



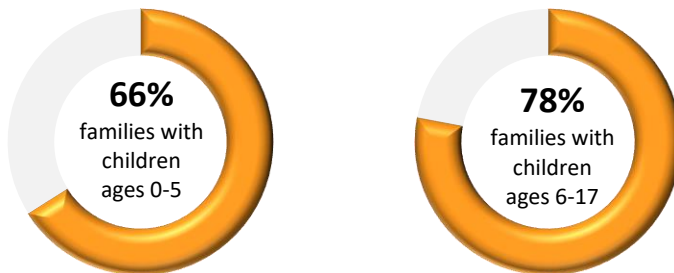
Child Care Market Analysis of Washington County, Iowa

Key Findings

Parents are in the Labor Force and Need Child Care

According to the US Census Bureau, as of 2019, 66% of families with children ages 0 to 5, and 78% with children ages 6 to 17, in Washington County have all parents in the labor force.

Families with All Parents in the Labor Force



Parents Prefer DHS Regulated Child Care Settings

The most preferred child care arrangement by parents in Washington County is a DHS Licensed Center. Forty percent (40%) of parents with children ages 0 to 5 (not in Kindergarten), and 35% of parents with children ages 5 to 12 would prefer a licensed center. The next most preferred setting for children ages 0 to 5 is a regulated home with 30%. Among parents that have children ages 5 to 12 the next most preferred setting is a relative such as sibling or grandparent (19%) or to not use care (19%).

Less Than Half of Parents are Using Their Preferred Child Care Setting

Only 36% of current parents indicated their children are currently in their preferred type of child care. Of the those that indicated their children are not in their preferred setting and they are interested in “outside care”, the most common reason given was that they can’t afford their preferred setting, followed by the preferred provider not having openings or space.

Parents Have Difficulty Finding Child Care

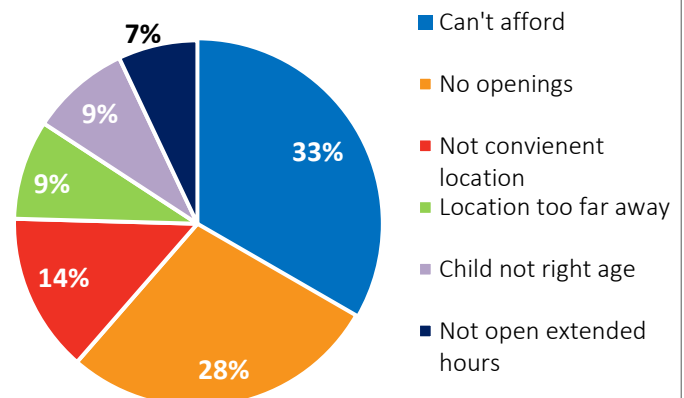
The child care needs survey conducted in conjunction with this study, indicates that 81% of parents with children ages 0 to 5 (not in Kindergarten) and 68% with children ages 5 to 12, found it difficult or very difficult to find child care. Obstacles named were almost exclusively related to lack of openings or not enough child care spaces available.

About this Analysis

Washington Economic Development Group (WEDG) commissioned this study to better understand the supply and demand for child care and to gain insight to challenges experienced by parents in the Washington County. The research included surveys developed by First Children’s Finance for the purpose of determining how child care affects employers and parents, and to gain insight from child care providers about the current challenges and opportunities.

This document is a summary of First Children’s Finance’s professional interpretation of the data available as of the date of the report. The full key findings and the child care gap, along with additional data and sources, can be found in the *Child Care Market Analysis of Washington County, Iowa* report, which was completed and provided to WEDG in November 2021.

Reasons Why Children Not in Preferred Care



Source: *Child Care Market Analysis of Washington County, Iowa*.
Copyright © 2021, First Children’s Finance.

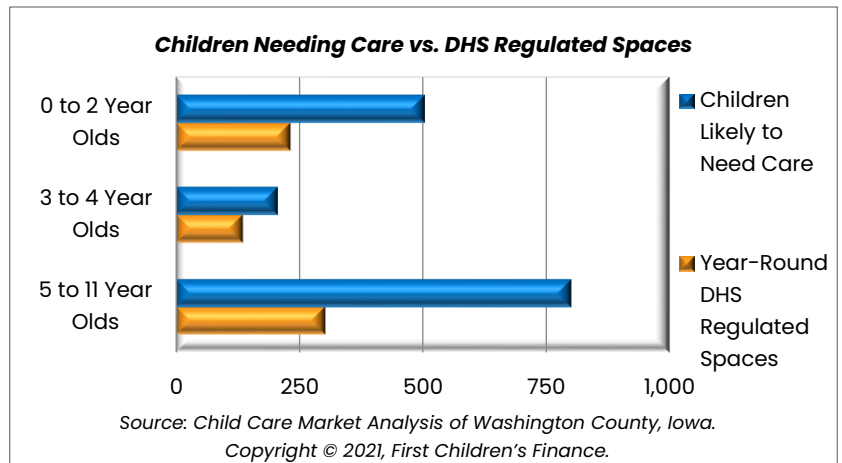


Child Care Market Analysis of Washington County, Iowa

Key Findings

Shortage of Child Care Spaces

Based on the percentage of families that have all parents working and parent's preferences of child care settings, First Children's Finance estimates there are 1,511 children that likely need care within a DHS regulated setting (licensed child care center or registered child development home). With only 754 DHS regulated child care space, and only 667 of those available year-round, the deficit could be as high as 844 spaces.



Median Family Income is Higher than the Child Care Assistance Threshold

The median annual income for families with children under the age of 18 in Washington County is \$69,462, while according to the 2021 eligibility criteria, the annual income for a family of 3 must be below \$31,494, and below \$37,990 for a family of 4 to qualify for Iowa's Child Care Assistance program.

Parents Indicate Child Care is Affecting Their Employment

Over the last 12 months, parents in Washington County have experienced child care challenges that have affected their or their spouse's or partner's employment. The top 3 affects experienced were:

- 52% Had to leave work early.
- 50% Missed a day of work because provider was closed, on vacation, or not available.
- 34% Had to supervise their child while working from home.

Employers Indicate Child Care is Affecting Productivity and Attendance

Through the child care needs survey, 49% of employers indicated they experienced challenges with productivity due to employee's child care challenges, and 55% indicated they experienced absenteeism due to employee's child care challenges. Employer comments indicate productivity is affected when parents have to leave work early to pick-up children from child care. When it comes to attendance, employees often have to miss because their provider is closed for a day, or more recently due to programs shutting down during COVID.

Child Care Providers Indicate Staffing is a Challenge

Collectively the child care centers participating in the survey reported having a total of 20 employees depart over the last 12 months, and 14 positions currently vacant. When it comes to hiring, 80% of centers and 33% of homes indicated hiring in the last 12 months has been very difficult. As a result of hiring challenges, 2 centers and 1 home reported that they had to close a classroom or limit enrollment due to not enough staff.

First Children's Finance, a national nonprofit organization, believes access to quality early care and education is essential for all communities, and that early care and education is the foundation of individual success and the engine of regional economic growth. First Children's Finance provides financing, training, and business-development assistance to child care businesses. First Children's Finance also provides consulting and planning assistance to government agencies, intermediaries, and regional child care organizations. For more information on these and other topics, contact InfoIA@FirstChildrensFinance.org.