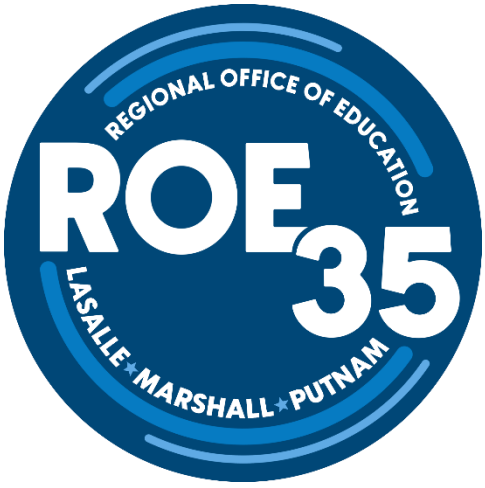
Addressing Childcare:
Economic Impact and Recommendations

Data Analysis and Review of the Work-Willing Parents Living in LaSalle, Marshall, and Putnam Counties, Illinois

July 22, 2024



TPMA

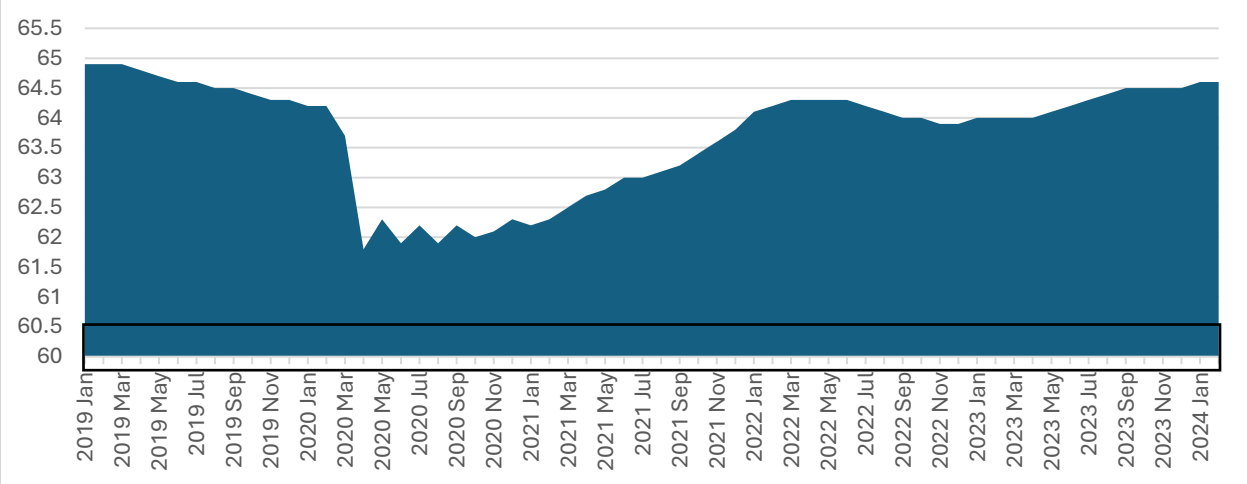
Bold Solutions.
Empowered Communities.

Executive Summary

TPMA Inc., in concert with the Regional Office of Education 35 (ROE 35), is pleased to present this analysis of the potential impact of expanding accessible, affordable childcare in the region. Through a thorough, data-driven process, in the pages that follow, we illustrate the scale of the potential financial gains for parents, employers, state, and local governments when they work together to ensure fully adequate childcare for every parent who wants to return to the workforce on a full-time basis.

The Labor Force Participation rate, perhaps the best measure of the population's active engagement in the workforce, is leveling within the State of Illinois. In December 2019, Illinois's percentage of work-eligible individuals actively engaged in the labor force (either employed or unemployed but actively seeking employment) stood at 64.3%. As of February 2024, that rate is 64.6%, indicating economic recovery and resilience since the outset of the COVID-19 outbreak.

State of Illinois, Labor Force Participation Rate by Month, 2019-2024, Seasonally Adjusted[1]



Although Illinois has demonstrated at least a certain level of economic resiliency, there was a significant dip in the labor force participation rate during the onset and outbreak of the COVID-19 pandemic. The dip in labor

[1] Data for State-level Labor Force Participation rates from the Current Population Survey, conducted by the US Bureau of Labor Statistics in concert with Census. Accessible at: https://www.bls.gov/data/home.htm

force participation- and the stagnation highlighted in the figure above- translates into thousands of missing workers regionally. Employers in the ROE 35 Region continue struggling to attract and retain all the staff they need across all industry sectors and occupational families. Without an adequately sized workforce, additional economic investment in the region and established businesses' affiliated expansion and growth become challenging. But more than that, the lost wages and earnings, production drop-offs, and lagging sales figures translate into millions of dollars of lost revenue for the state of Illinois and county governments that rely partly on payroll, sales, and property taxes.

An untapped, significant pool of labor that has left the workforce are parents of young children who cannot afford and/or do not have access to childcare for their young children. Returning these parents to the workforce- many of whom are ready, willing, and eager to re-enter a full-time job if the financial gains outweigh the cost of childcare- can have an immediate and lasting impact on the labor force participation rate and, by extension, the economic vitality of a region. To quantify the potential impact of returning these parents to the workforce, we estimate how many there are in the region, which type of jobs they could fill, and the earnings, GRP gains, and taxes that can be realized through their full-time employment.

We refer to this collection of parents throughout this analysis as “work willing,” which means that they are eager, willing, and able to rejoin the workforce on a full-time basis but cannot because they either cannot afford or/and do not have ready access to reliable childcare that will allow them to work full-time.

Through a rigorous process that brings to bear data from myriad agencies and sources- including the Census, the US Bureau of Economic Analysis, and the US Bureau of Labor Statistics- we estimate that these benefits- in terms of increased GRP, higher sales/import and payroll taxes and worker wages- far outweigh the potential costs to employers, parents, and the state of Illinois, should they choose to collaborate in some fashion on the sharing of childcare costs. Using a rigorous methodological approach, we estimate that 679 Work Willing parents are currently in the three counties that make up the ROE 35 Region. Should they return to the workforce full-time, we estimate they would earn between ***$25.5 million*** and ***$35.6 million*** annually. These earnings would be spent mainly within the region, fueling the purchase of homes, supporting local businesses, and creating additional jobs, earnings, and opportunities for employers and residents of the region. The payroll taxes associated with the earnings of these 679 parents would generate between ***$1.3 and $1.8 million***

in additional state ***income tax revenue*** for Illinois. Additionally, based on the output of the full-time work conducted by these 679 Work Willing parents, the region stands to generate additional ***Gross Regional Product (GRP)*** of between ***$61.1 million and 92.2 million***. This GRP could result in extra revenue for local, state, and federal governments in ***property, sales, and import taxes***, estimated to range between ***$7.7 and $8.5 million annually***.

The opportunity to move the needle on childcare—a nationwide problem—is not only immediate, but the financial benefits for employers, parents, and governments are substantial. After analyzing the economic impact, TPMA includes recommendations for the next steps. The solution to the problem must be multifaceted and unique to each community. Formal collaboration and coordination on goals, metrics, strategies, and tactics is an almost universal first step.

Made possible by a grant from

Table of Contents

Introduction.....6
Overview: Costs, Capacity, and Projections of Future Need.....7-17
Modeling Work Willing Parents, ROE 35 Region.....17-25
Economic Impact: Returning Work-Willing Parents to the Labor Force.....26-36
Survey Analysis.....37-38
Recommendations.....39-55
Implementation Matrix.....56
Appendices.....57-69

Introduction

In the following pages, we utilize a rigorous, data-supported approach to estimate an ideal childcare environment- one where every “work-willing” parent finds the care they need to work full-time- will require. To illustrate the benefits of making this sizable investment, we also apply deductive, largely linear logic to estimate these benefits- in extra earnings, taxes, and GRP generated, that parents, the state, and employers would reap if this problem were fully solved. To accomplish this, we answer this collection of questions methodically and in order specific to the ROE 35 Region.

1. **What is the region's current available capacity of childcare providers?**
2. **What is the current cost of childcare in the region?**
3. **What will the future need be for additional childcare seats in the region?**
4. **If given access to affordable and accessible childcare options, how many parents would return to the workforce full-time?**
5. **What will be the aggregated annual earnings of these parents (which we refer to as “Work Willing”)?**
6. **What will these Work-Willing parents pay annually in state taxes?**
7. **What will be the gain, in terms of Gross Regional Product (GRP), for regional employers who hire these Work Willing parents?**
8. **What additional sales, import, and property taxes can be realized due to these gains in GRP?**
9. **What recommendations and suggested next steps can be taken to return these parents to the workforce?**

The following sections are organized around this set of questions, and each provides a defensible answer to inform policymakers and vested parties, using real numbers and a combination of national and regional trends.

Overview: Costs, Capacity, and Projections of Future Need

The ROE 35 Region of Illinois includes LaSalle, Marshall, and Putnam Counties. This section contextualizes the state of the childcare industry in the region. Looking first at cost trends over the last decade, Table I and Table II below display the cost for one day of childcare by provider Type and age for 2023.

Data was not available, unfortunately, for ONLY the counties in the region, so we use the "Group 2" region of the state- which includes the counties of: Adams, Bond, Brown, Bureau, Calhoun, Carroll, Cass, Christian, Clay, Clinton, Coles, Crawford, Cumberland, Edgar, Effingham, Fayette, Ford, Franklin, Fulton, Greene, Grundy, Hamilton, Henry, Iroquois, Jackson, Jasper, Jefferson, Jersey, Jo Daviess, Johnson, Knox, LaSalle, Lawrence, Lee, Livingston, Logan, Macon, Macoupin, Marion, Marshall, Mason, Masaac, McDonough, Menard, Mercer, Montgomery, Morgan, Moultrie, Perry, Piatt, Pike, Putnam, Randolph, Richland, Saline, Schuyler, Stephenson, Union, Vermillion, Wabash, Warren, Wayne, White, and Williamson.

The latest market rates reported (circa 2016, 2018, 2021, and 2023) on the following page:

Table I: State vs. Group 2 Region, Prices per Day (75th percentile), By Age Category and Type, 2016-2023 (select years)

		Type 1					Type 2					Type 3				
Year	Region	Infants	Toddlers	Twos	Preschool	Fives	Infants	Toddlers	Twos	Preschool	Fives	Infants	Toddlers	Twos	Preschool	Fives
2016	State	$63.20	$58.00	$53.97	$49.00	$48.40	$35.00	$35.00	$32.89	$30.00	$30.00	$40.00	$37.50	$36.00	$35.00	$36.00
	Group 2	$36.00	$35.00	$31.00	$28.40	$28.00	$29.39	$29.39	$27.25	$25.00	$25.00	$30.00	$30.00	$27.25	$26.20	$26.20
2018	State	$63.40	$59.60	$55.00	$50.20	$49.00	$35.30	$35.30	$32.89	$30.00	$30.00	$40.00	$40.00	$39.00	$36.00	$37.40
	Group 2	$38.00	$35.40	$32.40	$29.00	$28.80	$29.39	$29.39	$27.25	$25.00	$25.00	$30.00	$30.00	$27.00	$26.00	$26.00
		Type 1					Type 2					Type 3				
Year	Region	Infants	Toddlers	Twos	Preschool	Fives	Infants	Toddlers	Twos	Preschool	Fives	Infants	Toddlers	Twos	Preschool	Fives
2021	State	$56.00	$56.00	$49.00	$41.00	$40.00	$39.99	$39.99	$37.26	$35.00	$34.00	$42.00	$41.39	$40.00	$39.60	$37.00
	Group 2	$48.00	$48.00	$38.00	$33.00	$32.00	$33.30	$33.30	$30.87	$30.00	$30.00	$34.46	$34.00	$32.00	$30.29	$30.29
2023	State	$74.00	$70.00	$64.40	$59.00	$56.40	$45.89	$45.89	$42.76	$39.00	$38.90	$47.96	$47.96	$45.00	$44.18	$40.65
	Group 2	$54.00	$54.00	$46.00	$40.00	$40.00	$39.00	$39.93	$37.02	$33.91	$33.91	$40.00	$40.00	$37.02	$35.00	$34.00

Illinois Department of Human Services provided data on costs for the years 2016, 2018, 2021, and 2023. Below are links to reports, which include detailed methodology by year.

2016: IDHS: Market Rate Survey of Licensed Child Care Programs in Illinois Fiscal Year 2016 (state.il.us)
2018: IDHS: Market Rate Survey of Licensed Child Care Programs in Illinois Fiscal Year 2018 (state.il.us)
2021: IDHS: Market Rate Survey of Licensed Child Care Programs in Illinois Fiscal Year 2021 (state.il.us)
2023: IDHS: Market Rate Survey of Licensed Child Care Programs in Illinois (state.il.us)

To make the data more manageable, we calculate the average annual price per day by summing all daily costs for each age/type category (as reported in Table I above) and then dividing by the total number of categories. Additionally, because the market study was only conducted in the years 2016, 2018, 2021, and 2023, we estimated the costs for the missing years of 2017, 2019, 2020, and 2022. To do so, we assume a linear increase in the gap years, calculated by subtracting the average cost of the last available year from the average cost of the next available year and then dividing by the number of years between reported rates. This value is then added to the last available average cost and reported in the missing year.

From 2016 to 2020, the average daily rate for childcare in the state increased by $9.47 (annually), while the rate in the Group 2 region increased by $11.31 annually.

Table II: State vs. Group 2 Region, Average Price per Day, Week and Year, Modeled for All Years, 2013 - 2023

	2016	2017	2018	2019	2020	2021	2022	2023
STATE Average Daily Cost	$41.33	$41.77	$42.21	$42.10	$41.99	$41.88	$46.34	$50.80
GROUP 2 Average Daily Cost	$28.94	$29.09	$29.24	$30.99	$32.74	$34.50	$37.38	$40.25
	2016	2017	2018	2019	2020	2021	2022	2023
STATE Average Weekly Cost	$206.65	$208.85	$211.05	$210.50	$209.95	$209.40	$231.70	$254.00
GROUP 2 Average Weekly Cost	$144.70	$145.45	$146.20	$154.95	$163.70	$172.50	$186.90	$201.25
	2016	2017	2018	2019	2020	2021	2022	2023
STATE Average Annual Cost	$5,372.90	$5,430.10	$5,487.30	$5,473.00	$5,458.70	$5,444.40	$6,024.20	$6,604.00
GROUP 2 Average Annual Cost	$3,762.20	$3,781.70	$3,801.20	$4,028.70	$4,256.20	$4,485.00	$4,859.40	$5,232.50

To give some perspective to the parents who need to pay for full-time childcare, we next extracted the median household income for the state of Illinois (Table III below) and compared these values to the median household income for the ROE 35 Region itself (**Table IV**). We averaged the annual cost of each type of care among the three counties and provided a group average.

Table III: Median Income, Households with Children, State of Illinois[2]

	2016	2017	2018	2019	2020	2021	2022
All	$172,145.00	$178,818.00	$186,357.00	$194,035.00	$201,965.00	$214,462.00	$234,450.00
Married / Partner Present	$88,666.00	$91,973.00	$95,797.00	$99,963.00	$103,203.00	$109,410.00	$118,569.00
Male Householder, no Partner	$48,789.00	$50,511.00	$52,707.00	$54,352.00	$57,299.00	$60,567.00	$67,219.00
Female Householder, no Partner	$34,690.00	$36,334.00	$37,853.00	$39,720.00	$41,463.00	$44,485.00	$48,662.00

Table IV: Median Income, Households with Children, ROE 35 Counties[3]

	2016	2017	2018	2019	2020	2021	2022
All	$165,363.00	$151,945.67	$161,029.00	$157,431.33	$161,875.33	$179,853.33	$202,947.67
Married / Partner Present	$77,660.33	$79,170.33	$81,039.67	$83,767.67	$85,390.00	$90,635.00	$96,483.00
Male Householder, no Partner	$58,003.33	$43,991.67	$51,305.67	$42,992.67	$44,338.33	$56,430.67	$64,391.00
Female Householder, no Partner	$29,699.33	$28,783.67	$28,683.67	$30,671.00	$32,147.00	$32,787.67	$42,073.67

[2] Data accessed from American Community Survey, using 5-year estimates for the State of Illinois. Can be accessed: https://data.census.gov/table/ACSDP1Y2017.DP05?q=United%20States&table=DP05&g=010XX00US&lastDisplayedRow=29&vintage=2017&layer=state&cid=DP05_0001E&tid=ACSDP1Y2017.DP05

[3] Data accessed from American Community Survey, using 5-year estimates for LaSalle, Marshall, and Putnam Counties, Illinois. Can be accessed: https://data.census.gov/table/ACSDP1Y2017.DP05?q=United%20States&table=DP05&g=010XX00US&lastDisplayedRow=29&vintage=2017&layer=state&cid=DP05_0001E&tid=ACSDP1Y2017.DP05

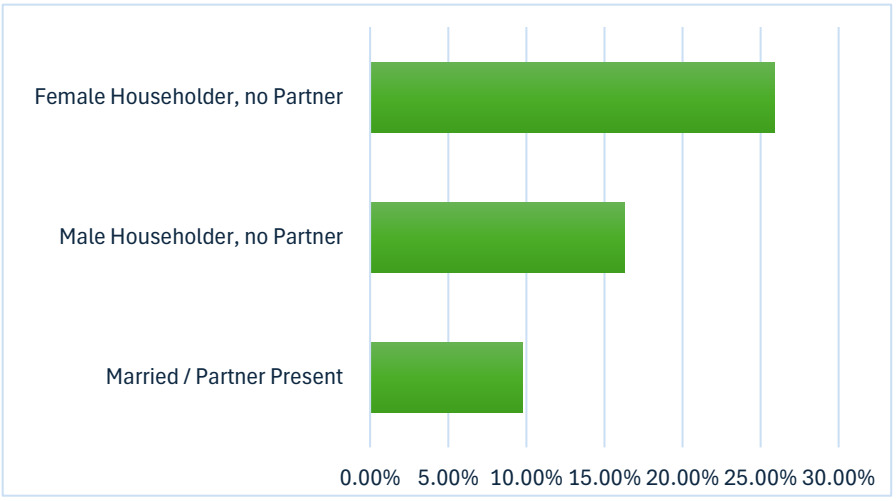
When the data in Tables IV and II are combined, a picture of the typical cost of care, as a percentage of median income, emerges in the ROE 35 Region. ***Table V*** below reports these percentages annually and by family structure, using income and childcare costs unique to the region.

Table V: Average Annual Cost of Childcare for 1 Child, as Percent of Median Income, Households with Children, ROE 35 Counties, 2013 – 2022

	2016	2017	2018	2019	2020	2021	2022
All	2.28%	2.49%	2.36%	2.56%	2.63%	2.49%	2.39%
Married / Partner Present	4.84%	4.78%	4.69%	4.81%	4.98%	4.95%	5.04%
Male Householder, no Partner	6.49%	8.60%	7.41%	9.37%	9.60%	7.95%	7.55%
Female Householder, no Partner	12.67%	13.14%	13.25%	13.14%	13.24%	13.68%	11.55%

In the most general terms, the upward pressure on wages since 2019 has led to, overall, lower rates (as a percentage of income) for childcare vis-à-vis the 2013 cost. In 2013, a single parent (female) would have paid almost 12.67% of her earnings for full-time childcare; by 2023, this value has risen to 14.82%. Including TWO children that require full-time childcare, Figure I below highlights the ratio of childcare cost to household earnings in the ROE 35 Region.

Figure I: Income vs. Cost Care, ROE 35 Region, 2016-2023 (Two Children in Full-Time Childcare)



Figures II through IV on this page and the next contrast the differing impact of childcare costs for families of different types (2-parent, single-parent, and single-mother households). Beyond the scope of this analysis (well-examined and readily available elsewhere), female heads of household generally earn less than their male counterparts. Using data unique to the region, we find this relationship holds true, represented graphically in Figure II below.

Figure II: Cost for Full-Time Childcare (2 Children) vs. Median Household Income Female Head of Household, No Partner / Spouse

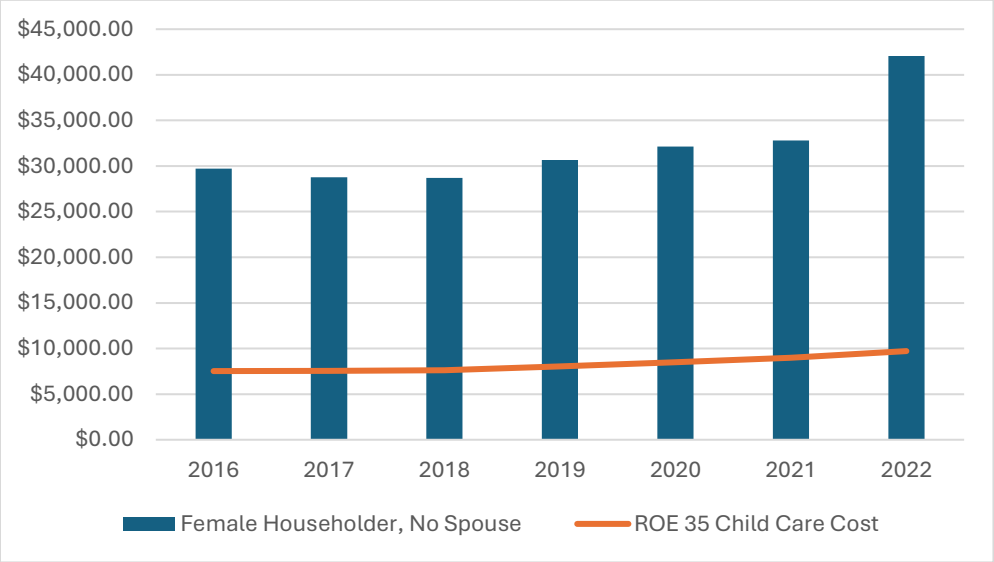


Figure III: Cost for Full-Time childcare (2 Children) vs. Median Household Income Male Head of Household, No Partner/Spouse

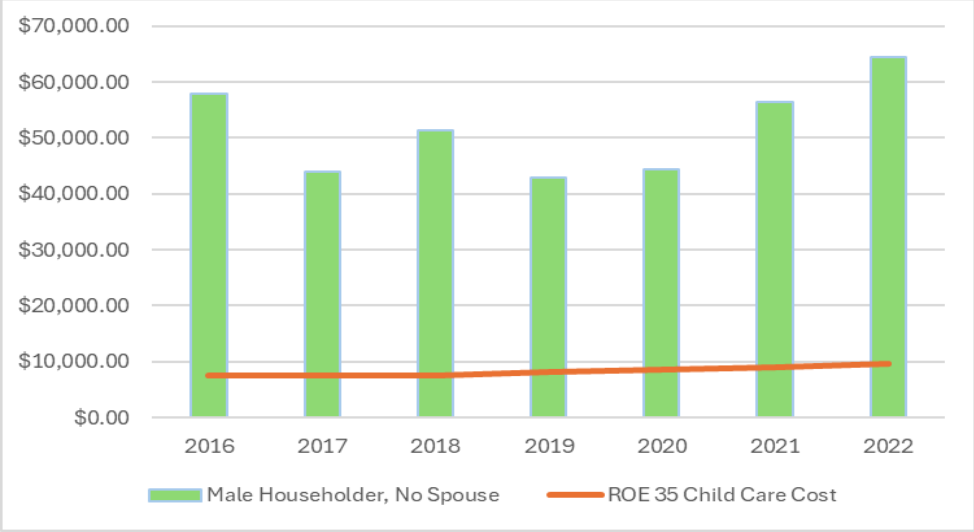
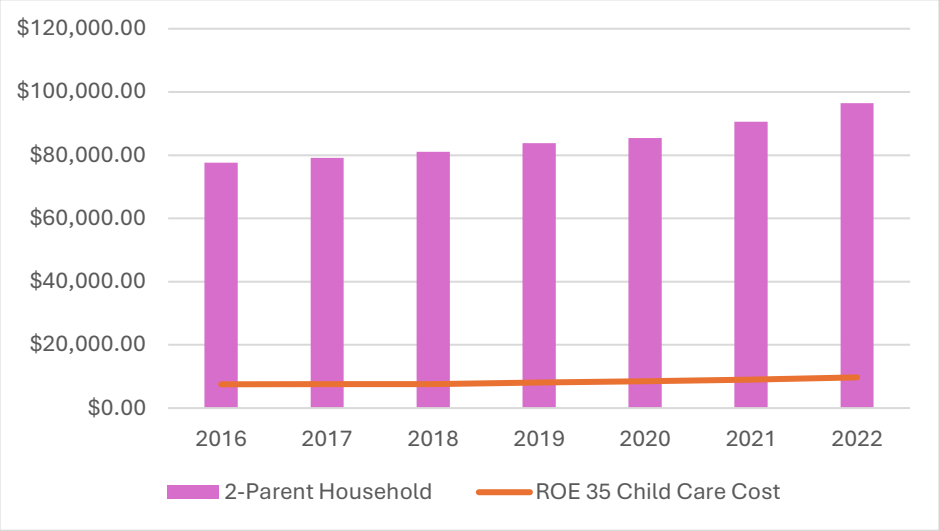


Figure IV: Cost for Full-Time Childcare (2 Children) vs. Median Household Income 2-Parent Households



Turning now to the capacity of existing childcare providers in the region, we once again rely on data reported by the Illinois Department of Human Resources, the American Community Survey, and the Illinois Early Childhood Asset Map for estimates of facilities, seats, and the number of children under the age of 5. Both Table VI and Table VII below exhibit the number of children under the age of five within Illinois and the ROE 35 Counties.

Table VI: Illinois Population, Circa 2022[4]

Age Group	Estimated number of people
Under 5 years	674,211
5 to 9 years	735,342
10 to 14 years	808,148
15 to 19 years	820,510
20 to 24 years	850,982
25 to 29 years	832,841
30 to 34 years	856,977
35 to 39 years	852,952
40 to 44 years	820,316
45 to 49 years	759,349
50 to 54 years	797,662
55 to 59 years	798,387
60 to 64 years	809,415
65 to 69 years	691,806
70 to 74 years	571,063
75 to 79 years	399,898
80 to 84 years	256,445
85 years and over	245,728

[4] Data accessed from American Community Survey, using five-year estimates State of Illinois. Can be accessed: https://data.census.gov/table/ACSDP1Y2017.DP05?q=United%20States&table=DP05&g=010XX00US&lastDisplayedRow=29&vintage=2017&layer=state&cid=DP05_0001E&tid=ACSDP1Y2017.DP05

Table VII: Population Aged 5 and Under by Year and County[5]

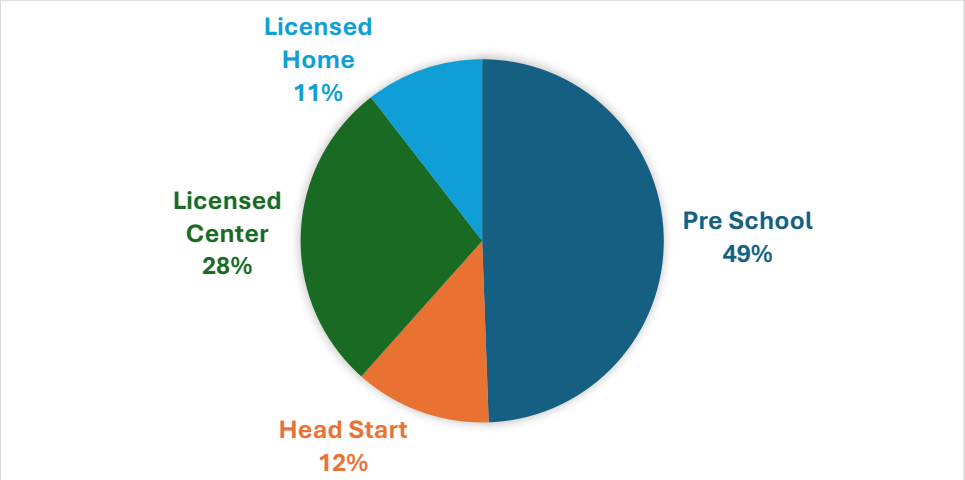
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
LaSalle	5,971	5,766	5,569	5,457	5,387	5,259	5,174	5,131	5,168	5,189	5,217	5,248	5,280	5,316	5,347
Marshall	617	622	599	624	631	679	627	626	632	635	639	643	647	652	656
Putnam	288	245	250	260	259	255	252	250	251	249	247	244	241	239	236
Total	6,876	6,633	6,418	6,341	6,277	6,193	6,053	6,007	6,051	6,073	6,103	6,135	6,168	6,207	6,239

We next need current capacity estimates for the region's childcare providers. This data is reported below in Table VIII and represented graphically in Figure V.

Table VIII: Current Capacity, by County and Program, ROE 35 Region[6]

County	Pre School	Head Start	Licensed Center	Licensed Home		All Categories
LaSalle	906	260	636	196		1,998
Marshall	140	17	0	17		174
Putnam	80	0	0	26		106
Total	**1,126**	**277**	**636**	**239**		**2,278**

Figure V: Capacity Distribution by Program Type, ROE 35 Region, 2023



[5] Data accessed from American Community Survey, 5-year estimates for LaSalle, Marshall, and Putnam County (2019-2023); Remaining data (2024 – 2033) accessed via LightCast™, can be accessed: https://data.census.gov/table/ACSDP1Y2017.DP05?q=United%20States&table=DP05&g=010XX00US&lastDisplayedRow=29&vintage=2017&layer=state&cid=DP05_0001E&tid=ACSDP1Y2017.DP05

[6] Data accessed from Illinois Early Childhood Asset Map, can be accessed here: https://iecam.illinois.edu/

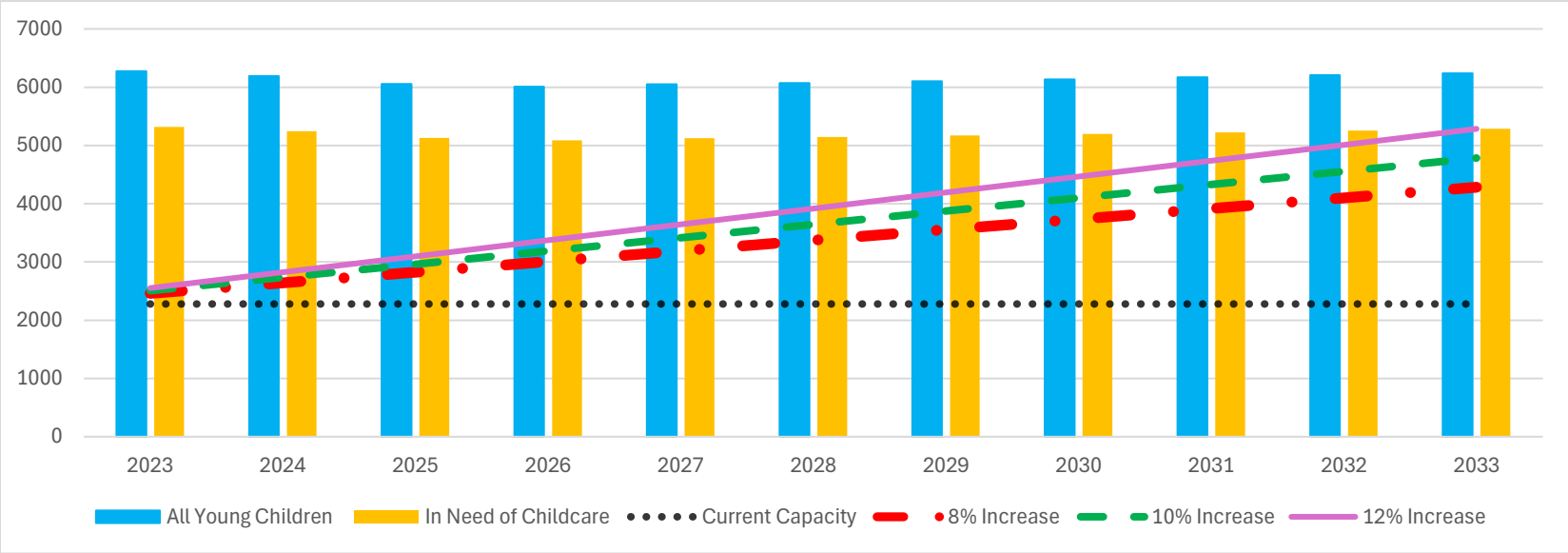
The Illinois Early Childhood Asset Map provides capacity data. The Illinois Department of Children and Family Services (DCFS) defines licensed centers as " daycare centers." In addition, the Illinois Department of Human Services defines licensed family childcare homes as family child care that provides care for groups of children in a homelike setting.

To estimate the projected future need for additional seats, we slightly adjust the count of children in the region to account for not all families requiring childcare. Some will rely on grandparents, a stay-at-home parent, an older sibling, or parents who work opposite shifts to ensure there is always someone home with the child. While it is difficult to pinpoint a precise number, we know there will always be a set percentage of children who do not attend childcare or Head Start. To avoid overestimating future demand, we estimate that 10% of all young children will NOT require childcare, regardless of availability or cost.

Figure VI plots the current capacity and incremental annual changes to capacity against the current and future population of young children and the population that will require childcare through 2033. Based on our estimates, the region must ***increase capacity by just under 12% annually*** to meet the total demand for access by 2033. A brief color-coded key below offers an additional explanation of the components of the gap graphing. Cumulatively, across the next decade, the region will need to add 2,734 new seats/slots to fully meet the expected demand for childcare. This figure includes new employees at the Blue Oval SK Battery Park (requiring childcare) and future population projections.

BLUE BAR: Full Population, Children Under Age 5, by year (projections for 2024-2033 from LightCast™).
ORANGE BAR: 90% of the Full Population; this is the estimated number of young children who will require childcare.
BLACK LINE (Dotted): Current capacity (number of seats/slots) in the entire region, held constant through 2033.
RED LINE (Dash + Dots): Capacity if the region increases the number of seats by 1% year over year (an additional 1% each year, based on the prior year's total number of seats).
GREEN LINE (Dashed): Capacity if the region increases the number of seats by 2%, year over year.
PUPRLE LINE (Solid): Capacity if the region increases the number of seats by 3%, year over year.

Figure VI: Children Under 5, Those in Need of Childcare, and Capacity (Constant and Modeled Change), 2023 – 2033



Based on our estimates, the ROE 35 Region needs just over an additional 3,500 seats to reach a state of equilibrium between demand and capacity. In terms of manageable actual goals, we included Table IX below, which identifies the number of seats that need to be added annually to reach this state of equilibrium (13% annual increase, highlighted in yellow). We also include figures for the 12% and 14% estimates for perspective.

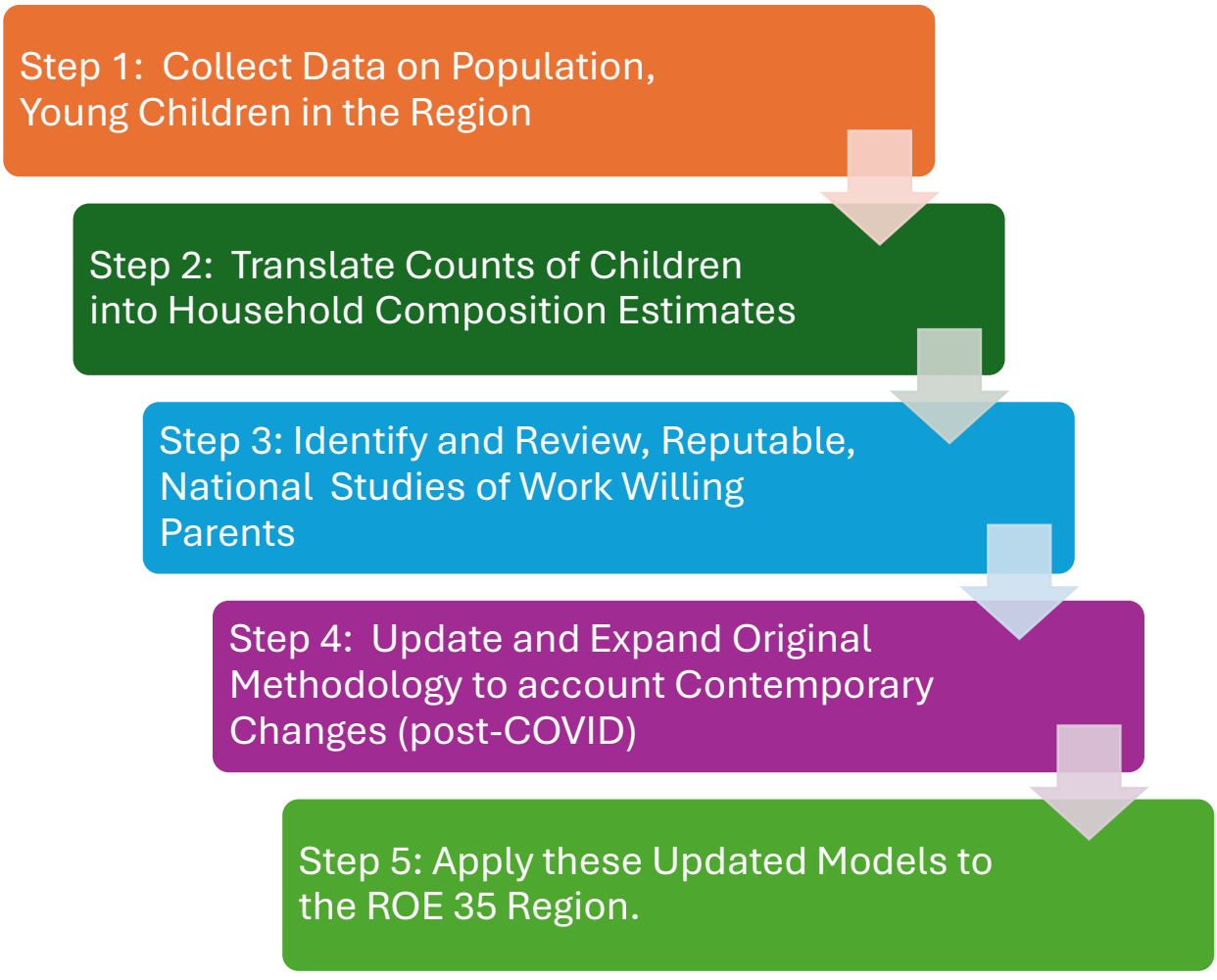
Table IX: Annual Increases in Seats to Meet Demand (2023 through 2033)

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
8% Increase	2,460	2,642	2,825	3,007	3,189	3,371	3,554	3,736	3,918	4,100	4,283
10% Increase	2,506	2,734	2,961	3,189	3,417	3,645	3,873	4,100	4,382	4,556	4,784
12% Increase	2,551	2,825	3,098	3,371	3,645	3,918	4,192	4,465	4,738	5,012	5,285

Modeling Work Willing Parents, ROE 35 Region

To quantify the number of "Work Willing" parents in the identified region and estimate the financial impact of their return to the workforce, we rely on an assortment of data from the US Census Bureau, the US Bureau of Labor Statistics, and the US Bureau of Economic Analysis. The model relies on a deductive approach, applying national trends identified in reputable studies and updating the models to account for changes during and after the COVID-19 pandemic. **Figure VII** below provides a shorthand overview of how we identified "Work-Willing" parents.

Figure VII: Process for Identifying "Work Willing" Parents



A parent who is considered "work-willing":

1. Is not currently in the Labor Force; that is, is neither employed nor actively seeking employment.
2. Is ready and able to return to the Labor Force, willing to take on full-time employment.
3. Despite this willingness, they cannot proceed because they cannot access suitable childcare of any variety due to a lack of availability (no open seats), area providers, and/or the inability to afford childcare if it were available.

"Affordable" childcare may vary from one parent to another. In a later section, we explore two unique scenarios to account for discrepancies in the earning power of work-willing parents, one where the returning parents skew heavily toward lower-paying occupations. First, however, estimating HOW MANY parents should be counted as "work-willing" in the region is necessary.

Step 1: Population Estimates, Young Children in the Region

Based on the population estimates we used in the previous section to model supply and demand for childcare seats, we already have the data necessary to call Step 1 "complete." However, this original data from LightCast™ was verified with the US Census Bureau's American Community Survey, vintage 2022 to ensure consistency in the projections. Given the mostly equal distribution of these ages in the region, we divide the total children under the age of 5 in the region by 5, yielding estimates of children by age. Though tangential to calculating "work-willing" parents, this breakdown can prove instructive when planning seat expansions by age group. Table XII below includes estimates for the region, broken out by age and county.

Table X: Estimates of Children Under the Age of 5, by County and Age Cohort, Circa 2023

County	Aged 4 to 5	Aged 3 to 4	Aged 2 to 3	Aged 1 to 2	Aged 1 and Under	All Children Under 5
LaSalle	1,077	1,077	1,077	1,078	1,078	5,387
Marshall	126	126	126	126	127	631
Putnam	51	52	52	52	52	259
Totals in Region	**1,254**	**1,255**	**1,255**	**1,256**	**1,257**	**6,277**

In 2023, an estimated 6,277 children under the age of five will live in the region.

Step 2: Translating Counts of Children into Household Estimates
Collecting and validating the number of children eligible for childcare services in the region leads to translating these counts into households and, ultimately, parents who could rejoin the workforce if affordable, high-quality childcare were to become available. This ratio, of course, is not 1-to-1; that is, we cannot assume that for each additional child placed in a childcare program, there will be one unique, additional parent (re)joining the workforce. To ensure we are not overestimating the number of potential parents who would rejoin the workforce, we must carefully control for households with more than one child under the age of 5. To do this, we again return to American Community Survey data from the US Census Bureau to triangulate our estimates.

Table XI: Distribution of Households with Children Under 6, by Number of Children Under 5 in Same Household, United States

	Count	Percentage
Households with Children Under 5	14,196,000	100.00%
One Child Under 5	10,039,000	70.72%
Two Children Under 5	3,613,000	25.45%
Three or More Children Under 5	544,000	3.83%

Based on the national level distribution of children under the age of 6, **Table XI** tells us that 70.72% of all children under 5 live in a home with no other children in the same age category, 25.45% of all children under 5 live in a household with one other child in the same age group and 3.83% of all children under 5 live in a household with three or more other children, also aged under 5. Applying these percentages to our counts of children in the region, we get the estimates in **Table XII** below. The bottom-line total gives us the ratio we need to estimate the entire universe of households with children under the age of 5, controlling for those with more than one child in this age group. In short, for each child aged 5 or under in the region, 0.847 households could utilize early childhood learning/childcare services, not quite a 1-to-1 ratio. Translated into real numbers (in the table below), in the ROE 35 Region, 6,193 children aged 5 and under live in ***5,247*** *unique households*.

Table XII: ROE 35 Region, Children Under 6, Household Estimates 2024

	Children	Households
With Only 1 Child Under 5 in the Household	4,380	4,380
With 2 Children Under 5 in the Household	1,576	788
With 3 or more Children Under 6 in the Household	237	79
All Children, Under 6	6,193	5,247

Before estimating how many of these 5,247 households contain a "Work Willing" parent, we took additional steps to assess the household types in the region. Again, turning to American Community Survey data for the region (5-year estimates), we apply the reported percentages to our household counts in Table XIII below, identifying the percentages and counts of households in the region with a married couple, a cohabitating couple, a single father, and a single mother. We will use this breakout in the remaining steps to further disaggregate the number of Work Willing parents.

Table XIII: Households with Children Under 5, by Type

	Child(ren) Under 18	Percent of Households	Household Estimates, Child(ren) under 5
Married Couple	16,961	63.38%	3,326
Cohabitating Couple	3,821	14.28%	749
Male, No Partner	1,216	4.54%	239
Female, No Partner	4,761	17.79%	933
Total	**26,759**	**100.00%**	**5,247**

Steps 3, 4, & 5: Identify Established Studies of Work Willing Parents (3), Expand and Update Modeling Through 2022 (4) & Apply Trends to the ROE 35 Region (5)

In this section, we quantify/develop four separate models of the unmet demand for childcare among "work-willing" parents throughout the stages of the pandemic. While ultimately, we will use the post-pandemic, "Recovery" model to derive current estimates of work-willing parents in the region for use later in this study, it is essential to ground the estimates in reputable, national-level studies that track the impact of the lack of available, affordable childcare has on the workforce over time.

While it would be cleaner to break out this collection of steps into separate sections, it is more helpful to present the results FIRST (**Table XIV** below) and then revisit the logic used to derive them using real numbers and supplemental, validating data from Census and BLS. With that in mind, the models we developed estimate that the number of households with at least one "work-willing" parent unable to rejoin the workforce due to childcare challenges ranged from ***13.6% in 2019*** to ***18.79% in 2020,*** then down to ***16.59% in 2021***, settling back at ***12.95% by 2022***. Using the best available data, we estimate that 12.95% of households with children under 5 translates to parents in the region willing but unable to work full-time due to a lack of available, affordable childcare.

Table XIV: Estimates of Unrealized Workforce, by Households Impacted by Lack of Childcare, ROE 35 Work Willing Parents, 2019-2022

	Households with Children Under 5	2019, CEA Ratio, "Pre-Covid" Model (13.60%)	2020, "Peak Impact" Model (18.79%)	2021, Residential "Post Impact" Model (16.59%)	2022 "Recovery" Model (12.95%)
Married / Cohabitating	4075	554	766	676	528
Male, no Partner	239	33	45	40	31
Female, no Partner	933	127	175	155	121
Totals	**5,247**	**714**	**986**	**870**	**679**

Baseline Study, 2019, CEA Childcare Impact Ratio: A study commissioned by the *Council of Economic Advisers to the President*, released in December 2019- just before the pandemic- estimated the number of parents with children under six who would re-enter the workforce full-time, if affordable childcare was available at 3.8 million[7]. Data from the US Bureau of Labor Statistics (see Table XVII below) for the same period estimated the number of parents of children under six eligible to join the workforce at **27,932,000**. Dividing this population number (**27.932 million**) into the number of parents the CEA reports as not working due to childcare constraints (**3.8 million**) yields ***13.60%***. Stated another way, 13.6% of all parents of children under the

[7] "The Role of Affordable Child Care in Promoting Work Outside the Home". December 2019. *The Council of Economic Advisors, Executive Office of the President*. Available at: https://trumpwhitehouse.archives.gov/wp-content/uploads/2019/12/The-Role-of-Affordable-Child-Care-in-Promoting-Work-Outside-the-Home-1.pdf

age of 6 were unable to enter the workforce due to childcare constraints in 2019.

In **Table XIV** above, we use this percentage (13.6%) to determine the number of households with children under the age of 5 in the ROE 35 Region who were willing but unable to join the workforce due primarily to childcare barriers. In real numbers, across all age groups in **2019**, the region's workforce was missing out on a potential **714** full-time employees who were not in the workforce due to a lack of childcare.

Table XV: Bureau of Labor Statistics, Annual Estimates, Parents of Children under the Age of 6 and the Labor Force[8]

	2019 All	2019 Women	2019 Men
Civilian Noninstitutional Population	27,932,000	12,672,000	15,260,000
Civilian Labor Force	22,175,000	12,042,000	10,133,000
Participation Rate	79.4	95	66.4
Employed	21,502,000	11,777,000	9,725,000
Full-Time	18,695,000	11,319,000	7,376,000
Part-Time	2,807,000	458,000	2,349,000
Employment-Population Ratio	77	92.9	63.7
Unemployed	673,000	265,000	408,000
Unemployment Rate	3.0	2.2	4.0
Additional Potential Employed[9]	3,800,000	N/A	N/A
As a Percent of the Labor Force	17.14%	N/A	N/A
As a Percent of the Population	13.60%	N/A	N/A

2020- Peak Impact Adjustment: The pandemic, as is well documented, forced even more parents out of the workforce. To capture this impact- beyond the 13.6% application we used to estimate the impact in 2019- we looked at the year-over-year labor force participation for parents of children under age 6. To quantify a defensible measure of this specific impact, again standardized as a national percentage we can use in the ROE 35 Region, we again looked to the Bureau of Labor Statistics data series for guidance.

[8] "Employment Characteristics of Families, 2019". 21 April 2020. News Release, Bureau of Labor Statistics, available at: https://www.bls.gov/news.release/archives/famee_04212020.pdf
[9] As reported by The Council of Economic Advisers, December 2019.

The Current Population Survey tracks labor force participation for parents of children under 6 and reports this data annually. As ***Figure VIII*** below highlights, the ratio of these parents who were employed to the population of all work-eligible parents fell sharply in 2020 and rebounded only partially in 2021. By 2022- the last available data from BLS as of this writing- that rate had fully recovered from the 2019 high. Based on these ratios- reported in **Table XVI** below as well- 2020 saw this ratio (73.0) fall by 5.19% from the 2019 ratio (77.0). We can use this percentage of 5.19 to estimate the additional impact of childcare constraints on parents in the ROE 35 region. Having estimated the 2019 impact at 13.6% of the population, we add this additional 5.19% to the pre-covid impact, yielding a total impacted population in 2020 estimate of ***18.79%***. In practical terms, in 2020, we estimate that 18.79% of all parents of children under the age of 6 could not work due to childcare limitations. This 18.79% translated into **986** workers NOT in the ROE 35 labor force.

Figure VII: Annual Employment to Population Ratio[10], Parents of Children Under 6

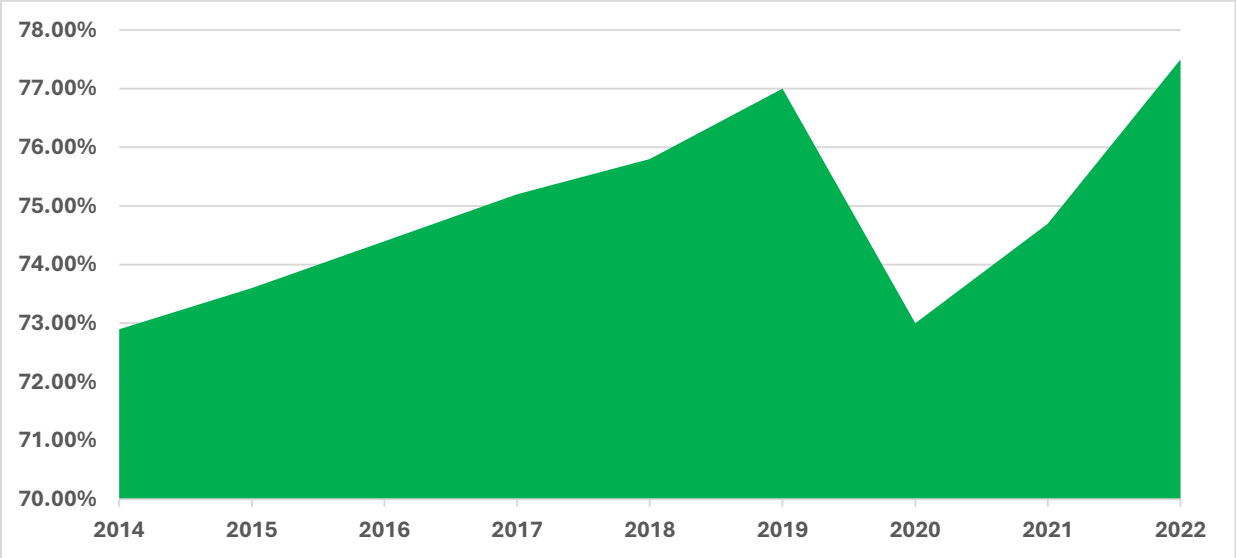


Table XVI: Annual Change in Employment/Population Ratio, Parents of Children Under 6

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Employment / Population Ratio	72.9	73.6	74.4	75.2	75.8	77	73	74.7	77.5
Percent Change from the Prior Year	1.53%	0.96%	1.09%	1.08%	0.80%	1.58%	-5.19%	2.33%	3.75%
Change from 2019	N/A	N/A	N/A	N/A	N/A	N/A	-5.19%	-2.99%	0.65%

[10] From the Current Population Survey, as reported by the US Bureau of Labor Statistics, accessible at: https://www.bls.gov/data/home.htm

2021 Residual Impact Adjustment and 2022 Recovery: To measure the number of parents not in the workforce due to childcare constraints in 2021 and 2022, we again utilize the employment-to-population ratios in **Table XVIII** above. Both common sense and our review of the literature above would imply that childcare access conditions in 2021 were better than in 2020 yet still more challenging than pre-COVID in 2019. This is precisely the trend the BLS data shows: the employment-to-population ratio in 2021 marked a 2.33% improvement over 2020 but remained 2.99% lower than in 2019. We can add the last percentage (2.99) to our original 2019 Impact Estimate (13.6), yielding a total estimated impact of ***16.59%***. Translated into lost workers in ROE 35, in 2021, an estimated ***870*** parents of children under the age of 6 were unable to join the workforce due to childcare barriers. Extending this rationale out through 2022, the estimates from US BLS do point to a more-or-less full recovery of workforce participation by parents of children under 6 from its COVID collapse. We adjust down, slightly, by a mere 0.65% to estimate the ratio of parents of children under the age of 5 who are "work willing" at 12.95%, the equivalent of ***679*** unfilled, full-time jobs in the region.

In summation, based on the latest available data and our review of national-level trends, we estimate that using 2024 population estimates for the region, there were ***679*** in LaSalle, Marshall, and Putnam Counties who are ready and willing to return to the workforce should childcare become affordable/available. This number serves as the basis for the economic impact section that follows.

With this work-willing number, we now estimate the number of work-willing parents per school district. As an additional illustration of the work-willing parent distribution, **Table XVII** displays the distribution of work-willing parents to ROE 35 public school districts.

Table XVII: ROE 35 Work Willing Parents Distribution by School District[11]

County	Municipality	Name of School	Total Enrollment	School District	Percent of Children in ROE Region	Work Willing Parents
Lasalle	Earlville	Earlville	374	CUSD 9	2.54%	17
	Grand Ridge	Grand Ridge	191	CCSD 95	1.30%	9
	La Salle	La Salle	867	ESD 122	5.90%	40
	LaSalle County	Dimmick	152	CCSD 175	1.03%	7
	Leland	Leland	227	CUSD 1	1.54%	10
	Lostant	Lostant	66	CUSD 425	0.45%	3
	Marseilles	Marseilles	513	ESD 150	3.49%	24
	Mendota	Mendota	1,021	CCSD 289	6.95%	47
	Mendota	Mendota Twp. High School	484	280	3.29%	22
	Marseilles	Miller	190	CCSD 210	1.29%	9
	Oglesby	Oglesby	467	ESD 125	3.18%	22
	Ottawa	Wallace	410	CCSD 195	2.79%	19
	Ottawa	Rutland Twp.	60	CCSD 230	0.41%	3
	Ottawa	Deer Park	51	CCSD 82	0.35%	2
	Ottawa	Ottawa	1,739	ESD 141	11.83%	80
	Ottawa	Ottawa Twp. High School	1,225	140	8.33%	57
	Peru	Peru	942	ESD 124	6.41%	44
	Ransom	Allen-Otter Creek	95	CCSD 65	0.65%	4
	Seneca	Seneca Twp. High School	383	160	2.61%	18
	Serena	Serena	628	CUSD 2	4.27%	29
	Streator	Streator	1,515	ESD 44	10.31%	70
	Streator	Streator Twp. High School	803	40	5.46%	37
	Tonica	Tonica	109	CCSD 79	0.74%	5
	Utica	Waltham	216	CCSD 185	1.47%	10
Marshall	Henry	Henry-Senachwine	527	CUSD 5	3.59%	24
	Sparland	Midland	653	CUSD 7	4.44%	30
Putnam	Granville	Putnam County	790	CUSD 535	5.37%	36
Totals			**14,698**		**100.00%**	**679**

[11] Data Accessed by Illinois Report Card 2022 – 2023, as reported by Illinois State Board of Education, accessible at https://www.illinoisreportcard.com/Default.aspx

Economic Impact

Returning Work-Willing Parents to the Labor Force

For the final piece of our analysis, this section examines the economic impact of returning these 679 work-willing parents to the full-time workforce in the region. With reasonable confidence, we can estimate three unique economic components of returning these parents to the workforce: earnings, gross regional product (GRP), and tax revenue(s).

- ***Earnings:*** The annual wages paid to the parents who return to the workforce full-time. To calculate this figure, we rely on earnings data from the Quarterly Census of Employment and Wages (QCEW) program from the US Bureau of Labor Statistics, as reported by LightCast™.
- ***Gross Regional Product:*** GRP measures the value of new products and services generated/produced regionally annually, based on data from the US Bureau of Economic Analysis, as reported by LightCast™. Using a ratio of current employees to current GRP generated by industry, we isolate the GRP that an additional 679 employees could generate.
- ***Tax Revenue:*** Comprised of 2 components, the first is an estimate of additional state tax revenue generated, based on the earnings of the returning parents, and the second is the sales, import, and excise taxes paid by employers on the generated GRP in the region.

We take two unique approaches to determine a reasonable economic impact estimate, as measured by these three factors. The first assumes an even distribution of parents across industries that reflects the current workforce distribution. For example, since we know that 15.37% of all residents living in the region are employed in the government sector, we deduce that an identical percentage of the 679 Work Willing (104 parents) will return to the labor force in government sector jobs. This approach relies on the assumption that work-willing parents mirror the region's workforce, with the same distribution of industry employment and the average earnings of an industry's worker. For shorthand reference in the following pages, we refer to this first option as the "Mirror Model".

There is a risk, however, that assuming the average earnings of a work-willing parent will be equivalent to the average annual earnings of all workers in the region. The total sum ($76,350.05) will overestimate the economic impact of their return to the labor force. An argument could be made that if the average work-willing parent were qualified for a job that pays, on average, $76k per year, then that individual would likely already be in the workforce and able to afford childcare. While the financial circumstances of each individual differ, and it may, or may not, be true that a salary that approaches this level allows a parent to pay for childcare, it is still vital that we establish an "adjusted down" model as well, to ensure that we are not, in fact, overstating the economic impact of returning these 679 parents to the workforce. To accomplish this, we re-assign the work-willing parents at a higher-than-average rate into the industries with lower average annual wages, with the bulk of the assigned jobs falling under $60,000 in annual wages. Again, for shorthand reference, we refer to this as the "Downward Adjusted Model" in the following pages.

Figure VIII below shows the **Mirror** and **Downward Adjusted** Models, plotting the number of returning workers by income bracket. Also included, as a point of reference, is a bell curve approximation (**red line**) that shows what a perfectly balanced distribution of workers around the salary midpoint would look like.

Figure VIII: Mirror vs. Downward Adjusted Models, Distribution of Work Willing Parents by Salary

Plotting these distribution models in the same graph highlights the significant difference between the 2. The blue shaded area, representing the Mirror Model, clearly skews the earnings of returning parents to the right of the graph, that is, towards jobs that are on the upper end of the region's average industry pay scale. The yellow-shaded area, representing the Downward Adjusted Model, accomplishes the stated goal of skewing the average earnings of work-willing parents toward the lower end of the pay scale, with 488 of the identified 679 parents entering jobs making less than $50,000 annually. Table XVIII below shows the number of assigned parents, by industry, of the 2 unique models, side-by-side, with the existing workforce distribution in the region (by percentage) and 2022 reported industry average earnings, both included as points of reference.

Table XVIII: Employment Distribution and Median Wages by Industry, ROE 35

Industry Details				Mirror Model			Downward Adjusted Model		
NAICS	Description	Percent of All Jobs in Region	Average Earnings Per Job	All Work Willing Parents	Single Mothers	Single Fathers	All Work Willing Parents	Single Mothers	Single Fathers
11	Agriculture, Forestry, Fishing, and Hunting	1.96%	$51,341.00	13	2	1	7	1	0
21	Mining, Quarrying, and Oil and Gas Extraction	1.55%	$91,085.00	11	2	0	4	1	0
22	Utilities	2.09%	$135,906.00	14	3	1	5	1	0
23	Construction	4.75%	$72,279.00	32	6	1	12	2	0
31	Manufacturing	15.19%	$75,242.74	103	18	5	37	7	2
42	Wholesale Trade	4.53%	$74,093.00	31	5	1	11	2	1
44	Retail Trade	12.33%	$33,600.73	84	15	4	171	31	8
48	Transportation and Warehousing	5.37%	$63,363.56	36	6	2	13	2	1
51	Information	0.64%	$39,398.50	4	1	0	2	0	0
52	Finance and Insurance	3.50%	$70,836.30	24	4	1	9	2	0
53	Real Estate and Rental and Leasing	0.81%	$39,624.14	5	1	0	3	0	0
54	Professional, Sceintific, and Technical Services	2.52%	$61,210.23	17	3	1	9	2	0
55	Management of Companies and Enterprises	0.36%	$123,903.00	2	0	0	1	0	0
56	Administrative and Support and Waste Management and Remediation Services	5.27%	$34,554.00	36	6	2	18	3	1
61	Educational Services	1.05%	$26,835.00	7	1	0	20	4	1
62	Health Care and Social Assistance	7.83%	$44,950.50	53	9	2	27	5	1
71	Arts, Entertainment, and Recreation	1.03%	$17,637.92	7	1	0	19	3	1
72	Accomodation and Food Services	9.10%	$19,808.43	62	11	0	170	30	8
81	Other Services (except Public Administration)	4.77%	$34,581.24	32	6	1	90	16	4
90	Government	15.37%	$46,594.08	104	19	5	52	9	2
ALL	**Totals**	**100.00%**		**679**	**121**	**31**	**679**	**121**	**31**

These distributions of work-willing parents across industries in the region are the basis for the economic impact estimates that follow, with the interaction between several parents and the average industry wages yielding the first specific measure: parental earnings. Tables XIX (Mirror Model) and XX (Downward Adjusted Model) below show the calculation of wages earned for each of the 2 models, breaking out single mother and single father earnings (as a subset of the entire Work Willing population). Total earnings are calculated by multiplying the number of assigned industry workers by the average earnings per industry job.

Average annual pay is calculated utilizing the Bureau of Labor Statistics Average Annual Pay across NAICS 2-digit codes. Average annual pay was gathered for the State of Illinois and LaSalle, Marshall, and Putnam Counties emphasizing private firm average annual pay. Unfortunately, the Bureau of Labor Statistics utilizes suppression, a data management technique in which information is restricted. In short, suppression is the act of restricting data to limit the disclosure of protected identifiable information (PII). As a result of data suppression, average annual pay was either averaged, weighted, or utilized the State of Illinois average annual pay. In addition, government data was gathered from state average annual pay for the State of Illinois and from local average annual pay for LaSalle, Marshall, and Putnam Counties.

NAICS 31 – Manufacturing; NAICS 44 - Retail Trade; NAICS 48 - Transportation and Warehousing; NAICS 52 - Finance and Insurance; NAICS 53 - Real Estate and Rental and Leasing; NAICS 54 – Professional, Scientific, and Technical Services; NAICS 71 - Arts, Entertainment, and Recreation; NAICS 72 - Accommodation and Food Services; NAICS 81 - Other Services; NAICS 90 – Government was weighted and based on percentages of jobs per County.

NAICS 11 - Agriculture, Forestry, Fishing, Hunting; NAICS 21 - Mining, Quarrying, and Oil and Gas Extraction; NAICS 22 – Utilities utilized the Illinois State Average.

NAICS 23 – Construction; NAICS 51 – Information; NAICS 56 - Administrative and Support and Waste Management and Remediation Services; NAICS 62 - Health Care and Social Assistance were averaged utilizing readily available County data.

NAICS 42 - Wholesale Trade; NAICS 55 – Management of Companies and Enterprises; NAICS 61 - Educational services utilized LaSalle County data.

Table XIX: Total Earnings by Industry, Work Willing Parents in ROE 35 Region, Mirror Model

NAICS	Description	Average Earnings Per Job	All Work Willing Parents	Total Earnings	Single Mother	Single Mother Earnings	Single Father	Single Father Earnings
11	Agriculture, Forestry, Fishing, and Hunting	$51,341.00	13	$683,266.56	2	$121,760.32	1	$31,194.79
21	Mining, Quarrying, and Oil and Gas Extraction	$91,085.00	11	$958,624.08	2	$170,829.92	0	$0.00
22	Utilities	$135,906.00	14	$1,928,655.64	3	$343,692.68	1	$88,053.50
23	Construction	$72,279.00	32	$2,331,178.45	6	$415,423.55	1	$106,430.83
31	Manufacturing	$75,242.74	103	$7,760,543.23	18	$1,382,953.95	5	$354,310.52
42	Wholesale Trade	$74,093.00	31	$2,279,004.36	5	$406,125.96	1	$104,048.80
44	Retail Trade	$33,600.73	84	$2,813,076.51	15	$501,299.35	4	$128,432.06
48	Transportation and Warehousing	$63,363.56	36	$2,310,381.17	6	$411,717.41	2	$105,481.32
51	Information	$39,398.50	4	$171,210.12	1	$30,510.20	0	$0.00
52	Finance and Insurance	$70,836.30	24	$1,683,424.60	4	$299,991.72	1	$76,857.38
53	Real Estate and Rental and Leasing	$39,624.14	5	$217,928.81	1	$38,835.62	0	$0.00
54	Professional, Sceintific, and Technical Services	$61,210.23	17	$1,047,356.09	3	$186,642.25	1	$47,817.44
55	Management of Companies and Enterprises	$123,903.00	2	$302,868.49	0	$0.00	0	$0.00
56	Administrative and Support and Waste Management and	$34,554.00	36	$1,236,456.15	6	$220,340.49	2	$56,450.87
61	Educational Services	$26,835.00	7	$191,320.13	1	$34,093.87	0	$0.00
62	Health Care and Social Assistance	$44,950.50	53	$2,389,824.80	9	$425,874.52	2	$109,108.35
71	Arts, Entertainment, and Recreation	$17,637.92	7	$123,354.31	1	$21,982.14	0	$0.00
72	Accomodation and Food Services	$19,808.43	62	$1,223,943.02	11	$218,110.61	0	$0.00
81	Other Services (except Public Administration)	$34,581.24	32	$1,120,027.42	6	$199,592.52	1	$51,135.27
90	Government	$46,594.08	104	$4,862,664.97	19	$866,542.65	5	$222,006.80
ALL	**Totals**		**679**	**$35,635,108.90**	**121**	**$6,296,319.72**	**31**	**$1,481,327.92**

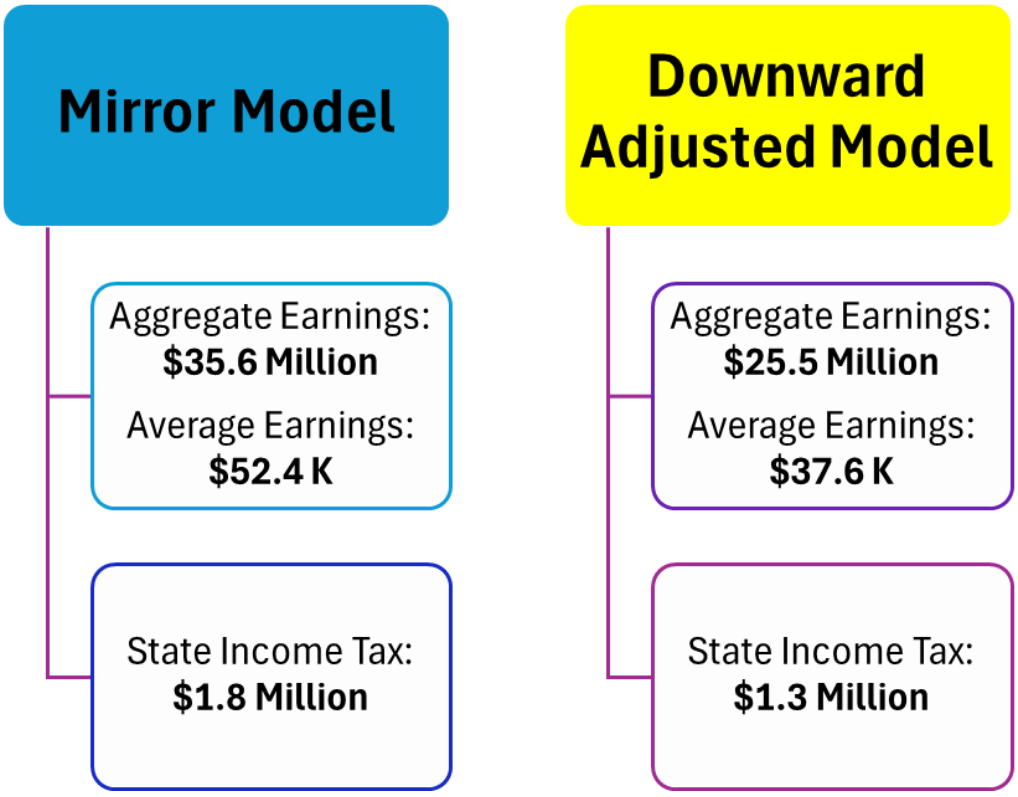
Table XX: Total Earnings by Industry, Work Willing Parents in ROE 35 Region, DOWNWARD ADJUSTED MODEL

NAICS	Description	Average Earnings Per Job	All Work Willing Parents	Total Earnings	Single Mother	Single Mother Earnings	Single Father	Single Father Earnings
11	Agriculture, Forestry, Fishing, and Hunting	$51,341.00	7	$341,633.28	1	$51,341.00	0	$0
21	Mining, Quarrying, and Oil and Gas Extraction	$91,085.00	4	$364,340.00	1	$91,085.00	0	$0
22	Utilities	$135,906.00	5	$679,530.00	1	$135,906.00	0	$0
23	Construction	$72,279.00	12	$867,348.00	2	$144,558.00	0	$0
31	Manufacturing	$75,242.74	37	$2,783,981.20	7	$526,699.15	2	$150,485
42	Wholesale Trade	$74,093.00	11	$815,023.00	2	$148,186.00	1	$37,568
44	Retail Trade	$33,600.73	171	$5,745,724.57	31	$1,041,622.58	8	$265,020
48	Transportation and Warehousing	$63,363.56	13	$823,726.29	2	$126,727.12	1	$38,073
51	Information	$39,398.50	2	$78,797.00	0	$0.00	0	$0
52	Finance and Insurance	$70,836.30	9	$637,526.67	2	$141,672.59	0	$0
53	Real Estate and Rental and Leasing	$39,624.14	3	$118,872.42	0	$0.00	0	$0
54	Professional, Sceintific, and Technical Services	$61,210.23	9	$523,678.04	2	$122,420.47	0	$0
55	Management of Companies and Enterprises	$123,903.00	1	$151,434.25	0	$0.00	0	$0
56	Administrative and Support and Waste Management and Remediation Services	$34,554.00	18	$621,972.00	3	$103,662.00	1	$28,212
61	Educational Services	$26,835.00	20	$536,700.00	4	$107,340.00	1	$24,254
62	Health Care and Social Assistance	$44,950.50	27	$1,213,663.50	5	$224,752.50	1	$54,561
71	Arts, Entertainment, and Recreation	$17,637.92	19	$335,120.45	3	$52,913.75	1	$15,526
72	Accomodation and Food Services	$19,808.43	170	$3,367,432.92	30	$594,252.87	8	$153,515
81	Other Services (except Public Administration)	$34,581.24	90	$3,112,311.17	16	$553,299.76	4	$141,703
90	Government	$46,594.08	52	$2,422,891.97	9	$419,346.69	2	$111,011
ALL	**Totals**		**679**	**$25,541,706.74**	**121**	**$4,585,785.49**	**31**	**$1,019,928**

When comparing these last 2 tables, the modeling performed as expected. Under the mirror model, returning all 679 Work Willing parents to the labor force results in cumulative earnings of ***$35,635,108.90***. By comparison, if we use the Downward Adjusted Model, these aggregate earnings for the same number of returning parents (679) fall to ***$25,541,706.74***. This represents a decrease in expected earnings of just under 31% for the Downward Adjusted Model, vis-à-vis the Mirror Model. The affiliated average annual salaries also fall in the Downward Model, falling to $37,616.65 ($52,481.75 in the Mirror Model). Armed with this total, we can now estimate the affiliated income tax generated by returning these parents to the workforce. Details appear in the

pages below, but Figure IX highlights the final outcomes of our estimates for each model, side-by-side.

Figure IX: Model Comparison Earnings and Income Tax Impact



The earnings calculated above, of course, are subject to a flat 4.95% personal income tax rate in the state of Illinois. Applying this rate to the aggregated earnings of all parents returned to the workforce will generate an additional $1.3 to $1.8 million in annual state income tax revenue.

Table XXI: Aggregate Earnings and State Income Tax, ROE 35 Region Work Willing Parents

	Mirror Model		Downward Adjusted Model	
	Annual Earnings	State Income Taxes	Annual Earnings	State Income Taxes
All Work Willing Parents (679)	$35,635,108.90	$1,763,937.89	$25,541,706.74	$1,264,314.48
Single Mothers (121)	$6,296,319.72	$311,667.83	$4,585,785.49	$226,996.38
Single Fathers (31)	$1,481,327.92	$73,325.73	$1,019,927.81	$50,486.43

In addition to the wages earned by these parents and the income tax derived from these earnings, returning all 679 parents to the workforce full-time has an important financial impact on regional employers as well. Table XXII below quantifies exactly what this impact would be by industry, based on 2022 GRP data, as provided by the US Bureau of Economic Analysis and reported by LightCast™. To calculate the GRP per Employee, we assume a linear relationship between the 2, dividing the total annual industry GRP by the total average industry employment for 2022 (latest available data). To estimate the additional GRP generated by Work Willing parents, we multiply this GRP per Employee number by the number of work willing parents returned to the industry's workforce.

Table XXII: Estimated Gains in GRP, Mirror vs. Downward Adjustment Models

Industry Details				Mirror Model		Downward Adjustment Model	
NAICS	Description	2023 GRP	GRP per Employee	Work Willing Parents	Additional GRP Generated	Work Willing Parents	Additional GRP Generated
11	Agriculture, Forestry, Fishing, and Hunting	$246,441,139	$248,337.91	13	$3,304,980.24	7	$1,652,490.12
21	Mining, Quarrying, and Oil and Gas Extraction	$214,587,829	$297,520.98	11	$3,131,259.52	4	$1,190,084
22	Utilities	$957,490,798	$922,159.91	14	$13,086,463.46	5	$4,610,800
23	Construction	$274,817,623	$117,702.27	32	$3,796,192.53	12	$1,412,427
31	Manufacturing	$1,437,842,032	$195,082.06	103	$20,120,783.60	37	$7,218,036
42	Wholesale Trade	$476,576,675	$213,288.22	31	$6,560,468.44	11	$2,346,170
44	Retail Trade	$536,801,544	$88,740.23	84	$7,429,394.28	171	$15,174,580
48	Transportation and Warehousing	$356,015,550	$136,679.39	36	$4,983,644.95	13	$1,776,832
51	Information	$65,498,109	$224,067.12	4	$973,706.09	2	$448,134
52	Finance and Insurance	$375,698,464	$218,179.71	24	$5,185,040.78	9	$1,963,617
53	Real Estate and Rental and Leasing	$132,678,856	$345,076.73	5	$1,897,887.52	3	$1,035,230
54	Professional, Scientific, and Technical Services	$135,790,388	$111,762.77	17	$1,912,350.33	9	$956,175
55	Management of Companies and Enterprises	$49,031,974	$245,801.93	2	$600,838.24	1	$300,419
56	Administrative and Support and Waste Management Enterprises	$145,820,982	$58,933.72	36	$2,108,843.10	18	$1,060,807
61	Educational Services	$20,079,034	$38,750.48	7	$276,271.58	20	$775,010
62	Health Care and Social Assistance	$263,974,499	$70,874.01	53	$3,768,066.10	27	$1,913,598
71	Ars, Entertainment, and Recreation	$20,209,503	$39,834.19	7	$278,588.36	19	$756,850
72	Accomodaton and Food Services	$186,481,565	$42,449.11	62	$2,622,887.83	170	$7,216,348
81	Other Services (except Public Administration)	$133,712,523	$57,688.41	32	$1,868,429.43	90	$5,191,957
90	Government	$587,723,562	$79,333.90	104	$8,279,468.13	52	$4,125,363
N/A	**ALL**	**$6,617,272,649**		**679**	**$92,185,565**	**679**	**$61,124,927**

Based on the estimates generated by these 2 models, returning 679 Work Willing parents to the workforce will generate between $61.1 Million and $92.8 Million annually for the region in gained Gross Regional Product (GRP). These estimated GRP gains have attached to them additional sales, import, and property taxes which can be recouped by the federal, state, and local governments as well. Disaggregating these gains across the various levels of government is not possible, due to limitations in how the data is reported. However, based on the aggregated data collected by the US BEA, as reported by Lightcast™, we can estimate the total scale of these taxes, across all levels of government. The table below provides the calculation details, but in short, with the addition of 679 Work Willing parents to the labor force, there is an expected increase of between $7.7and $8.5 Million annually in Sales, Import, and Property taxes.

Table XXIII: Additional Sales, Import, and Property Taxes Generated via Work-Willing Parents

Industry Details				Mirror Model		Downward Adjustment Model	
NAICS	Description	2023 Taxes	Taxes per Employee	Work Willing Parents	Additional Taxes Generated	Work Willing Parents	Additional Taxes Generated
11	Agriculture, Forestry, Fishing, and Hunting	$5,268,261	$5,308.81	13	$70,651.75	7	$35,325.88
21	Mining, Quarrying, and Oil and Gas Extraction	$28,578,685	$39,623.68	11	$417,019.37	4	$158,494.70
22	Utilities	$167,338,768	$161,164.06	14	$2,287,095.27	5	$805,820.29
23	Construction	$6,160,602	$2,638.54	32	$85,099.46	12	$31,662.46
31	Manufacturing	$55,345,867	$7,509.16	103	$774,495.53	37	$277,838.92
42	Wholesale Trade	$125,059,495	$55,969.41	31	$1,721,546.43	11	$615,663.56
44	Retail Trade	$123,751,696	$20,457.75	84	$1,712,737.51	171	$3,498,275.99
48	Transportation and Warehousing	$10,199,902	$3,915.89	36	$142,782.22	13	$50,906.52
51	Information	$6,065,871	$20,751.17	4	$90,176.27	2	$41,502.33
52	Finance and Insurance	$8,091,214	$4,698.82	24	$111,667.41	9	$42,289.36
53	Real Estate and Rental and Leasing	$9,346,309	$24,308.27	5	$133,693.06	3	$72,924.81
54	Professional, Scientific, and Technical Services	$5,287,276	$4,351.71	17	$74,461.26	9	$37,230.63
55	Management of Companies and Enterprises	$1,233,400	$6,183.15	2	$15,114.10	1	$7,557.05
56	Administrative and Support and Waste Management and Remediation Services	$3,907,266	$1,579.13	36	$56,506.34	18	$28,424.27
61	Educational Services	$614,263	$1,185.46	7	$8,451.77	20	$23,709.28
62	Health Care and Social Assistance	$7,270,380	$1,952.01	53	$103,780.00	27	$52,704.28
71	Arts, Entertainment, and Recreation	$3,351,930	$6,606.86	7	$46,206.41	19	$125,530.37
72	Accomodation and Food Services	$33,585,889	$7,645.21	62	$472,389.96	170	$1,299,685.93
81	Other Services (except Public Administration)	$12,104,470	$5,222.31	32	$169,141.58	90	$470,007.45
90	Government	$0.00	$0.00	104	$0.00	52	$0.00
N/A	**ALL**	$612,561,543.28		**679**	**$8,493,015.70**	**679**	**$7,675,554.10**

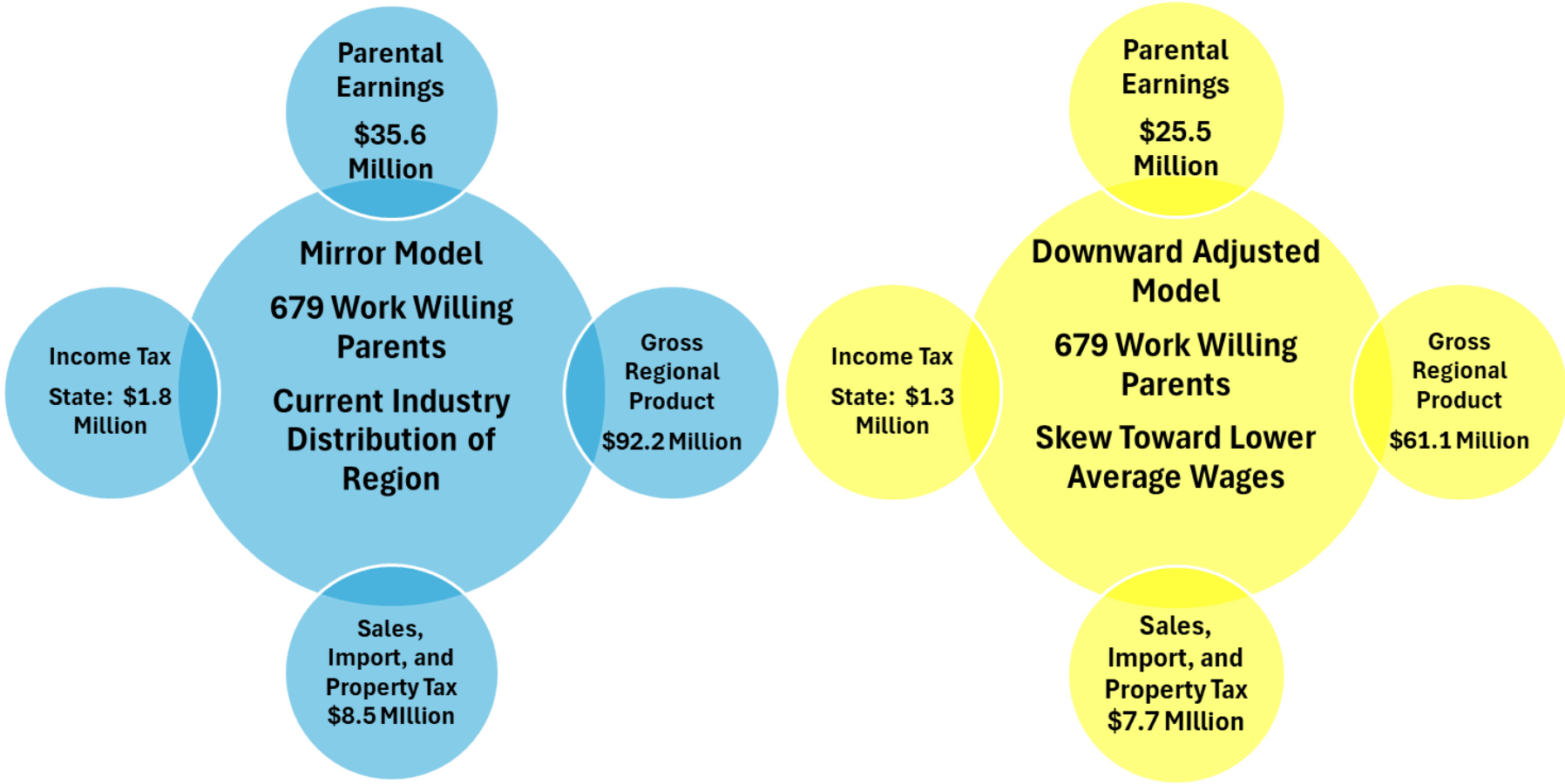
Summary of Impact Modeling

In review, we have calculated the economic impact of returning 679 "Work Willing" parents to full-time jobs in the ROE 35 Region. To ensure our estimates are accurate, we have used the latest available data from the US Census Bureau, US Bureau of Economic Analysis, US Bureau of Labor Statistics, with additional input from models and reporting by the data platform LightCast™. To estimate the final number of work-willing parents (679), we relied on a 2017 study from the President's Council of Economic Advisors and, triangulating this initial study to Labor Force Participation rates for parents of children under 6, updated the methodology to reflect changes during, and after, the COVID-19 pandemic.

The economic impact itself was calculated in two unique ways, which we refer to as the ***Mirror*** and ***Downward Adjustment Models***. The Mirror Model assumes that the population of work-willing parents will be a more-or-less perfect reflection of the currently employed workforce in the region. They are presumed to have the same distribution of skills and abilities as the population and are distributed across the region's existing industries in a manner that mirrors the current industry distribution of all employees. For example, since 15.19% of all workers in ROE 35 Counties are employed in the Retail Trade industry, we also assume that 15.19% of all work-willing parents (103) will re-enter the workforce as Retail Trade employees. To ensure that this model, which can skew average salaries higher, does not overstate the economic impact of these parents, we also include a Downward Adjustment Model. In this version, we overweight industries with lower average annual wages as likely entry points for returning parents. Again, considering Retail Trade, as an example, in the Downward Adjustment Model we assign 171 (25.18%) of all Work Willing parents to the industry, at a rate nearly 50% higher than the population.

Constructing two separate models allows for a reasonable range of projected economic impact of between ***$95.6 million and $138.1 million*** that can be unlocked by ensuring affordable childcare is available for the 679 local parents, ready and able to return to the workforce full-time. Figure X below breaks out these gains, side-by-side, estimated by the two models, while Figures XI and XII highlight the scaled impact of gradually returning these parents to the workforce.

Figure X: Total Impact, Work Willing Parents in ROE 35 Mirror vs. Downward Adjusted Models



Survey Analysis

In addition to the data analysis and economic impact research above, this study emphasizes developing, implementing, and analyzing two different types of surveys relating to childcare impact in LaSalle, Marshall, and Putnam Counties. The first, a parent survey, seeks to understand the conditions of employed parents and their relationship with childcare. The second, an employer survey, aimed at understanding how the lack of reliable and affordable childcare impacts the workforce of the ROE 35 Region.

Parent Survey Takeaways

TPMA, in collaboration with ROE 35, completed a parent survey to understand the changes in parents' earnings, career prospects, and reliance on some form of public assistance because of access to childcare. The parent survey had 545 attempted responses, with a total of 438 completed surveys.

Trends found throughout the parent survey include the following:

- 52.3% of respondents were from a 2-parent/Guardian Household, both working full-time, whereas 25.1% of respondents were from a 2-parent/Guardian household, one working full-time.
- 69.2% of respondents had 2-3 children.
- 48.0% of respondents pay more than $151 weekly for childcare.
- 62.5% of respondents have current childcare arrangements with either a parent or spouse/partner of a parent or K-12 educational setting.
- 69.4% of respondents currently work full-time in the labor force.
- 77.8% of respondents work in-person or on-location.
- 24.2% of respondents indicated their household median income is $120,000+.
- 58.0% of respondents were ages 35-44.
- 54.5% of respondents identified their weekly childcare cost was approximately $100 - $200.
- 66.7% of respondents implied that they preferred either a licensed provider, offering childcare services in their home or an early learning center, offering childcare services in a center or place of business.

- 60.2% of respondents indicated that their primary place of employment is approximately 10 – 30 minutes away from their childcare arrangement.
- 28% of respondents reported that 10 or more days per year, their childcare service falls through, causing the need for you to make alternate plans.

Employer Survey Takeaways

In addition to the parent survey, TPMA and ROE 35, developed and implemented an employer survey to understand the impact affordable childcare has on their day-to-day operations, the anticipated need for and willingness to participate in sponsored seats at local childcare facilities, estimates of lost days, missing shifts, or turnover because of the lack of affordable childcare to employees, and structured, focus group and one-on-one discussions with area employers and parents to augment the data collected via surveys. The employer survey had 33 completed submissions.

Trends of the employer survey include the following:

- 39.4% of respondents identified that they have 101-500 employees working for their organization, corporation, institutions, etc.
- 57.6% of respondents indicated that 25% or fewer of their employees had children under the age of 6.
- 43.2% of respondents reported that their workforce struggles to find reliable and accessible childcare options.
- 26.8% of respondents recorded employees missed up to 20 hours due to a lack of affordable childcare.
- 66.67% of employers indicated that childcare challenges are not a barrier for hiring or retaining employees.
- 26.97% of respondents indicated overall availability as the biggest challenge to childcare.
- 22.47% of employers indicated cost as the second biggest challenge to childcare.

Best Practices Recommendations

Recommendations and implementation suggestions are below to unlock the potential of Work-Willing parents in the ROE35 region. The challenge of childcare looms large across the country, and multiple initiatives are already underway outside the region that can be utilized in the region to address childcare shortages and affordability. Based on our review of national, regional, and local reviews, we organize these potential solutions into four levels: Illinois-based, Employer-based, Childcare Facility-based, and ROE35-based. Any of these approaches, of course, will require further examination and planning before implementation. Recommendations provide avenues for discussion at local, regional, and state levels to prepare ROE35 stakeholders for a path forward in addressing childcare impact challenges for working parents.

Illinois-Based Resources

Smart Start Illinois

Smart Start Illinois is a multi-year plan to provide every child with access to preschool, increase funding to childcare providers to raise wages and quality and reach more vulnerable families with early support.[12] Gateways of Opportunity, the Illinois Professional Development System through the Illinois Department of Human Services, oversees Smart Start Illinois.

According to the Smart Start website, the State Fiscal Year 2024 (SFY24) Smart Start Illinois investments to the Illinois Department of Human Services, Division of Early Childhood (IDHS-DEC) include:

[12] Gateways to Opportunity, Smart Start Illinois: Smart Start - Gateways to Opportunity (ilgateways.com)

- $5 million to expand the Illinois Department of Human Services Home Visiting Program so more families who want it can receive this early support.
- $130 million for nation-leading Child Care Workforce Compensation Contracts that will stabilize providers and give childcare workers a raise.
- $40 million for Early Intervention programs to enhance services for families and give providers a raise.

Smart Start Workforce Grants

During the COVID-19 pandemic, Illinois offered an array of grants to promote childcare across the state. Although most of the grants are inactive, the state maintains the Smart Start Workforce Grants.[13]

Smart Start Workforce Grants offer childcare programs stable, ongoing funds to cover costs and invest in quality staff without burdening families by raising tuition or Child Care Assistance Program (CCAP) co-pays. Eligible programs receive consistent funding in advance, covering the cost of higher wages and classroom operations. The first round of applications will be available from July 1, 2024, through July 31st, 2024.

Smart Start Quality Support Program

Although a newer childcare initiative from the Illinois Department of Human Services, the Smart Start Quality Support Program[14] assists participating centers in covering staffing costs associated with higher quality and guides staff in their quality improvement work. Currently, a limited number of licensed childcare centers serving 40% of Child Care Assistance Program (CCAP) children are participating. The program is still in development and does not have an estimated availability time, according to its website.

[13] Smart Strat Workforce Grants: Smart Start Workforce Grants - Gateways to Opportunity (ilgateways.com)
[14] Smart Start quality Support Program: Smart Start Quality Support Program - Public - Gateways to Opportunity (ilgateways.com)

Illinois Network of Child Care Resources and Referral Agencies (INCCRRA)

The Illinois Network of Child Care Resources and Referral Agencies (INCCRRA)[15] the statewide program partners with local, regional, and state resources to support high-quality, affordable early care and education and school-age care options available for children and families in Illinois.

INCCRRA oversees several statewide services including Gateways to Opportunity Credentials, Professional Development Advisors, Great START, Gateways to Opportunity Registry, the Illinois Trainers Network, and Gateways to Opportunity Scholarship Program.

Gateways Scholarship Program

The Gateways Scholarship Program, administered by The Illinois Network of Child Care Resource and Referral Agencies (INCCRRA), covers a portion of tuition for eligible professionals working in early care and education or school-age programs who want to earn college credits, Credentials, or degrees.[16] Eligibility and use of the scholarship program can be found on its website.

Early Childhood Access Consortium for Equity (ECACE) Scholarship Program

The Early Childhood Access Consortium for Equity (ECACE) Scholarship Program[17] was created to address the shortage of qualified early childhood educators by encouraging the pursuit of credentials and advancement of

[15] The Illinois Network of Child Care Resource and Referral Agencies (INCCRRA): What is INCCRRA?
[16] The Gateways Scholarship Program: Scholarship - Gateways to Opportunity (ilgateways.com)
[17] The Early Childhood Access Consortium for Equity (ECACE) Scholarship Program: ECACE Scholarship Program (isac.org)

already-held degrees in early childhood education in Illinois. The program aims to build a strong, well-prepared workforce. The eligibility and use of the scholarship program can be found on its website.

ROE 35-Based Solutions

ROE 35 Regional Solutions

Currently, ROE 35 has two formal childcare-focused work groups: the Sal Child Care Connection Program and the Region 35 Birth to Five Illinois Program. Both initiatives aim to address childcare capacity challenges across the ROE 35 region.

Sal Child Care Connection

Sal Child Care Connection[18] provides resources to childcare providers and families in the ROE 35 Region. Services include helping families determine if they qualify for help to pay for childcare, training those who work with children, recruiting additional childcare providers, and providing relevant consultations in childcare programs.

Region 35 Birth to Five Illinois

Region 35 Birth to Five Illinois[19] is an initiative launched by the Illinois Network of Child Care Resource and Referral Agencies (INCCRRA) to create Birth to Five Illinois Action Councils and Family Councils in each of the thirty-nine Regions. The Region 35 Birth to Five Illinois team has taken an active approach to combating childcare needs in the region. The most recent action plan, completed in 2023, included strategies that support the Early Childhood Education and Care (ECEC) workforce and coordinated intake program for communities to access resources easily.

Expand Afterschool Offerings

One way for school districts to support working parents is to provide childcare after school hours. Most working parents work between traditional

[18] Sal Child Care Connection: Child Care Resource and Referral Program | CCR&R (salccc.org)
[19] Region 35 Birth to Five Illinois: Region 35 — Birth to Five Illinois

work hours of nine to five, and many parents struggle with finding childcare during the closing work hours.

The Illinois State Board of Education (ISBE) has proactively promoted and applied state resources for school districts to incorporate after-school programming. "Act Now[20]" the ISBE afterschool for children and teens initiative provides a toolkit for schools to utilize. The toolkit includes start-up guides, funding resources, and curriculum. The ISBE also provides multiple after-school grant programs[21] and additional resources on its website.

Outside of supporting working parents, there are numerous educational benefits to providing after-school programming for students. The Wallace Foundation suggests that after-school or out-of-school programming can improve academic outcomes and provide intentional influence to improve attendance in elementary-aged children.[22]

Address Elementary School Teachers Wages & Shortages

The COVID-19 pandemic exacerbated the need for teachers across the United States. Illinois is no exception. However, since the pandemic, state legislators and leaders have taken measures to support the education pipeline in the state. The US Department of Education reports that Illinois has seen a 3.1% recovery of employment of educators in the state, just compared to the 2023 average[23]. Additionally, in 2022, the average salary for a teacher in the state of Illinois is $74,000[24], significantly higher than surrounding states.

In 2022, Governor Pritzker announced several legislative packages that addressed recruiting and diversifying Illinois's educator landscape. Four bills

---

[20] Act Now, Illinois State Board of Education: Starting an Afterschool Program - ACT Now Illinois

[21] Illinois State Board of Education, Grants After School Programs: After School Programs (isbe.net)

[22] McCombs, J., Whitaker, A., & Yoo, P. (n.d.). *The Value of Out-of-School Time Programs*. The Wallace Foundation: https://wallacefoundation.org/learn-how-afterschool-programs-can-help-children?utm_id=bi_cmp-22035357_adg-4159909991_ad-81432678303638_kwd-25327202648:loc-190_dev-c_ext-%7bextensionid%7d_prd-_sig-0dfdda5c924a16fbbb76bc6dd16dfaa0&msclkid=0dfdda5c924a16fbbb76bc6dd16dfaa0

[23] Progress Towards Returning to Pre-Pandemic Staffing Levels, February 2024, U.S Department of Education: Raise the Bar: Eliminate the Educator Shortage | U.S. Department of Education

[24] Teacher Compensation 2022-20234, U.S Department of Education: Raise the Bar: Eliminate the Educator Shortage | U.S. Department of Education

were signed into law: HB 4246, HB47989, SB3988, and SB3907. The bills have since simplified the licensing process for educators, lowered licensing fees, and created more opportunities for prospective educators.[25]

Promote Illinois ECE Credentialing

Credentialing is an important aspect of the Illinois Gateways to Opportunity goals to support career goals for future early childhood educators. The Illinois Professional Development Advisory Council (PDAC), in partnership with the Illinois Gateways to Opportunity initiative, created an in-depth Early Childhood Educator (ECE) Credential for those interested in supporting their careers in early childhood education. The credential consists of several core knowledge areas and six credential levels. More information can be found on the ECE Credentials website.[26]

Submit for the JTED - Teacher Apprenticeship Program

Another opportunity to support the future of the educator pipeline in the ROE35 region is to consider the Illinois JTED Teacher Apprenticeship Program. In November of 2023, Governor Pritzker and the Illinois Department of Commerce and Economic Opportunity (DCEO) announced a $13 million investment in the Job Training and Economic Development Program (JTED)[27] for workforce training and wrap-around services that will bolster equitable workforce recovery for Illinoisans struggling to gain meaningful employment. The announcement included an additional $2 million investment to establish the JTED - Teacher Apprenticeship Pilot Program for 2024.

According to the Illinois Department of Commerce and Economic Opportunity, The JTED Teacher Apprenticeship program will create

---

[25] Gov. Pritzker Signs Legislative Package Addressing Nationwide Teacher Shortage, State of Illinois, April 2022: Gov. Pritzker Signs Legislative Package Addressing Nationwide Teacher Shortage (illinois.gov)

[26] ECE Credentials, Illinois Gateways to Opportunity: ECE Credential - Gateways to Opportunity (ilgateways.com)

[27] "Governor Pritzker Announces $13 Million Investment in Job Training and Economic Development Program", Illinois Department of Commerce and Economic Opportunity, November 2023: Governor Pritzker Announces $13 Million Investment in Job Training and Economic Development Program (illinois.gov)

approximately four pilots throughout the state to upscale currently employed paraprofessional educators. Educator preparation providers will lead these pilot programs with partnerships from local education and workforce agencies. Throughout the program, curriculum and competencies will be refined. After the program, Illinois will have a Department of Labor registered Teacher Apprenticeship.[28] Although pilot applications were due in May of 2024, it is anticipated that the Teacher Apprenticeship program funding will be available in the future.

Childcare In/Near School System

One unique way school districts support educator retention is by providing childcare in or near the school system. School district childcare centers tend to reflect district schedules and remain open during the summer, which prevents teachers from needing to find outside childcare during holidays or summer breaks. States like Idaho and Texas school districts[29] are utilizing this type of retention initiative to offset limited early childhood education funding. Providing childcare for teachers tends to be less stressful and a more affordable option to retain educators. Another advantage of providing teachers with childcare is that district-run facilities are overseen by highly qualified educators, leading to a well-accredited program[30]. Programs also tend to be aligned with school district expectations and programmatic outcomes.

[28] JTED - Teacher Apprenticeship Pilot Program Notice of Funding Opportunity 2024: WIOA (illinoisworknet.com)
[29] "These schools provide teachers with daycare", Fast Company, May 2024: These schools provide teachers with daycare - Fast Company
[30] "Child Care Benefits to Help Teacher Retention", Very Well Family, March 2021: Child Care Benefits to Help Teacher Retention (verywellfamily.com)

Employer-Based Solutions

Implement Employee Assistance Programs

Employee Assistance Programs (EAPs) are voluntary, work-based programs offering free and confidential assessments, short-term counseling, referrals, and follow-up services to employees with personal and/or work-related problems.[31] Some businesses are beginning to formalize childcare and childcare support networks and resource hubs as part of a broader approach to the traditional EAP. This low-to-no-cost solution would provide a formal network of working parents to support each other and allow the business to gain feedback and insight into childcare-based challenges and solutions from its employees. By tapping into a potential forum for parents to express concerns and challenges- and crowd-source solutions- employers can not only remain a fully engaged participant in the ongoing dialogue but can be at the forefront of new solution implementation.

Provide Flexible Scheduling

The COVID-19 pandemic exposed a new wave of remote work and the potential for employers to adapt to a more flexible work environment. Flexible scheduling adjusts work shifts to accommodate the childcare needs of working parents. The US Chamber of Commerce Foundation suggests first determining the scheduling gaps of working parents and seeking out opportunities to implement flexibility. Once implemented, track the impact of flexible scheduling to understand how those changes retain working

[31] (n.d.). *Employee Assistance Program (EAP)*. U.S Office of Personnel Management. Retrieved January 26, 2024, from https://www.opm.gov/frequently-asked-questions/work-life-faq/employee-assistance-program-eap/what-is-an-employee-assistance-program-eap/

parents.[32] Manufacturing employers, often running multiple shifts, have had some success with "micro-scheduling" and self-scheduling apps, allowing employees to work split or extended shifts, working together via a real-time scheduling app to ensure full coverage of all shifts. Employees who prefer to work a standard shift with regular days off retain that ability and often serve as the backbone of the scheduling process. The micro or split shift employees fill in the gaps in the calendar, allowing parents, for example, to be home before and after school or until their partner is available to look after their child.

Offer Childcare Subsidies

Another opportunity to combat accessibility and cost is that employers can utilize childcare-based subsidies like *Dependent Care Flexible Spending Accounts* (DCFSAs) or vouchers for local/preferred childcare facilities. DCFSAs are considered pre-tax accounts used to pay for eligible dependent care. Additionally, providing working parents vouchers for childcare providers could reserve a certain number of spots, possibly with discounted employee rates.[33] The US Chamber of Commerce *Employer Guide to Childcare Assistance and Tax Credits* [34]has additional insight on other employer-provided subsidies and employee tax credit options. While certainly this would add an additional benefit, and affiliated expense, for employers and questions of reciprocity for employees without childcare needs should be considered, the net benefit- which we lay out above in terms of additional GRP generated- of attracting or retaining new employees not otherwise available/possible will almost certainly outweigh the cost to employers.

[32] (n.d.). *Employer Roadmap Childcare Solutions for Working Parents*. U.S Chamber of Commerce Foundation. Retrieved January 26, 2024, from https://chamber-foundation.files.svdcdn.com/production/documents/ECE-Employer-Roadmap_March-2022_web.pdf?dm=1704748799

[33] (2022, April 28). *Employer Guide to Childcare Assistance and Tax Credits*. U.S Chamber of Commerce. Retrieved January 26, 2024, from https://www.uschamber.com/workforce/employer-guide-to-childcare-assistance-and-tax-credits

[34] Shrove, J. (2022, April 28). *Employer Guide to Childcare Assistance and Tax Credits*. U.S Chamber of Commerce. Retrieved February 22, 2024, from https://www.uschamber.com/assets/documents/024285_Fed_Childcare-Guide_v2.pdf

Explore Nontraditional Solutions for Working Parents

Although every industry faces some working parent challenges, frontline employees, shift workers, or parents working non-traditional hours are the most at risk of facing harsher barriers to accessible childcare. Employers engaging in non-traditional operating hours should consider non-traditional solutions for working parents to retain the labor force and increase employee productivity. Micro-shifts, self-scheduling, hybrid work schedules, and short-term childcare support options are all examples that could be explored, depending on the size, needs, and location of the employer.

On-Site/Near-Site Childcare Centers

On-site childcare addresses the access and affordability of working parents. Although this solution would require significant investment and time, it would provide long-term solutions for working parents- and provide a valuable perk to attract and retain talent for employers. The US Chamber of Commerce Foundation recommends first assessing the needs of working parents, creating a "task force" to oversee the initiative, thoroughly researching the internal capacity for an on-site center, launching the program, and tracking the facility's impact. Additionally, consider how to offset the cost of the center by utilizing existing subsidies, grants, and tax credits and incentives.[35] Cooperative agreements between multiple employers to fund, for example, a childcare center as part of an industrial park, are also viable options for splitting the cost among a consortium of employers, often in exchange for a guaranteed number of seats.

Partner with Backup Care Providers

Backup care provides for unforeseen or sudden changes that impact childcare arrangements and entails, in short, that the employer retains a pool of available, certified, and bonded in-home childcare providers. When the

[35] (n.d.). *Employer Roadmap Childcare Solutions for Working Parents*. U.S Chamber of Commerce Foundation. Retrieved January 26, 2024, from https://chamber-foundation.files.svdcdn.com/production/documents/ECE-Employer-Roadmap_March-2022_web.pdf?dm=1704748799

unexpected occurs, like a sick child being sent home from daycare or when the partner of the employee is unexpectedly detained at their job, the employee can request a free (or reduced cost) provider from the pool to step in and allow the employee to report to work, on-time. This short-term solution could directly impact absenteeism and missed shifts of working parents. Interested employers would need to identify if there is a direct need for backup care, providers, and the financial commitment to implement the program. Again, consortia of employers can pool resources to reduce the cost/burden of retaining such a service. Two examples of backup care include Amazon and Johns Hopkins University.

Address Equitable Return to Work Strategies

Since the COVID-19 pandemic, there has been a significant shift in the number of women and working mothers leaving the workforce. The National Women's Law Center suggested 1 million fewer women in the workforce in January 2022 than in February 2020[36]. Because of the national childcare crisis, many working mothers have not returned to work due to the lack of affordable, accessible, and reliable childcare. Because working mothers were (and still are) making less than men[37]It made financial sense for mothers to remain at home as primary caregivers. To reengage working mothers, employers must reconsider equitable return-to-work strategies, including attraction bonuses and a transparent, equitable pay scale.

Eliminate Bias in the Hiring Process

Relatedly, because working mothers have been out of the workforce for a couple of years, if not more, they will most likely have employment gaps on their resumes. This can be an intimidating aspect for women during the

[36] Tucker, J. (2022, February 1). *Men Have Now Recouped Their Pandemic-Related Labor Force Losses While Women Lag Behind*. National Women's Law Center. Retrieved February 22, 2024, from https://nwlc.org/wp-content/uploads/2022/02/January-Jobs-Day-updated.pdf#:~:text=The%20most%20recent%20Bureau%20of%20Labor%20Statistics%20%28BLS%29,have%20caused%20continued%20school%20and%20child%20care%20disruptions.?msclkid=c3b59dbfb4d911eca4104e48711ae748

[37] (2023, January 25). *Median earnings for women in 2022 were 83.0 percent of the median for men*. U.S. BUREAU OF LABOR STATISTICS. Retrieved February 22, 2024, from https://www.bls.gov/opub/ted/2023/median-earnings-for-women-in-2022-were-83-0-percent-of-the-median-for-men.htm

application process that could ultimately lead to qualified candidates walking away from open positions. Human Resource managers, recruiters, and talent acquisitionists should review and be aware of any conscious and unconscious biases in the recruitment and hiring processes and job descriptions to support and hire working mothers.

Offer "Returnships" or Professional Development Opportunities

"Returnships" are not a new talent engagement tool but have been a highly effective return-to-work strategy, specifically for targeting women and working mothers. The University of Texas defines returnships as "short-term engagements for professionals who want to re-enter the workforce after an extended period. Unlike internship applicants, returnship candidates are usually more experienced professionals with significant work history. They may need to reacquaint themselves with changes in their field or with new technology, but they have a strong working knowledge of their discipline and are usually paid for their time as a result."[38] These initiatives give returning mothers and parents who have been away from the workforce for an extended period the chance to reacquaint themselves with their field. They also give employers a short-term opportunity to evaluate potential candidates and make offers of full-time, permanent employment based on first-hand reviews of performance and ability.

Establish Equitable Pay Improvement Strategies

Because many working mothers were considered the lower-income providers to their male counterparts, many women left to be the primary caregivers for their children during the pandemic. To reengage with working mothers, businesses must focus on equal compensation for work of equal value. By conducting periodic pay equity audits, businesses can ensure employees of comparable experience and roles are paid the same regardless of gender or race[39].

---

[38] The University of Texas at Austin (n.d.). *The Comprehensive Guide to Returnships: What They Are and How to Secure One*. University of Texas at Austin Boot Camps. Retrieved February 26, 2024, from https://techbootcamps.utexas.edu/blog/the-comprehensive-guide-to-returnships/

[39] Shmidt, I. (2022, July 13). *Five Ways To Bring Women Back Into The Workforce After A Career Break*. Forbes. Retrieved February 26, 2024, from

Establish Gender Diversity KPI Goals

By establishing gender diversity Key Performance Indicators (KPIs), businesses can actively address critical gender gaps and equal representation across their labor force and provide opportunities for working mothers to return to the workforce. To determine what KPIs could be established to support women in the workplace, the Boston Consulting Group recommends five key metrics[40]: Pay, Recruitment, Retention, Advancement, and Representation. In addition to developing action steps and gauging performance, the BCG also recommends that strong and active support should be driven by the business's executive leadership, not just within the Human Resources activities. Intentionally engaging women and mothers as part of corporate planning initiatives ensures that solutions for the unique needs of parents of young children are a top-of-the-agenda concern.

Childcare Facility-Based Solutions

Address Compensation and Fiscal Stability

One opportunity to recruit and retain qualified, experienced educators is increasing early childcare caregivers' salaries and fiscal stability. However, this is challenging due to the complexity of balancing affordable childcare for working families and providing livable wages for caregivers, both while trying to operate a profitable childcare business. Compensation does, however, remain a critical flaw in the US early childcare system, but it has received

https://www.forbes.com/sites/forbesbusinesscouncil/2022/07/13/five-ways-to-bring-women-back-into-the-workforce-after-a-career-break/?sh=46b06422543c

[40] Abouzahr, K., Krentz, M., Yousif, N., & Van Der Kolk, L. (2018, April 3). *Measuring What Matters in Gender Diversity*. The Boston Consulting Group. Retrieved February 26, 2024, from https://www.bcg.com/publications/2018/measuring-what-matters-gender-diversity

state and federal investments in recent years, and momentum is building across the country for governments to invest in the childcare infrastructure just as it would the physical infrastructure of the state: as a cost of doing business. States and local communities nationwide should utilize salary/wage scales for the early childhood educator workforce, remaining vigilant in their review of current wages to the rates of pay across the region. The scales are intended to provide states and cities with the knowledge to develop salary scales for the early childhood workforce that can improve the livelihood of childcare providers in concert with overall upward wage and/or inflationary pressure in the region.[41]

Support Career Advancement Initiatives

Another identified barrier to childcare workers is access to career advancement opportunities. For example, The National Center on Early Childhood Development, in their report "*The Early Childhood Workforce: Career Pathway Goals and Strategies for Developing, Improving, and Evaluating Higher Education Articulation Agreements*[42]" recommends two specific strategies to support career pathway development:

1) Strengthen competency-based qualification requirements for all care and education professionals working with children from birth through age 8.
2) Develop and implement comprehensive pathways and multiyear timelines at the individual, institutional, and policy levels for transitioning to a minimum bachelor's degree qualification requirement, with specialized knowledge and competencies, for all lead educators working with children from birth through age 8.

The report recommends that caregivers and childcare facilities develop professional development goals and strategies specifically built for career

[41] Harriet Dichter and Ashley LiBetti, Improving Child Care Compensation Backgrounder October 2021, (The BUILD Initiative, 2021), available at https://buildinitiative.org/resource-library/backgrounder-on-compensation-in-child-care

[42] National Center on Early Childhood Development, Teaching, and Learning (n.d.). *Early Childhood Workforce: Career Pathway Goals and Strategies for Developing, Improving, and Evaluating Higher Education Articulation Agreement*. Retrieved February 1, 2024, from https://eclkc.ohs.acf.hhs.gov/sites/default/files/pdf/early-childhood-workforce-articulation-strategies.pdf

growth and development within the industry. The study offers additional resources and examples to include in an implementation plan.

Improve Staff Wellness and Job Satisfaction

The Administration for Children and Families recommends childcare facilities support staff wellness[43] by improving the work environment and creating a healthy and safe environment for staff and children. Strategies include addressing the importance of staff psychological well-being, maximizing job satisfaction opportunities, and developing a culture of overall organizational wellness.

Consider Expanded Services Through Childcare Service Networks

The Administration for Children and Families[44] recommends that childcare facilities develop local, regional, or state childcare networks to create opportunities for growth and support for childcare providers. By combining resources, services, or other integrations, childcare facilities can create a strong, unified network to expand shared resources of the existing early childhood care system. Some options can also be seen as gains via the efficiency of scale, driving down shared administrative costs for a network of providers. A common payroll or HR team, for example, is one approach to reduce administrative overhead and, in some cases, better employee service.

[43] (2022, September 13). *Staff Wellness Initiatives*. Office of Early Childhood Development An Office of the Administration for Children & Families. Retrieved February 1, 2024, from https://www.acf.hhs.gov/ecd/staff-wellness-initiatives

[44] (n.d.). Expanded Services. The Administration for Children and Families. Retrieved February 12, 2024, from https://www.acf.hhs.gov/ecd/expanded-services

Explore Overnight/Multiple Shift Care Services

Although beneficial for shift parents, overnight care is a challenging solution for providers to implement. Overnight care is simply an opportunity to leave children overnight or during non-traditional working hours with a credible childcare facility. Similarly to backup care, employers would need to identify the needs of employees and the impact of working with partners and providers to establish this care option. Additionally, working with other employers to identify overnight care needs could lead to developing partnerships and overnight care programs with local providers. *Wonderschool* provides an overview of how overnight childcare[45] can support working parents.

Register for the Illinois Early Childhood Apprenticeship Pilot

To support the pipeline for childcare workers, the Illinois Department of Human Services (IDHS) Division of Early Childhood (DEC) is piloting an apprenticeship program to bridge and connect scholarship programs leading to credentials and degrees with on-the-job/real-world training and mentorship tailored to the context of the specific communities where apprentices work.[46] The current round of four participating pilot initiatives is underway for 2024. The registered apprenticeship standards and other program information are on the program's website.

[45] (n.d.). What You Need to Know About Overnight Daycare. Wonderschool. Retrieved February 12, 2024, from https://www.wonderschool.com/p/parent-resources/overnight-daycare/

[46] Smart Start Illinois Early Childhood Apprenticeship Pilot, Gateways to Opportunity: Illinois Early Childhood Apprenticeship Pilot - Gateways to Opportunity (ilgateways.com)

ROE 35 Regional Action Plan

Recommendations	Suggested Stakeholders	Outcomes	Level of Complexity	Timeline
Connect with regional groups to support regional childcare impact initiatives.	Sal Child Care Connection; Region 35 Birth to Five Illinois; INCCRRA.	Cohesive outcomes for the region, more unified efforts, and alignment of resources.	Low	Short (1 Year)
Connect with regional childcare facilities to determine missing gaps between ROE 35 and childcare needs.	Regional childcare facilities; ROE 35 district staff.	Cohesive outcomes for the region, more unified efforts, and alignment of resources.	Low	Short (1 Year)
Connect employers with regional childcare facilities and other regional groups to promote collaboration on regional childcare challenges.	Identified employers, regional childcare facilities; ROE 35 staff; Sal Child Care Connection; Region 35 Birth to Five Illinois; INCCRRA.	Cohesive outcomes for the region, more unified efforts, and alignment of resources.	Low	Short (1 Year)
Create a regional dashboard to track progress towards childcare support goals.	Sal Child Care Connection; Region 35 Birth to Five Illinois; INCCRRA.	Promotion of goals and childcare impact outcomes in the region.	Mid	Short (1 Year)
Conduct a feasibility study to provide childcare as an incentive for teachers in the ROE 35 Region.	ROE 35 leadership, educators in the district.	Determination to provide childcare for ROE 35 educators.	High	Mid (2-3 Years)

Appendix A: Parent Survey Responses

Figure XI: Number of Children, Parent Respondents, 2024

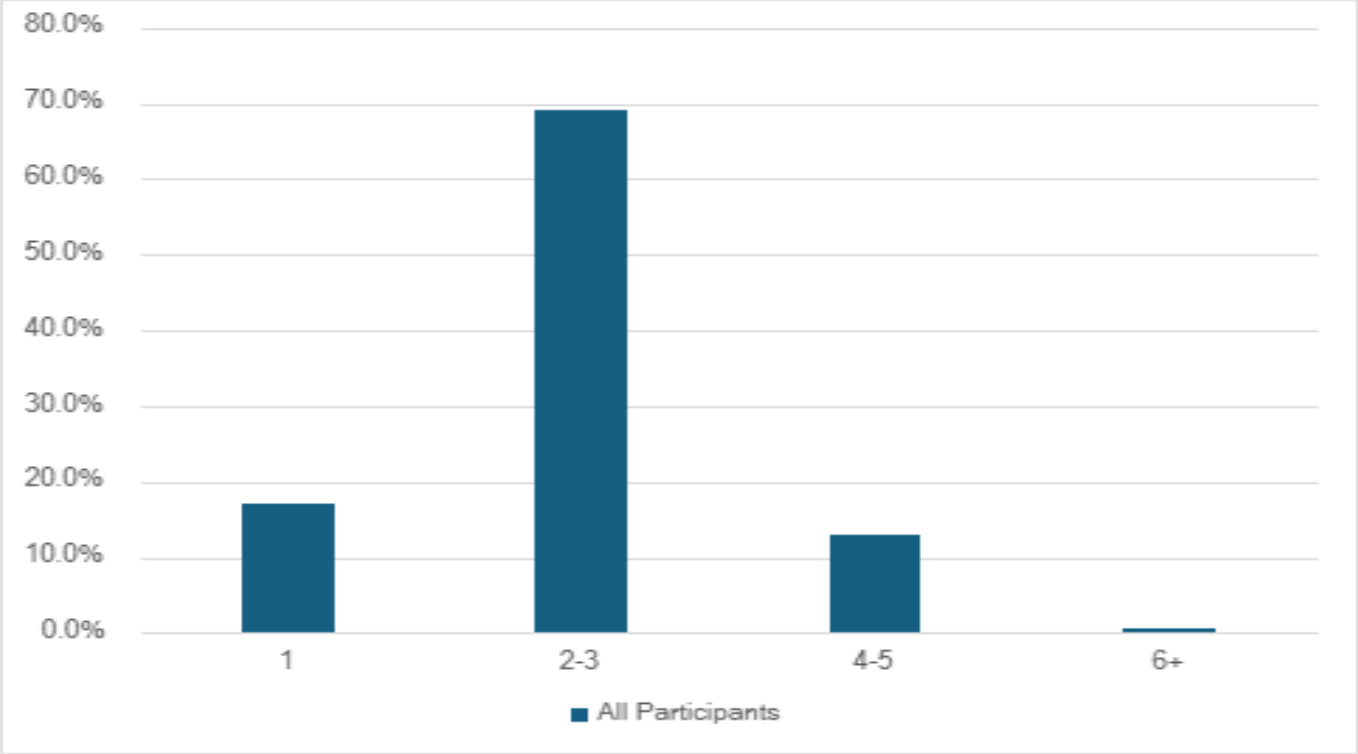
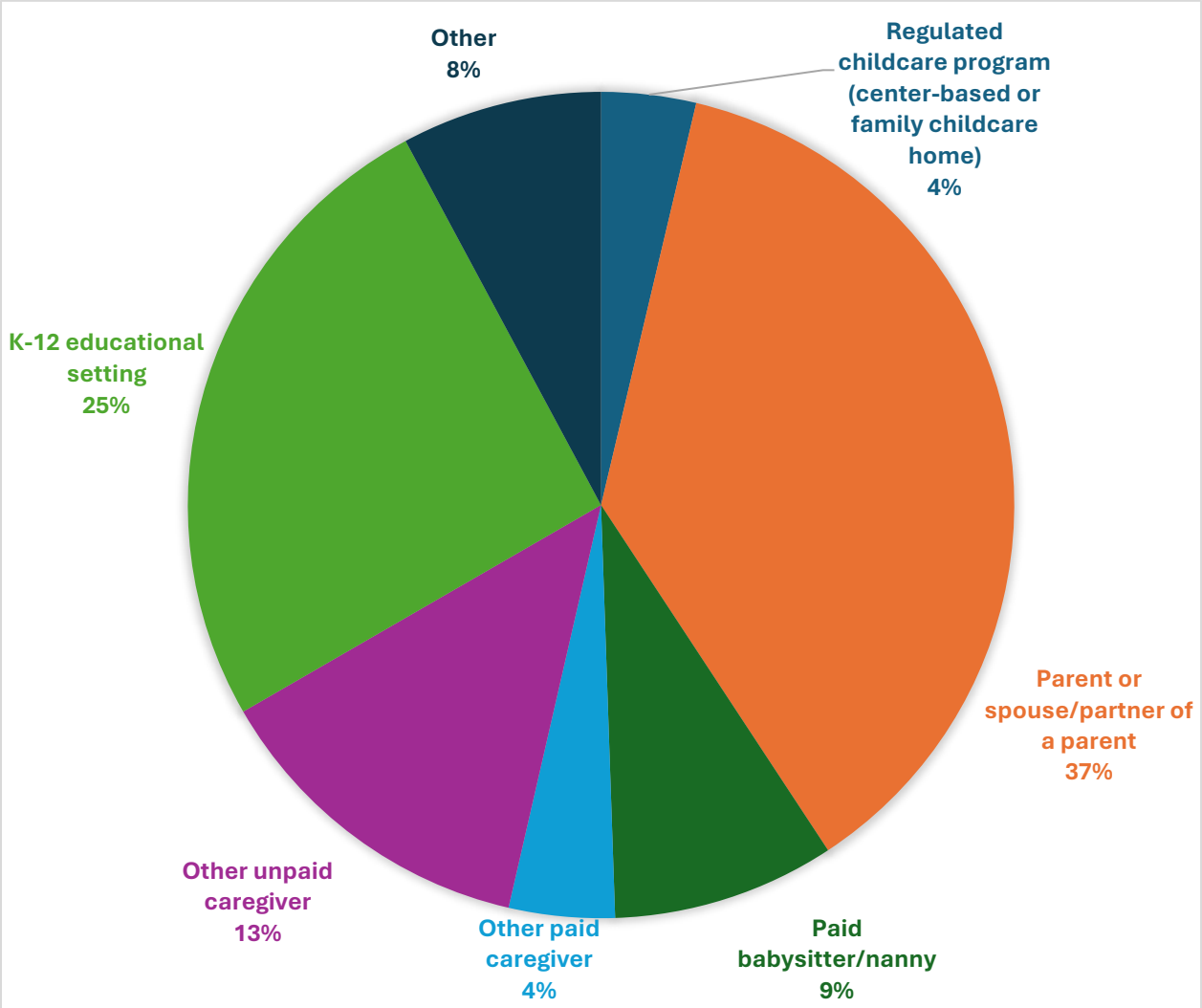


Figure XI above demonstrates the percentage of the number of children. From this figure, we can identify that the parents within the LaSalle, Marshall, and Putnam Counties typically have two to three children.

Figure XII: Current Childcare Arrangements, Parent Respondents, 2024



In Figure XII, parents responded to their current childcare arrangements. From this figure, we can identify that many of the childcare arrangements from respondents were either parent or spouse/partner of a parent, K-12 educational setting-style childcare, and babysitter/nanny.

Figure XIII: Average Cost of Childcare per Week, Parent Respondents, 2024

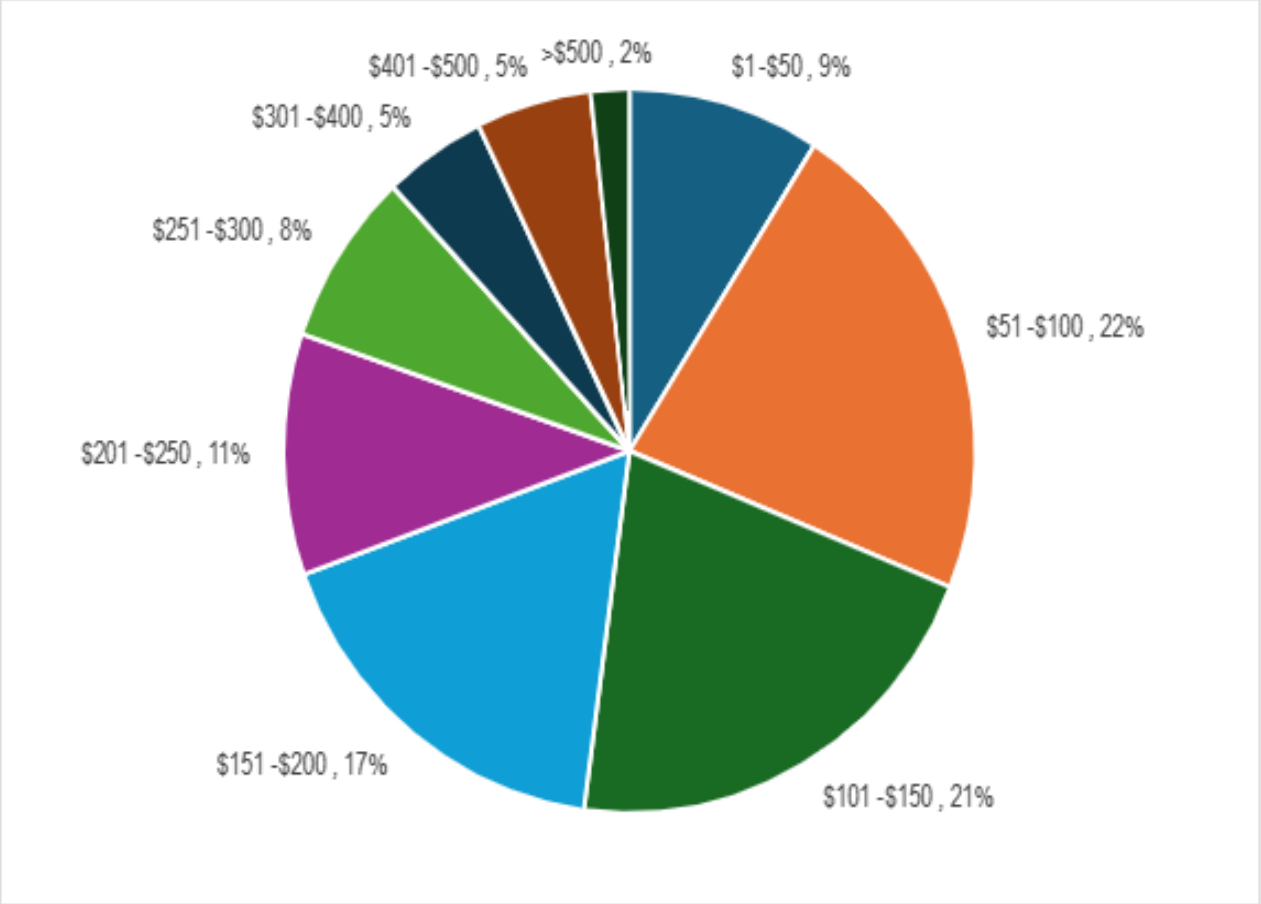


Figure XIII above demonstrates the average cost of childcare reported by parents within the ROE 35 Region. From this figure, we can determine that 69% of the respondents pay more than $101 per week for childcare.

Figure XIV: Total Household Annual Income, Parent Respondents, 2024

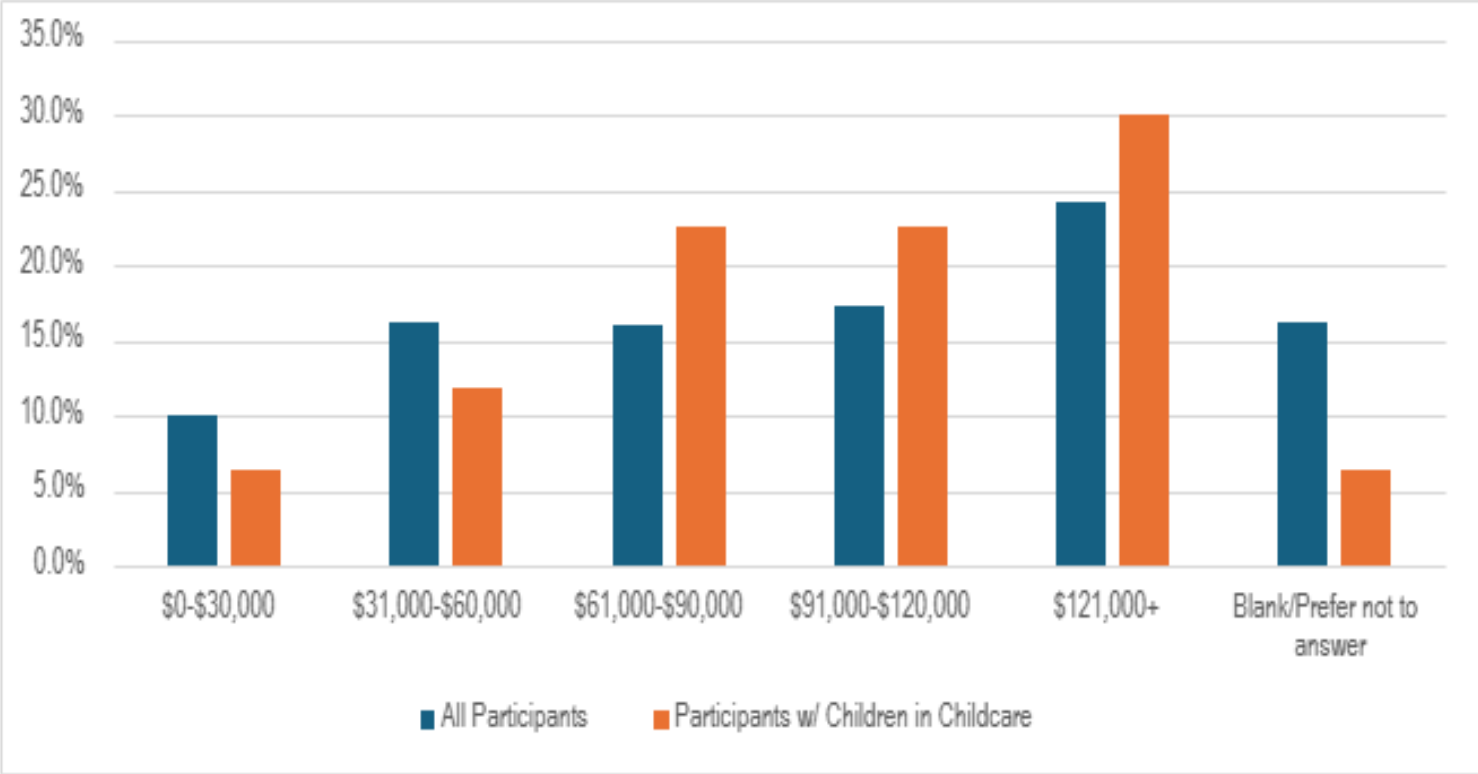


Figure IV displays the total household annual income of the survey respondents, separated by all participants and participants with children.

Figure XV: Work Arrangement, Parent Respondents, 2024

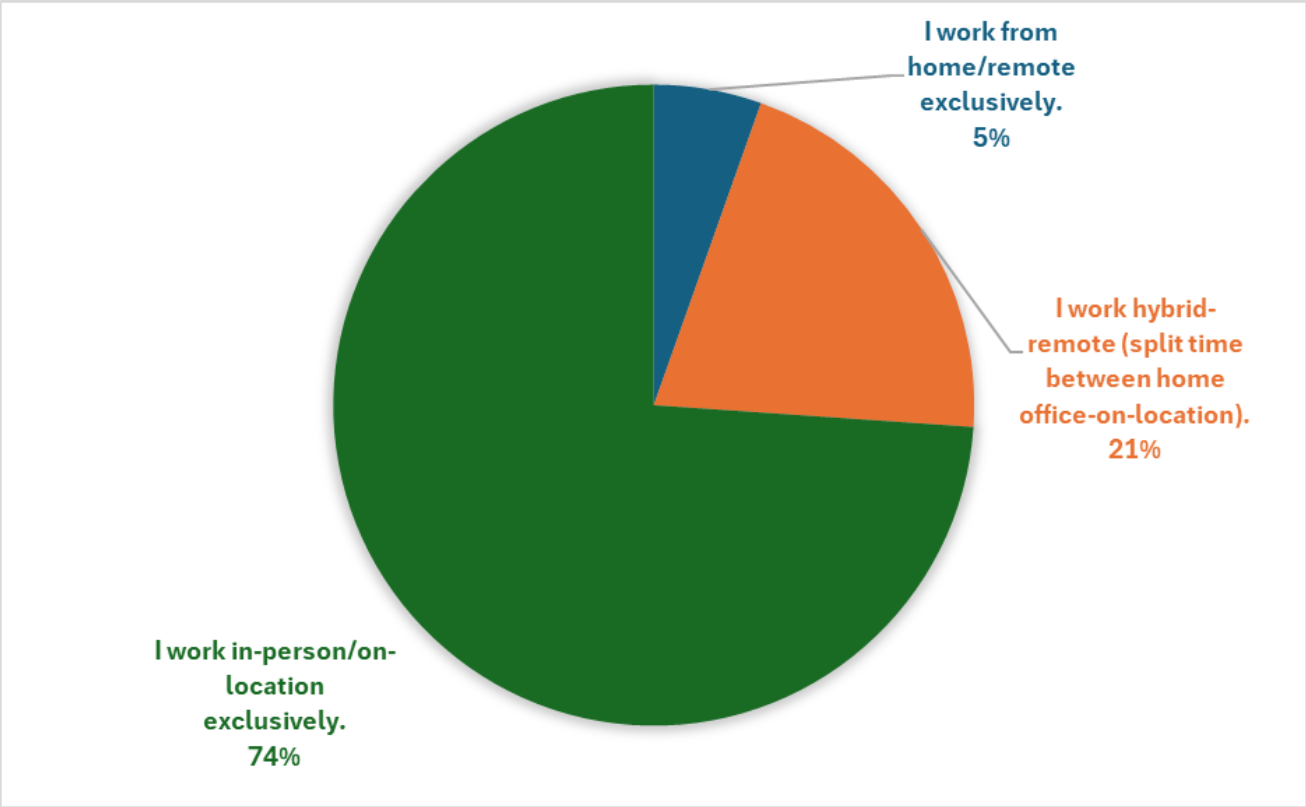


Figure XV outlines the current work arrangements of the survey respondents, indicating a large majority of the parents work in person or on location.

Figure XVI: Preferred Type of Early Childcare Provider, Parent Respondents, 2024

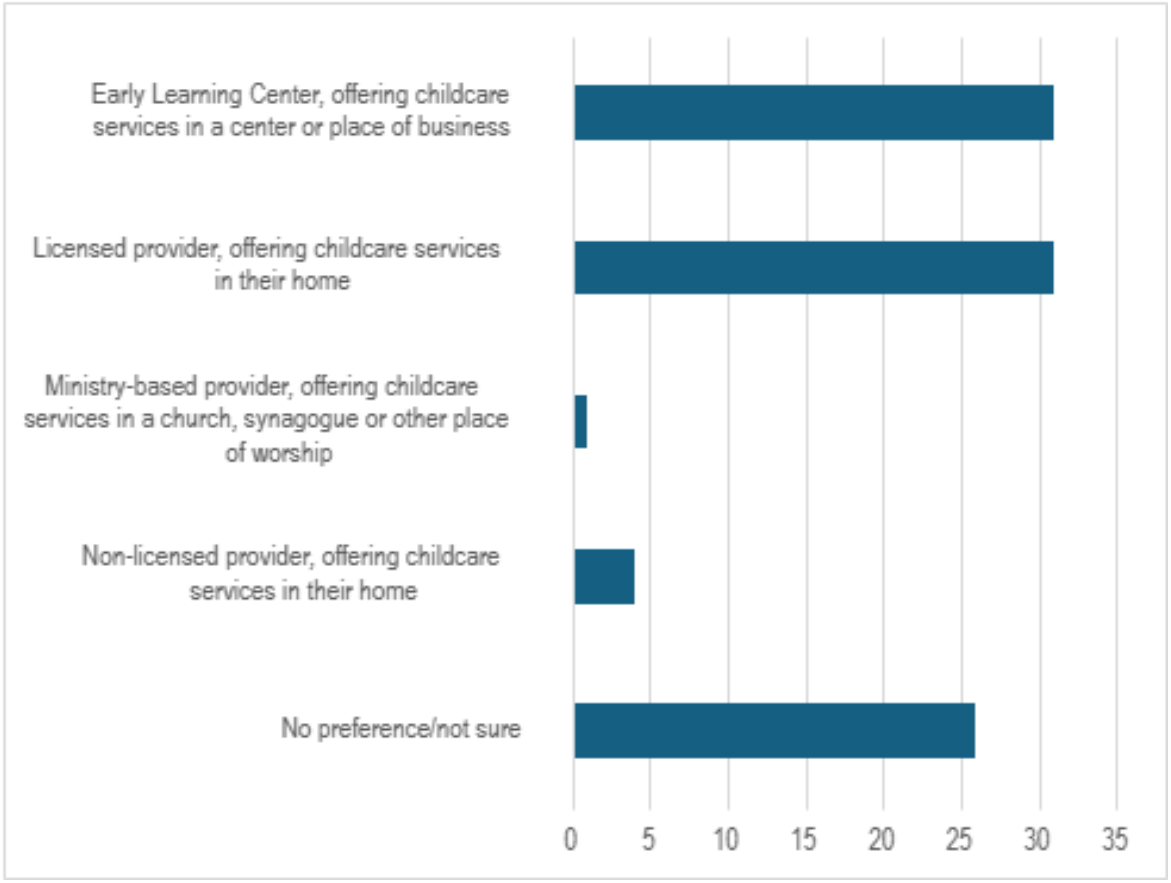


Figure XVI above displays the preferred type of childcare per survey respondents. Eliminating those that had no preference or were unsure, many of the survey respondents either preferred an early learning center, offering childcare services in a center or place of business or licensed provider, offering childcare services in their home.

Figure XVII: Distance between Place of Employment and Childcare Arrangement, Parent Respondents, 2024

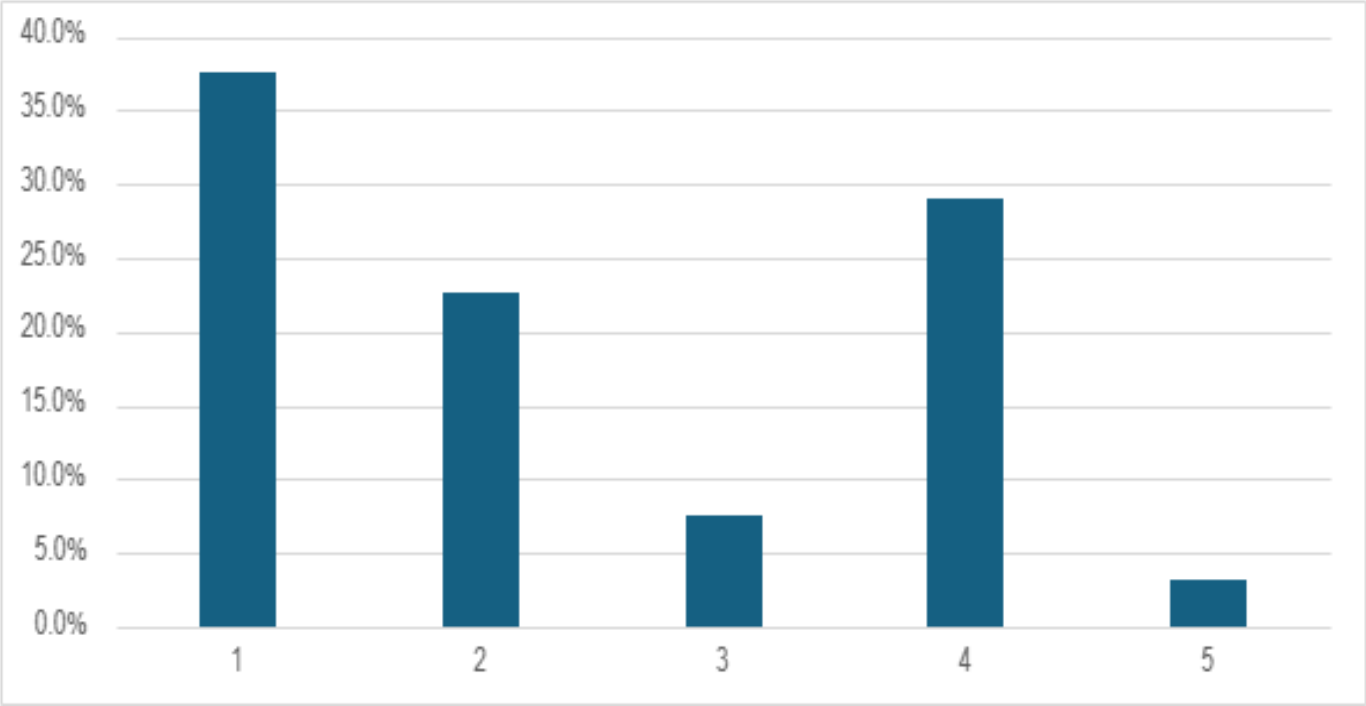


Figure XVII above demonstrates the distance between the place of employment and childcare arrangement, with 1 equaling 10-15 minutes, 2 equaling 20-30 minutes, 3 equaling 35-45 minutes, 4 equaling 5 minutes or less, and 5 equaling longer than 45 minutes. From this figure, we can identify parents who responded to the survey who lived within 5 to 15 minutes to their childcare provider.

Appendix B: Employer Survey Responses

Figure XVIII: Number of Parent Employees of Children under the Age of 6, Employer Respondents, 2024

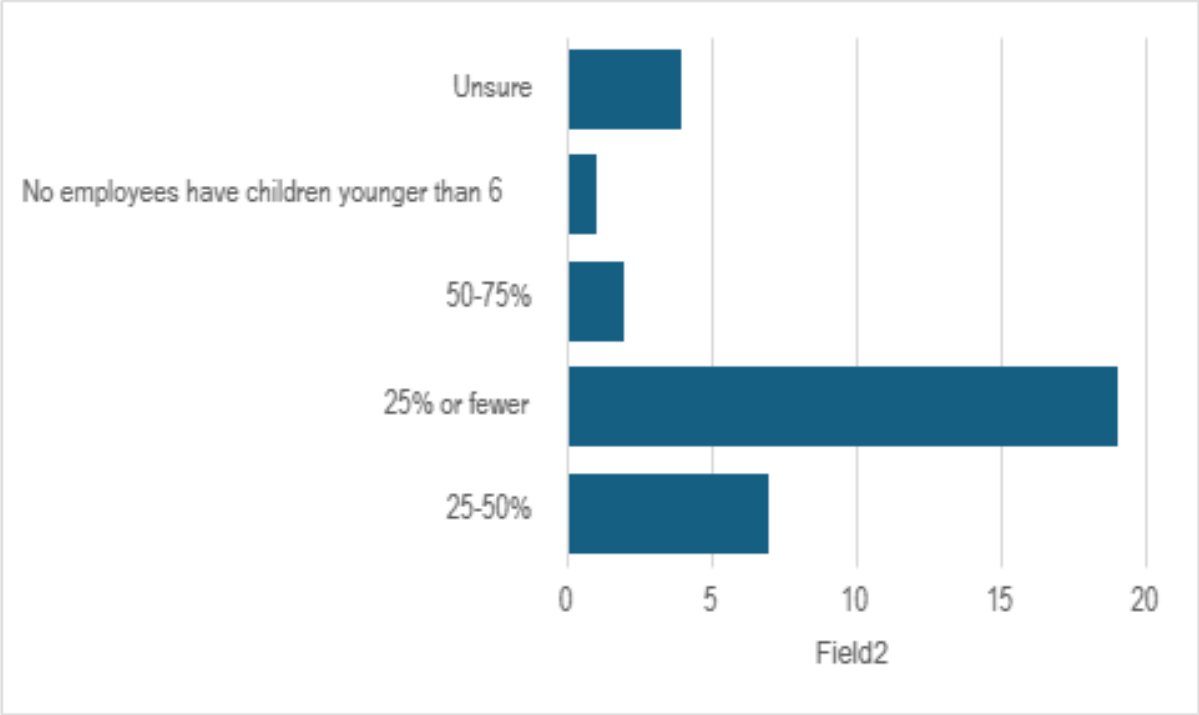


Figure XVIII above outlines the number of parent employees who have children under the age of 6. Many of the employers surveyed believed that approximately 25% or fewer of their employees had children under the age of 6.

Figure XIX: Perception on Workforce Struggles to Find Reliable and Accessible Childcare, Employer Respondents, 2024.

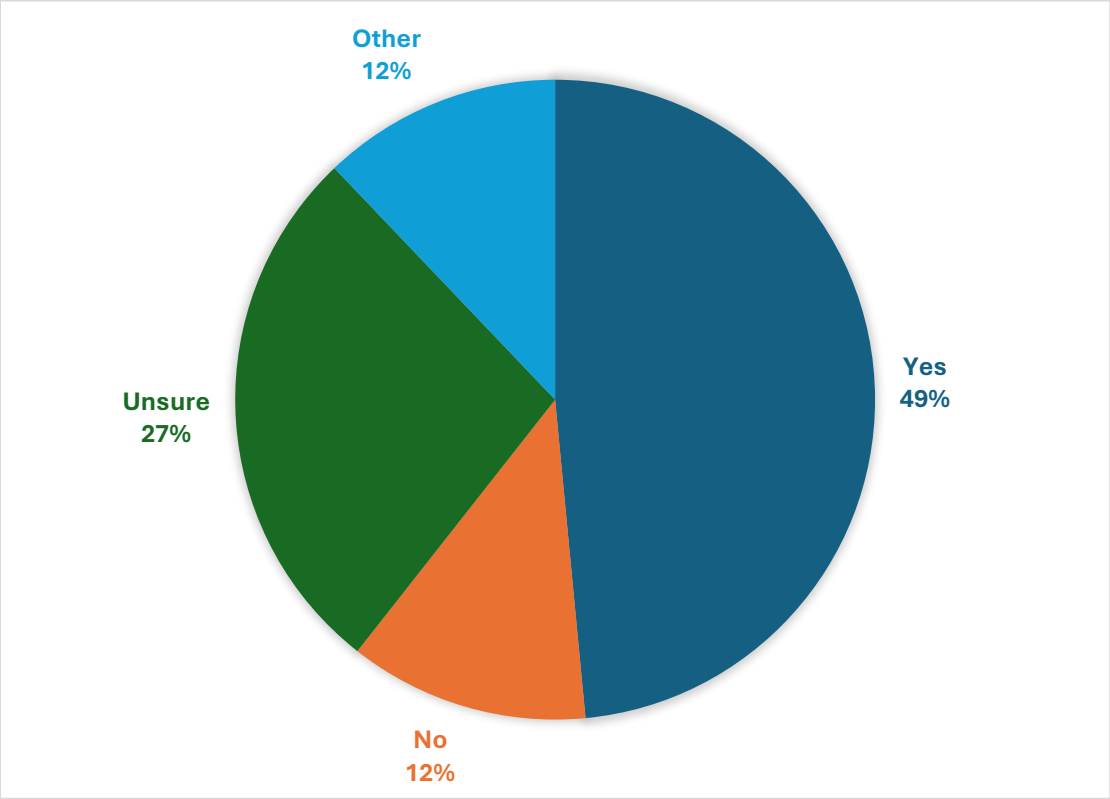
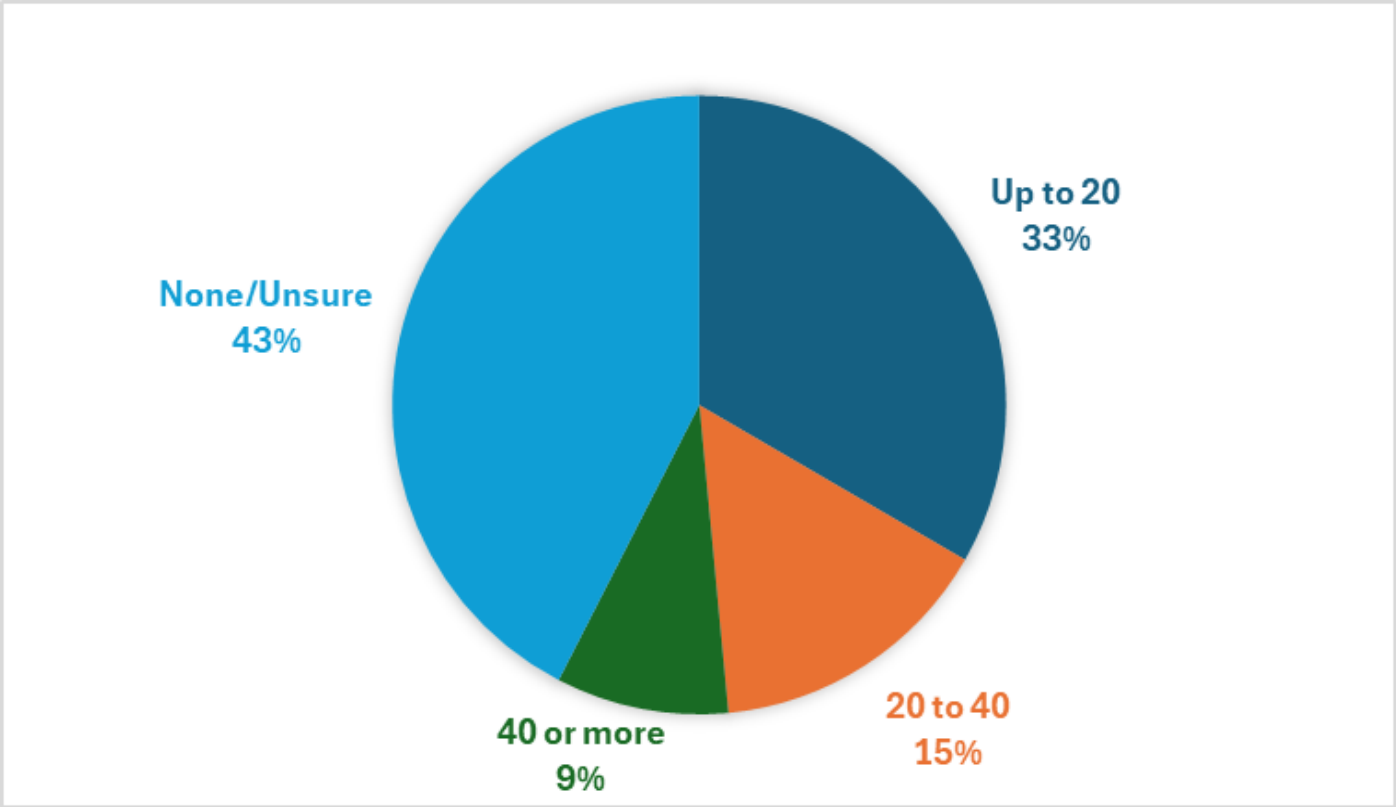


Figure XIX largely demonstrates that less than 50% of respondents believed that employees struggle to find reliable and accessible childcare.

Figure XX: Hours Employees Missed due to Lack of Reliable Childcare, Employer Respondents, 2024



The Figure Above (Figure XX) outlines the number of hours employees missed due to a lack of reliable childcare. The large majority, outside of the unsure answer, is that parents have missed up to 20 hours within 30 days due to childcare issues.

Figure XXI: Ability to Hire/Retain Employees due to Childcare Challenges, Employer Respondents, 2024

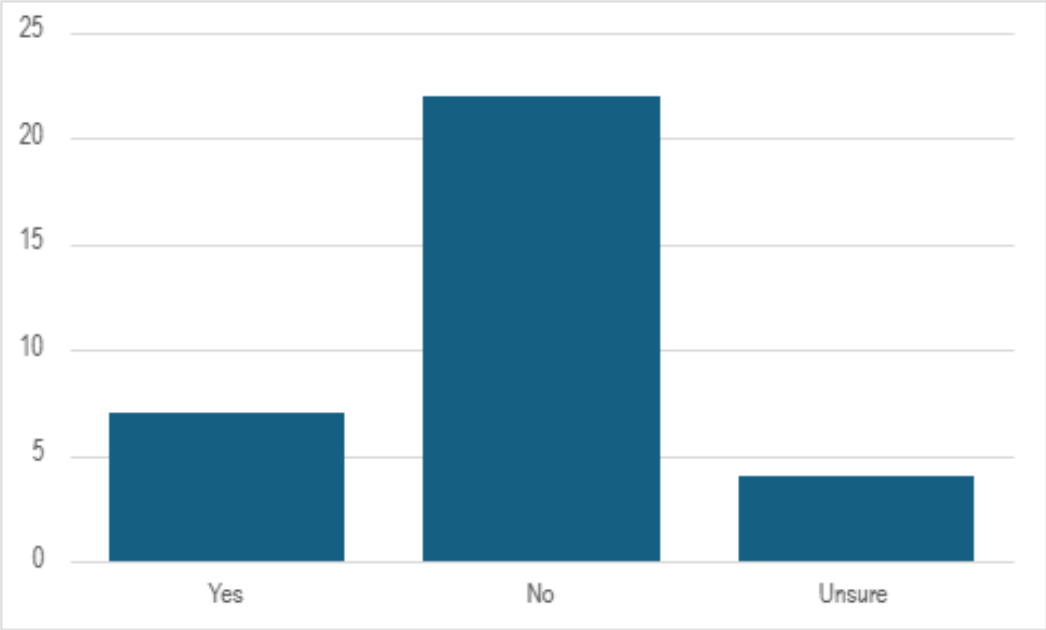


Figure XXI outlines whether employers had issues retaining or hiring employees due to childcare challenges. Largely, employer respondents did not believe there was an issue with hiring/retaining employees due to childcare barriers.

Figure XXII: School Decisions Impacting Employees Ability to Work, Employer Respondents, 2024

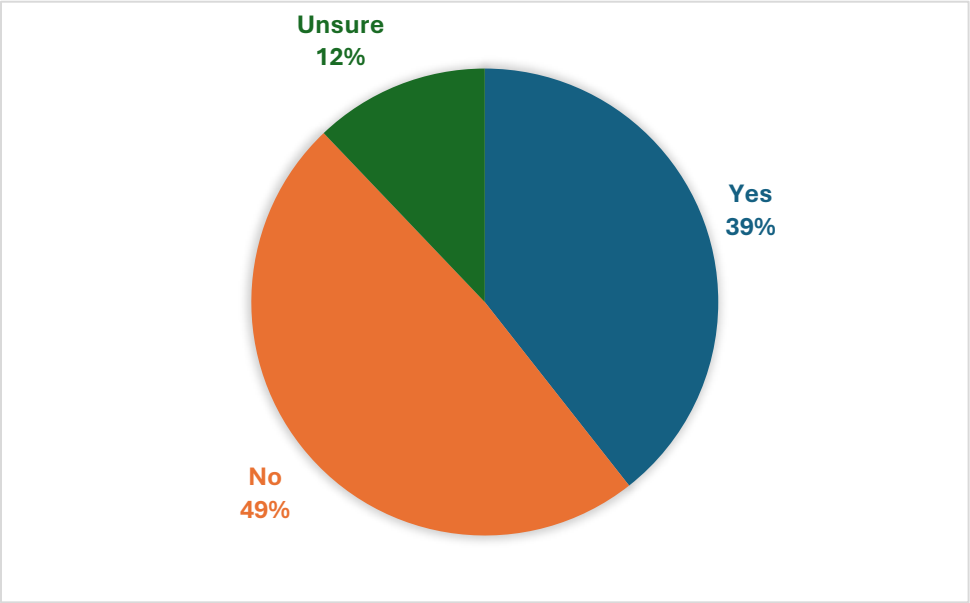
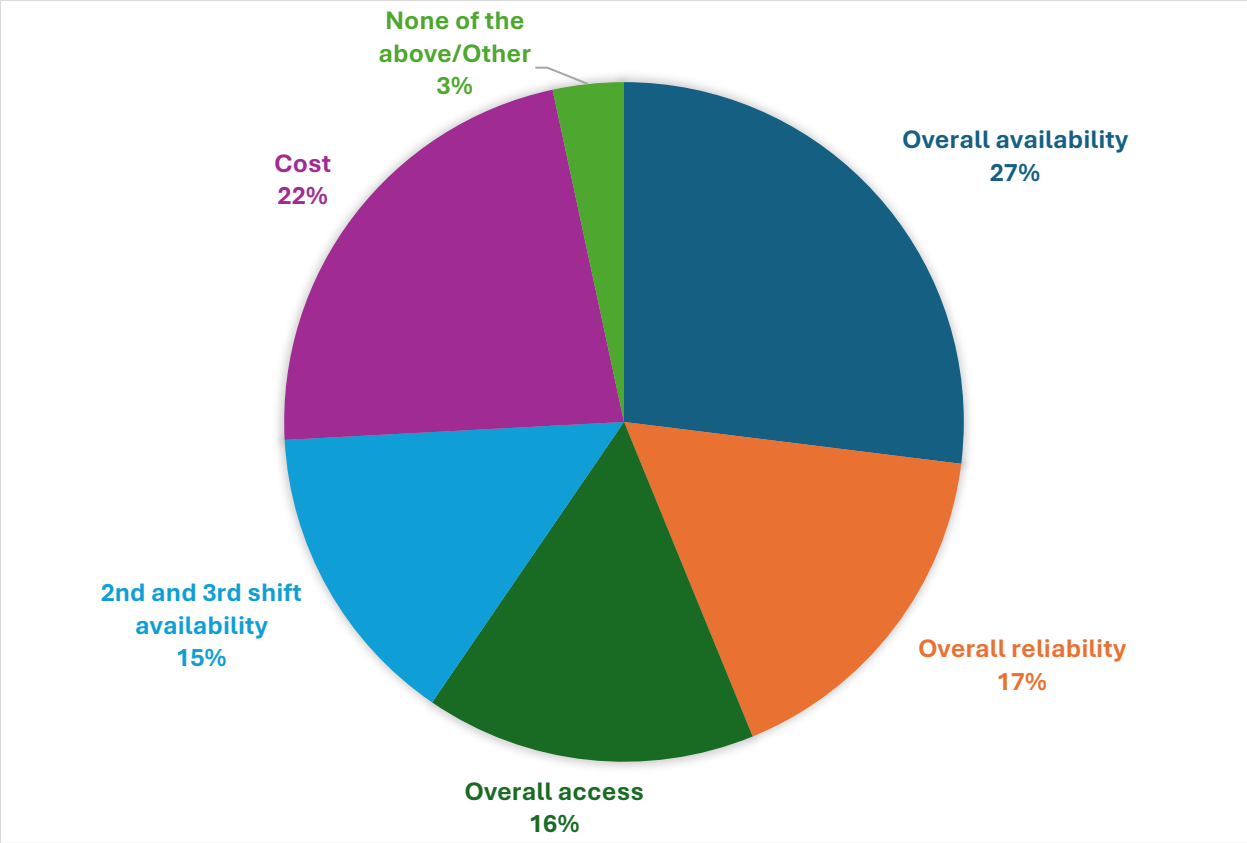


Figure XXII above outlines employer interpretations of whether school decisions impact employee's ability to work. Largely, employers do not believe that school decisions impact an employee's ability to work.

Figure XXIV: Childcare Challenges, Employer Respondents, 2024



Lastly, Figure XXIV outlines the challenges that employers have identified through this survey. Based on the respondents, we can identify that overall availability, overall access, cost, overall reliability, and 2nd and 3rd shift availability seem to be the most pressing.