

Form Name:	LaGrange County READI Proposal
Submission Time:	July 16, 2021 12:35 pm
Browser:	unknown / unknown
IP Address:	107.127.11.19
Unique ID:	836368107
Location:	37.750999450684, -97.821998596191

LaGrange County READI Proposal

Project or Program Contact Information

Project/Program Name	LaGrange County Early Learning Coalition
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Relationship to Project/Program	Representing Parkview LaGrange Hospital through Parkview's Office of Sponsored Projects (OSP)

Project or Program Location

Address	Parkview LaGrange Hospital (Jordi Disler, President) 207 N Townline Road LaGrange, IN 46761
County	LaGrange

Project or Program Details

What type of project/program?	Both
What is the duration of the project/program?	The proposed project is based on a four-year timeline. The LaGrange County Early Learning Coalition has been discussing and planning for this opportunity for the past two (2) years.
Is this a hybrid project and program?	Yes
Select project/program focus areas. (You can select multiple)	Grow the Workforce Entrepreneurship & Innovation

Share a description of the project/program.

In order to build a stronger foundation for LaGrange County residents, children, and employers a partnership to improve childcare in the community has been established between Parkview LaGrange Hospital and the LaGrange County Early Learning Coalition (LCELC). Working parents in LaGrange County often have trouble finding openings for quality childcare. With help from the LaGrange County Economic Development Corporation (LCEDC), this community partnership will alleviate this issue with an innovative, but historically successful, approach. The model proposed includes businesses within LaGrange County investing in a community-owned early learning center to offer employees ready access to quality childcare.

After two years of planning, three (3) steps are needed to now begin this project. First, a feasibility study to conduct research on LaGrange County working parents' childcare needs and employers' willingness to invest in the early learning center. The study will provide vital information to ensure the long-term success and sustainability of this project while also encapsulating what working parents need in terms of childcare. Second, a building suitable for the project needs to be located and renovated to meet the standards of childcare excellence. Two options are being considered: (A) A successful company-owned early learning center has already been opened by Therma-Tru Doors. A partnership with Therma-Tru would provide a building for the project but would require renovations. If a partnership with Therma-Tru is not an option, then, (B) we will purchase/lease a building, making necessary renovations. Third, hiring an experienced program Director and staff.

Fortunately, a successful area project has recently been established and is operating in a nearby community. They have provided consistent mentorship and support to LCELC throughout the planning of this program. A qualified team needs to be hired to ensure the early learning center works to become a Level 4 (highest level) of Paths to QUALITY (PTQ) rating and improvement system. This system has been adopted in Indiana as an easy to recognize tool for finding quality childcare programs.

Working parents of LaGrange County are desperate for affordable quality childcare. With help from the LCEDC, this program will alleviate stress and entice employees with an amazing benefit all while providing the necessary foundation to ensure LaGrange County children are set up for life-long success. In the short-term, quality childcare is not profitable. However, when seen as an investment in the future of our community, our program will help alleviate stress on working parents who need childcare and is an investment for employers who can offer this unique benefit for current or potential employees. This program is an investment for the economy, and most importantly, it is a long-term investment in the children of LaGrange County to become happy, healthy, and productive members of society.

Why is this project/program regionally significant?

LaGrange County is a childcare desert. Child Care Aware of America defines childcare deserts as "areas or communities with limited or no access to quality childcare". To be considered a childcare desert, a community must have more than 50 children under age 5 with either no childcare providers or so few options that there are more than three times as many children as licensed childcare slots. The Center for American Progress identified LaGrange County as having a 3:1 ratio of children to childcare slots. Additionally, Parkview Health's 2019 Community Health Needs Assessment found that maternal/child health in LaGrange County was categorized as a county health indicator performing in the bottom quartile of Indiana's health outcomes. This study also found that nearly 30% of LaGrange County households were identified as having limited assets and constrained income despite one or two adults in the home being employed. The average cost for one year of childcare in Indiana is \$7,903. If parents are looking for a high-quality program that meets PTQ4, they can expect to pay an additional \$1,000 a year. Meaning, one year of high-quality childcare is similar in cost to one year tuition at Ball State University. The PTQ standards have been referenced throughout the planning stage and will continue to be discussed to ensure this program works toward PTQ4 status, the highest quality level, in an appropriate amount of time.

The childcare system is not only failing working parents in LaGrange County, but also in Indiana as a whole. Only 60% of childcare programs participate in PTQ, and only 32% meet PTQ4. Around 66% of Hoosier parents need childcare because every adult within the home is employed, but 41% live in a childcare desert. With these statistics, it is no wonder companies have large turnover rates due to missed shifts because of a lack of childcare. It is estimated that Indiana's economy loses almost \$1.1 billion in economic activity annually because of childcare related absenteeism (\$580.7 million) and turnover (\$519 million). Because businesses can invest to reserve childcare slots, the model we propose ensures the hours of operation of the early learning center will overlap shift changes. Extended hours of operation will enable working parents to arrive on time for work and improve absenteeism, turnover, and training-related costs. Additionally, this partnership will make use of an abandoned or unused building within LaGrange County to be renovated and find a new purpose, serving our community.

How does this project/program relate to the identified focus area(s)?

This program meets two (2) identified READI program focus areas: First, this partnership is inherently designed to grow the workforce. Businesses in LaGrange County will have an extra bargaining tool to increase the employment and retention of the most talented employees in their organization. Women disproportionately left the workforce because of the COVID-19 Pandemic to take on care-giving responsibilities for their families. According to the National Women's Law Center, more than 2.3 million women left the labor force since February 2020, reducing the labor force participation rate to 57%. The pandemic only illuminated this long-term issue. In 2016, the Early Childhood Program Participation Survey recorded that 50% of U.S. families reported difficulty finding childcare, and mothers who could not find childcare were significantly less likely to be employed. It was also estimated that 2,000,000 parents made career sacrifices due to childcare problems in 2016. Imagine the talent that could benefit the workforce in LaGrange County if more parents had ready access to a high-quality childcare program that was flexible to work schedules.

Second, this proposed program also meets the "Innovation & Entrepreneurship" focus. Not only is this program innovative in its design to grow the workforce, but also in its childcare system design. In the first three (3) years of a child's life, more than 1,000,000 neural connections are made every second. These neural connections control the brain's ability for problem solving, self-control, communication, and relationship building. In order to ensure the children of LaGrange County are receiving the highest level of childcare possible, this program will strive to reach the highest level in the Paths to Quality (PTQ) rating and improvement system. Unfortunately, only 16% of children in Indiana with all parents working are enrolled in high quality PTQ4 programs. However, this innovative program design will enroll children in LaGrange County within an environment that is continuously striving for the highest level of quality. Positive early experiences can lead to greater success in school, higher adult earnings, and better overall health. In her book *How Emotions are Made: The Secret Life of the Brain*, neuroscientist and psychologist Lisa Feldman Barrett wrote, "Think about your current workforce, or hiring efforts, how might it be different if we had invested in their early experiences?". This is an innovative opportunity to invest in a solid foundation for LaGrange County's workforce: now and for years to come.

What is the project/program timeline?

The LaGrange County Early Learning Coalition has been meeting to discuss the establishment of a quality childcare program for the past two (2) years. The Coalition has partnered with a historically successful program in the region to fully understand the process steps for building a successful childcare program. The next step in this investment is to procure READI funding and matching funds. When funding is secured, we will 1) conduct a feasibility study (3-6 months); 2) secure and renovate an appropriate local building (6-12 months); and 3) hire a qualified team to begin providing this early learning program in LaGrange County (3-9 months). These three critical steps will be taken under the direction of the LaGrange County Early Learning Coalition. Representatives will work to secure and locate an appropriate building and renovate the building to meet childcare code. This will take an estimated 6-12 months, minimum, based upon building availability. A feasibility study will take an estimated 3-6 months. Hiring a qualified team to establish, lead and provide this program will take 3-9 months. Completing these critical steps will require the budget estimated in the attached budget document.

Because of the partnership with a previously successful program, the coalition intends to have the program running within one (1) year of funding. Fortunately, qualified community members have also given verbal interest in applying for the Director position. The partnership intends to start the hiring process immediately after notification of this READI funding. It is essential that a qualified director and staff members be hired so that the program can move forward with the planning / vision established by the LaGrange County Early Learning Coalition. Salary and benefits for this team over the period of this funding are provided as estimates on the attached budget document.

With each year, this program will work to accomplish the goals in the feasibility study, growing the program with businesses participation to full capacity. That will equate to many children in LaGrange County receiving high-quality childcare and permitting their parents to work knowing their child(ren) are in a safe, quality early learning program. As described earlier in this proposal, this investment will provide for both short- and long-term educational and economic benefits for the people of LaGrange County.

List the partners involved in this project/program.

The following organizations have provided information, added to the public discourse over the past two years, and/or have expressed interest in partnering with the LaGrange County Early Learning Coalition to establish this early learning center:

- Dekko Foundation
- LaGrange Church of God
- LaGrange County businesses' HR representatives
- LaGrange County Community Foundation
- LaGrange County Economic Development Corporation
- Lighthouse Montessori Education Center (Ashley, Indiana)
- Parkview LaGrange Hospital
- Therma-Tru Doors

Project or Program Finances

What is the total amount of READI program funds requested?

\$551,328.99

What is the sustainability of the project/program? Share your 3-year plan.

An initial feasibility study will be completed after funding is secured to identify the needs and goals for LaGrange County businesses and working parents. This research will allow the LaGrange County Early Childhood Coalition to understand more fully the scope of progress and to establish action steps to establish this program successfully. The feasibility study will include a sustainability plan. The Coalition's goal is to provide positive sustainable changes for LaGrange County businesses, working parents and children. Additionally, businesses in LaGrange County will be asked to invest by providing subsidy funding that may be tax-deductible. Until this early childcare program is established and operating at capacity, we will likely request funding support from the LaGrange County Community Foundation, Dekko Foundation, Tom Wood Foundation, The Lutheran Foundation, community donations or other in-kind gifts, as well as other grants, sponsors, or endowments with similar goals to establish and sustain this childcare program.

To date, because this program is not yet established, the LaGrange County Early Learning Coalition has not requested funding from sponsors. However, funding applications will be completed and submitted to provide the required match funding for this program by Q1 2022. Within the proposed program budget are the estimated costs to establish and provide this entire project for this program term. Of the proposed program budget, it is anticipated that an 80% match will be secured from various local supporting organizations: including, businesses, foundations as well as interested individuals. This READI program and capital request is for 20% of the attached program budget.

Describe the return on investment for this project/program.

This investment will not only yield social returns but also financial gain for LaGrange County businesses, working parents, and program employees. Businesses in LaGrange County could receive tax-deductions on their investments in this program. They will also see greater returns due to an increase in employee attendance and decrease in employee turnover rates. That will lead to reduced training costs and increased profits. The model we will follow is for businesses to invest what would have spent (constantly training new hires, employee turnover costs, lost production time, etc.) into this early childhood program. This funding will help to sustain the program and has proven successful in the local program model we will follow. Additionally, working parents will be enabled to be on the job, missing work less often due to childcare-related issues. And, employment opportunities will be available for teachers and aides, and an empty building will be renovated for use: truly a win-win scenario for all.

There is also great social return on this investment. In 2016, a research team from Indiana University conducted a study on the economic impacts of investing in early childhood education in Indiana. They concluded that, "Implementing a quality, state-funded early childhood education program in Indiana will yield an anticipated benefit of \$3.83 to \$4 per dollar invested." How? Research shows that children in high quality education during early childhood are more likely to stay out of special education or academic remediation, thus increasing savings for government and taxpayers. These children are also more likely to earn higher lifetime wages, contribute more to lifetime taxes, earn advanced degrees, and less likely to commit crimes. Indeed, adults who have advanced degrees see median weekly earnings of more than \$1,500 (see attached).

According to the Indiana Department of Child Services, in the first six months of 2021, there have been five substantiated reports of sexual abuse to a minor, one substantiated report of physical abuse to a minor, and 30 substantiated reports of neglect to a minor in LaGrange County. These forms of abuse have huge impacts on future victimization and perpetration rates. Adverse childhood experiences (ACEs) are traumatic events that occur in childhood (0-17 years). ACEs are significantly correlated with several chronic health issues, mental illness, and substance use in adulthood. However, research shows that when children have a relationship with at least one sensitive, nurturing, and responsive adult they can show more resilience to childhood trauma. Additionally, adults who reported having caring teachers and predictable home routines reported better health outcomes. Overall, high quality early education, like the program proposed, has the potential to provide overwhelming social and economic benefits to our community. It is vital that this investment is made in LaGrange County to meet our rural community's needs.

Project or Program Assets



The **ECONOMIC IMPACTS**
of **INVESTING** in
EARLY CHILDHOOD
EDUCATION IN INDIANA

SEPTEMBER
2016

Crime Reduction

Several early childhood education evaluations find that attending a high-quality preschool reduces the likelihood that participants will commit crimes later in life. State and local governments also benefit from reduced spending on law enforcement and corrections.

A meta-analysis of these evaluations finds that cost savings due to reductions in crime range from \$0 to \$11.30 per dollar invested in early childhood education, with an average cost savings of 69 cents per dollar invested. These cost savings result from reduced costs to taxpayers and crime victims.

Depending on the state-funded ECE program model adopted, Hoosiers could expect to see reductions in crime costs ranging from about **\$63 to \$162 million in lifetime crime costs per cohort.**

Depending on the model of state-funded early childhood education adopted in Indiana, Hoosiers could expect to see a reduction in lifetime crime costs per cohort ranging from about \$63 to \$162 million annually.

**Summary of findings:
per student cost savings by benefit**

Cost	Special Education	Remediation K-12, GQE, IREAD-3	Lifetime earnings	Crime costs
\$7,498.00	\$3,111.00	\$28.61, \$132.68, \$11,230.00	\$2.79- \$3.09	\$0.69
Indiana	annual student cost, if applicable		per dollar invested	
\$28,492 - \$29,992*				

Reflects lower and upper bound range of estimated cost multiplied by \$3.83-\$4.00 ROI estimate

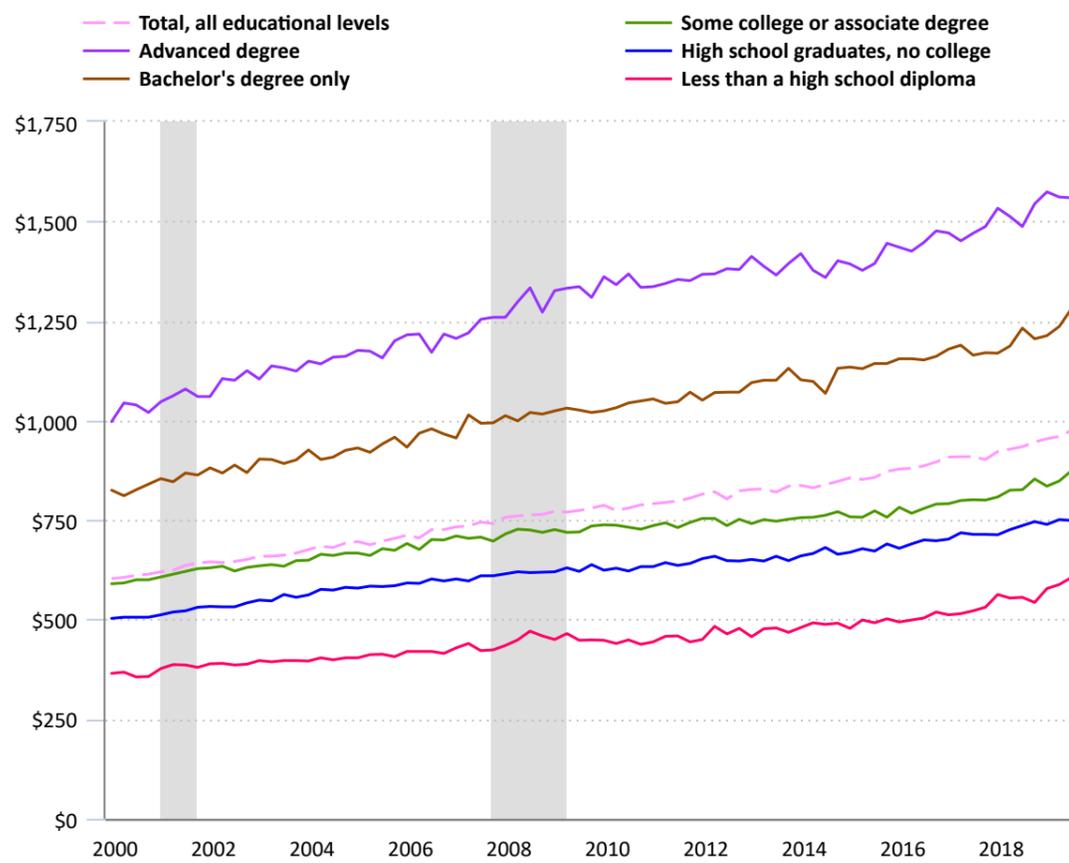
Summary

Indiana remains one of eight states today without a publicly-funded pre-K program. Implementing a high quality, state-funded early childhood education program in Indiana will yield an anticipated benefit of \$3.83 to \$4 per dollar invested in present value terms. The total annual cost required to adopt a high quality, state-funded early education program constitutes just 0.8-2 percent of Indiana’s current total spending on K-12 education.

High quality early education will reduce future state spending on K-12 education and crime. Low-income participants could realize \$3.09 in lifetime earnings benefits per dollar invested, and higher-income participants could realize \$2.79 in lifetime earnings benefits per dollar invested.

Indiana will not realize these benefits unless it expands state funding for high quality ECE. State funding is needed to provide Hoosier families—and low-income families in particular—with access to affordable, high quality ECE providers.

Median usual weekly earnings of full-time wage and salary workers age 25 years and older, by educational attainment, first quarter 2000–third quarter 2019, not seasonally adjusted



Click legend items to change data display. Hover over chart to view data.

Shaded areas represent recessions as determined by the National Bureau of Economic Research.

Source: U.S. Bureau of Labor Statistics.



Median weekly earnings \$606 for high school dropouts, \$1,559 for advanced degree holders OCTOBER 21, 2019

In the third quarter of 2019, full-time workers age 25 and older had median weekly earnings of \$975. Those without a high school diploma had median weekly earnings of \$606, compared with \$749 for high school graduates (no college), and \$874 for workers with some college or an associate degree. Workers with a bachelor's degree (and no additional degree) had median weekly earnings of \$1,281. Workers with an advanced degree (master's, professional, and doctoral degrees) had median weekly earnings of \$1,559 in the third quarter of 2019.

LaGrange County Early Learning Coalition

Project Cost/Budget – Construction Projects (if applicable)							
Description		Cost – Fiscal Year 2021	Cost – Fiscal Year 2022	Cost – Fiscal Year 2023	Cost – Fiscal Year 2024	Totals Per Category	% of Total Expense
Acquisition/Rights-of-Way Expense	Cost to purchase / lease a building and begin renovations, if any	\$ -	\$ 200,000	\$ 200,000	\$ 200,000	\$ 600,000	58%
Design/Inspection Expense	Design and/or inspection costs associated with purchase/leased building	\$ -	\$ 50,000	\$ 25,000	\$ 10,000	\$ 85,000	8%
Legal/Financial Expense	Legal costs or closing costs for purchase / lease of building	\$ -	\$ 25,000	\$ 10,000	\$ 5,000	\$ 40,000	4%
Infrastructure Construction Cost	Renovation costs	\$ -	\$ 100,000	\$ 50,000	\$ 50,000	\$ 200,000	19%
Building Construction Cost	n/a	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Other Construction Costs	Any costs related to construction / renovation not covered above	\$ -	\$ 50,000	\$ 35,000	\$ 20,000	\$ 105,000	10%
Project Construction Expenses Totals per year		\$ -	\$ 425,000	\$ 320,000	\$ 285,000		
Total Construction Expenses Project Cost		(all fiscal years)				\$ 1,030,000	

Project Cost/Budget – Programs (if applicable)							
Description		Cost – Fiscal Year 2021	Cost – Fiscal Year 2022	Cost – Fiscal Year 2023	Cost – Fiscal Year 2024	Totals Per Category	% of Total Expense
Feasibility Study	2-year study, includes developing a sustainability plan 1 FTE Project Director, 4 FTE Teachers, and 4 FTE Aides.	\$ 80,000	\$ -	\$ -	\$ -	\$ 80,000	5%
Salary and Benefits for LaGrange County Child Care Pgm team	Costs include competitive salaries (w/benefits, calculated at 31.61% (est.)) and an annual 3% increase. One Teacher + One Aide in each classroom. There will be four classrooms: infant, toddler, pre-school, and school-aged.	\$ -	\$ 481,956	\$ 496,414	\$ 511,307	#####	86%
Indirect costs	de minimis rate (10%) / year of eligible costs	\$ 8,000	\$ 48,196	\$ 49,641	\$ 51,131	\$ 156,968	9%
		\$ -	\$ -	\$ -	\$ -	\$ -	0%
Project Program Expense Totals per year		\$ 88,000	\$ 530,151	\$ 546,056	\$ 562,438		
Total Program Expenses Project Cost		(all fiscal years)				\$ 1,726,645	

Funding Source							
Description		Cost – Fiscal Year 2021	Cost – Fiscal Year 2022	Cost – Fiscal Year 2023	Cost – Fiscal Year 2024	Totals Per Category	% of Total Expense
READI	Requested through this READI application.	\$ 17,600	\$ 191,030	\$ 173,211	\$ 169,487	\$ 551,328	20%
Other Funds \$	To be requested and secured.	\$ -	\$ 254,708	\$ 230,948	\$ 225,984	\$ 711,640	26%
Private/Philanthropic Funds \$	To be requested and secured.	\$ 70,400	\$ 254,707	\$ 230,948	\$ 225,984	\$ 782,039	28%
Local Government Funds \$	To be requested and secured.	\$ -	\$ 254,707	\$ 230,948	\$ 225,983	\$ 711,638	26%
Project Income Totals per year		\$ 88,000	\$ 955,152	\$ 866,055	\$ 847,438	\$2,756,645	
Total Project Income		(all fiscal years)				\$ 2,756,645	
Total Project Cost		(all fiscal years; Construction Expenses + Program Expenses)				\$ 2,756,645	