

**LOCAL INVESTMENT IN CHILD CARE**  
**KERN COUNTY – BUSINESS SKILLS TRAINING PROGRAM 2001 TO 2005**  
(Presented at LINCC Symposium - June 23, 2004)

**QUESTION NO. 1: WHAT ARE THE BENEFITS OF STRENGTHENING CHILD CARE PROVIDERS' BUSINESS SKILLS?**

1. Builds confidence and empowerment. Leaves more quality time for child development. (See attached anecdotal information.)
2. Increases retention by decreasing turnover from 30% annually to 17% over two years for child care providers who participated in LINCC business skills training. Continuity of care is one of the cornerstones of quality care.
3. Leverages funds 1.5 times. Helped child care providers access approximately \$1.5 million in financing and grants (The cumulative cost of operating the LINCC program for 5 years is approx. \$1 million.) This investment in child development infrastructure improves the quality of children's environments.
4. Reaches approximately half of all Kern county child care providers (800 unduplicated participants) strengthening professional relationships.
5. Places 600+ new licensed center-based child care spaces under development.

**QUESTION NO. 2: DESCRIBE KERN LINCC'S TRAINING MODULE.**

During the 5-year period from 2001 to 2005, Kern LINCC used a 4-way combination of workshops, one-on-one technical assistance, and access to financing and grants to help child care providers start-up, enhance or expand their child care facilities. Additionally, a child care economic impact report (EIR) was developed and promoted. Currently, LINCC is building center-based child care capacity by training developers (see attached timeline.)

1. Workshop Format: Mostly 2 to 3 hours long, evenings and/or Saturdays.
2. Frequency: Two workshops per month, one in English and one in Spanish, for 30 months. Currently one workshop per quarter.
3. Attendance: Anglos averaged 20 participants, Hispanics 30 to 35.
4. Technical Assistance Format: Unlimited number of one-hour sessions, either on site or at LINCC office.
5. Financing Access: One-on-one assistance with loan documentation and/or grant applications.
6. EIR: Numerous presentations, publications and hand-outs to collaborative partners, elected officials, lenders, and community leaders.

**QUESTION NO. 3: DESCRIBE THE LOGISTICS OF STARTING UP KERN LINCC'S BUSINESS SKILLS TRAINING UP.**

1. Building on approx. \$250,000 LINCC funding from David and Lucile Packard Foundation, obtained \$750,000 grant for three years from First 5 Kern (2001 to 2003.)
2. Partnered & co-located with local Small Business Development Center (SBDC) to promote business image and expand technical assistance & financing reach.
3. Identified hierarchy of business skills training that child care providers needed.
4. Identified experts in the community and within staff that could present workshops. Many speakers were free of charge.
5. Developed budget for speakers & workshops.
6. Promoted trainings to local R & R list of licensed providers.
7. Promoted trainings to local child care provider associations.
8. Seek funding and/or fee for service to ensure long term sustainability.

**QUESTION NO 4: DESCRIBE YOUR CURRICULUM**

The most popular & well-attended **workshop topics** are Tax Tips, Marketing Tips for Enrollment and Grant Writing. These were offered numerous times. Other topics were offered about once per year. Current focus is 20 Steps to Developing and Financing a Child Care Center.

| <b>TOPIC</b>                                  | <b>PRESENTER</b>  |
|---|---|
| Bookkeeping & Tax Tips                        | Accountant  |
| Payroll                                       | Accountant<br>& Employers' Development Department (EDD) rep               |
| Marketing tips                                | LINCC staff & SBDC consultants  |
| Contracts & Policies                          | LINCC staff & seasoned child care providers                               |
| Getting Started                               | RedLeaf Institute rep   |
| Insurance, Retirement, Investments            | Financial Planner   |
| Credit  | Bank Loan Officer   |
| Legal Issues                                  | Child Care Law Center<br>Catherine Atkin, Esq., The Sanz Group            |
| Business Plan                                 | SBDC consultants  |
| Large License Issues                          | Fire Department, Community Care Licensing rep,<br>accountant & EDD, R & R |
| Professionalism                               | LINCC staff & seasoned child care providers                               |
| 20 Steps to Developing<br>a Child Care Center | LINCC staff and community experts   |

One-on-one **technical assistance** sessions centered on:

- Loan document preparation
- Business plan
- Cash flow projections
- Marketing tips for enrollment
- How to develop and finance a child care center

**Access to financing** was provided in two ways:

- Administering a \$40,000 revolving micro loan program (funded by the David & Lucile Packard Foundation.) To date over 30 micro loans have been made for the start-up, enhancement and/or expansion of family based child care facilities.
- Assisting with business plans and loan documents for financing child care centers. To date, approximately \$738,000 has been borrowed to finance 368 center-based licensed child care spaces.

**Grant Procurement** assistance was given through workshops and technical assistance tailored to submitting proposals for First 5 Kern mini-grants. Over a period of three years, First 5 Kern released approximately \$500,000 in mini-grants for quality improvement. LINCC assisted providers with at least half of the successful proposals.

#### **QUESTION NO. 5: HOW DID YOU PAY FOR THIS BUSINESS SKILLS TRAINING?**

Over a period of 5 years (2001 to 2005) approximately \$1 million has been spent on business skills training in the child care industry as follows:

|           |   |
|-----------|---|
| \$750,000 | First 5 Kern                                      |
| 250,000   | David & Lucile Packard Foundation                 |
| In kind   | Community Connection for Child Care               |
| In kind   | Kern County Superintendent of Schools             |
| In kind   | Weill Institute Small Business Development Center |

Staffing: Most of the time, the equivalent of 1 FTE.  
During the 3 years of First 5 funding, the equivalent of 3.5 FTE.

Typical cost of producing a workshop (does not include staff time):

- \$250 advertising
- \$250 average for speakers, unless fee is waived
- \$100 drinks, snacks, incentives, door prizes
- \$200 duplicating handouts & Certificates of Achievement

## ANECDOTALS

Success stories shared by surveyed providers show that the LINCC Project is effective in helping them improve the quality of their child care businesses, saving them time, reducing child turnover and increasing child enrollment while giving them a strong professional self-image.

*"I can honestly say that my children are very well prepared for school when they are in my care. My greatest satisfaction is to see that my hard work is put into good use with the children."*

*"LINCC offered support on a lot of issues that I didn't know anything about and had no idea which way to go..."*

*"LINCC program helps everything come together."*

*"I am able to care for daughter's children while she completes her college courses. I never thought about doing day care and now I love it. Able to care for kids and loves that part and it is financially beneficial too!"*

*"I feel good about myself that I can serve families with their children. I had a family that came from Oaxaca, Mexico. The children didn't speak any Spanish at all. In the time they spent with us, they learned how to speak Spanish. We bonded with them very much."*

*"I feel that doing child care has given me a sense of accomplishment. Having cancer, it has motivated me a lot to cherish everything but most of all my ability to do child care"*

*"I have finally accomplished a goal I had since the 1960s to become a child care provider."*

*"Three trainings, business improved. Micro loan helped a lot. I bought a computer. I am taking classes at Taft College via computer."*

*"When I first became licensed I was only going to do the large license. Since my contact with LINCC I am going to get a center license. My site is under construction at this time."*

*"When I first started I did not know how to promote myself and because of my training I have more confidence in myself. I also have better communication with parents. I like my child care business to be like a second home for the children I care for. Also, I want them to be ready for school when they leave my day care."*