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# Proposal for the State of Kansas: Wonderschool Pilot Program

#### Prepared By:

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# **Executive Summary**

#### The Wonderschool Difference

Since day one, our focus has been on promoting continuity of care and expanding access for children from prenatal to school age, ensuring that every child can reach their full potential. We provide robust support to teachers, enabling them to run high-quality programs based on their preferred style and curriculum, be it Montessori, play-based, STEAM, faith-based, or bilingual. This variety ensures that different types of learners have access to the best-suited educational options. Additionally, the majority of our home-based programs offer low teacher-to-student ratios and create intimate settings, a factor that has consistently shown to be highly beneficial for early learning outcomes.

The Wonderschool strategy combines targeted recruitment, training, and child care business coaching with technology tools designed specifically for child care providers and the overarching state agencies that support them. The success of our Family Child Care (FCC) licensing approach is evident across the country, ranging from hundreds of individual providers in the Bay Area and New York City, to statewide

child care creation partnerships in states like Michigan and Nevada. Unlike traditional FCCcreation approaches, which rely primarily on information sharing such a webinars or information sessions, our approach plays an active role in the recruitment and licensing of new providers process in the first six to nine months with two years of ongoing business coaching and support to ensure programs are fully operational, fully enrolled, and wellestablished in the community. Our approach leads to the creation of a strong pipeline of child care entrepreneurs, successful new womenowned businesses, and a double-workforce win that creates new jobs while allowing family members and caregivers to return to or remain in the workforce.

We have been also been named as one of <u>GSV's Most Transformational Growth Companies In Digital Learning and Workforce Skills in 2023, Andreessen Horowitz's American Dynamism 50, and Edtech Breakthrough's CEOs of the Year 2022.</u>



Goldman Sachs

OFICE MILLION BLACK WOMEN



#### The Economic Case for Addressing Childcare

Investing in capacity building and long-term independent program stability will bring a significant return of investment. For each new program Wonderschool opens, at least eight new childcare spots are created within the small licensed Family Child Care model; however, in KS this number can be as high as 12 if the provider qualifies as a Group Day Home. This enables a minimum of eight parents and caregivers to return to work.

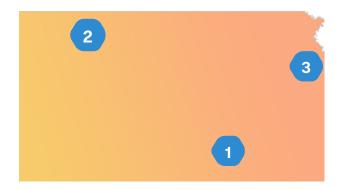
Additionally, experts estimate communities see a financial gain of \$27,318 to \$41,660 per year per additional slot created<sup>1</sup>. With each new program, roughly \$250,000 will return to the community. Even more significant, high quality early learning and care for historically underserved communities leads to a 13% return of investment along with better outcomes for children in education, health, social behaviors, and future employment2.

#### A Plan for Kansas

This document will share three different options to choose from that are designed to both significantly increase the number of child care providers in the region, specifically homebased entrepreneurs meeting the needs of their specific communities, and help to stabilize their businesses. There are three parts to this plan, including:

- Recruit, train, and support new child care providers in both rural and urban areas.
- Offer wrap around supports services and the Wonderschool provider platform.
- Provide customized real-time program and availability data dashboards to inform stakeholders in policy and funding decisions related to childcare.

Potential target counties include but are not limited to:



#### 1. Sedgwick County:

- Child Care Gap: 49.6% or 14,750 slots
- Yearly Economic Impact: \$351.4-\$538.5MM
- Rationale: Represents area with largest number of slots needed and addressing gaps will have the greatest economic impact

#### 2. Norton County:

- Child Care Gap: 42.4% or 150 slots
- Yearly Economic Impact: \$3-\$4.6MM
- Rationale: Represents rural area with one of the highest percentage gaps

#### 3. Johnson County:

- Child Care Gap: 15.8% or 5,030 slots
- Yearly Economic Impact: \$134.1-\$205.5MM
- Rationale: Represents an area with an existing gap that will expand quickly with Panasonic's development

Wonderschool is an excellent tool for a provider who works out of their home alone. It condenses everything you need into one app. You can easily loop in families about what children are eating and learning at your program in a matter of minutes.



Katie McLain, Program Director
Thrive Early Childhood Family Child Care - West Monroe, LA

Wonderschool Academy is the best program to start a child care program in Nevada. They assist you in organizing all the various aspects of a child care business plan-making the entire process less intimidating. Coach Darcy was the most patient person I'd ever met. She taught me business skills, how to use the child care management software and the essentials of child care marketing.

Cassandra Hall, Founder
Children of the Way Learning Center - Las Vegas, NV

Wonderschool's support lowers a child care provider's stress. It's perfect for those that need to increase enrollment right away. It's an all-in-one tool and service..



Janae Liz Walker, Program Director
Walker Wells Learning Center - Wilmington, NC



# The Challenge in Kansas

The childcare challenges in Kansas are pervasive and exist across all populations and geographies within the state.

- 74% of children under age 6 have all available parents participating in the labor force, making this a significant impact on economic growth for nearly every community throughout the state.
- As of today, **45%** of Kansas families living in rural areas reside in child care deserts; however, child care desert areas include all ethnicities, geographic regions, and income levels<sup>4</sup>.
- State-wide, there is a potential need for over 54,480 additional child care slots in order to fill the care gap<sup>5</sup>.
- Even more challenging, many parents need child care that serves non-traditional hours, especially in sectors such as health care, manufacturing, agriculture and public safety.
- One of the greatest benefits of building a robust network of home-based child care providers is that these providers are typically the most responsive to the needs, values, and expectations of their specific communities. This also opens the opportunity for parental choice for families when they are searching for care.

44% of Kansas' population lives in a child care desert<sup>3</sup>.

A child care desert is any census tract with more than 50 children under age 5 that contains either no child care providers or so few options that there are more than three times as many children as licensed child care slots.

<sup>&</sup>lt;sup>3</sup> https://childcaredeserts.org/<sup>2018</sup>/?state=KS

<sup>&</sup>lt;sup>4</sup> Council for a Strong America

<sup>&</sup>lt;sup>5</sup> https://childcaregap.org

# The Kansas Plan

Wonderschool will leverage our six years of experience supporting early educators and building new child care programs across the nation to expand the supply of high quality programs in Kansas. We will center our outreach to engage prospective child care providers in areas identified by the Kansas Department of Children and Families.

The functional activities of the plan include:

**Build New Supply of Child Care Programs** 

Deliverables: New programs (numbers vary by plan)

- · Recruitment and community outreach
  - In house digital marketing experts
  - Social media marketing
  - Radio advertisements
  - Direct outreach (text messages, phone, email, mailings)
  - National marketing expertise
- Child care management software (2-year subscription)
  - Program marketing
  - Enrollment management
  - Finance management
  - Parent communication management
  - Digital community of practice
  - Access to national economies of scale
  - Data tracking
  - Customer support and help desk





- Marketplace webpage (2-year subscription)
- 12-Week Wonderschool Academy
  - Week 1: Setting your Vision and Partnering with Wonderschool
  - Week 2: Licensing 101- Eligibility and Overview
  - Week 3: Pricing your Program and **Business Planning**
  - Week 4: Building your Wonderschool Website
  - Week 5: Licensing 102- Creating a Safe Program
  - Week 6: Preparing Your Space for Licensing
  - Week 7: Making a Plan for Quality and Program Improvement
  - Week 8: Setting up your Small Business
  - Week 9: Marketing your Business
  - Week 10- Tours and Events
  - Week 11: Using Wonderschool Tools to help you run your Business
  - Week 12- Graduation + Celebration
- Technical assistance, business operations coaching, and cohort-based community
- Assistance with securing first enrollments
- Data dashboard & bi-Monthly reporting
- Assistance with registration, licensing, and compliance approvals
- Personalized 1:1 coaching
- Multi regional stakeholder collaboration
  - Holistic state-wide coordination and
  - Connection to local resources for early intervention, quality, etc.
- Access to national discounts and partnership offerings

#### **Dedicated Support Subscription**

#### Deliverables: Two years of dedicated support

- Support package dedicated to Kansas's project implementation, provider support and business strategy
- In-person events (one per quarter): group training sessions, networking events, luncheons, speaker forums, etc.
- Frequent site visits with providers
- Forums, Community Events, Luncheons with prospective providers
- Two years of customized provider support (1:1 virtual, webinar, in-person)

#### **Real-Time Data**

**Deliverables: Data to inform stakeholders** in policy and funding decisions related to childcare

- New Program Licensing Progress/ Completion
- Program Metrics
  - Children/Enrollment Data
- Operational Insights
- Financial Trends
- Marketing Insights
- Family Feedback



# **Budget**

Budget Option 1 (Multi-Year)			
Product Category	Quantity	Unit Price	Total Cost
Child Care New Supply Creation	<ul><li>125 programs year 1</li><li>125 programs year 2</li><li>125 programs year 3</li></ul>	\$23,000/ Wonderschool program	\$8,625,000
Real Time Data	Two-year access	*Included	\$0
Dedicated Support Subscription	<ul> <li>Two years of support for 125 providers year 2</li> <li>Two years of support for 125 providers year 3</li> <li>Zero providers</li> </ul>	\$300,000	\$900,000
Total Cost			\$9,525,000
Budget Option 2 (Multi-Year)			
Product Category	Quantity	Unit Price	Total Cost
Child Care New Supply Creation	100 programs year 1 100 programs year 2	\$23,000/ Wonderschool program	\$4,600,000
Real Time Data	Two year access	*Included	\$0
Dedicated Support Subscription	<ul> <li>Two years of support for 100 providers year 1</li> <li>Two years of support for 100 providers year 2</li> </ul>	\$300,000	\$600,000
Total Cost			\$5,200,000
Budget Option 3 (Multi-Year)			
Product Category	Quantity	Unit Price	Total Cost
Child Care New Supply Creation	75 programs	\$23,000/ Wonderschool program	\$1,725,000
Real Time Data	Two year access	*Included	\$0
Dedicated Support Subscription	Two years of support for 150 providers	\$300,000	\$300,000
Total Cost			\$2,025,000

# State References

#### Michigan: Licensing and Regulatory Affairs and Michigan Department of Education

#### Goal & Approach

In partnership with LARA and MDE, Wonderschool supports the Caring for MI Future and Our Strong Start initiatives. This partnership includes a market research study of current and new child care providers to better understand the licensing experience and recommend process improvements. Four Toolkits were developed for new and expanding providers including the topics of: Licensing, Child Care, Business Sustainability, Caring for Mi Future Grants. Existing providers were granted access to our Provider Platform for business sustainability. We started new Family Child Care programs in areas of highest need.

#### **Reference Contact Information**

Emily Laidlaw, Director,
 Child Care Licensing for Licensing and
 Regulatory Affairs

• **Email:** laidlawe1@michigan.gov

• **Phone:** 517-284-9730



## The Michigan Report- September 2023

#### **Contract Year 1 Achievements**

In the first year of our partnership with Licensing and Regulatory Affairs (LARA) in Michigan, we set ambitious goals and achieved remarkable results in creating a new pipeline of home-based child care for families statewide. Below is an overview of our key accomplishments during the first year of the partnership.



Wonderschool Academy Enrollment and Graduation



75 New childcare providers to be recruited, mentored, and trained on how to start a sustainable home-based child care program



Providers recruited, mentored, and trained

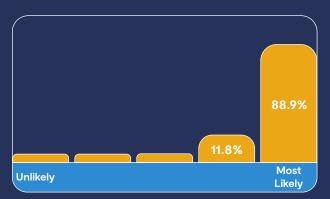


Three months early contractual goals were delivered



#### **Wonderschool Academy Survey:**

We asked providers on a scale of 1-5 how likely they were to recommend Wonderschool Academy to providers looking to start a new program.





- 712

  Potential Child Care Seats Created
- \$35m

  Potential long-term economic impact

#### **Testimonials**

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Wonderschool gave me great insight into the daycare business components. I still need to research the laws outside of Licensing Rules to make sure I'm compliant at all levels pertaining to my building, staff, and students.

Sommer was amazing! She not only provided great resources and support, but we also had access to people within the child care industry who could help with our childcare program. She made herself available for advice, and support, and to answer any questions.





100 Providers of existing programs to receive Child Care Management licenses to stabilize and grow their businesses



100/100 Licenses adopted by providers



#### **◯** SUBMISSIONS

2,381 Grant prelicensure business plans submitted

- Approval Rate: 1,674 plans approved
- Grants Awarded: 1,340 childcare providers received grants, with grant sizes ranging between \$5,000 and \$10,000.



- Toolkit Creation: Four child care provider toolkits developed
- Toolkit Access: 572 requests received from childcare providers to access the toolkits
- Active Users: 334 users are actively using the toolkits to enhance their childcare services



Completed: 15 child care providers across Michigan were interviewed for insights about the licensing process, barriers, and strategies for ensuring sustainability in the child care industry.

Overall, Wonderschool's partnership with Michigan has proven to be highly productive in the first year. We've exceeded enrollment targets, expanded the availability of CCMS licenses, provided valuable grants to providers, developed essential toolkits, and conducted comprehensive market research. We look forward to building on these accomplishments and continuing to support Michigan's child care community in the years ahead.



To help solve the complicated issues hindering access to child care in Michigan, we started the Our Strong Start team. OSS is tasked with building capacity and removing barriers. Due to Wonderschool's child care expertise and breadth of services and support they can provide, they were selected by policy makers as a partner to help drive our state-wide efforts. Wonderschool has become a valued partner in our efforts to improve Michigan child care.

Emily Laidlaw
Director of Child Care Licensing for LARA

## Nevada: Division of Welfare and Social Services

#### Goal & Approach

Nevada's DWSS and Wonderschool partnered to extend relief to families living in child care deserts via building a new supply of Family Child Care programs and optimizing business operations for existing providers. Community partner organizations took an innovative implementation approach by co-locating at the Child Care Services Center to connect all available tools and resources in one location. Wonderschool provides on-the-ground individualized support to both new and existing providers.

#### **Reference Contact Information**

Crystal Johnson,
 Child Care & Development Program
 Specialist

Email: cmxjohnson@dwss.nv.gov

• **Phone:** 775-230-3335

#### Phase 1 2022

### Wonderschool Academy Enrollment and Graduation



50 New providers to join Wonderschool Academy in six months



86 New child care providers joined Wonderschool Academy in three months



#### Phase 2 2023

**Wonderschool Academy Enrollment and Graduation** 



225 New child care providers to join Wonderschool Academy in 12 months



276 New child care providers enrolled in Wonderschool Academy, delivered 45 days ahead of schedule

150 Number of providers on waitlist



**20/27** Programs licensed in 16 months with 27 pending (Note: In 2021 there were only 43 licensed programs, in 16 months we increased licensed programs by 50%)

**2,484** Potential new child care seats added with 276 new programs set in motion

\$82.2m The potential long-term economic impact of 2484 new seats (source: <a href="https://www.childcaregap.com">www.childcaregap.com</a>).

On behalf of our team, we would like to thank you for your consideration of this proposal.

We are happy to provide additional information and support as needed and look forward to building a successful partnership!



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