Network has created a coalition of interested parties to support policy solutions for ND working families.

MAJOR THEMES

- **State Funding**
- **Child Care Assistance Program (CCAP)**

CHALLENGES

- *Training* – CDA or apprentice level could be an idea. In Montana you can get training covered by the state.
- *Shared Services* – How do you incentivize these? Create a payscale or finance it for the future. HR/Payroll, marketing and advertising etc.
- *Quality* – There is no incentive to participate in the Bright & Early QRIS system because families are still on waiting lists regardless of QRIS status. It involves a lot of extra work for providers.
- *Businesses* – How do we get businesses and employers? Look at Michigan model of 1/3rd state-1/3rd parents -1/3rd employers. It makes sense for businesses to cost-share like health insurance, but not all can afford. How do you account for inequity issues and who gets left out.

IDEAS

- *Cost of Care Model* – consider it like we do our medical care. State pays a rate based on a market rate survey, and providers are reimbursed under the CCAP program.
- *Child Care Assistance Program (CCAP)* – This is low-hanging fruit at the state level that could be made more efficient. Eligibility is maxed out at the federal level. Families pay a copay, no more than 7% of income. ND went to 85% of median income and would have to supplement with state dollars now. New Mexico is using their state surplus for a child care trust fund of sorts.
- *Stabilization Grants* - We are getting close with this program. You have to be a licensed daycare, but this could cover all the start-up fees. MT is doing start-up grants to fund a provider in the start-up process.
- *Subsidies* – REWARD in WI is worth looking at as a stipend program for employees of childcare facilities.
- *Efficiency* – ND could look at fingerprinting, reimbursement to providers, and spending federal relief dollars.

About ND Kids Count

Xanna runs ND Kids Count as part of a national program, Kids Count, from the 1990s. It is a grantee program in every state, dedicated to children's well-being. She is based in Montana and oversees 3 states including ND. They obtain large amounts of data on child well-being. Kids Count produced a report on 4-6 months of research in 2020 for the state including national recommendations and some state thinking for potential policies. This interview was specific to many of their recommendations in the report. Xanna is also part of Childcare Action Alliance Network group.



MAJOR THEMES

- **Wages**
- **Economics**
- **State Funding**

CHALLENGES

- *Economics* – Childcare is broken. We cannot pay people enough. Look at the ND Kids Count proposal around salaries. We trust that report.
- *Wages* – This is a laughable, non-livable wage in daycare. We do set them elsewhere, i.e. it is state law to start teachers at \$40,000/year.

IDEAS

- *State Funding* – We only get one shot at this. We need to do it right and make a big investment.
- *Long Term Plan* – Let's develop a plan of thoughtful, long-term solutions. Career & Technical education could be something to look at. Is this a Legacy Fund play?
- *Education Community* – Teachers care about the state of childcare. They've only had casual conversations, but the more a kid knows before entering kindergarten, the better. We need quality early care so that we have readers who have social skills. NDU is most interested in quality and wages.

About ND United

North Dakota United (NDU) consists of the North Dakota Education Association (NDEA) and the North Dakota Public Employees association (NDPEA). Nick and Chad are involved on childcare discussions at several levels. They are part of the coalition with Farmers Union, ND Kids Count, ND Voices, AFL-CIO, and Child Care Aware.

MAJOR THEMES

- **Economics**
- **State Investment**

CHALLENGES

- *Economics* – The economics of childcare don't work. He's been working on day care for a long time – Watford city had a huge need and daycare was limiting new families from coming to WC, period. Shared about Tessa Moberg's story, how she could barely pay herself and was ready to quit. She put the onus on economic developers to help and they figured out a way. City borrowed money and paid to build a \$3M+ building.
- *Ratios* – Most childcare providers will say do not mess with the ratios. Some are even doing less than allowed, 1-2 infants per provider, instead of 4. Math is difficult with infants because you are losing money, whereas you can do better with 3 years+ ratios.
- *Culture* – Rob asked about the roots of the problem and how did we get here? Society has changed where now we have two parents in the workforce. Additionally, pressure on wages has grown. We have to change the culture at the legislature as well, as only a miniscule number have small or school-aged children. They denied challenge grants to Minot State which wanted to get into childcare, because of the optics. Should be compared to nursing in terms of need and value. We also can't continue to think of it as "slotting" my kid in a room which dehumanizes it.
- *Training* – We want providers to be similarly trained as kindergarten teachers, but they could make more in the education system. Tessa at Wolfpup is at a salary position of an elementary principal. If we require early childhood degrees, you're competing with teaching degree across the street, and the economics are more difficult.
- *4-year-old Program* – Good start to take a bite at the apple, but the program is also problematic because of facility requirements, so it's happening all in schools. There are none in the west. It's a start but how do we get that expanded into the private daycares?
- *Wages* – How do we make it so staff are treated more professionally? We should pay them as much as public school teachers. With the competition of hiring, if there is more funding in the system from employer support and workforce incentive support, that should bring wages up. Hopefully it brings wages up, but can we prescribe that? The problem is we haven't turned 0-5 into a government program so there's no lever to pull. We can trickle-down and put more money into the system, act as a workforce incentive, do better loan programs and construction programs for facilities, but in what private employment area do we say "you have to pay them \$20/hour"?
- *Regulations* – There's some role in looking at regulations. Chad and Rob spoke after about compliance that hampers daycare providers. For example, a Fargo center had a child wander off and lost their license immediately. It formerly had a pristine record and was an unfortunate incident, but is this too draconian? We need a maximalist approach on child safety, but if there is so much red tape, we're contributing to the problem where business model doesn't work.

IDEAS

About Plain Talk Podcast

Rob Port, journalist and blogger at Say Anything Blog and Fargo Forum hosted Lt. Governor Brent Sanford on his podcast, Plain Talk, co-hosted by ND United's Chad Oban on July 14th. The three talked about the childcare issues facing North Dakota.



- *Bold State Investment* – There must be state capital injected into this. Childcare is more relevant to average Joe, not some of these obscure energy projects, etc. It's got to be bold. But if it comes off as we're extending K-12 to the womb, that will fail. Brent mentioned employers and entities that are willing to match. Business approach has to make sense, and be off to the side so you don't look like you're favoring employees with kids and not others. Robin quoted this at the FMWF roundtable: "Childcare is the business that allows businesses to do business."
- *Government Subsidies* - We spend \$10K per kid in K-12, but some are getting more like \$20K/student. Higher ed would love that kind of investment. Government needs to step in because young women are subsidizing this by living at poverty levels. Brent says they are moving forward with DHS operating these programs. It is paramount to make an investment on the front end, because so much development happens by 2 years old. He says DHS will address the cliff that providers face after the \$117 million from the Federal government runs out. Roundtables are saying daycare really needed that or they'd be in trouble. Chad suggested other states provide subsidies to employees, so if a teacher reaches a certain skill set or training (there contributing to a higher quality), there is a payment from the state to the facility to pay those employees. He believes the system needs subsidies to make it work as a business model.
- *Legacy Fund Streams* – Brent suggested it may be a legacy streams suggestion for legacy fund earnings. HB 1380 in 2021 addressed the earnings spun off of the legacy fund and legislators can now appropriate. There was \$972 million sent into ending fund balance from earnings - \$300 million at lowest.
- *Workforce Retention* – Chad asked about the Governor's mention of workforce retention efforts, including providing extra dollars for child care providers to give to employees, and did that go out? He had heard it was like a bonus check. Brent was unsure, but assumed that was part of the work done through DHS, and might be part of the \$117M already discussed.
- *Non-profit Model* - Is the Watford City model one to be replicated? You do face the county envy issue where folks are angry at oil and gas counties because they have the gross production tax distributions that roll through. But private sector was pushing hard: Watford had 2 oil and 2 non-oil companies put in \$500,000 to get them started. The city then borrowed funds to build, but at least had a revenue stream to pay it off.
- *Career Academies* – Similar to these, we can have different models for childcare in every community. Need to identify who's the main push behind them, drawing from employers, K-12, churches, higher ed (like Minot CLC).
- *Challenge Grants* – Minot State wanted this, but the legislature turned them down because of fear of getting into daycares, when this could be a critical application of that program. Minot State's students are all interning in daycare programs.

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MAJOR THEMES

- **State Funding**
- **Child Care Assistance Program (CCAP)**
- **Quality**
- **Affordability**

CHALLENGES

- *Background Checks* – Chris believes the problem has been addressed and doesn't seem to hear the same issues on their end, as those we're hearing in the field. He's open to discussions with anyone who wants to share their anecdotes, to try to get to the bottom of it.
- *Access* – There is some talk about the state supporting pay differentials for after-hours, including a stipend for childcare providers to push to employees for those hard-to-fill evening/night shifts.
- *Best in Class* – They are one year into this model, based on Alabama, which has been multiple years running. We need to have some fidelity to the model in its start-up phase, but the department is open to suggestions and aware the program needs tweaks.

IDEAS

- *Child Care Assistance Program (CCAP)* – The Governor's budget is likely to include the same level of funding, if not more, for this program.
- *Benefits* – Any solution for benefits would be great.
- *Spousal Support* – Baesler is looking at addressing an issue with military spouses. If they teach, but hop around from state to state, they're not eligible for benefits teachers receive. She's looking to rectify this so that taxpayer dollars might support military spouses who teach. They'd consider adding childcare workers.
- *Wages* – Can we provide a stipend for workers providing care before 6 am and after 6 pm?
- *Top 3 Desires*: Professionalize the industry because they provide affordable, quality care; invest per-kid as we do K-12; cut red tape and regulations.

About Chris Jones & Kirsten Baesler

Chris Jones is now the director for the combined Department of Health & Human Services. Baesler has been ND Superintendent of Public Instruction since 2013.

Representative Cindy Schreiber-Beck – Wahpeton, District 25

SEEC – North Dakota Interview – June 20, 2022



MAJOR THEMES

- Workforce
- Career & Technical Education
- Business Incentives

CHALLENGES

- *Workforce* – This issue is massive, to say the least. We don't have enough workers in childcare industry. There is a higher cost, because it is not paying all the needs of the providers. In a lot of cases, it seem a tax credit for parents is meaningless. What is available? Do we have stipends that are tax deductible? COVID's important impact - parents did opt to stay out of the workforce b/c for such a period of time, you never knew if school was on or off/ during COVID 2020-2022.
- *Business Support* - We need business and industry to highly support this. Can we incentivize them to work with schools and help that approach? Her ideas are mostly around business partnering with providers or providing it in-house, but doesn't want to step on toes of those privately providing childcare. Home day cares matter too, but not enough people are providing that.
- *Legislative Session* - Discussions are being had mostly on the Human Services side where they'll likely stay, not education side in the legislature. Perhaps it can get traction on the education side with new House & Senate leadership.

IDEAS

- *Career & Technical Education* – Our schools have space, other than in our large communities, could our CTE programs be a viable situation?
 - For example, if you're a CTE student taking class in the family or health arena, could you earn credit (HB 1478, Learn Everywhere) and be utilized within that childcare center housed in a public space, or off campus in a private facility.
 - Can we work more closely with schools to develop programs and pay educators to support either before/after school hours, or providing childcare in other ways?
 - How can we combine childcare with the science schools. Don't isolate the industry but merge them.
 - There are successful school models out there. Superintendent Baesler could tell us about one in oil country, where results are showing kids entering kindergarten are showing benefits of their early program.
- *Business Incentives* – We need the government to incentivize providing childcare through tax credits or stipends or business stipends, somehow. Do we have a tax credit for businesses to provide child care? Is that allowable or has it been done before?
- *Culture* – This should be discussed under the banner that “we are developing a workforce.” This is bigger than daycare or where kids go everyday so the current workforce can go to work, it's about your child being a productive member of society. Cindy serves on ND's Workforce Council, but that has had limited conversation around that angle. Beyond workforce, it's social services and needs including transportation concerns for parents.

About Cindy Schreiber-Beck

Cindy is a speech and language pathologist by training, taught in public school, Native American schools, and then moved to aviation. She now sells drain tile to farmers, so she's involved in the ag world as well. She has developed a reputation in the House as an education leader, and is a proponent of early learning. If re-elected, she may be promoted to House Education Chair, or continue as Vice Chair.



MAJOR THEMES

- *Economics*
- *Regulations*
- *Business Approach*
- *Mentorship*

CHALLENGES

- *Economics* - The profit margins in childcare is very slim. 1.5-2% when they were operating, taking only tuition paid for by families as income. Centers can't waver on tuition costs and had to bill 2 weeks in advance, or they may not make the week's expenses. They Experienced the flood in 1997 right as they started, and couldn't afford to donate childcare. You cannot run daycare as a non-profit. You can't run a center by a board of directors/too many cooks in the kitchen.
- *Regulations* – Paperwork is an issue, as there are no rules about how long you have to keep it, or look out for when you have drop-ins and police visits. We are stifling growth with regulations. His example is why do we need a defibrillator in every building when no one knows how to run them anyway ? You are going to get sued if it doesn't work (he brought a bill on this in 2021).
- *Mentorship* – We have to mentor anyone going into childcare about the business side. There is a mountain of paperwork and administration to consider, building purchasing issues, regulations about keeping records, dealing with medications, etc.
- *Background checks* – Why do we need a national background check? We need to get rid of federal regulation for 5-7 day background check, it's taking 2-3 weeks. If school teachers don't have to have it, nor bus drivers, why are we requiring this (likely a federal issue).

IDEAS

- *Business Management* – Important that these centers have a business management person for the billing side of things. We have to run centers like a business and have a business plan, or they won't get paid what they are owed.
- *Mentorship & Training* – get people all the information they need up front, so they aren't finding out later what is required. Institute a mentorship program for CDAs.
- *State Funding* – If we want to do supplemental funding for children to attend daycare and pay providers more, he is not supportive of grant programs if they just throw more money at it and don't have accountability. He does support low interest loans to buy a building, or those types of funding programs, where the center has to pay it back over time. It should also be tied to mentorship and having a business plan.
- *Curriculum* – You need a good curriculum for the age groups: program/activity/learning right away, even in infant and toddler.

About Curt Kreun

Senator Curt Kreun owned and operated the Wonder Years Childcare Center in Grand Forks from 1992-2006, a full school, licensed for 242 kids with a full curriculum. They served ages 4 weeks to 12 years old, licensed for 37 infants and toddlers. They provided meals and transportation for before and after school, including separate sports and activities for school-age children. Kreun has represented District 42 in Grand Forks since 2011 in the House, and 2017 in the Senate. He sits on the Energy & Natural Resources and Industry, Business and Labor committees.



MAJOR THEMES

- **State Funding**
- **Child Care Assistance Program (CCAP)**
- **Quality**
- **Affordability**
- **Community & Business Partnerships**

CHALLENGES

- *Rural Dynamics* – There's 23,000 K-12 kids in Fargo/West Fargo, but in Slope County, for example, you don't want a 4 year-old on a bus each day for a half-day school program. There are neat things being done in collaboration with NDSU Extension program, which help prepare kids for Kindergarten. The Best in Class program is really cool for 4 year-olds, almost all rural childcare providers are using it.
- *Fingerprinting* – All of local police depts and sheriffs quit doing it. BCI is doing it now. There are big challenges with New Americans, multiple (30) languages in WF schools now, and Cass county third highest of refugees in country.
- *Affordability* - People complain about the cost of childcare, but they have 3 smart TVs, drink Starbucks every day, and have 7 streaming services. Adjusting budget is also something people should consider, but we can't legislate that. Those kinds of things matter and make a difference. No one should expect grandparents to raise their kids, they did that already.
- *Quality* – She cares about star-ratings for childcare providers. The more we do on those things, the higher the salaries should be for those deserving of it. However, these providers love kids, but don't know business side. We're trying to help people see that.

IDEAS

- *Task Force* – The Hunt Institute is supporting a task force by DPI and DHS/DHHS. Two departments are leads on this, but Robin & Judy very much a part. There are stakeholders of every sort, although they haven't met for 2 months. She believes there are a lot of important players. Hunt provided some good info, not only about childcare but whole early childhood picture. She's hopeful that something productive will come from that, or else she's hopeful legislators bring bills on their own. It will likely be in Human Services because of the new division in DHS, allowing them to streamline services. 0-5 is going to be in that budget, even though DPI is still funding the things they do for ages 3-5 (special needs education services in schools).
- *Community & Business Partnerships* – We could consider infrastructure incentives. What she hopes to have come out of the taskforce is business stakeholders thinking creatively about how we can best use funds. We've had incentives in place for businesses to offset building costs- but seems it wasn't used? For example, MeritCare before it was Sanford had downtown Fargo ½ day kindergarten and childcare in the building, and services were provided for both, but they had to close it down. Scheels had a significant playground and childcare set up, but Steve said it was never financially successful. The Bank of ND is a partner in this, so we need to ask for their help for what we can do to incentivize. What other programs in business community might work for this one?

About Sen. Lee

Senator Lee has served since 1995 in the ND State Senate. She chairs Human Services Committee.



- *Child Care Assistance Program* - Based on state median income, so a family of four making \$7,373 a month qualifies. That's a pretty generous income, so she's not sure about raising it. They did approve raising it to 85%.
- *State Funding* - \$17M went into childcare in 2021 special session: \$9.6 M for 2-1 matching grants to employers providing childcare benefits, which goes down to 1:1 match September 1. With the "cliff" people reference, those dates exist because of Federal limits. We do have a legislative session happening before. She thinks the state will always look at paying the provider directly, same way as we pay insurance company directly. That money is relied upon by the childcare provider.
- *Legislative Session* - Judy wasn't overly excited about the Governor's budget, but rather thought it more important to get the legislators on board philosophically. Tell stakeholders to get acquainted with legislators! They need to be part of the solution, especially if they are asking for money. She thinks some of the best legislation can come outside of a budget proposal, and even may come from newly elected legislators.

About Sen. Lee

Senator Lee has served since 1995 in the ND State Senate. She chairs Human Services Committee.



MAJOR THEMES

- *Workforce & Wages*
- *Legislative Session*

CHALLENGES

- *Workforce & Wages* – Centers are losing sites and closing doors because of the economics. They cannot find workers or pay them enough. If we set wages, like we do in long-term care, you're talking about a long-established system. If you take it on as a per-pupil cost, like K-12 education, where does the money go? We cannot provide that directly to centers, because there are those that won't use it honestly (he cited one center that paid off their debts with ARPA funds and then closed their doors, leaving families out of luck.)
- *Background Checks* – He's under the impression it's down to 2 weeks, which is decent in his mind. He believed that at the height of the problem, roughly 6 years ago, this was a federal issue that the state sought an exception to, to allow supervised workers while the background checks were being processed. Has that gone away? For fingerprinting, if it's an issue of availability and machines, can't social services have them?

IDEAS

- *Legislative Session* – "We are fools if we don't address it." He said the Senate rejected five of Commerce's ideas previously because they were throwing money at things to see what stuck, without a real plan. Drill down and bring him fleshed-out ideas. See what's working elsewhere (NE, WY, etc.) and bring real ideas. He'll help if they are partially finished. Then, back it up with experts to provide the background, stats, and ammunition. If we can pick 4-5 things from a list of 10 in the DHS budget, that might be workable. Lastly, how it is introduced matters, and there need to be legislative champions outside of the agency support.
- *Culture & Messaging* – Stay away from the political arguments on this. We can't talk about "preK for 3 and 4-year-olds" because it will be a government takeover of raising our kids. He knows the arguments will occur within the DHS budget, but can we frame this more as a workforce issue?

About Sen. Ron Sorvaag

Senator Sorvaag was elected in 2010 and has served the past four session on Senate Appropriations. He has shown leadership on water infrastructure and funding, education and research, and has emerged as a likely contender for Senate Majority Leader, or Appropriations Chair, in the upcoming session. He expressed concern about childcare in an interim committee meeting, with personal experience as a business owner and grandfather.

Representative Mike Beltz – Hillsboro, District 20

SEEC – North Dakota Interview – June 28, 2022



MAJOR THEMES

- *Workforce & Wages*
- *Fingerprinting*
- *Business Community*

CHALLENGES

- *State Funding* – What is the satisfactory income level? Where is the line drawn for providing assistance to people.
- *Wages* – We require a lot of training but if we're going to require 4-year degrees, we need to have higher wages for folks. That is unsustainable at the rates we have today.
- *Fingerprinting* – He's also hearing this is an issue, being talked about for a year now. It's even one impacting security guards and other industries.
- *Business Community* – What is the business/employer community willing to take on? He'd like to have more conversations about that.
- *Culture* – Best in Class program wasn't easy to pass last session. There's a faction that still believes childcare should be provided in the home, but that is not reality for many North Dakotans.

IDEAS

- *Workforce* – Similar to Rep. Schreiber Beck, Beltz thinks this is a two-prong issue: 1) Workforce, and 2) providing children the services to get the development they need. We are impacting them early in their lives, and need to consider the larger picture on how we put ND's kids on a decent track early on in life. Fewer people are talking about this because of the slippery slope toward "social engineering," but it really is about creating productive members of society.

About Mike Beltz

Mike is a farmer from Hillsboro. He has served in the ND House since 2021 on the Human Services and Agriculture committees. Mike was appointed to the ND Early Childhood Education Council. Beltz is also in a working group with Senator Cole Conley and Rep. Robin Weisz with Chris Jones & Kirsten Baesler, which has gone dark.



MAJOR THEMES

- **Fingerprinting**
- **Culture**
- **Business Incentives**

CHALLENGES

- *Fingerprints* – She has also heard this issue in occupational license reform conversations. Can we allow people to be on the payroll while they wait?
- *Culture*– This culture shift is decades in the making although the tide is shifting. Commerce got \$20 million in the special session for this including dedicated funding outside education for the first time. Several of their legislative champions for workforce development tools and funding are leaving, so a new crop will need to be found.
- *Access* – She’s heard a lot of frustration with centers holding spots for families who have not yet conceived, but isn’t sure what can be done about that.

IDEAS

- *Business Incentives* – Can we add childcare to list eligible for Operation Intern? Can we provide an addition to hourly wages. Grant programs would be low-hanging fruit. Pay employers for additional child care stipends. What is the ROI on an employee out for the day due to childcare?
- *Certificates* – CDA and CNA are somewhat comparable in her mind, yes. “Comfort care,” essentially, is being provided to elderly and to 0-5 in many cases. Look at removing barriers while preserving the health and safety of our North Dakotans.
- *Training Funds* – ARPA provided \$3 million for training to expand the workforce. She’d like to see that grow or sustained, including up to \$100,000 for nonincumbent workers to increase the skill level/training at a company. Had to provide a 1:1 match, so not sure who matches that in childcare.

About Katie Howe

Katie is the director of the Workforce Division of the Department of Commerce. They are pulled into all issues relating to workforce, including childcare as a large part. They focus a lot on licensing reform and addressing the barriers to workforce. She also runs the Workforce Development Council, which is great for industry but includes no representatives or expertise regarding childcare system.

MAJOR THEMES

- **Culture**
- **Workforce**
- **Professionalization**

CHALLENGES

- *Culture* – Helping people understand strong families and healthy relationships at the top. For babies 0-5, there are indirect benefits and generational impacts to a strong start.
- *Best in Class* – The funding all went to schools, but we are not operating this program as it should be but more like how a school runs.
- *Data* – We do not have data and systems that talk to each other the way we do in K-12. 0-5 child welfare data, but we need an educational landscape from 0-PhD (as Shawn Riley says).

IDEAS

- *Professionalization* – Define what good childcare looks like: Broader qualifiers, professionalizing the industry because it is not seen as a profession today, providing shared services as those care providers are not business people (lifting up as infrastructure, peer-to-peer support, etc.)
- *Governor's Budget* – They have been working on a stakeholder process since summer, 2021, meeting monthly. They are also working with the Hunt Institute to provide a framework for a draft plan, policy and budget for the Governor's approval and insertion into his budget proposal for the legislature.
- *Workforce* – Incentivize graduates to pursue childcare. Meeting with Wade to talk about CTE population, who is doing this, if anyone, and how can we promote it. What safety issues are there?
- *Partnerships* – State needs business, families and providers to buy in. All say this is a critical need. They could use more support with testimonials and socializing policy ideas (need to ask Chris how DHS could use help).

About Maria Neset

Maria is a daughter of two teachers, and pursued a career initially in Elementary Ed. She taught Spanish in the Twin Cities before moving to North Dakota and serving in the Bismarck Public School system. Today she is a policy advisor to Governor Burgum with the DHS and DPI portfolios.

Wayde Sick, ND CTE Director

SEEC – North Dakota Interview – August 15, 2022



MAJOR THEMES

- *Career & Technical Education*
- *Workforce & Wages*

CHALLENGES

- *Career & Technical Education*– Programs and courses related to early childhood education are offered to high school students within Family and Consumer Science (FACS). There are 137 students taking at least 1 course in 2021-2022 in this arena. Sadly, we are seeing fewer and fewer students pursue early childhood education, and K-12 education for that matter. But for those with interest, there are early childhood centers partnering with the schools.
- *Reimbursement for CTE* – The reimbursement from CTE is 27% for occupational programs in schools, 40% in CTE centers. FACS are traditionally reimbursed at a lower rate. They're working on making that more equitable. If you increase, you'll have manufacturers quipping for an increase too.
- *Wages* – Pay is a huge issue with providers. There are not enough workers, and it's not easy work.

IDEAS

- *Learn Everywhere* – They could use learn everywhere program, but we have to make sure the student is prepared.

About Wayde Sick

Wade has been State Director for the North Dakota Department of Career and Technical Education (NDCTE) since 2018.