

Strategic Plan for Child Care

Spencer, Iowa

August 2025

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INTRODUCTION

In March 2025, First Children's Finance (FCF) completed a *Child Care Market Analysis* for Spencer, Iowa, which analyzed the supply and demand for child care across the county. In addition to direct surveys for input from parents, employers, and child care providers, FCF collected data from the US Census Bureau, Iowa Department of Health and Human Services, Iowa Workforce Development, and Iowa Child Care Resource & Referral. FCF's analysis resulted in several key findings related to the local child care market, which are summarized in the "The Need and Demand for Quality Child Care" section of this report.

Addressing a child care shortage is a challenge that requires a community response. The challenge is how to increase the supply and availability of child care to meet the needs of the families and employers, while supporting child care businesses. As a result, a solution-based community planning process spearheaded by a child care steering committee was initiated.

THE STRATEGIC PLANNING PROCESS

To develop this *Strategic Plan for Child Care*, First Children's Finance (FCF) focused efforts on how business interventions and community support could address local child care challenges. From April 2025 to July 2025, a series of strategic planning sessions were held. To launch this process, FCF presented the key findings from the *Child Care Market Analysis* which was completed for Spencer in March 2025. At the first session, FCF also shared *Emerging Models and Promising Practices, Successful Child Care Models*, which highlighted child care providers and communities FCF has worked with as replicable examples. At the remaining sessions, participants engaged in exercises to develop a vision for child care in the community, and goals and strategies to address the child care challenges identified through the child care market analysis. A total of 30 individuals participated in the process.

Putting this Plan into Use

This *Strategic Plan for Child Care* represents a significant investment of community resources. To achieve the expected outcomes and impacts outlined in this plan, four child care steering committees will be formed as described in the goals of the plan. The Child Care Steering Committee will take the lead of this plan. Taking on the role as the leaders of these efforts may include forming subcommittees or task forces so that additional community members or organizations become engaged, and activities and workload are distributed.

This strategic plan and progress will be reviewed annually by the Child Care Steering Committee. After the annual review, the committee will create a workplan prioritizing the specific strategies and assigning action plans for the upcoming year.

EXECUTIVE SUMMARY

Every parent wants their child to be in a child care setting that not only meets their basic needs for safety and security, but also provides nurturance and prepares that child for school success. The late Jim Greenman, child care developer and advocate, stated: “A baby welcomed into a center today may spend up to twelve thousand hours in child care, more time than she will spend in all of elementary school and high school.” For working parents, choosing child care may be one of the most critical decisions they can make as the child care environment has lasting effects on the child.

The *Child Care Market Analysis* for Spencer was completed in March 2025. At that time, Iowa Department of Health and Human Services (HHS) data showed that there are 737 regulated child care spaces available during the school year and 529 spaces available during the summer. With an estimated 1,317 children in Spencer that are likely to be placed regulated child care, it is reasonable to conclude there is a shortage of regulated child care spaces. That shortage only considered the children that lived in the 51301–zip code. Through the market analysis, it was determined there are also families living in other communities that prefer to use child care located in Spencer.

To address the child care shortage, a process that gathered information and data from different perspectives was used, including the results of the surveys conducted with employers, child care providers, and parents as part of the *Child Care Market Analysis*. The results were presented to the strategic planning participants, who then participated in a series of sessions to develop a vision, goals, and strategies with action steps to achieve those goals.

The vision for child care in Spencer is:

Spencer is a thriving community where all children and families have access to sustainable quality care, providers are valued, and child care is recognized as a cornerstone of economic growth and community well-being.

The goals and strategies developed to address the supply and accessibility of child care in Spencer are:

Goal 1: Increase public awareness about the critical need for child care and promote appreciation for local child care providers.

Strategy: Implement a marketing campaign that informs the community of the state of child care in Spencer, career options within the early care and education field, and recognizes the efforts of local child care providers.

Strategy: Provide parents with accessible, clear information that helps them understand, identify, and select quality child care options.

Strategy: Provide resources and information to local employers about child care, child care related employee benefits, child care partnerships, and employer sponsored child care models.

Strategy: Strategy: Incorporate child care programs into the Clay County Emergency Response Plan.

Goal 2: Provide resources that will support existing and prospective child care businesses in Spencer.

Strategy: Create a local hub to connect existing and prospective child care providers to business resources that offer tailored support for child care businesses.

Strategy: Establish a peer networking group to encourage more individuals to become registered child development homes.

Goal 3: Increase the child care labor pool in Spencer by encouraging credentialing and fostering career growth in the field.

Strategy: Develop a child care staffing pipeline by promoting work-study opportunities and career path options for local high school students pursuing a career in early care and education.

Strategy: Investigate opportunities to provide high school students the required training and work experience to obtain a Child Development Associate® (CDA) Credential™.

Goal 4: Increase the number of Iowa Department of Health and Human Services regulated child care programs in Spencer by 2030.

Strategy: Develop and implement a campaign to recruit new Iowa Department of Health and Human Services registered child development home providers in Spencer.

Strategy: Identify suitable locations for Iowa Department of Health and Human Services (HHS) licensed child care centers in Spencer.

Strategy: Rivers Edge Church will establish an Iowa Department of Health and Human Services (HHS) licensed child care center for 30 children, ages 0 to 3.

Strategy: Trinity Preschool & Daycare will renovate existing space to create an additional classroom for children ages 6 weeks to 1-year-old, increasing its capacity from 88 to 96.

Strategy: Safari Child Care & Preschool will explore the feasibility of opening an Iowa Department of Health and Human Services licensed child care center in Spencer for a minimum of 150 children.

Strategy- Spencer Family YMCA will build a new facility, which will include expanded space for Spencer Family YMCA Dvergsten Center, allowing the program to increase the licensed capacity from 212 to 300 spaces.

THE NEED AND DEMAND FOR QUALITY CHILD CARE

Spencer Economic Development Corporation (SEDC) commissioned First Children's Finance (FCF) to conduct a *Child Care Market Analysis* to analyze the supply and demand for child care in the Spencer area. Through that process, FCF collected data from the US Census Bureau, Iowa Department of Health and Human Services, Iowa Workforce Development, Iowa Child Care Resource & Referral, and input from employers, child care providers, and parents. FCF's analysis resulted in several key findings related to the local child care market, including that there is a shortage of regulated child care spaces in Spencer. According to FCF's calculations in that analysis, there is a child care gap of 580 spaces during the school year and that gap grows to 788 spaces during the summer months when some of the programs close.

The following factors underlie the current and future need and demand for quality child care in the area. These factors were considered by the strategic planning participants as they developed community strategies.

Market Area and Population

The market area used for the market analysis study was the 51301 zip-code, which includes the city limits of Spencer as well as the surrounding unincorporated areas. The US Census Bureau estimates that from 2013 to 2023, both the total population of Spencer increased while the number of children ages 0 to 11 decreased. As of 2023, the total population is 12,402 and the number of children ages 0 to 11 is 1,830, which is 41 fewer than in 2013.

Working Families

As of 2023, there are 1,209 families with children under the age of 18 in Spencer. The median income for all families with children under the age of 18 is \$89,883, while the median income for married couples with children under the age of 18 is \$130,357. Married couples accounts for 65% of families with children in Spencer.

According to the US Census Bureau as of 2023, 90% of families with children ages 0 to 5, and 92% of families with children ages 6 to 17 living in Spencer have all parents in the labor force. All parents working means if there are two parents living in the home both work, or if the child lives with a single parent that parent is working.

Quality of Life for Residents

The child care sector serves two critical community functions. First, it is an economic driver allowing parents to work and earn income, while at the same time creating jobs in the child care industry. Second, since the children that attend child care full-time typically spend between 35

and 50 hours per week with a caregiver who is not their parent, child care prepares children for school and life at a critical stage of their development.

In short, the child care industry is an essential component of the community infrastructure that keeps businesses growing and keeps parents working. In addition, quality child care contributes to a higher quality of life for residents as it assures that children are experiencing the kind of care that not only is safe and nurturing but prepares them for success and for growing into healthy and contributing future citizens.

Key to a positive future includes developing infrastructure and community assets that will attract families wishing to make Spencer their home. Child care plays an essential role in a healthy community eco-system. The expansion of quality child care can be a catalyst for building a community that is vital, thriving, and prosperous.

Quality of Care

Although there is no simple definition of quality child care, Iowa Quality for Kids (IQ4K®) is Iowa's Quality Rating and Improvement System (QRIS) for Department of Health and Human Services (HHS) licensed Child Care Centers and preschools, registered Child Development Homes and programs operating under the authority of an accredited school district or nonpublic school. IQ4K® provides five levels of quality (building blocks) that programs can achieve and continue to improve on. By implementing Continuous Quality Improvement (CQI), IQ4K® allows programs to assess their current grade across all areas of programming and devise a structured plan to increase the overall level of program quality. Participating providers achieve a rating on a scale of 1 to 5 by meeting key indicators of quality in the areas of: nutrition and physical activity, professional development, leadership and administration, family and community partnerships, environment, teaching staff qualifications, and teaching and learning.

Furthermore, research shows that the early years (ages 0-5) are the most sensitive for brain development. Over 90% of brain growth occurs during this period. Once in school, students who receive quality early childhood education are more likely to graduate from high school, own a home, and have a job than their peers who did not attend preschool. Young children that spend time in safe and healthy environments that stimulate learning (i.e., quality early care and education programs) are more prepared when they start school and have long-term economic, academic, and social benefits, and reduced costs to individuals and communities later on.

According to secondary research conducted by the Minneapolis Federal Reserve, the annual rate of return on each \$1 dollar spent on high quality early care and education is twelve to sixteen percent (12-16%), with the greatest returns realized among children in low-income families.

Child care requires an investment. The delivery of quality child care is a *business issue and a business challenge for child care providers*. A commitment to delivering quality care that results in quality learning outcomes for children requires significant resources for child care businesses. Low classroom staff to child ratios, age-appropriate curriculum, teacher training and improved teacher qualifications, physical environment improvements, and more – all result in increased costs. An investment in the sustainability of existing child care providers that are committed to quality, is an investment in child care now and into the future.

Child Care as a Business Issue

As we look into the future through the lens of national, state, and local social and economic trends, the greatest hope for sustainable child care, particularly quality child care, rests in the community's ability to *develop strong child care businesses* and to *diversify the dollars going into supporting them* through both *public and private sector engagement and investment*.

The business community has a stake in child care. Businesses, communities, and regional economies all benefit from short-term and longer-term benefits of quality child care:

- Employee retention and decreased turnover;
- More productive employees, who know their children are receiving quality care;
- Ability to attract and keep the best employees and a younger workforce;
- Increased employment and career advancement opportunities at growing child care businesses;
- Spin-off jobs because of the multiplier effect of child care business development and retention;
- Less remedial expense as children are prepared to be successful in school;
- Sharp reductions in public expenditures on criminal justice, welfare, and other remedial services; and
- A well-prepared future workforce: the essential bedrock of regional economic growth.

An immediate cost that impacts families and child care businesses is child care employee turnover. “Studies by American Management Association and others report a range between 25 percent and 250 percent of annual salary per exiting employee. Entry-level, unskilled positions are at the lower end of the cost range, while executive, managerial and sales positions are at the higher end.”¹ A 2006 article by Saratoga, a service offering of PricewaterhouseCoopers, lists the following turnover costs and consequences:

- Lost productivity during a vacancy.

¹ Spremulli, Michael. (2011, June 22). *Employee Turnover on the Rise*. Retrieved from <http://www.chrysaliscorporation.com/employee-turnover-on-the-rise/>

- Diminished productivity of the team and managers who are covering for a vacant position.
- Diminished productivity of the team and managers who are training the new hire.
- Increased labor costs due to overtime or contractor's needs.
- Hiring and onboarding costs.
- More difficult to quantify impacts may include decreased customer satisfaction, increased future turnover, and loss of institutional knowledge.

Combined, these turnover-related costs represented more than 12% of pre-tax income for the average company.²

Business Investment in Child Care

There are multiple opportunities for businesses to invest in child care, meeting both the employee and employer needs, while also promoting a positive image of their business in the community. Employers can support their workers by investing in child care. Support of individual child care businesses can come in multiple forms. First Children's Finance believes the following examples are all viable options in Spencer:

- Sponsor spaces within a child care center(s) or home(s). These spaces are then reserved for that business's employees.
- Fund a child care scholarship that is available to employees whose income exceeds the Iowa child care assistance income eligibility limit but still struggle to afford child care. This could be in the form of a reimbursement and may provide various levels of support for families with different incomes.
- Business or corporate giving grants or community investment funds.
- Donate space for on-site child care that is available to both employees and the community.
- Invest in building a child care facility that bears the corporate or business name.

All contributions at various levels of support are needed, recognized as significant, and promote a positive image of the business or corporation providing that gift or support.

Child Care Market Analysis Key Findings

Complete details of these key findings are contained in the "Key Findings" section of the *Child Care Market Analysis* report that was completed for Spencer in March 2025. These key findings

²*Driving the Bottom Line: Improving Retention*. Copyright © PricewaterhouseCoopers LLP, 2006. Retrieved from <https://www.shrm.org/hr-today/news/hr-magazine/Documents/saratoga-improving-retention.pdf>

are based on research and conditions of the current child care market. If the community or the child care environment changes significantly, current findings may be affected.

Finding 1: Parents are in the Labor Force and Need Child Care- According to the US Census Bureau as of 2023, 90% of families with children ages 0 to 5, and 92% of families with children ages 6 to 17 living in the 51301-zip code have all parents in the labor force.

Finding 2: Parents Indicate Child Care Challenges Are Affecting Their Jobs- Over the last 12 months, parents have experienced child care challenges that have in turn affected their jobs. The top adverse effect experienced by parents was that they had to leave work early (66%).

Finding 3: Employers Indicated Child Care Challenges Affect Their Employees- Over the last 12 months, employers have been impacted by the adverse effects their employees experienced because of child care challenges. The top adverse effects experienced by employers was employees had to leave work early (65% of employers).

Finding 4: Finding Child Care is Very Difficult- Among parents who looked for care for ages 0 to 5 in the last 12 months, 73% experienced some level of difficulty. And among parents that looked for care for ages 5 to 12 in the last 12 months, 55% experienced some level of difficulty.

Finding 5: Employers, Child Care Providers, and Parents Indicate Child Care is Not Available in Spencer – Through the child care needs survey, employers, child care centers providers, and parents were asked to rank the availability of child care in Spencer. The weighted average for each group was around 2.3, indicating none of the groups feel the current child care supply is adequate.

Finding 6: Child Care Providers are Turning Away Families- Among child care providers that participate in the child care needs survey, 79% indicated they had turned away families or put them on a waitlist due to a lack of spaces or openings in their program in the last 12 months.

Finding 7: Parents Want a Licensed Center and They Want Year-Round Care- Through the child care needs survey, 48% of parents indicated their top choice for child care is a licensed center. The top choice for parents considering care for children ages 0 to 5 is year-round, which is preferred by 90%, and the top choice for children ages 5 to 12 is also year-round, which is preferred by 62% of parents.

Finding 8: There is a Shortage of Regulated Child Care Spaces in Spencer- First Children's Finance estimates there are 1,317 children in Spencer from families likely to use a regulated child

care setting. According to Iowa HHS, there are 737 regulated spaces available during the school year and 529 regulated spaces available during the summer. That means there is a shortage of up to 580 spaces during the school year and up to 788 spaces during the summer.

THE FUTURE OF CHILD CARE IN SPENCER

Vision for Child Care

The following vision was developed during the strategic planning sessions. This vision will help guide the future of child care in Spencer.

Spencer will be a thriving community where every child and family has access to sustainable, quality care; providers are valued; and child care is recognized as a cornerstone of economic growth and community well-being.

To accomplish this vision means a focus on and resources committed to:

- Informing parents, businesses, and the community on the value and importance of regulated child care.
- Creating more spaces within regulated child care environments.
- Recruiting and developing child care professionals that provide a variety of child care options.
- Providing child care business development opportunities to assure viability and sustainability of existing and new child care programs.

Every parent wants their child to be in a child care setting that not only meets their basic needs for safety and security, but also provides nurturance and prepares that child for school success. The late Jim Greenman, child care developer and advocate, stated: “A baby welcomed into a center today may spend up to twelve thousand hours in child care, more time than she will spend in all of elementary school and high school.” For working parents, choosing child care may be one of the most critical decisions they can make as the child care environment has lasting effects on the child. Finding child care is a challenge; options for quality, regulated child care that meets the needs and preferences of families is even more challenging. Community and business leaders all want the same thing – quality, affordable child care that meets the needs of families, employers, and the community as a whole – not only today, but into the future. From the beginning, the intention of this project was to develop a community-wide solutions-based plan for the expansion of *quality* child care, not to just add more child care spaces.

Key Assumptions for Expanding Child Care

The expansion of quality child care carries with it some key planning assumptions. These assumptions will guide the implementation of the *Strategic Plan for Child Care*.



Commitment to program quality- All child care programs that choose to participate in child care expansion efforts and receive incentives (should any be made available) and other resources, will commit to quality. This commitment includes training, curriculum enhancement, and other business and classroom standards, including being a licensed center or registered child development home with the Iowa Department of Health and Human Services.



Serve all ages- The current child care shortage includes a shortage of infant and toddler care (under age 2), which is more costly to provide than care for older children, due to lower staff to child ratios. Provider participation in the child care expansion effort means a commitment to provide care to infants and toddlers, as well as other ages of children.



Meet quality requirements in physical environments- There exists a direct link between the quality of the physical environments and quality in the classroom practices. To the degree possible in existing child care and in new development of child care, attention will be given to quality child care physical environments – facilities and playgrounds, including meeting (or exceeding) standards as a licensed center or registered child development home as set by the Iowa Department of Health and Human Services.



New child care development needs to promote community-building- New child care development carries with it an opportunity to use development and design models that build a sense of community and become desirable community assets for the long term.

CHILD CARE GOALS AND STRATEGIES

The strategic planning process is an opportunity to leverage multiple viewpoints and ideas related to addressing the child care challenges in Spencer that were identified through the 2025 *Child Care Market Analysis*, including the child care needs surveys completed by employers, child care providers, and parents. Through a series of strategic planning meetings, community members engaged in activities and conversations to develop these goals and strategies to address the local child care challenges.



GOAL 1: Increase public awareness about the critical need for child care and promote appreciation for local child care providers.

Child care is an essential component of the community's infrastructure that keeps businesses growing and parents working. In Spencer, 90% of families with children ages 0 to 5 and 92% of families with children ages 6 to 17 have all parents in the workforce. In addition, parent input from surveys conducted in conjunction with the 2025 *Child Care Market Analysis* showed that 79% of parents prefer an Iowa Department of Health and Human Services (HHS) regulated setting—either a licensed center or a registered child development home.

Strategy: Implement a marketing campaign that informs the community of the state of child care in Spencer, career options within the early care and education field, and recognizes the efforts of local child care providers.

In Iowa there are several forms of early care and education available to meet each family's varying needs and preferences. Some forms are regulated while others are not, and some regulated providers choose to go above the regulations to participate in voluntary quality rating programs or to become accredited. Quality child care contributes to a higher quality of life for all residents as it assures that children are experiencing the kind of care that not only is safe and nurturing but is preparing them for success and growing into healthy contributing citizens.

Action Plan

July 2025 through December 2025

- The Child Care Steering Committee will develop a marketing campaign that identifies key audiences, the type of information needed for each audience, methods for reaching each audience, and timelines. Examples of information and messages that could help achieve this strategy include, but are not limited to:
 - The key findings from the *Child Care Market Analysis* including the child care gap in the Spencer area.
 - The goals and strategies to address child care from this *Strategic Plan for Child Care*.
 - When registration with Iowa Department of Health and Human Services is required for home-based child care.
 - The difference between types of child care settings including regulated (registered homes and licensed centers) and unregulated (friends, family and neighbor care).
 - Career options within early care and education field, including becoming an early childhood educator (typically classroom staff) or an early childhood program administrator (center director).
 - Encouraging community support and recognition of local child care providers in conjunction with nationally established events.
 - Week of the Young Child, each April.
 - National Association for the Education of Young Children's (NAEYC) <https://www.naeyc.org/events/woyc>
 - Child Care Provider Appreciation Day, each May.
 - Child Care Aware of America <https://providerappreciation.org>
 - National Association for Family Child Care <https://nafcc.org/fcc-appreciation/>

- The Child Care Steering Committee will encourage child care programs to implement similar efforts to increase awareness of their own program. Examples of efforts child care programs can implement that could help achieve this strategy include, but are not limited to:
 - Press release announcements when staff complete training or professional development.
 - The hiring of a new staff member.
 - Recognize work anniversaries or longevity of individual staff members.
 - Renewal of their HHS license or registration.
 - Participation in quality initiatives such as Iowa Quality for Kids (IQ4k).
 - Press release announcement when receiving grants or donations for making improvements or purchasing new equipment.

January 2026 through December 2026 (repeat annually)

- The Child Care Steering Committee will review the activities of the prior year's marketing plan and create a new plan for the upcoming year. Each year the information that was shared will be reviewed to ensure it is up to date and links or contact information remain correct.

Expected Outcomes and Impacts

The expected outcome of this strategy is an increased awareness of the difference between regulated and unregulated child care, some of the requirements regulated programs must meet, and an understanding of the business challenges some programs experience when delivering quality child care. As awareness increases, child care providers and staff will be recognized and appreciated as early childhood educators that lay the foundation for lifelong learning, and the value of the care they provide will be recognized. Over time, support for regulated child care programs will lead to opportunities to form partnerships with local businesses or other community partners, that in turn will help the child care programs remain sustainable.

Strategy: Provide parents with accessible, clear information that helps them understand, identify, and select quality child care options.

Every parent wants their child to be in a child care setting that not only meets their basic needs for safety and security but also provides nurturance and prepares that child for school success. For working parents, choosing child care may be one of the most critical decisions they can make, as the child care environment has lasting effects on the child.

Child Care Resource & Referral provides services and resources to help parents make informed choices about the care of their child. In addition to providing referrals or names of specific child

care providers, the agency also has information about choosing quality child care, a checklist of questions for interviewing child care providers, and information about child care regulations and voluntary quality initiatives in Iowa.

For families that struggle to pay for child care or preschool there are options available. Child Care Assistance (CCA) is available to the children of income-eligible parents to help pay for care at Iowa Department of Health and Human Services (HHS) approved child care programs while a parent or caretaker works or attends school. An additional source for families that wish to participate in preschool is the scholarship or voucher program available through Early Childhood Iowa (ECI).

Action Plan

July 2025 through December 2025

- The Child Care Steering Committee will lead efforts to inform parents of the current child care environment and how to navigate finding child care. The first step will be to develop a plan for sharing information. The plan will include key messages to be shared, methods of delivery, timeline, and assignments. Some examples and key messages that could be included are:
 - Child Care Connect (C3) website where parents can access near-real-time information about the local child care supply and search for child care openings.
<https://iachildcareconnect.org>
 - Child Care Resource & Referral (CCR&R), parent referral service to find child care:
<https://iowaccrr.org/families>
 - Iowa Department of Health and Human Services (HHS), information for families:
<https://hhs.iowa.gov/programs/programs-and-services/child-care/child-care-tools-and-resources>
 - Lakes Area Early Childhood Iowa (ECI) services and programs, including (but not limited to) income-based preschool scholarships for children ages 3 to 5.
<https://www.ecilakesregion.com/wp>

January 2026 through December 2026 (repeat annually)

- The Child Care Steering Committee will review the efforts of the prior year to determine what information needs to be shared on a regular basis. Information will be updated and shared annually, or as necessary.

Expected Outcomes and Impacts

Parents will have a local point of access to be directed to information and resources that support their individual child care needs. Parents who become familiar with Child Care Resource & Referral (CCR&R) services, including parent referral assistance, will understand the distinct types

of care and will know what to look for when selecting child care. Parents that need assistance paying for child care or preschool will have the opportunity to apply to HHS or ECI for assistance.

Strategy: Provide resources and information to local employers about child care, child care related employee benefits, child care partnerships, and employer sponsored child care models.

There are a variety of ways employers can support their workers who use child care. Through the surveys conducted as part of the *Child Care Market Analysis*, only 3% of employers indicate they include child care information in employee orientation and 0% indicated they include it in the employee handbook. Employers were also asked if they provide Dependent Care Flex Spending or financial assistance for employees to pay for child care. Thirty-five percent (35%) of employers offer flex spending, while 0% offer financial assistance to help employees pay for child care.

Separately, employers were asked about ways they would be willing to assist in addressing the child care shortage and/or supporting child care businesses. Those options ranged from providing in-kind services to providing financial contributions. The majority of employers indicated they were unsure if their company would commit to any of the 15 options listed, indicating they may need more information before being able to decide.

Action Plan

July 2025 through December 2025

- The Child Care Steering Committee will develop a plan to provide resources and information to employers about how child care and child care related employee benefits can be a workforce recruitment and retention strategy, along with the types of benefits and options for the level of involvement an employer may choose. The first step will be to develop a plan for sharing information. The plan will include key messages to be shared, methods of delivery, timeline, assignments of tasks, and any expected costs. Examples of key messages and information that could be shared with employers include, but are not limited to:
 - Employers include child care information in orientation materials and employee handbooks. Information could include a link to the Child Care Connect website where parents can search for available child care, Iowa Department of Health and Human Services (HHS) to apply for Child Care Assistance to help pay tuition, and Lakes Area Early Childhood Iowa (ECI) to apply for preschool tuition scholarships.
 - Child Care Connect (C3) website where parents can access near-real-time information about the local child care supply and search for child care openings. <https://iachildcareconnect.org>

- Iowa Department of Health and Human Services, information for families: <https://hhs.iowa.gov/programs/programs-and-services/child-care/child-care-tools-and-resources>
- Lakes Area Early Childhood Iowa (ECI) services and programs, including (but not limited to) income-based preschool scholarships for children ages 3 to 5. <https://www.ecilakesregion.com/wp>
- Dependent Care Flex Spending Accounts (FSA), allowing employees to set aside their own pre-tax dollars to help pay for child care.
- Lifestyle Spending Accounts, where the employee can use the funds for work-life balance benefits including child care tuition. These spending accounts are funded by the employer; however, employees may have to pay income tax on the funds.
- Options for employers to directly supplement child care costs for their employees, including paying all or a portion of the tuition directly to the provider, or reimbursing an employee for child care expenses.
- Employer-funded scholarships for their own employees through either the employer, a specific child care provider, or a local fiscal agent.
- Employer partnerships for reserved spaces, enrollment priority, or tuition discounts for their employees, in exchange for on-going financial support the child care program.
- A significant annual financial commitment to a child care program, such as donating an amount equal to a child care center director's annual wage.
- Allowing schedule flexibility or work from home options (for appropriate positions), when an employee's child care arrangement is temporarily not available, such as a child not being allowed to attend child care due to sickness or the provider being on vacation.

January 2026 through December 2026

- The Child Care Steering Committee will review the prior year's efforts to determine what information needs to be shared on a regular basis. Information will be updated and shared annually, or as necessary.

Expected Outcomes and Impacts

Providing information and resources to employers can increase their involvement in child care, including offering child care related employee benefits that result in increased support for the local workforce. If employers incorporate child care benefits or child care information into

materials such as handbooks or orientation information, employees that are parents will feel supported and may feel that child care is more accessible. Employers that can offer benefits that have a financial aspect such as flex spending or tuition scholarships may also experience positive outcomes such as improved employee attraction and retention.

Strategy: Incorporate child care programs into the Clay County Emergency Response Plan.

According to the Iowa Statewide Child Care Emergency Preparedness and Response Plan, Iowa's child care industry is annually impacted by flooding and more recently from a derecho and the COVID-19 pandemic. In recent years, Spencer and Clay County have felt the effects of all three challenges, with some child care providers facing business disruptions and even having to temporarily relocate to alternative facilities.

Iowa Code requires each county to have an Emergency Management Commission that is responsible for developing and maintaining a countywide comprehensive emergency response plan. The emergency response plan details how the community will prepare for, respond to, and recover from disasters. Children are among the most vulnerable during emergencies. Knowing where child care programs are located helps emergency responders prioritize these sites for evacuation, medical aid, or sheltering.

The Clay County Emergency Response Plan will be reviewed and updated to ensure child care is fully integrated into both the response and recovery components. The response portion of the plan will detail protocols for identifying and locating children in care during an emergency, ensuring their safety, and facilitating timely reunification with families. The Federal Emergency Management Agency (FEMA) identifies child care as an essential service in disaster recovery. Accordingly, the recovery portion of the plan will outline measures to ensure rapid restoration and availability of child care, allowing parents and the broader community to respond to and recover from major disasters and emergencies.

Action Plan

July 2025 through December 2025

- The Emergency Management Coordinator will use the child care provider search function on KinderTrack through Iowa Department of Health and Human Services <http://ccmis.dhs.state.ia.us/ClientPortal/ProviderSearch.aspx> to identify locations of "active" child care centers and preschools, child development homes and child care homes with a Child Care Assistance Provider Agreement and generate a list of facilities.
- The Emergency Management Coordinator will identify child care programs in Clay County that are not listed on KinderTrack. These programs may include unregulated homes

providers, HHS exempt programs such as school-based, those providing in-home or nanny care, and those providing informal care such as family and friends.

- The Emergency Management Coordinator will reach out to all identified child care programs to gather information about their official emergency response plans. Programs that have developed an HHS Emergency Preparedness Plan will be requested to provide a copy of the plan.
- The Emergency Management Coordinator will use the list of child care facility locations from KinderTrack to map the locations. Evacuation locations included in the HHS Emergency Preparedness Plans may also be mapped during this process.

January 2026 through December 2026 (repeat annually)

- The Clay County Emergency Response Plan is reviewed and updated each year in January and February. Updates regarding child care will include the following steps:
 - Update the list of active child care facilities using Iowa HHS' KinderTrack system.
 - Update the prior year's list of child care programs that are not listed on KinderTrack, add new providers and remove those no longer providing care.
 - Contact all identified child care programs to gather information about their official emergency response plans and request a copy of the program's HHS Emergency Preparedness Plan if they have one.
 - Update the prior year's map of child care facility locations and evacuation locations.

Expected Outcomes and Impacts

The expected outcome of this strategy is to identify where child care programs are located, document their evacuation plans, and foster relationships that facilitate the integration of these programs into recovery. Children are among the most vulnerable during emergencies. Knowing where child care programs are located helps emergency responders prioritize these sites for evacuation, medical aid, or sheltering.

GOAL 2: Provide resources that will support existing and prospective child care businesses in Spencer.

Connecting existing and prospective child care providers to business and financial resources will help those providers access supports to help plan for and carry out financially sustainable operations while also improving the overall quality of child care programming. According to Iowa Child Care Resource & Referral, the estimated start-up costs for a registered child development home are just over \$3,500. That estimate includes meeting basic registration requirements and some supplies, but is not all inclusive, and does not include other expenses typically experienced by small businesses in any industry, such as working with an attorney or accountant, or purchasing curriculum, technology, or billing software. When it comes to start-up costs for a center, costs are typically much higher due to the larger quantities and the nature of a commercial facility, especially if remodeling or new construction is needed.

Through the child care provider survey which was completed as part of the *Child Care Market Analysis* for Spencer in 2025, local child care providers indicated the greatest challenges or barriers for either expanding an existing child care program or starting a new child care program are funding, start-up expenses, having staff, and assistance with the application process.

Strategy: Create a local hub to connect existing and prospective child care providers to business resources that offer tailored support for child care businesses.

There are several free and online child care business resources available in Iowa to support individuals interested in starting a new child care business as well as the owners and operators of existing child care providers. Sharing links and contact information for these resources will support both existing and start-up child care programs.

Action Plan

July 2025 through December 2025

- The Child Care Steering Committee will identify a local website to host a page to serve as a hub of links to resources for child care businesses. Links that might be included are:
 - Child Care Collaborative of Iowa
 - Child Care Management System (CCMS) support
 - Financial Management Coaching
 - Child Care Resource & Referral
 - Child Care Ready
 - Business Incentive Program (administered on behalf of ECI)
 - Early Childhood Iowa (ECI)
 - Local system- Lakes Area Early Childhood Iowa
 - Statewide system

- Iowa Early Care and Education Teaching Roles Career Pathway
 - Iowa Early Care and Education Administrator Role Career Pathway
- First Children's Finance
 - Business & Financial Fundamentals business coaching
 - Business & Financial Fundamentals training series
 - Child care business loans
- Iowa Association for the Education of Young Children (Iowa AEYC)
 - T.E.A.C.H. (scholarship program)
 - Child Care WAGE\$ IOWA (salary supplement program)
- Iowa Department of Education
 - Child and Adult Care Food Program (CACFP)
- Iowa Department of Health and Human Services (HHS)
 - Child Care Center Licensing
 - Registered Child Development Home
 - Child Care Assistance Program (tuition assistance paid to providers)
- Iowa Quality for Kids (IQ4K) quality rating improvement system
- I-PoWeR Professional Workforce Registry (training calendar and credit hour tracking system)
- Iowa State University Extension and Outreach

January 2026 through December 2026 (repeat annually)

- The Child Care Steering Committee will review the webpage to assure all resources are still available and links are up to date.

Expected Outcomes and Impacts

This strategy will provide child care business owners and operators with access to business supports that are intended to help those programs be more sustainable and improve the overall quality of child care programming. In turn, sustainable child care businesses will operate at full capacity and possibly expand, providing an adequate supply of child care for the community.

Strategy: Establish a peer networking group to encourage more individuals to become registered child development homes.

To encourage more home-based child care providers to become Iowa Department of Health and Human Services (HHS) registered child development homes, a local child care provider networking group will be established. This networking group will be an opportunity for non-registered home providers to learn about the benefits of being a registered provider from peers, before working with a regulatory agency. While the primary purpose of the group will be to share

first-hand experiences related to being a registered home provider, it is expected resources and support related to child care practices and stable business operations may also be shared.

Once individuals have been identified to coordinate the group, the group will function independently, with no affiliation with or obligation to the Child Care Steering Committee.

Action Plan

January 2026 through December 2026

- The Child Care Steering Committee will contact current registered and non-registered home-based child care providers to gauge interest in a local peer networking group.
- If there is enough interest, the Child Care Steering Committee will contact Child Care Resource & Referral (CCR&R) to determine if that organization can provide support to coordinate the group.
- If CCR&R is not able to coordinate, the Child Care Steering Committee will contact current registered child development home providers as well as retired child care providers that were registered child development homes, to identify individuals willing to coordinate the group.
- Once those individuals are identified and have agreed, the steering committee will assist the coordinators to plan initial networking events.

Expected Outcomes and Impacts

This networking group will be an opportunity for non-registered home providers to learn about the benefits of being a registered provider from peers, before working with a regulatory agency. The ultimate impact of this strategy will be measured by the number of new regulated child care spaces created.

GOAL 3: Increase the child care labor pool in Spencer by encouraging credentialing and fostering career growth in the field.

According to the *Child Care Market Analysis* that was completed for Spencer in 2025, the top two factors that are important to parents when selecting child care are “dependable provider/staff” and “positive interactions between staff and children”. Yet, a common challenge facing many child care providers today is finding and retaining qualified child care staff.

Among the child care programs that participated in the child care needs survey that was completed as part of the recent *Child Care Market Analysis*, 14% indicated that over the last 12 months hiring staff had been somewhat difficult. Separately, 14% of the survey respondents indicated they had limited enrollment or closed a classroom due to not having enough staff during the last 12 months.

Strategy: Develop a child care staffing pipeline by promoting work-study opportunities and career path options for local high school students pursuing a career in the early care and education industry.

Under current Iowa child care licensing standards, an individual age 16 or older can work within a child care center and an individual age 14 or older can be an assistant within a registered child development home.

Work-study programs and internships provide hands-on experience and career exploration by allowing high school and college students an opportunity to go into the community and work at a local child care center. Students working in a child care program must complete the same training as other workers. These trainings will provide the students with basic child development knowledge that can be implemented in child care programs and may further their interest in pursuing a career in the early care and education field.

Freshmen entering high school develop a 4-year plan, laying out the courses they plan to take during high school based on their future plans and goals, and that plan is reviewed and revised on an annual basis throughout their high school career. High school students that are interested in early care and education as a career can work at a local child care program as part of a work-study program or on their own as a part-time employee to gain hands-on experience within the field.

Action Plan

July 2025 through December 2025

- The Child Care Steering Committee will contact local high schools to discuss opportunities for high school students within the Early Care and Education field.

Opportunities include traditional part-time employment, work-study opportunities, and fulfilling required work hours for any students taking courses to earn a Child Development Associate (CDA) credential.

January 2026 through December 2026 (repeat annually)

- Child care programs, schools, and other partners will continue promoting the work-study opportunity to students that are likely candidates.

Expected Outcomes and Impacts

The expected outcome of this strategy is two-fold and will benefit both child care programs and high school students. Child care programs that need staff will develop a new pool of candidates to work part-time while still in high school and then full-time after graduation. In addition, making work-study options available and known to the high school administration and students may generate interest among high school students to pursue a career in the early care and education field.

Strategy: Investigate opportunities to provide high school students the required training and work experience to obtain a Child Development Associate® (CDA) Credential™.

According to the *Child Care Market Analysis* that was completed for Spencer in 2025 one factor that ranked high when parents were asked to select the factors they consider when selecting child care was “positive interactions between staff and children”. Yet, a common challenge facing many child care providers today is finding and retaining qualified child care staff. One way to find and train staff is to discover local high school students that want to jumpstart their higher education with core knowledge of child development. Access to formal education may also help retain existing child care staff.

The Council for Professional Recognition’s Child Development Associate® (CDA) Credential™ is a professional development opportunity for early educators working with children ages birth to 5 years old to demonstrate their knowledge, skills and abilities in the early childhood education field. The CDA credentialing program assesses candidates using multiple source evidence, including an exam, observation and professional portfolio with resources and competency statements prepared by the candidate. To be eligible to apply for the credential, candidates must be at least a junior in high school, complete 120 clock hours of training, 480 hours of professional work experience (paid or volunteer, within the 3 years prior to application), and prepare a professional portfolio (within the 6 months prior to application).

Child care center staff and home providers that have a CDA Credential are eligible for Child Care WAGES® IOWA (assuming both the individual and the child care program meet eligibility

requirements). WAGE\$ is a program offered by Iowa Association for the Education of Young Children (Iowa AEYC) that offers salary stipends to the early care and education workforce, based on the individual's level of formal education and commitment to their program. Access to these stipends may help child care programs with staff recruitment and retention.

Child care programs that participate in Iowa Quality for Kids (IQ4K) quality rating improvement system have the potential to earn more points when being assessed for their rating if they have staff that have a CDA credential. IQ4K is a voluntary rating system for Licensed Child Care Centers, Preschools, Registered Child Development Homes, and Head Start programs. Participating providers achieve a rating on a scale of 1 to 5 by meeting key indicators of quality in the areas of: nutrition and physical activity, professional development, leadership and administration, family and community partnerships, environment, teaching staff qualifications, and learning.

Action Plan

January 2026 through December 2026

- The Child Care Steering Committee will coordinate initial efforts to promote the benefits of earning a CDA credential to local high school and community college students. Activities to achieve this might include, but are not limited to:
 - Meet with school districts representatives to develop a plan to promote the early care and education field and explain the benefits of students working within local child care programs to begin earning the professional work experience that is required for a CDA before graduating from high school.
 - Meet with Iowa Lakes Community College (ILCC) to learn which courses are offered that count toward the required clock hours of training for a CDA.
 - Hold an annual recruitment event, or participate in an existing career event, targeted at high school students for the purpose of promoting the early care and education profession and the opportunity to begin working on a CDA prior to high school graduation.
 - Work with ILCC to pair enrolled students with eligible child care programs to allow the students access to earn work experience hours.

January 2027 through December 2027 (repeat annually)

- Local school district, community colleges, and child care providers will be encouraged to continue partnering to promote the CDA credential and to provide access to child care programs where students can complete the required work experience hours.

Expected Outcomes and Impacts

The expected outcome is an increase in the number of individuals with a Child Development Associate (CDA) Credential™, which will have a positive impact on the quality of care.

Additionally, individuals with a CDA are eligible to receive the WAGE\$ stipend. Individuals receiving WAGE\$ can earn between \$550 and \$11,500 annually (in addition to their regular pay from their employer), depending on their education and if the child care program where they are working is participating in IQ4K.

Another potential outcome is increased participation in IQ4K, both by programs already participating that have the potential to earn more points to increase their level, and child care programs deciding to participate for the first time. Teaching staff (centers) or provider (homes) qualifications are one area that is scored when determining a program's IQ4K level. CDA is specifically taken into consideration for this score. A child care program participating in IQ4K receives an achievement bonus every two years, which is based on whether they are a home or center, their overall capacity (centers only), and the IQ4K level the program has achieved (1-5). Bonuses range from \$800 to \$4,000 for registered child development homes, and from \$800 to \$16,000 for licensed centers.

GOAL 4: Increase the number of Iowa Department of Health and Human Services regulated child care programs in Spencer by 2030.

There are 1,830 children ages 0 to 11 living in the Spencer area. Based on the number of families with all parents in the workforce and parent preferences for Iowa Department of Health and Human Services (HHS) regulated child care, First Children's Finance estimates there are 1,317 children likely to use HHS regulated care. Through the recent child care needs survey completed for Spencer, it was determined that 48% of parents prefer an HHS licensed child care center, while 31% of parents prefer an HHS registered child development home.

When the market analysis was completed, there were 13 HHS regulated child care providers in Spencer that have a collective maximum capacity of 737 during the school year and a capacity of 529 during the summer. According to Iowa Child Care Connect, as of August 2025, 10 of the 14 child care programs tracked by HHS are full. Collectively, the remaining 4 programs have a total of 42 vacant spaces.

With an estimated 1,317 children living in Spencer likely to use regulated child care and only 529 regulated spaces available year-round, it is reasonable to conclude there is a need for more regulated child care within the community.

Strategy: Develop and implement a campaign to recruit new Iowa Department of Health and Human Services registered child development home providers in Spencer.

Through the parent survey conducted as part of the *Child Care Market Analysis* that was completed for Spencer in 2025, it was determined that 31% of parents prefer to use a home provider that is registered with Iowa Department of Health and Human Services (HHS), also known as "registered child development homes". As of March 2025, when the market analysis was completed, there were 7 registered child development homes with a collective maximum capacity of 76 spaces.

The number of spaces within registered child development homes can be increased in three ways:

1. Already operating registered child development home provider changes their registration to a different category, assuming the provider has the experience and space.
2. Already operating non-registered home provider becomes a registered child development home.
3. Individuals who are not currently providing child care start a new child care business as a registered child development home.

Through the sessions to develop this strategic plan, participants identified the following individuals as the best candidates to become registered child development home providers:

- Individuals that used to be in child care but are no longer.
- Parents that are staying home with own children due to a lack of care.
- Current child care staff who want to start their own child care program.

Action Plan

January 2025 through December 2025

- The Child Care Steering Committee will compile resources and information about being a registered child development home provider. Information and resources may include, but are not limited to:
 - Child Care Resource & Referral (CCR&R)– When registration is required, the benefits of being registered, and who to contact for help with the registration process. Information on the benefits of being registered may include the ability to access state and federal programs that provide financial incentives and funding, like Child Care Assistance, Child Care WAGE\$ stipend, and the Child and Adult Care Food Program (CACFP).
 - Lakes Area Early Childhood Iowa (ECI)–Information on the *Business Investment Program (BIP)*, which provides funding to child care providers for costs related to startup, expansion of a child care program, and to help child care programs that wish to participate in quality initiatives such as Iowa Quality for Kids (IQ4K).
- The Child Care Steering Committee will compile a list of local economic development or small business incentives available locally that would apply to child care businesses. Incentives may include, but are not limited to:
 - Property tax abatement for improvements made to a home, such as finishing a basement or building an addition.
 - Local Option Sales Tax (LOST).
 - Utility hook-ups or extension to an undeveloped lot.
 - Local revolving loan funds.
 - Assistance with land acquisition and lease agreements.
- The Child Care Steering Committee will compile a list of existing home-based child care providers that are not registered with HHS as well as individuals that are not currently providing care but may be interested in becoming a child care provider.
- The Child Care Steering Committee will share the information collected through this strategy with existing unregulated child care homes and individuals that may be

interested in entering the child care field, by sharing through local websites, social media, informational meetings, and other platforms.

January 2026 through December 2026

- The Child Care Steering Committee will review the prior year's efforts. Information and links will be updated, and efforts repeated.

Expected Outcomes and Impacts

The expected outcome of this strategy is an increase in the number of regulated child care spaces within Spencer. By increasing awareness of the need for more regulated child care and providing access to resources more individuals will become a registered child development home with Iowa HHS. For each new registered home, which would likely initially be registered as category A, the result will be the creation of 8 new regulated child care spaces.

Strategy: Identify suitable locations to locate Iowa Department of Health and Human Services licensed child care centers in Spencer.

Through the parent survey conducted as part of the *Child Care Market Analysis* that was completed for Spencer in 2025 it was determined that 48% of parents prefer to use an Iowa Department of Health and Human Services (HHS) licensed center. To expand the number of center-based child care spaces in Spencer options include establishing a new center, an existing center relocating and building a larger facility, or an existing center opening a second location and operating two sites.

Action Plan

January 2025 through December 2025

- The Child Care Steering Committee will identify possible locations for an HHS licensed child care center. The location options that will be compared are:
 - Vacant lots to build a new facility.
 - Existing buildings that could be remodeled.
- When determining which locations are the most feasible, the committee will consider the following:
 - The size of the lot or existing building in relation to the number of new child care spaces that would be created.
 - The need and ability to make renovations of an existing building to meet licensing requirements.
 - Adequate outdoor space to comply with the required square footage to meet licensing requirements for playgrounds.
 - Overall cost and timeline of building new compared to remodeling existing.

- Accessibility for parents.
- Financial feasibility of construction or remodeling, start-up, and ongoing operations.

Expected Outcomes and Impacts

The expected outcome of this strategy will be a comprehensive look at possible locations for a licensed child care center within Spencer. Options that will be considered include remodeling existing buildings and building a new facility. The Child Care Steering Committee will identify possible locations and determine both advantages and disadvantages for each location. The Child Care Steering Committee will make the information collected available to existing or prospective child care programs that are seeking a location.

Strategy: Rivers Edge Church will establish an Iowa Department of Health and Human Services licensed child care center for 30 children, ages 0 to 3.

With the great need for more child care in the community, Rivers Edge Church will establish a new Iowa Department of Health and Human Services (HHS) licensed child care program. The church is in a building that was constructed in 1974 as a church and acquired by Rivers Edge Church in 2025. The child care program will use three of the church's existing Sunday School classrooms. To meet Iowa HHS child care licensing and State Fire Marshal requirements, minor renovations are needed including adding bathrooms to classrooms, adding direct exterior exits to each classroom, and installing a playground with fencing. When the new center opens in January 2026, it is expected to be licensed for 30 children ages 8 weeks to 3 years.

Action Plan

July 2025

- The Leadership Board will hire an architect to develop plans and cost estimates for renovations that are necessary to meet both fire marshal and HHS requirements.
- The Leadership Board will hire a Project Manager to oversee the renovations and to develop the child care program.
- The Project Manager will identify the equipment and furnishings needed for the program and collect cost estimates.

August 2025

- The Leadership Board, with assistance from the Project Manager, will develop a project budget to include renovations, purchases, hiring staff, and initial operating costs. Once the budget is finalized funding sources will be identified.
- Renovations begin.

September 2025

- Renovations underway.
- The Project Manager, with support from the Leadership Board, will begin developing documents and materials required for licensed centers, including:
 - Staff and parent handbooks.
 - Enrollment forms.
 - Set-up system for child and personnel files.
 - Emergency preparedness plan.
 - Annual calendar for the first 2 years, including planned closures and important dates, such as HHS licensing renewal.

October 2025

- Renovations underway.
- The Project Manager, with support from the Leadership Board, continues developing documents and materials required for licensed centers.
- The Leadership Board will hire a Center Director. Steps of this process include:
 - Submit the "Center Director Qualifications" form to HHS for approval, prior to employment starting.
 - Upon approval from HHS, the Leadership Board conducts the required background check including fingerprints.

November 2025

- The Center Director begins.
- The Center Director, with support from the Leadership Board, develops job descriptions for other staff positions, determines staffing needs, and begins the hiring process. As staff are hired the Center Director performs the required background checks, and assures staff complete the required trainings and physical examination.
- The Center Director begins to promote the program and to accept enrollments.
- The Center Director, with support from the Leadership Board, will set up billing and attendance software, including staff scheduling and timesheet management.

December 2025

- The Center Director continues hiring classroom staff.
- The Center Director continues accepting enrollments.
- Renovations conclude and the center is inspected by the Fire Marshal and Iowa Department of Health and Human Services.

- The Center Director completes and submits the *Child Care Center Licensing Application and Invoice* (form 470-4834) and all requested reports, including an approved State Fire Marshal's report to HHS.
- The Center Director will oversee the delivery of furnishings and equipment, and classroom set up. The Leadership Board will assist as needed.
- The Center Director will plan and promote an open house for welcoming donors and the community, and for attracting enrollments.

January 2026

- The center is open, and children begin attending.

Expected Outcomes and Impacts

The expected outcome of this strategy will be the creation of 30 new child care spaces for children 8 weeks through three-years-old in a licensed child care center that are available full-time, year-round. Increasing the number of licensed child care spaces in Spencer will make it easier for parents to find care in their preferred setting and their preferred community. In addition to serving more families, the new center is expected to create 10 new jobs within the community, which will be a combination of full-time and part-time positions.

Strategy: Trinity Preschool & Daycare will renovate existing space to create an additional classroom for children ages 6 weeks to 1-year-old, increasing its capacity from 88 to 96.

Trinity Preschool & Daycare, part of Trinity Lutheran Church, provides child care and preschool for children ages 1-year-old to 12-years-old. The center consists of 4 classrooms and is licensed for 88 children.

According to feedback from collected through the *Child Care Market Analysis* for Spencer in 2025, parents prefer the convenience of enrolling children of various ages in the same child care program. The Church Board has approved renovations that will result in one new classroom and adjoining bathroom. The additional room will allow the program to expand, serving children under the age of one.

Action Plan

July 2025 through December 2025

- The Church Board, with assistance from the Center Director, will hire an architect to develop building plans for the remodeling.
- With assistance from the architect, the Church Board will accept bids for the remodeling.

- The Church Board develops and implements a fundraising plan for the costs associated with the remodeling, purchasing equipment and furnishings for the new classroom, and for other costs associated with starting a new classroom.
- The Center Director identifies and applies for grant funding to assist with the costs associated with the remodeling, purchasing equipment and furnishings for the new classroom, and for other costs associated with starting a new classroom.

January 2026 through December 2026

- The Church Board continues fundraising.
- Remodeling is complete and the center is inspected by the Fire Marshal and Iowa Department of Health and Human Services.
- The Center Director hires additional staff for the new classroom.
- The new classroom is open by September 2026.

Expected Outcomes and Impacts

The expected outcome of this strategy will be the creation of a minimum of 8 new infant spaces, bringing the licensed capacity of the center from 88 to 96. These new spaces will serve children between 6 weeks and 11 months old and will be available full-time, year-round. To meet the staffing requirements set by the Department of Health and Human Services for the new classroom, the center will create 2 new full-time and 1 to 2 new part-time jobs.

Strategy: Safari Child Care & Preschool will explore the feasibility of opening an Iowa Department of Health and Human Services licensed child care center in Spencer for a minimum of 150 children.

According to feedback from collected through the Child Care Market Analysis for Spencer in 2025, parents prefer the convenience of enrolling children of various ages in the same child care program.

Recognizing the growing demand for licensed child care in the area, the owner of Safari Child Care & Preschool in Milford is exploring the feasibility of opening a second location in Spencer. This feasibility study will be completed by the end of 2025. If the decision is made to move forward, a second location to serve a minimum of 150 children ages 4 weeks to 10 years old is expected to open in Spencer by December 2026.

Action Plan

July 2025 through December 2025

- Identify a location. The location options that will be compared are vacant lots to build a new facility and existing buildings that could be renovated to meet licensing requirements.
- Determine start-up costs. Costs will include construction or remodeling, furnishings and equipment, and playground. Additional funds will be needed for hiring and training new staff, and operating funds equal to 3 months of expenses.
- Identify start-up funding. Once start-up costs are determined, the owner will determine what can be paid with cash or equity of the current business. If there are expenses that cannot be paid with cash on hand or if costs exceed cash available, the owner will explore other options including loans, local business incentives, donations, and grants.
- Develop sustainable business model. With a location identified the owner will develop budget projections for the first three years of operations in the new location.

January 2026 through December 2026

- Develop building plans. The owner will work with an architect to develop plans and finalize cost estimates to remodel or construct a new center. The building will be designed to meet both fire marshal and HHS licensing requirements.
- Construction or renovation underway.
- Construction or renovation is complete, and the center opens

Expected Outcomes and Impacts

The expected outcome will be the creation of a maximum of 150 new child care spaces for children ranging from 4 weeks to 10 years old, with full-time, year-round availability. To meet the staffing requirements set by the Iowa Department of Health and Human Services, 15-20 new positions, including both full-time and part-time roles, will be created. Additionally, a newly renovated or newly built facility is expected to provide a quality learning environment for children and positively impact child care staff satisfaction and retention.

Strategy- Spencer Family YMCA will build a new facility, which will include expanded space for Spencer Family YMCA Dvergsten Center, allowing the program to increase the licensed capacity from 212 to 300 spaces.

Spencer Family YMCA is located in a building that was constructed in 1965. A portion of the building houses Spencer Family YMCA Dvergsten Center, which is licensed as a child care center. The center offers two programs, Dvergsten Early Childcare Center for children between 6 weeks and 5 years and Kids Club for children age 6 and older.

The Y's Board of Directors have taken initial steps to build a new larger YMCA facility. Preliminary plans for the new facility include expanded space for child care which is expected to be licensed for 300 children.

Action Plan

July 2025 through December 2025

- The Board of Directors and CEO announce plans for the expansion.

January 2026 through December 2026

- Land for the new facility is identified and secured.
- The Board of Directors will appoint a facility committee to lead the project.
- The Board of Directors will appoint a fundraising committee which will develop and implement a capital campaign for the costs associated with the constructing the new facility and purchasing equipment and furnishings, including the equipment and furnishings for the child care program.

January 2027 through December 2027

- The capital campaign continues.
- The facility committee will work with the architect to finalize the building plans.

January 2028 through December 2028

- The capital campaign continues.

January 2029 through December 2029

- Capital campaign continues.
- The facility committee, with assistance from the architect, will accept bids and select a contractor for the construction.
- Construction begins.

January 2030 through December 2030

- Construction is complete and the facility is inspected by the Fire Marshal and Iowa Department of Health and Human Services.
- The Center Director will hire additional staff to support the expanded capacity.
- The new child care space is open by December 2030.

Expected Outcomes and Impacts

The expected outcome of this strategy will be the creation of 88 new child care spaces, bringing the licensed capacity of the center from 212 to 300. These new spaces will be available full-time,

year-round. To meet the staffing requirements set by the Department of Health and Human Services for the expanded capacity, the center will create approximately 3 new full-time and 10 new part-time jobs. Additionally, a newly built facility will provide a quality learning environment for children and positively impact child care staff satisfaction and retention.