



CHILD CARE FACT SHEET

What child care-related issues is the Iowa Women's Foundation tackling in 2018 and beyond?

CHILD CARE DESERTS

A child care desert is defined as a community or neighborhood where there are either no licensed child care providers, or where there are more than three children for every available slot.

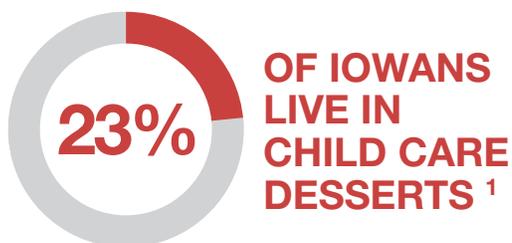
Impact on Iowa Women

Because of a lack of child care options, many parents are pushed out of the workforce to care for their children.

Because of a lack of nearby options, parents must travel further out of their way to seek child care, sometimes limiting the time they have at work, hurting hourly workers.

Due to the extreme shortage of care, providers recommend parents begin looking for child care openings before their child is even born!

Stats & Figures



THERE IS A SHORTFALL OF MORE THAN 350,000 CHILD CARE SLOTS

across the state. ²



lost over the last five years. ²

THE CLIFF EFFECT

Occurs when a parent receiving a child care subsidy no longer meets the eligibility requirements—often due to a small wage increase—triggering the complete loss of financial assistance after completing 12 months on the CCA Plus Program. An hourly wage increase of as little as 15 cents can push a parent over the eligibility threshold. In common cases like these, the raise is not substantial enough to offset the thousands of dollars in lost benefits, leaving the parent worse off financially.

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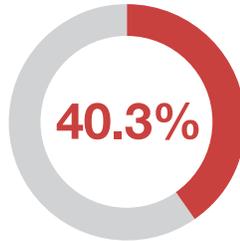
Impact on Iowa Women

Because of the fiscal cliff, many parents are motivated to decline promotions and other opportunities to advance at work.

Stats & Figures

\$10,131

the average annual cost of child care for one infant in a licensed center. ⁴



PERCENTAGE OF HOUSEHOLD INCOME SPENT on child care, for a single parent earning the per capital income in Iowa. ⁴

From 2012⁵ to 2017⁴, the average cost of child care for an infant in a registered home in Iowa increased **5 percent**, while the cost of care for an infant in a licensed child care center rose **11 percent**. In that time, the median wage rose only **4 percent** and **10 percent** for a married couple. ³

THE WORKFORCE GAP

Occurs when new parents (particularly mothers) are discouraged from participating in the workforce, often due to the high costs of child care, a lack of child care options, or a lack of on-the-job flexibility.

Impact on Iowa Women

Women who temporarily exit the workforce to take care of a child often miss opportunities to gain skills and connections that allow them to advance in their careers, putting them at a disadvantage upon their return.

This also limits income, often in the peak of their earning years, putting them at a financial disadvantage when it's time to retire.

Stats & Figures



OF PARENTS say child care costs influence their careers. ⁴



Because of the child care shortage there is an employee shortfall. Due to this shortfall, **675MM IS LOST ANNUALLY** in unrealized GDP for the state.

What is the Iowa Women's Foundation doing to help?

IWF is committed to engaging the public around issues related to child care. Currently, we are working on two initiatives to bring the topic front and center and rally our communities to do something about it.

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CHILD CARE SOLUTIONS FUND

While there are several organizations committed to helping solve Iowa's child care crisis—many struggle to secure the financial support they need.

As a grantmaking foundation, we understand the crucial role funding plays in helping nonprofits accomplish their missions. That's why the Iowa Women's Foundation established the Child Care Solutions Fund.

Funds from this initiative will be invested in organizations and institutions that focus on strategies to increase women's economic security by decreasing the work force gap through access to quality, affordable child care.

Child Care Solutions Fund Grantees (to date)

2018: Linking Families & Communities – Grant funds were used to contract with an architect to complete pre-design work for an expansion of Community Early Childhood Center, as well as a new center to meet the growing demand for child care in the Fort Dodge area. For more information, visit www.linking-families.com or contact Elizabeth Stanek, Executive Director Linking Families & Communities at estanek@linking-families.com.

2019: Ready Set Grow (RSG)—Grant funds will help RSG open a new facility in a former retirement center in Storm Lake, Iowa in the spring of 2019, expanding child care options for parents in Buena Vista County.

Davis County Daycare and Preschool (DCDP)—Funds will allow DCDP to upgrade its programming and age-appropriate learning tools, as well as to open an additional classroom for 24 four year olds.

BUILDING COMMUNITY CHILD CARE SOLUTIONS TOUR

Building Community Child Care Solutions is a state-wide initiative led by IWF that was created to explore the tactics and strategies that can help communities tackle a range of child care-related issues.

Much like the SHE MATTERS tours, we've taken Building Community Child Care Solutions on the road to different Iowa communities, where we're talking to child care providers, nonprofits, business leaders, and working parents to discuss the issues at hand and the solutions needed to help Iowa families prosper.

To attend the next session taking place in your community, contact Ann Parker at ann@iawf.org.

CHILD CARE SOLUTIONS TOOL KITS

During each Tour visit, we present participants with a "tool kit" that outlines how different organizations and institutions can partner together to begin planning and implementing various solutions. The solutions include:

- Building new and expanding existing child care centers.
- Supporting child care entrepreneurs.
- Encouraging local businesses to expand and/or add child care benefits, including offering in-house care to workers.
- Working with community colleges to inform and educate the next generation of child care providers.
- Supporting before- and after-school programming.
- And creating viable child care options for second- and third-shift workers.

Download the Building Community Child Care Solutions Tool Kits at iawf.org/child-care-solutions.

SOURCES

- 1 Malik, R. and Hamm, K. (2017, August 30). Mapping America's Child Care Deserts. Center for American Progress
- 2 Based on 2016 Bureau of Economic Analysis GDP and IWD job posing and employment data using the following equation: <http://insighttalentsolutions.com/2017/09/08/the-opportunity-cost-of-unfilled-jobs/>
- 3 Iowa Policy project; <https://iowaccrr.org/resources/files/Data/FY17/Iowa%20State%20FY17.pdf>
- 4 Bugbee, K. (2017, August 1). How much does child care cost? Retrieved from <https://www.care.com/c/stories/2423/how-muchdoes-child-care-cost/>
- 5 Based on 2016 Bureau of Economic Analysis GDP and IWD job posing and employment data using the following equation: <http://insighttalentsolutions.com/2017/09/08/the-opportunity-cost-of-unfilled-jobs/>