Child Care Supply and Demand Challenges in Wisconsin
Executive Summary

Hilary Shager, Zachary Bauer, and Liesl Hostetter

Institute for Research on Poverty

University of Wisconsin–Madison

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Introduction

The following executive summary presents findings from the Child Care Supply and Demand Challenges study developed in partnership with the Wisconsin Department of Children and Families. Wisconsin child care providers (N=3,546) completed a questionnaire embedded in the February 2024 Child Care Counts Stabilization application with the goal of learning more about demand for child care, providers' potential ability to serve more children at existing sites, and responses to staffing challenges. Respondents composed a large, diverse, and representative sample of the full population of child care providers throughout Wisconsin.

Descriptive quantitative results for each of the questions for the full statewide sample as well as statewide results for group centers and family child care programs are presented below. The authors also present prominent themes from responses to an open-ended question asking what, if anything, could help providers serve more children at their sites.

The full final report also includes analyses by region (including by individual region and Southeastern compared to Balance of State), urbanicity, YoungStar rating, and Wisconsin Shares enrollment. Results are presented individually by each of these factors and in combination with other provider characteristics such as number of full-time children enrolled and whether infant care was available. A full discussion of responses to the open-ended question, including illustrative quotes, is also available in the final report.

Key takeaways include:

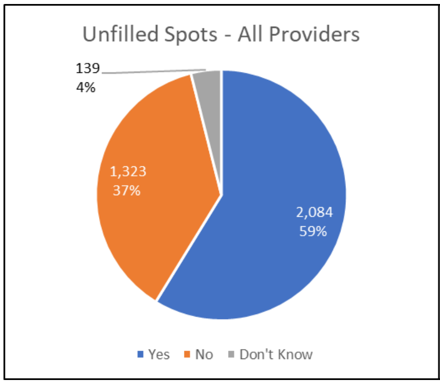
- The majority of child care providers reported having potential "unfilled spots." [1] Providers reported a total of over 33,000 potential unfilled spots statewide; just over half of these unfilled spots were in the Southeast region.
- Group centers reported not having enough staff as the most common reason for having potential "unfilled spots." Family providers reported not enough interested families (including mismatch between available spots, services, and family needs) as their top reason.
- Just over half of child care providers reported having a waitlist. Providers reported over 48,000 waitlist spots; waitlist demand was greatest for infants.[2]
- Group centers reported not enough staff as the top reason for having waitlists, while family providers' top reason was that they were serving the number of children they wanted to.

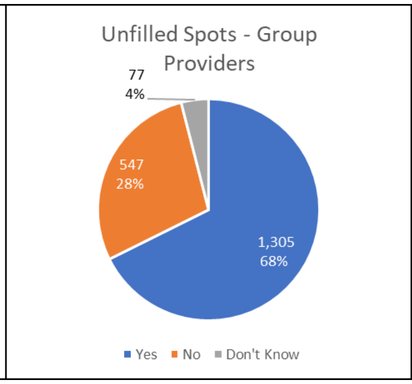
[1] An "unfilled spot" was defined as "the number of additional children you could serve full-time while maintaining compliance with your program's maximum capacity as determined by your regulatory rules. For example, if you have a closed classroom, the number of children who could have been served in that classroom. Or if only one teacher is currently working in a classroom designed for two teachers, the number of additional children who could have been served with two teachers."

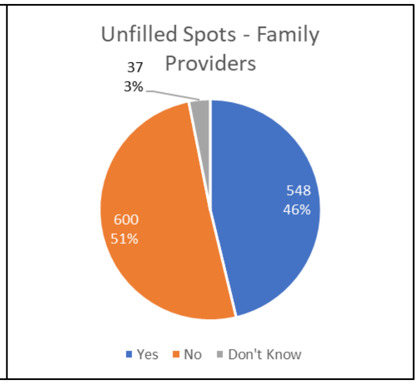
[2] One child could be on multiple waitlists for different providers; thus, "total spots" is not a precise measure of demand for child care.

- Most (84%) providers reported getting at least one inquiry a week for child care openings, and a third of providers reported getting three or more calls a week.
- Over one third (35%) of all providers, and over half (55%) of group centers reported that keeping staff or filling staff vacancies has been “very” or “extremely” challenging.
- For providers experiencing staffing challenges, the most common impact reported was asking current staff to work more hours or take on more duties. Other impacts reported by more than half of providers included hiring less qualified staff, serving fewer children, turning families away, and raising tuition.
- When asked what if anything would help them serve more children, providers’ most common answer was the need to address staffing challenges.

Question #1: Currently, does your site have any “unfilled spots” that you could potentially use to serve more children?





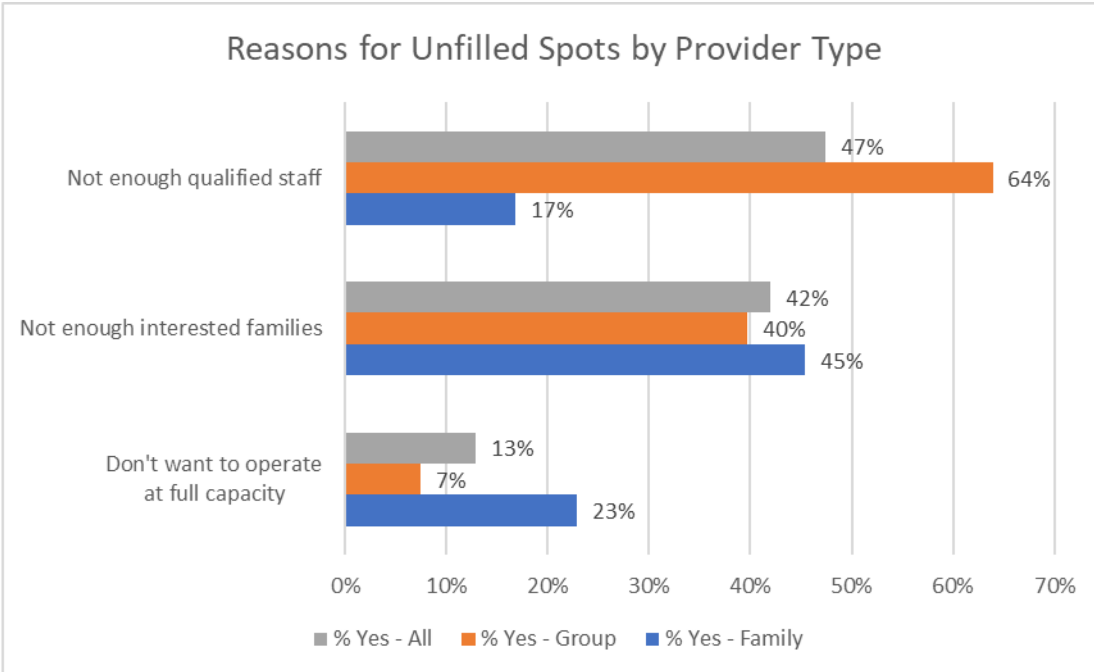


N = 3,546 for All; 1,929 for Group; 1,185 for Family

The majority of providers (59%) reported having potential unfilled spots, including 68% of group providers and 46% of family providers. As noted in the final report, across most regions of the state, about half of providers reported having potential unfilled spots; Southeastern providers reported having potential unfilled spots at a higher rate (69%).

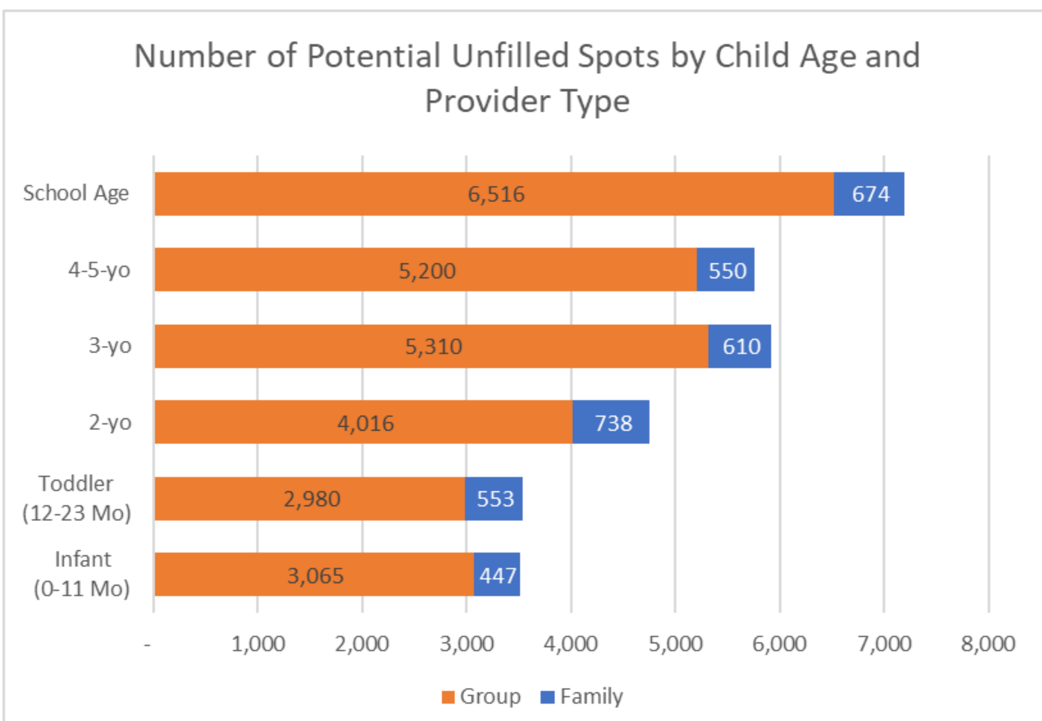
Question #2: Which of the following are reasons why your site has unfilled spots?

Across all providers, not having enough staff was the most commonly reported reason for having potential unfilled spots, especially amongst group providers. Family providers more commonly reported not having enough interested families and already serving the preferred number of children. As noted in the final report, the seeming lack of demand may also have been representative of a mismatch between potential spots available and family needs in terms of age of children, services, scheduling, and ability to pay.



N = 2,076 for All; 1,301 for Group; 546 for Family

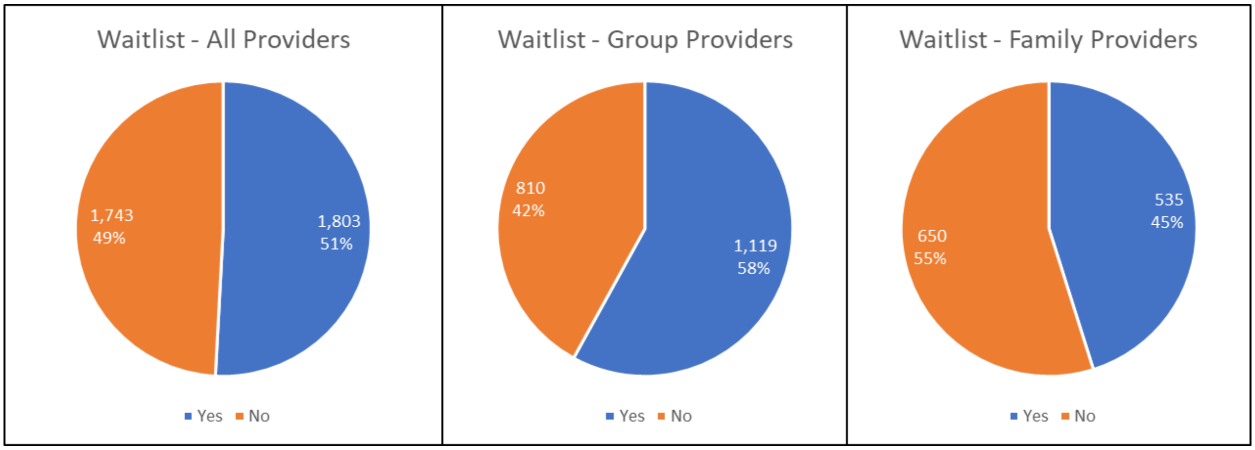
<u>Question #3:</u> Currently, if all the issues in the previous question were addressed, how many more children in each of the following age groups could you serve at your site?



N = 2,045 for All; 1,286 for Group; and 539 for Family

Providers reported a total of over 33,000 potential unfilled spots,[3] with the most spots for older children. Group providers accounted for approximately 82% of all potential unfilled spots. As noted in the final report, the Southeastern region accounted for 51% of potential unfilled spots, followed by the Southern region with 19%.

Question #4: Does your site currently have a waitlist?



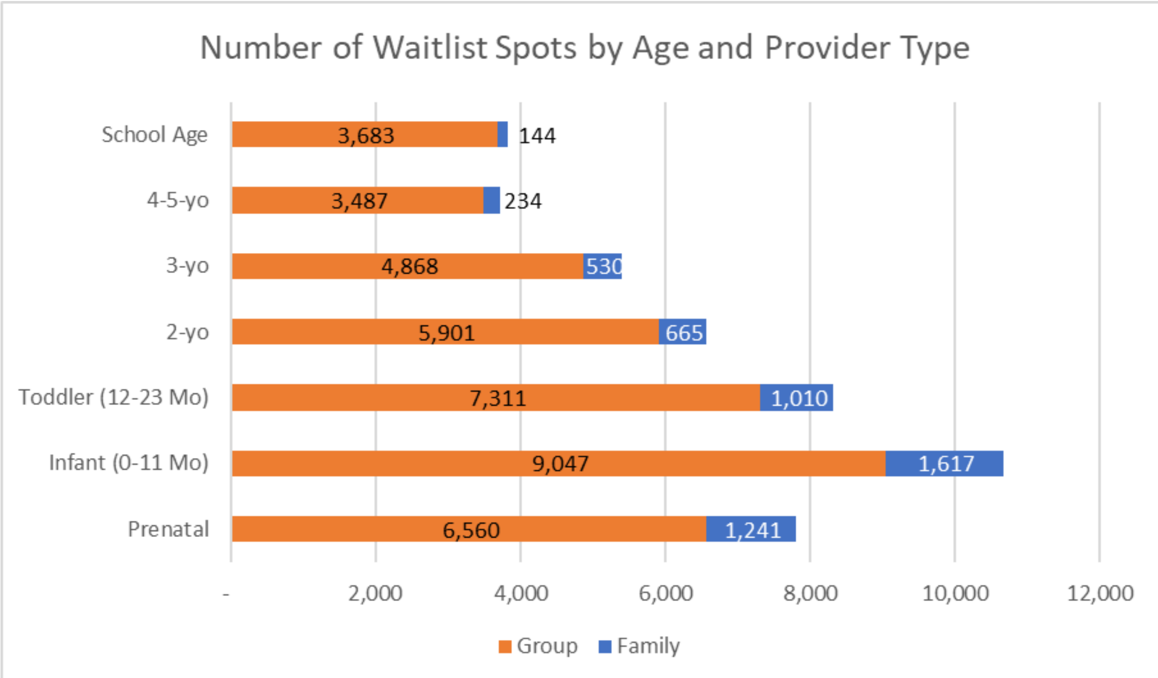
N = 3,546 for All; 1,929 for Group; 1,185 for Family

Just over half of all providers reported having a waitlist, including 58% of group providers and 45% of family providers. As noted in the final report, a majority of providers in all regions except Southeastern reported having waitlists.

Question #5: Currently, how many children from each of the following age ranges are on your site's waitlist?

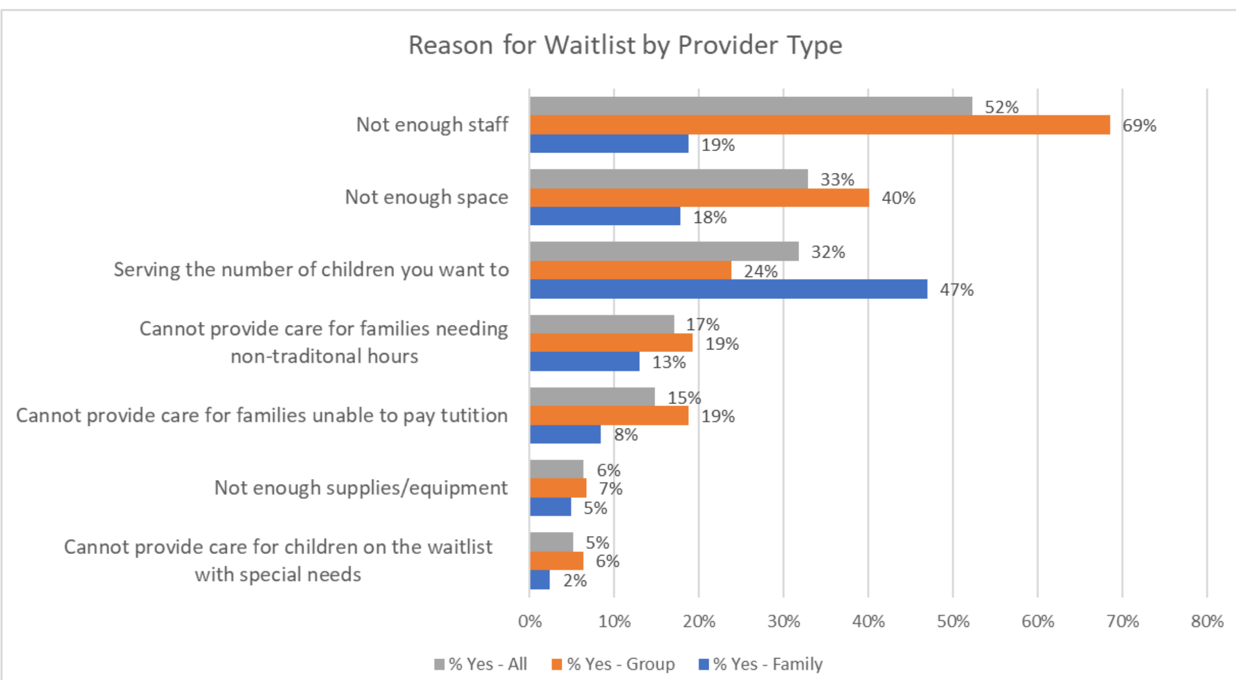
Providers reported over 48,000 waitlist spots, with a higher number of spots for infants and toddlers. Importantly, the number of reported waitlist spots far exceeded the reported number of potential unfilled spots, especially for infant care.

[3] Providers may not have distinguished between part-time and full-time spots; thus "total spots" may not be a precise measure of the supply of child care.



N = 1,753 for All; 1,082 for Group; 530 for Family

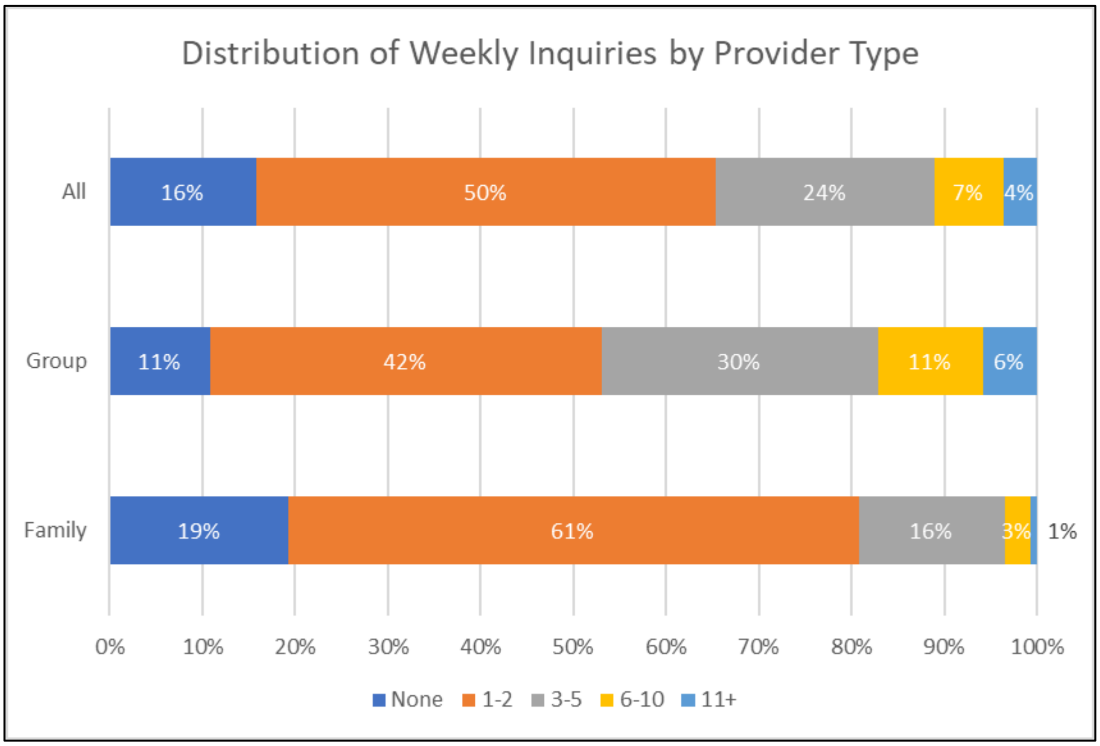
Question #6: Which of the following are reasons why your site is unable to enroll children on the waitlist?



N = 1,772 for All; 1,099 for Group; 532 for Family

Reasons for having waitlists varied significantly by provider type. Group providers overwhelmingly reported staffing as a reason for having waitlists, followed by lack of space. Family providers most commonly reported serving their preferred number of children followed by staffing and space shortages. Providers also reported not being able to meet the needs of families on waitlists, such as providing non-traditional hours, caring for children with special needs, or providing services for families unable to pay tuition.

Question #7: In a typical week, about how many inquiries asking about openings for child care does your site receive?

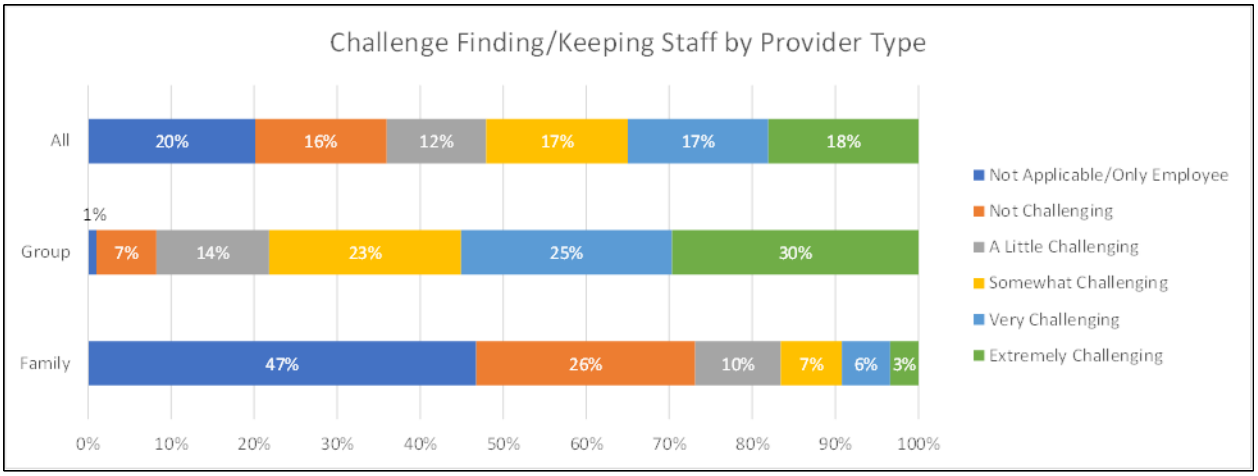


N = 3,529 for All; 1,922 for Group; 1,175 for Family

Most providers (84%) received some inquiries per week about child care openings. Group providers reported more inquiries than family providers.

Question #8: Since May 2023, how challenging has it been to keep staff or fill staff vacancies at your site?

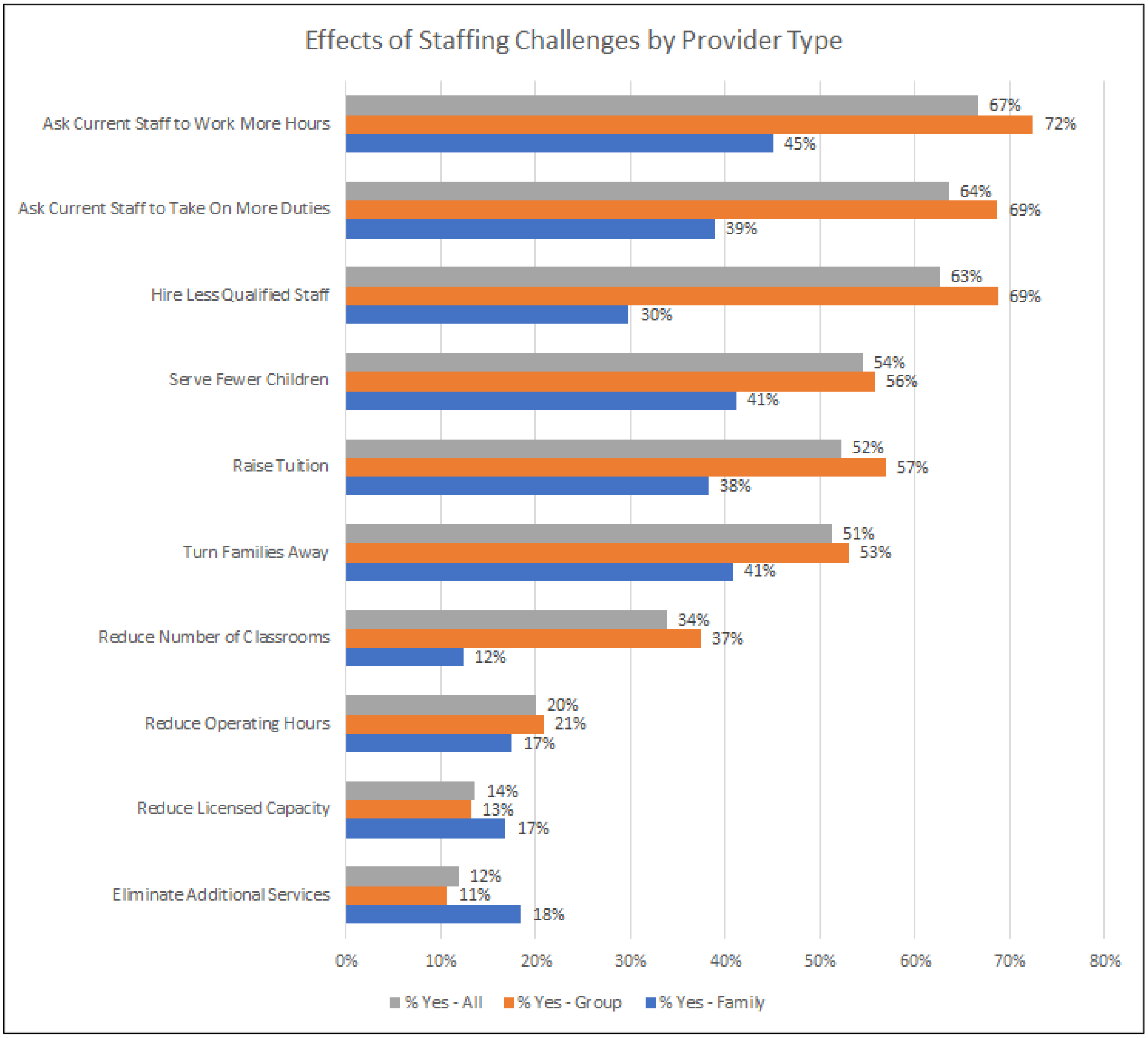
Over a third (35%) of all providers and over half (55%) of group providers reported that since May 2023 (when Child Care Counts Stabilization funding was reduced), keeping staff or filling staff vacancies had been “extremely” or “very” challenging.



N = 3,540 for All; 1,928 for Group; 1,183 for Family

Question #9: Some sites have to make operational changes as a result of staffing challenges. Since May 2023, have staffing difficulties led to any of the following at your site?

For providers experiencing staffing challenges, the most common operational change reported for both group and family providers was asking staff to work more hours. Other impacts reported by the majority of providers in the sample included asking current staff to take on more duties, hiring less qualified staff, serving fewer children, and turning families away. Over 52% of providers experiencing staffing challenges also reported raising tuition.



N = 2,211 for All; 1,722 for Group; 309 for Family

Question #10: What, if anything, would help you serve more children at your site?

Many providers (N=2,240) shared insights regarding ways they could serve more children at their sites, including illumination of several challenges to doing so. Prominent themes included:

- The need to address staff recruitment and retention challenges; for example, by sufficiently compensating staff and reducing the cost and time of required training to help increase the supply of qualified candidates.
- The need for increased funding via new or existing programs to help increase capacity.
- Potential adjustments to licensing rules while maintaining safety, quality, and wellbeing.
- The need for non-tuition revenue sources, such as child care subsidies, to help keep costs down for families.