

Solving the Childcare Crisis in the North Country

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The Neil & Louise
Tillotson Fund

Coös Childcare Tactical Team

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Forward

Coös County and Upper Grafton County currently have 8 licensed child care centers and 5 preschool HeadStart programs. In recent years five childcare centers have closed, displacing over 200 children. This trend is expected to continue, impacting local workforce participation due to childcare challenges. Addressing the crisis requires a collaborative approach, as no single entity can fully resolve it. ***The Coös Coalition for Young Children and Families, in partnership with the Coös County Director Network, aims to increase available childcare spaces in the north country.*** While childcare is not a specific strategy in the [Coös Coalition Childcare Systems Plan](#), it aligns with the broader goal of ensuring all families have access to quality childcare. The coalition has a successful history of incubating similar initiatives.

With funding from the Neil and Louise Tillotson Fund and NH Charitable Foundation, the [Coös Childcare Tactical Team](#) has been established. The team's focus is on developing four local mixed-delivery childcare solution plans. The "**Solving the Child Care Crisis in the North Country Report**" was created to assist the team and stakeholders in understanding local childcare needs, measuring the current childcare capacity, and identifying potential solutions and opportunities for expansion.

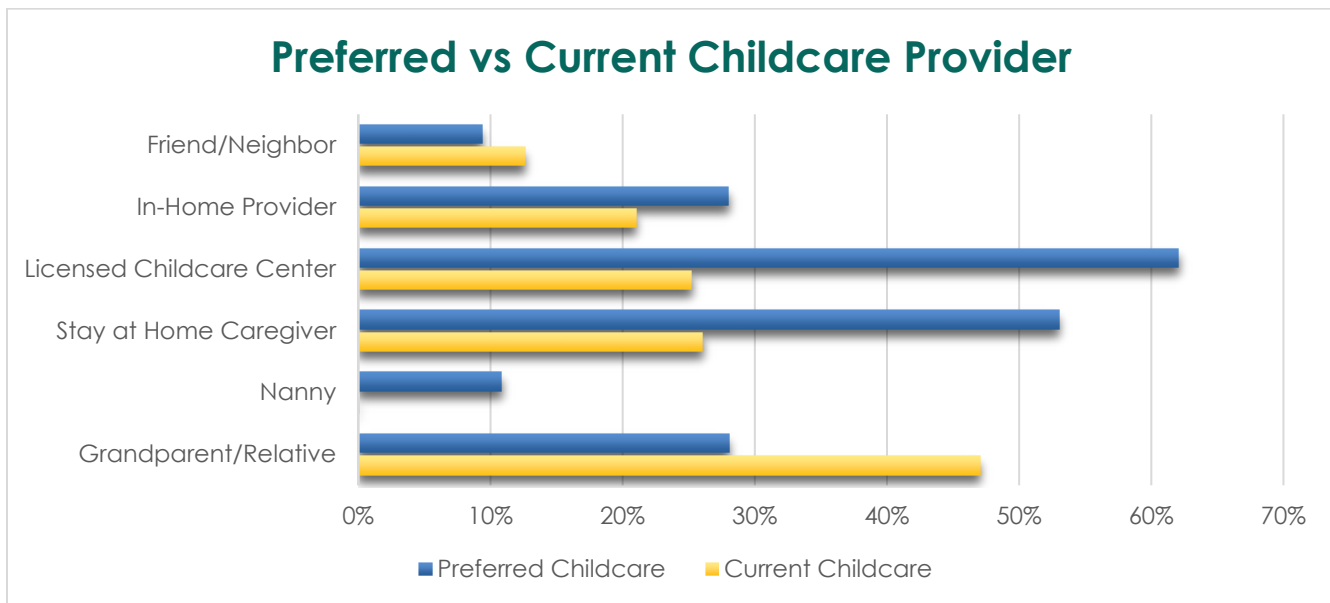
The data collected in this report will be used at January 2024 convening of stakeholders from childcare, family, social service, school, healthcare, and business sectors to collaborate on sustainable solutions. Data in the report is organized into four regions - Coös West, Coös East, Coös North, and Upper Grafton - which will also be the basis for creating local childcare solutions plans and forming future implementation workgroups.

Creating a comprehensive childcare system which promotes optimal growth and development for young children and meets the needs of working families is a complicated, extremely nuanced, and multi-layered endeavor. Factors such as universal access, quality learning environments, affordability, regulatory mandates, individual family circumstances, family dynamics, and personal preferences are just a few of the considerations. To successfully ***increase the number of childcare spaces for working families***, the Team will limit the focus to childcare for young children aged from birth to 5 years, thus children who have not entered Kindergarten. Therefore, after-school care, school-vacation and summer school are not addressed at this time. Additionally, even though mental and behavioral health of children, teachers, and caregivers is extremely important it is one of those "layers" that is beyond the scope of this report.

The terminology in this report uses the most common language used to describe and categorize care. It is not meant to be judgmental or disdainful to any particular type of childcare provider. For example, the phrase *early care and education* is used within the childcare field to build awareness of the full scope of services formal childcare structures such as licensed childcare centers provide. It is not meant to suggest that stay-at-home caregivers or in-home providers aren't contributing to children's learning.

What Families Want

Working families in the north country struggle to find affordable high-quality childcare. The cost of childcare often forces parents to choose between staying home and using less expensive alternatives like grandparents, neighbors, or friends. In December 2023, a survey of 190 employees from over twenty local companies revealed that 60% of respondents had children in their households. The most common form of childcare was grandparents and other relatives. The majority of respondents were using more than one type of childcare to meet their work schedule. Interestingly, if availability and cost were not issues, 62% of respondents would prefer a licensed childcare center with 53% also considering a stay-at-home caregiver as a top choice.



Survey participants were asked to prioritize reasons for selecting a specific childcare option. The chart below indicates that the top three reasons varied between those *currently using a childcare center* and *those not using one* with affordability and availability emerging as the primary factor for those not using a childcare center.

TOP 3 REASONS

Respondents Using a Childcare Center	Available during the hours I needed it
	Atmosphere I want for my child
	Quality learning environment I want for my child
Respondents Not Using a Childcare Center	I can afford it
	My only choice
	Available during the hours I needed it

Families work schedules were also a major factor. The majority of respondents needed at least 8 hours of care Monday – Friday. Notably, current licensed childcare options do not meet at least a third of survey respondents work schedules.

- 33% of families needed childcare at or before 7am
 - 7 out of 13 licensed childcare providers and preschool programs are open at or before 7:00am
- 16% of families needed childcare until 5:30pm or beyond
 - 3 out of 13 licensed childcare providers and preschool programs are open until 5:30pm, none are open after 5:30pm

A review of operating hours of licensed childcare centers revealed that those serving infants, toddlers and preschool age children are open 10 or more hours each day. Most licensed childcare centers and public schools serving *only* preschool age are open between 4 and 6 hours each day.

Overview of Childcare Options

Families employ diverse childcare options to support the well-being and development of children under the age of six. The following outlines the most prevalent types of childcare accessible to such families.

Stay at Home Caregivers

Stay at Home caregivers are parents, grandparents or other relatives *who are raising young children in their homes*. The caregiver has made the choice to stay at home and care for their children rather than pursue employment outside the home. Key characteristics of stay-at-home caregivers include:

- Care is provided in a home environment rather than a formal childcare center, creating a more personalized and familial setting.
- Stay-at-home caregivers often offer more flexible schedules, accommodating the needs of both the caregiver and the child.
- There is a strong personal connection between the child and the caregiver, as they are typically family members. This can contribute to a sense of security and familiarity for the child.
- While not structured like formal educational settings, stay-at-home caregivers may engage children in informal learning activities and play, contributing to their overall development.
- Families may choose stay-at-home caregivers as an informal option due to cost considerations, as it may be a more affordable alternative compared to formal childcare centers.
- Stay-at-home caregivers can provide individualized attention and care, tailoring their approach to the specific needs and preferences of the child.

While stay-at-home caregivers offer a valuable informal childcare option, it's essential to recognize that this arrangement may not always be feasible for every family, and preferences for childcare can vary based on individual circumstances and priorities.

Nannies

Nannies are an informal childcare option where individuals, often professionally trained and experienced, provide personalized care for children within their homes. Families may hire nannies to take care of children on a full-time or part-time basis, offering flexibility and tailored attention. Nannies are considered employees, therefore families, as employers must adhere to labor laws and requirements.

Nannies can engage in a range of childcare responsibilities, including supervising activities, preparing meals, assisting with homework, and ensuring the overall well-being and safety of the children. Unlike formal childcare settings, the nanny arrangement typically involves a more individualized and intimate caregiving relationship within the family's home environment. Families may choose nannies for their expertise, flexibility, and the ability to create a personalized childcare experience for their children.

The cost of hiring a nanny can vary based on factors such as location, the nanny's experience and qualifications, the number of children, and specific job responsibilities. A search of Care.com came up with a short list of individuals looking for nanny jobs in the north country. Care.com postings indicated families can expect to pay anywhere from \$15 to \$30 per hour. Keep in mind that additional benefits, such as health insurance, paid time off, and other perks, can also impact the overall cost.

Family Members, Friends, and Neighbors

Parents often turn to family, friends, and neighbors for childcare due to the following reasons:

- Family and friends may offer childcare without the associated costs of formal childcare settings, making it a more budget-friendly option.
- Informal arrangements with family, friends, or neighbors can offer greater flexibility in scheduling and adaptability to the family's specific needs and work schedules.
- A sense of trust and familiarity with individuals known personally provides parents with confidence in the caregiver's ability to care for their child.
- Children may feel more comfortable and secure in the care of familiar faces, promoting a sense of safety and well-being.
- Choosing family, friends, or neighbors allows parents to align childcare practices with shared values and parenting styles.
- Utilizing local connections fosters a sense of community support, with caregivers who are often more accessible and closely tied to the family's social network.
- Family, friends, and neighbors are typically more accessible and may be available on short notice, providing convenience for parents.

Overall, the use of family, friends, and neighbors for childcare is driven by the desire for a trusted, flexible, and cost-effective caregiving arrangement within a familiar and supportive network.

In-Home Providers - Unlicensed

In-home providers are individuals who care for multiple children in their homes. In-home providers are not licensed by the state and are allowed to care for up to three additional children, aside from their own.

Families opt for in-home providers for childcare due to several benefits, including personalized one-on-one care, a familiar and comfortable environment for children, flexible scheduling, tailored learning activities, potential household support, convenience of childcare at home, consistent caregiver relationships, alignment with cultural values, cost savings, and the potential to care for multiple siblings. This choice is driven by a desire for individualized and reliable care within a family setting.

Quantifying in-home providers is challenging due to the absence of an official listing. Local research estimates approximately 31 in-home providers in the north country, but the actual number is likely higher.

Licensed Home-Based

Licensed home-based providers, also known as family childcare or family in-home providers, are state licensed to offer early care and education in their homes. There are two types of licenses: Family Child Care Home, allowing care for up to six preschool children, and Family Group Child Care Home, allowing care for seven to 12 preschool children as long as there is at least one other staff. Currently, there are only two licensed home-based providers in the north country.

Establishing a new licensed family-childcare program requires an upfront investment of \$15,000 - \$25,000¹, covering training, equipment, facility improvements, educational resources, technology, and technical assistance, similar to transitioning an existing non-licensed program to a licensed one. The cost to transition an unlicensed in-home provider to a licensed home-based one would be similar.

Licensed Center-Based

New Hampshire requires **center-based childcare** providers to be licensed. The State has five licensing classifications. Centers can choose to specialize in one type or obtain licensing for a mixture of classifications. These providers are also referred to as licensed centers or childcare centers. The north country currently has eight licensed childcare centers. The total ideal enrollment capacity of licensed childcare centers in the north country is 374 children.

TYPES OF LICENSES

- Group Child Care Agency
- Infant/Toddler Program
- Preschool Program
- School-Age Program
- Night Care

Operating a childcare business is extremely challenging. Childcare centers rely mainly on tuition to pay wages and operating expenses. However, to keep childcare affordable for parents, childcare centers set rates lower

¹ Cost estimate from *Early Care and Education of Upper Valley who has a family childcare expansion pilot currently in progress.*

than needed to cover their costs. They subsidize these lower rates with low wages and by providing no benefits to staff. Profitability is restricted by both affordability for families and external restrictions, such as regulations on the number of children per teacher and size of the group/classroom (see Addendum B on page 25).

While the state does provide childcare scholarship assistance to families, the reimbursement rate to centers is based on the “average market rate” not on an actual cost basis.

The following chart shows the differences between the actual cost of care², the average weekly tuition rates charged by north country centers and the maximum amount of reimbursement centers can receive from families enrolled in the NH Childcare Scholarship program.

	Infant	Toddler	Preschool
Actual Cost Per Week	\$423	\$231	\$246
Average Weekly Tuition	\$231	\$215	\$188
Maximum Childcare Scholarship Reimbursement to Centers	\$295	\$274	\$241

Severe workforce shortages due to low wages and lack of benefits further hamper revenues as they restrict center’s ability to get to ideal enrollment capacity³. *Today, most North Country licensed childcare centers for all the reasons mentioned above are operating at a loss and are rapidly depleting cash reserves built from federal and state Covid-relief efforts. Creative solutions are underway! And more hands are needed to scale and grow them.*

There is a growing national trend for center-based providers to become non-profits to expand revenue streams such as grant funding and donations. In 2019, half of Coös County’s childcare centers were for-profit businesses. Today all the for-profit centers have closed, and only non-profit entities remain.

Preschool and Pre-K Programs

Childcare offerings for families with preschool age children consist of **public school-based Pre-K programs, Head Start, private Pre-K programs** offered within licensed childcare centers or as stand-alone programs. There are 25 public schools, Head Start and private preschool programs in the north country serving 379 children.

New Hampshire school districts are required to provide preschool services to children identified with special needs which often takes the form of public preschool but not always. Increasingly, school districts are accepting regular education preschoolers as space allows.

² The actual cost of care was calculated based on the operating costs of a typical north country childcare center

³ Ideal enrollment capacity is dictated by a balancing staff effectiveness and ability to offer quality care in their current space

Public school-based Pre-K and Head Start both aim to support early childhood development, but they differ in funding sources, eligibility criteria, and services. Public Pre-K is typically part of the formal education system, funded by local or state education budgets. In contrast, Head Start is a federally funded program which gives priority to children from low-income families, with eligibility criteria based on income and additional family needs, providing comprehensive early childhood education, health, and family support services.

It should also be noted that public preschool enrollment has been steadily increasing since 2014 (except for 2020 due to Covid-19)⁴. School districts are under increasing pressure both federally and locally to expand preschool offerings to all children and full day.

With preschool age children being the profit-generator for most private child care centers, these expansions if not done in collaboration with parents and local childcare providers, could further undermine the financial sustainability of the industry. There is a need for community conversations about potential partnerships between public schools and private child care programs. For example, SAU 20 in Gorham formed a strategic alliance with the local child care center, Gorham Community Learning Center in 2018 through a community planning process aimed at ensuring greater access to preschool learning.

There are two entities that have played a critical role in supporting childcare providers, particularly licensed childcare centers and preschool programs in the north country. These entities are pioneering many innovative strategies aimed at building a sustainable high-quality childcare industry in the north country.

Coös County Director Network

Since its inception in 2009, the Coös County Director Network has supported and built the capacity of licensed center-based child care providers through professional development and program improvement opportunities. The Directors Network has promoted coordination and collaboration among child care centers and other relevant organizations and the use of evidence-based practices in centers and with families. In recent years, the market failure of the childcare industry has necessitated additional services as outlined below.

- ***Child Care Sustainability and Affordability Pilot (see Addendum A).*** Restructures tuition fees in pilot centers to maximize revenues available from public resources, such as the Childcare Scholarship Program. The Pilot includes an *Affordability Fund* that subsidizes higher tuition rates for private pay families to minimize the impact of increased tuition. Additional revenues brought into the center through the Pilot are directed to workforce development and has increased wages by \$3-\$4 per hour. *Currently implemented in two centers, Lancaster Play and Learn and Colebrook Country Day School. Financial support is needed to expand this pilot and to continue to finance the Affordability Fund.*
- **Administrator Capacity Building Program.** Coaching and hands-on assistance to Center Directors to support retention and administrative onboarding of teaching staff, as well as organizing and supporting administration level systems to give capacity to the center overall.

⁴ [NH Department of Education website – ADM in Attendance and Residence Report](#)

- **Classroom Management Support.** On-site training and coaching to integrate program-wide team and classroom management practices that foster a positive classroom environment and build social and emotional competencies. *Pilot to be implemented in 2024.*
- **Business Technical Assistance.** Business technical assistance services are provided at no cost to Director Network member centers. Centers receive timely support and recommendations to stabilize and grow center operations.
- **Quality Indicator & Quality Employment Awards.** Yearly awards allocated to each childcare center based on their use of evidence-based best practices in supporting optimal child development, strong business management, and a positive work culture.
- **Teacher Development Pilot.** Collaborating with Early Care and Education Association, Gorham Community Learning Center will be a training site for teaching staff to support accelerated teacher training and help meet the current demand for childcare teachers in childcare programs throughout the county. *Pilot will be implemented this spring dependent on funding.*

Early Care and Education Association

The chief goal of the ECEA is to sustain and support their network of early childhood professionals. This network demonstrates the power of collaboration in growing efforts to sustain, expand, and improve equitable access to developmentally appropriate care in the Upper Valley. The driving principle of the network is to support professionals working with children from birth to age 5. Their initial focus was to provide these supports to center-based programs, early childhood support services, and family services. However, they have recently expanded their work to include the participation of family-based childcare and after-school programs. Additionally, ECEA had become a strong partner for the Coös Coalition and the Coös County Director Network providing consultation and sharing their innovations with the north country.

North Country Capacity

Demographics⁵⁶

- 1570 families have children under age 6
- 74% have all caregivers in workforce
- 406 have stay at home caregivers
- 1813 children under the age of 6

North Country Capacity	# of Children	2023 Enrollment	Potential Unmet Need
Preschool	932	583	349
Toddlers	628	93	535
Infants	253	45	208
Total	1813	721	1092

Current Capacity

- 17% of infant and toddler age children have access to quality early care and education
- 63% of preschool age children have access to part-day, part-year preschool and Pre-K programs
- 5 licensed childcare centers and 1 licensed home-based program has closed since 2020, a loss of over 200 childcare spaces

# of Entities	North Country Childcare	Infants Enrolled	Toddlers Enrolled	Preschoolers Enrolled	Ideal Capacity	Difference Enrolled vs Ideal Capacity
8	Licensed Centers	25	54	149	374	146
5	Head Start Programs			112	151	39
2	Licensed Home Based	2	7	10	29	10
17	PreK School Based			202	240	38
3	Private Preschools			65	67	2
31	In-Home - Unlicensed	18	29	45	92	0
66	TOTAL	45	90	583	953	235

The last section of this report are an overview of the current childcare capacity of each of the four targeted north country regions

Coös North - Colebrook, Columbia, Pittsburg, Clarksville, Stewartstown

Coös East – Berlin, Milan, Dummer, Errol, Gorham, Shelburne

Coös West - Lancaster, Whitefield, Dalton, Jefferson, Twin Mt., Groveton, Northumberland, Stewartstown, Stratford, Stark

Upper Grafton - Bethlehem, Franconia, Easton, Lisbon, Landaff, Lyman, Sugar Hill, Littleton

⁵ ACS 5-Year Estimates Data Profiles - Employment and Labor Force Status

⁶ NH Department of State, Vital Records Administration, NHVRIN Web

Coös North - Colebrook, Columbia, Pittsburg, Clarksville, Stewartstown

Demographics⁷⁸

- 74 families have children under age 6
- 58% have all caregivers in workforce
- 31 have stay at home caregivers
- 138 children under the age of 6

Coös North Capacity	# of Children < age 6	Current Enrollment	Potential Unmet Need
Preschool	67	38	29
Toddlers	42	4	38
Infants	29	2	27
Total	138	44	94

Current Capacity

- 1 licensed childcare center in Colebrook
- 1 licensed childcare center closed in 2023, a loss of 35 childcare slots
- 1 known in-home unlicensed provider
- 5% of infant and toddler age children have access to early care and education
- 55% of preschool age children have access to part-day, part-year Pre-K programs
 - Tri-County CAP's Preschool Head Start; 8am-12:30pm; closed summers
 - SAU 7 has three public Pre-K programs which serve children with special needs and the general population; Colebrook Elementary serves 3-4 year olds from Monday – Friday from 8am – 2:30pm; Stewartstown Community School has the same days and times but only enrolls 4 year olds; Pittsburg Elementary serves 3 days a week from 8am – 11:00am but currently has no children enrolled; all are closed during summer

Coös North - SAU 7 Childcare Capacity	Infants Enrolled	Toddlers Enrolled	Preschoolers Enrolled	Ideal Capacity	Difference Enrolled vs Ideal Capacity
Head Start - Colebrook			11	16	5
Colebrook Country Day School	1	3	6	49	39
Colebrook Elementary School			14	14	0
Pittsburg Elementary School			0	0	0
Stewartstown Com School			6	6	0
In-Home Provider - 1	1	1	1	3	0
Total	2	4	38	88	44

Considerations / Opportunities

Colebrook Country Day School is in an intensive staff build-up and training phase funded by the NH Charitable Foundation that once completed will allow them to provide quality care at their preferred capacity, adding 40

⁷ ACS 5-Year Estimates Data Profiles - Employment and Labor Force Status

⁸ NH Department of State, Vital Records Administration, NHVRIN Web

needed childcare spaces in Colebrook over the next 4 months. *Financial support is needed to support efforts to increase capacity and strengthen center sustainability through this build-up and training phase.*

Colebrook Country Day School is part of the Coös County Director Network’s Maximizing Tuition Pilot funded by the Neil and Louise Tillotson Fund. The pilot provides intensive business technical assistance support to restructure tuition fees to maximize revenues available from public resources, such as the Childcare Scholarship Program. The Pilot includes an Affordability Fund that subsidizes higher tuition rates for private pay families to minimize the impact of increased tuition. Additional revenues brought into the center through the Pilot are directed to workforce development. *Financial support is needed to expand this pilot and to continue to finance the Affordability Fund.*

Recruit Licensed Home-Based Providers:

Coös Economic Development Corporation and NH Community Development Finance Authority are working on programs and funding to assist local communities to recruit and provide technical assistance and funding for new Licensed Home-Based Providers.

Partner with Tri-County CAP:

Capitalize on existing Preschool Head Start program space and other resources to provide childcare services before and after Head Start hours. Reduces labor and overhead costs and expands capacity for full-day preschool age children, potentially even providing extended hour services.

Explore development of Early Head Start programs, serving infants and toddler, in partnership with existing Preschool Head Start programs or independently with new resources

Partnering with School Districts:

Partner with schools and Pre-K programs to provide space to new or existing childcare centers. Increases capacity for full-day preschool age children, provides discounted childcare tuition for school staff, and reduces overhead costs for childcare provider. Could be expanded to include infant/toddler care.

Partnering with Business and Healthcare Sector:

Partner with Industrial Park Leaders, local Corporations, Hospital or Healthcare Centers to provide space and backbone support for new or expansion of existing childcare centers. Provides discounted childcare tuition for employees, reduces overhead costs for centers, provides opportunity for shared business services further reducing costs and enhancing financial management, expands full-day childcare capacity for infants, toddlers and preschoolers, potentially even providing extended hour services.

Partnering with Housing Developers:

Partner with Housing Developers, Senior Housing, and Eldercare Communities to space and backbone support for one or more licensed family providers or for a licensed childcare center. Provides discounted childcare tuition for employees and tenants, reduces overhead costs, expands full-day childcare capacity for infants, toddlers and preschoolers, potentially providing extended hour services. Could include opportunity for shared business services further reducing costs and enhancing financial management.

Think Out of The Box

Sit back, relax, take a deep breath, close your eyes for 30 seconds and focus your mind on the question ... What local resources do we have that could be used to expand childcare capacity?

Coös East – Berlin, Milan, Dummer, Errol, Gorham, Shelburne

Demographics⁹¹⁰

- 544 families have children < age 6
- 74% caregivers in workforce
- 139 have stay at home caregivers
- 616 children < age 6

Coös East Capacity	# of Children < age 6	Current Enrollment	Potential Unmet Need
Preschool	327	199	128
Toddlers	196	30	166
Infants	93	18	75
Total	616	247	369

Current Capacity

- 2 licensed childcare centers
- 3 centers closed in 2023, a loss of 129 childcare slots
- 13 known in-home unlicensed providers
- 10% of infant and toddler age children have access to early care and education
- 55% of preschool age children have access to part-day, part-year Pre-K programs
 - Tri-County CAP’s Preschool Head Start; 8am-2:15pm; closed summers
 - Meri Center for children with special needs at Berlin Elementary School; Morning and afternoon sessions, 3 hours, capped at 12 students per session; closed summers
 - Mini-Mounties at Berlin High School is a learning lab for students exploring early education, Tuesday, Wednesday, and Thursday afternoons, 12:30pm – 2:00pm; closed summers

Coös East Childcare Capacity	Infants Enrolled	Toddlers Enrolled	Preschooler Enrolled	Ideal Capacity	Difference Enrolled vs Ideal Capacity
North Woods Learning Ctr	4	10	12	54	28
Gorham Com. Learning Ctr	6	8	25	39	0
GCLC @ Ed Fenn Elementary			18	20	2
Errol Consolidated Elementary			0	0	0
Milan Village Elementary			18	20	2
Head Start - Berlin			55	68	13
Mini-Mountie @ Berlin HS			39	44	5
The Meri Center @ Berlin Elem			13	24	11
In-Home Providers - 13	8	12	19	39	0
TOTAL	18	30	199	308	61

Considerations / Opportunities

Gorham Community Learning Center and SAU 20 have successfully partnered to expand full-day preschool and pre-K capacity, adding 20 childcare spaces located at Ed Fenn Elementary School. GCLC operated at no cost. Staff receive discounted rates for childcare. Currently, in discussion with Milan, Dummer, Errol about

⁹ ACS 5-Year Estimates Data Profiles - Employment and Labor Force Status

¹⁰ NH Department of State, Vital Records Administration, NHVRIN Web

similar arrangement. If successful would add: 20 spaces for 3–4-year-olds from those communities, to be housed in Milan Village School.

Gorham Community Learning Center is pursuing a 1.5-million-dollar expansion that will add 80-100 infant, toddler, and preschool slots in SAU 3. *The initial barrier to moving this expansion effort forward is obtaining capital to support the purchase of the identified property.*

Collaborating with **Early Care and Education Association of the Upper Valley, Gorham Community Learning Center** will be a training site for teaching staff to support accelerated teacher training and help meet the current demand for childcare teachers in childcare programs throughout the county. This **Teacher Development Pilot** will be implemented this spring.

Northwoods Learning Center is in a leadership re-organization, staff build-up, and staff training phase that once completed will allow them to provide quality care at their ideal capacity in 8-11 months, adding 25 needed childcare spaces in Gorham. *Financial support is needed to expedite efforts to increase capacity, support staff recruitment, accelerated staff training, and continued delivery of quality care.*

The Boys & Girls Clubs of Central and Northern NH and White Mountains Community College have received funding to retrofit three classrooms that will serve as an early education learning lab which would serve 39 children – ages infant through preschool, projected for completion Fall 2024.

Recruit Licensed Home-Based Providers:

Coös Economic Development Corporation and NH Community Development Finance Authority are working on programs and funding to assist local communities to recruit and provide technical assistance and funding for new Licensed Home-Based Providers.

Partnering with Tri-County CAP:

Explore development of Early Head Start programs, serving infants and toddler, in partnership with existing Preschool Head Start programs or independently with new resources

Partnering with Business and Healthcare Sector:

Partner with Industrial Park Leaders, local Corporations, Hospital or Healthcare Centers to provide space and backbone support for new or expansion of existing childcare centers. Provides discounted childcare tuition for employees, reduces overhead costs for centers, provides opportunity for shared business services further reducing costs and enhancing financial management, expands full-day childcare capacity for infants, toddlers, and preschoolers, potentially even providing extended hour services.

Partnering with Housing Developers:

Partner with Housing Developers, Senior Housing, and Eldercare Communities to space and backbone support for one or more licensed family providers or for a licensed childcare center. Provides discounted childcare tuition for employees and tenants, reduces overhead costs, expands full-day childcare capacity for infants, toddlers, and preschoolers, potentially providing extended hour services. Could include opportunity for shared business services, further reducing costs and enhancing financial management.

Think Out of The Box

Sit back, relax, take a deep breath, close your eyes for 30 seconds and focus your mind on the question ... *What local resources do we have that could be used to expand childcare capacity?*

Coös West - Lancaster, Whitefield, Dalton, Jefferson, Twin Mt., Groveton, Northumberland, Stewartstown, Stratford, Stark

Demographics¹¹¹²

- 559 families have children < age 6
- 74% caregivers in workforce
- 152 have stay at home caregivers
- 201 children < age 6

Coös West Capacity	# of Children < age 6	Current Enrollment	Potential Unmet Need
Preschool	248	141	107
Toddlers	171	22	149
Infants	179	15	164
Total	598	178	420

Current Capacity

- 2 licensed childcare centers
- 1 center closed in Groveton in 2020, a loss of 40 childcare slots
- 17 known in-home unlicensed providers
- 3% of infant and toddler age children have access to early care and education
- 47% of preschool age children have access to part-day, part-year Pre-K programs
 - Tri-County CAP Preschool Head Start Programs in Whitefield and Groveton; 8am-12:30pm; closed summers
 - Lancaster, Whitefield, and Stratford Elementary Schools provide Pre-K programs for children with special needs and the general population, closed summers

Coös West Childcare Capacity	Infants Enrolled	Toddlers Enrolled	Preschoolers Enrolled	Ideal Capacity	Difference Enrolled vs Ideal Capacity
Lancaster Play & Learn	4	5	14	39	16
Sunnybrook Montessori School			19	24	5
Heads Start - Whitefield			6	16	10
Mount Royal Academy North			16	16	0
Lancaster Elementary School			17	17	0
Whitefield Elementary School			25	25	0
Heads Start - Groveton			16	17	1
Groveton Elementary School			0	0	0
Stark Village School			0	0	0
Stratford Public School			4	4	0
In-Home Providers - 17	11	17	24	52	0
TOTAL	15	22	141	210	32

¹¹ ACS 5-Year Estimates Data Profiles - Employment and Labor Force Status

¹² NH Department of State, Vital Records Administration, NHVRIN Web

Considerations / Opportunities

Lancaster Play and Learn needs qualified teaching staff to serve its ideal capacity. The addition of 2.5 full-time teachers would add up to 16 child care spaces in Lancaster. *Financial support is needed to expedite efforts to provide assistance with staff recruitment and accelerated staff training.*

Lancaster Play and Learn is part of the Coös County Director Network's Maximizing Tuition Pilot funded by the Neil and Louise Tillotson Fund. The pilot provides intensive business technical assistance support to restructure tuition fees to maximize revenues available from public resources, such as the Childcare Scholarship Program. The Pilot includes an Affordability Fund that subsidizes higher tuition rates for private pay families to minimize the impact of increased tuition. Additional revenues brought into the center through the Pilot are directed to workforce development. *Financial support is needed to expand this pilot and to continue to finance the Affordability Fund.*

Recruit Licensed Home-Based Providers:

Coös Economic Development Corporation and NH Community Development Finance Authority are working on programs and funding to assist local communities to recruit and provide technical assistance and funding for new Licensed Home-Based Providers.

Partnering with Tri-County CAP:

Explore development of Early Head Start programs, serving infants and toddler, in partnership with existing Preschool Head Start programs or independently with new resources

Partnering with Business and Healthcare Sector:

Partner with Industrial Park Leaders, local Corporations, Hospital or Healthcare Centers to provide space and backbone support for new or expansion of existing childcare centers. Provides discounted childcare tuition for employees, reduces overhead costs for centers, provides opportunity for shared business services further reducing costs and enhancing financial management, expands full-day childcare capacity for infants, toddlers, and preschoolers, potentially even providing extended hour services.

Partnering with Housing Developers:

Partner with Housing Developers, Senior Housing, and Eldercare Communities to space and backbone support for one or more licensed family providers or for a licensed childcare center. Provides discounted childcare tuition for employees and tenants, reduces overhead costs, expands full-day childcare capacity for infants, toddlers, and preschoolers, potentially providing extended hour services. Could include opportunity for shared business services, further reducing costs and enhancing financial management.

Think Out of The Box

Sit back, relax, take a deep breath, close your eyes for 30 seconds and focus your mind on the question ... *What local resources do we have that could be used to expand childcare capacity?*

**Upper Grafton - Bethlehem, Franconia, Easton, Lisbon, Landaff, Lyman,
Sugar Hill, Littleton**

Demographics¹³¹⁴

- 362 families have children < age 6
- 76% caregivers in workforce
- 84 have stay at home caregivers
- 564 children < age 6

Upper Grafton Capacity	# of Children < age 6	Current Enrollment	Potential Unmet Need
Preschool	290	135	155
Toddlers	219	35	184
Infants	56	13	43
Total	565	183	382

Current Capacity

- 2 licensed childcare centers
- 2 licensed home-based providers
- # unknown for in-home unlicensed providers
- 17% of infant and toddler age children have access to early care and education
- 60% of preschool age children have access to part-day, part-year Pre-K programs
 - Tri-County CAP Preschool Head Start Programs in Littleton; 8am-12:30pm; closed summers
 - Little Leopards at Littleton High School is a learning lab for students exploring early education, serves special education and general population, Monday-Thursday, 7:30pm – 3:00pm; Fridays 7:30am to Noon, closed summers
 - Bethlehem, Landaff and Lisbon Elementary Schools provide Pre-K programs for children with special needs and the general population, closed summers

Upper Grafton Childcare Capacity	Infants Enrolled	Toddlers Enrolled	Preschooler Enrolled	Ideal Capacity	Difference Enrolled vs Ideal Capacity
Head Start - Littleton			24	34	10
Gale River Cooperative Preschool			36	36	0
Franconia Children's Center	7	22	24	71	18
High Street Childcare - Christine Mooney	2	4	1	12	5
Childcare Express - Charlene Ferland	0	3	9	17	5
Lupine Montessori Preschool			27	39	12
Shining Lights Childcare Center	4	6	4	32	18
SAU 84 - Lakeway Elementary			0	0	0
SAU 84 - Little Leopards PreK			16	24	8
In-Home Providers - Unknown					
SAU 35 - Bethlehem			8	12	4
SAU 35 - Landaff Blue School			12	12	0
SAU 35 - Lisbon Elementary School			14	14	0
TOTAL	13	35	175	303	80

Considerations / Opportunities:

Recruit Licensed Home-Based Providers:

¹³ ACS 5-Year Estimates Data Profiles - Employment and Labor Force Status

¹⁴ NH Department of State, Vital Records Administration, NHVRIN Web

NH Community Development Finance Authority is working on programs and funding to assist local communities to recruit and provide technical assistance and funding for new Licensed Home-Based Providers.

Partner with Tri-County CAP:

Capitalize on existing Preschool Head Start program space and other resources to provide childcare services before and after Head Start hours. Reduces labor and overhead costs and expands capacity for full-day preschool age children, potentially even providing extended hour services.

Explore development of Early Head Start programs, serving infants and toddler, in partnership with existing Preschool Head Start programs or independently with new resources

Partnering with School Districts:

Partner with schools and Pre-K programs to provide space to new or existing childcare centers. Increases capacity for full-day preschool age children, provides discounted childcare tuition for school staff, and reduces overhead costs for childcare provider. Could be expanded to include infant/toddler care.

Partnering with Business and Healthcare Sector:

Partner with Industrial Park Leaders, local Corporations, Hospital or Healthcare Centers to provide space and backbone support for new or expansion of existing childcare centers. Provides discounted childcare tuition for employees, reduces overhead costs for centers, provides opportunity for shared business services further reducing costs and enhancing financial management, expands full-day childcare capacity for infants, toddlers and preschoolers, potentially even providing extended hour services.

Partnering with Housing Developers:

Partner with Housing Developers, Senior Housing, and Eldercare Communities to space and backbone support for one or more licensed family providers or for a licensed childcare center. Provides discounted childcare tuition for employees and tenants, reduces overhead costs, expands full-day childcare capacity for infants, toddlers and preschoolers, potentially providing extended hour services. Could include opportunity for shared business services further reducing costs and enhancing financial management.

Think Out of The Box

Sit back, relax, take a deep breath, close your eyes for 30 seconds and focus your mind on the question ... *What local resources do we have that could be used to expand childcare capacity?*

Addendum A - Child Care Sustainability and Affordability Pilot

Coös County Director Network

Child Care Sustainability and Affordability Pilot

A Two-Year Pilot of the Coös Country Director Network

Pilot Objective: Build capacity within participating childcare centers to generate revenue, recruit and retain workforce, and become sustainable.

Implementation strategies: 1) Pilot centers maximize reimbursement for enrolled children from the State of New Hampshire's Child Care Scholarship (CCS) Program; 2) Ensure families pay no more than 20% of household income toward childcare; 3) Use family income data to ensure Child Care Scholarship eligible families are enrolled in the program; and 4) Increase center revenue to invest in workforce compensation and workforce development strategies that increase enrollment and stabilize staffing.

Issues Addressed

1. Centers' current tuition rates are below max allowable rates set by the state, creating a missed opportunity for revenue. Every year New Hampshire hands back unspent CCS. This pilot redirects that money back to centers where it belongs.
2. State-wide and in Coös County, childcare centers are unable to find and/or retain qualified staff in large part due to low compensation. Centers that increased wages to attract and retain workforce during the pandemic relied on COVID-19 funding. There is no guaranteed replacement of that funding. New income must be found.

Average revenue not captured by 4 Coös County centers from reduced tuition rates = \$55,000.

Pilot Components

Maximize Tuition - Pilot centers increase tuition rates for all age groups to maximum allowable rates set by DHHS for the childcare scholarship program.

Affordable Care for Families – Pilot funders establish a subsidy pool to protect families from the increase in tuition. Subsidy payments go directly to centers.

In Year 1, the full portion of the tuition increase is subsidized. Families are not impacted. The subsidy amount paid to centers is equal to the difference between the center's old rates and the maximized rates.

In Year 2, families pay no more than 20% of their income toward childcare. The subsidy amount paid to centers is equal to the gap between what families pay and the maximized rates.

Family income data is collected and verified annually through a third-party organization. Pilot centers do not collect family income data. Verification of family income will also help identify eligible families that should be enrolled in CCS.

Workforce Development – Pilot centers complete a workforce assessment to identify staffing challenges

and opportunities. Alongside a workforce development coach, centers will adopt strategies to improve workforce recruitment and retention. Strategies may include increasing wages, adding benefit programs, and maximizing the use of existing workforce development programs.

Technical Assistance

A Child Care Business Management Coach will support pilot centers in the development and implementation of a new tuition model, communications with families and staff, financial analysis, and pilot reporting.

A Workforce Development Coach will support pilot centers in identifying workforce development priorities and strategies, facilitating access to workforce development resources, and pilot reporting.

Pilot Eligibility

Eligible centers must:

- Use an accounting program to track income and expenses and produce monthly financial statements.
- Prepare and monitor an annual budget that includes tuition and wage schedules.

Center selection will also be based on CCS enrollment levels and the capacity of the Director to engage in the pilot.

If selected, the pilot center commits to the following:

- To implement the tuition program for a minimum of two years
- To work toward a goal of 85% enrollment of ideal capacity
- To prioritize workforce development
- To use childcare management software to manage enrollment, tuition billing and payments.
- To implement strong collection procedures
- To fulfill pilot reporting requirements
- To meet monthly with pilot facilitator(s)
- To support communications with families and staff

Eligible Families must provide family income and demographic data, agree to third-party income verification, and hold and maintain a good payment record with the center.

While not all center families must agree to participate in the pilot, most families should agree for the pilot to move forward. To encourage family interest and willingness to participate, communications to families about the importance and relevance of the pilot will be an important early component of pilot implementation.

Aligned Efforts

This pilot is being implemented in conjunction with other regional and statewide efforts to invest in and stabilize the child care sector in Coös County and New Hampshire. It is not a standalone effort but one that can quickly bring financial resources to struggling centers and address pressing challenges related to the child care workforce shortage.

Financial support for this pilot is made possible through the New Hampshire Charitable Foundation and the Neil and Louise Tillotson Fund.

Addendum B – NH Regulations

Training Requirements for Teachers in Licensed Centers

Center Director	}	<ul style="list-style-type: none"> Required to have at least 1000 hours of work experience with young children and the approved equivalent of an Associate Degree in Early Childhood Education.
Lead Teachers	}	<ul style="list-style-type: none"> Required to have a high school diploma and at least 18 credits in Early Childhood Education or equivalent. There must be 1 qualified teacher per every 6 staff members.
Associate Teachers	}	<ul style="list-style-type: none"> Must have a high school diploma and at least 9 credits in early childhood education or its approved equivalent.
Childcare Assistants / Aides	}	<ul style="list-style-type: none"> Must be at least 16 years old and must always be under the direct supervision of an associate teacher.
CPR / First Aid	}	<ul style="list-style-type: none"> At least one staff member certified in Infant/Child CPR and First Aid must always be on the premises.

In addition to the requirements listed above, all early child care workers must complete 18 hours of professional development each year and often do not receive increased pay for meeting these requirements.

The cost of providing childcare services varies by age group based on regulatory requirements for teacher-to-child ratios and maximum class sizes. The high teacher-to-child ratios for infant and young toddler groups coupled with an artificially low market rate for these age groups often does not produce enough income to breakeven, let alone make a profit.

The younger the child, the more labor (teachers) needed to provide the service. The following regulatory chart outlines the parameters by age group for the required number of teachers and the maximum number of children in one room. For example, one teacher could take care of the needs of up to 4 infants (6 weeks to 12 months) by themselves in a classroom. A fully maximized classroom of 12 infants would require 3 teachers. Comparatively, the maximum group size for older children is double that of infants.

New Hampshire Regulatory Requirements for Class Sizes

Age of Child	Child - Adult Ratio (Number of children per adult)	Group Size (Maximum number of children per room)
6 Weeks to 12 months	4 - 1	12
13 - 24 months	5 - 1	15
2 years	6 - 1	18
3 years	8 - 1	24
4 years	12 - 1	24
5 years +	15 - 1	30