

# NORTHWEST KANSAS EARLY CHILDHOOD ENDOWMENT FUND

A public-private partnership to provide a sustainable funding source for  
childcare operations in 26 Northwest Kansas counties.

Presented to the Kansas Legislative Budget Committee  
September 4, 2024

# THE ENTITIES

- *Dane G. Hansen Foundation*
  - *Private Foundation serving 26 counties in Northwest Kansas.*
  - *Awards approximately \$23 million in annual grants*
  - *Created multiple grant programs to assist with childcare expansion and sustainability*
- *Northwest Kansas Economic Innovation Center, Inc. d/b/a The Innovation Center*
  - *Private operating foundation dedicated to economic development in 26 counties in Northwest Kansas.*
  - *Employs a childcare program specialist who provides support to communities and childcare providers.*
  - *Supports childcare providers who are not eligible for Hansen Foundation grants.*
- *Patterson Family Foundation*
  - *Private foundation serving rural communities in Kansas and western Missouri.*
  - *Working with the Hansen Foundation on this and other initiatives.*
- *Greater Northwest Kansas Community Foundation*
  - *A host foundation for 14 countywide community foundations as well as multiple other regional nonprofit organizations*

# SUPPORT FOR CHILDCARE: AN IDENTIFIED NEED

## ALL IN FOR KANSAS KIDS STRATEGIC PLAN FOR EARLY CHILDHOOD:

- 4.1.1 Explore public-private partnership models around the country and identify elements that reflect Kansas values and priorities.
- 4.1.3 Connect local government officials, nonprofit leaders, chambers of commerce, the economic development community, and business leaders with opportunities to support families, such as wage support and scholarships for early childhood care and education professionals, expanded broadband access, and community service tax credits.
- 4.2.1 Identify and leverage resources, programs, and policies that bolster efforts to create family-friendly workplaces in Kansas.
- **Measures of Success** Overall amount and percent of private investments relative to the Children's Budget type and percent of early childhood care and education services funded by private investments, relative to all early childhood care and education investments.

# THE ENDOWMENT

- A Regional Childcare Endowment has been established to provide ongoing, sustainable community-level childcare solutions in the 26 counties in Northwest Kansas.
- The endowment is held, invested and administered by the Greater Northwest Kansas Community Foundation (GNWKCF). A regional nonprofit foundation.
- Distributable funds will be based on 5% of the average fund balance. Distributions are estimated to begin in the summer of 2025.
- Applications will be accepted at any time. Grants will be awarded quarterly, with the ability to respond to emergency needs at any time.
- Application review will be provided by the Innovation Center and GNWKCF to ensure applicants and requests meet all requirements.
- A grant review committee including representation from the Kansas Children's Cabinet will determine awards.

# FUNDING PRIORITIES

- The primary focus is to provide a source of gap funding for existing childcare centers and qualifying family childcare homes.
- Grants can be awarded to existing childcare centers or qualified family childcare homes that have an emergency need or unexpected budgetary shortfall to ensure continued operation.
- Funding for start up operations for new centers or qualified family childcare homes may be considered.
- Priority will be given to applications that include a local funding component and those participating in a community childcare coalition.
- Grants will be spent within a 12-month period and grantees will provide a report at the end of the grant period.
- After primary awards to ensure sustainability of existing programs are met, excess grant dollars may be used to support childcare strategies designed to help improve and sustain existing providers. These could include but are not limited to:
  - Professional development
  - Management support
  - Consultation for special needs children

# ELIGIBILITY GUIDELINES

- Located in the 26-county service area defined as Northwest Kansas.
- Operating as or through a nonprofit organization.
- Licensed with KDHE and following current staff/child ratios.
- Providing care for at least 8 children. *Exception: providers temporarily holding a space for a sibling of a currently served child or an infant slot for an expectant mother.*
- Must accept infants.
- Must employ at least one full-time childcare provider.
- Must be open year-round. *Exception: if the provider is directly funded by a school district and childcare was not needed during the summer.*
- Must accept families receiving the DCF childcare subsidy. *Full tuition for DCF families may be more than the childcare subsidy.*
- Must agree to share financial information as a part of the grant review process.

# THE DOLLARS

- The goal is \$15,000,000, raised over a five-year period.
- The Dane G. Hansen Foundation has committed \$5,000,000 over five years. \$1,000,000 has already been contributed.
- The Patterson Family Foundation has contributed \$1,000,000 for year one and invited repeat applications for potential continued match.
- The Dane G. Hansen Foundation is committed to approaching other potential funders to match or contribute.

The gift from the Kansas Children's Cabinet will be leveraged – at the minimum 100% – and potentially 300% or more.

# THE IMPACT

- When fully established, the endowment will provide a source of revenue to help SUSTAIN childcare facilities that does not require raising funds or tax dollars.  
*If dollars remain after appropriate sustainability grant requests are fulfilled, grants can respond to other early childhood grant requests that support existing providers.*
- Childcare providers will have a better quality of life due to appropriate wages, the potential for benefits and job security.
- Kansas employers will benefit by an increase in available employees as parents who currently cannot work due to lack of childcare are able to enter the workforce.
- Kansas children benefit by receiving quality, stable early childhood education, and by increased economic opportunities due to higher family wages.



# THE POTENTIAL

The Northwest Kansas Early Childhood Endowment Fund can be used as a model which could be replicated in other regions of Kansas using a similar public-private approach.

This public private partnership will provide ongoing support for childcare – a critical service that will always need financial support and will always be needed for continued growth of Kansas communities.

# QUESTIONS/DISCUSSION

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