

KOTZEBUE COMMUNITY CHILDCARE PROJECT

Presented By: The Northwest Arctic Childcare Working Group

May 2025





NW Arctic Childcare Working Group

The NW Arctic Childcare Working Group was established by dedicated community members to address the critical need for quality childcare and early childhood educational services in our region. Currently they have over 15 members who represent different organizations and community roles.

Since June 2024, the Working Group has been formally working to develop a sustainable, center-based childcare program in Kotzebue, with additional plans to support surrounding communities in the region.

Childcare is a critical need in our community

Early childhood education, including childcare programs, play a vital role in supporting overall family health and wellbeing. Quality early learning environments have shown to have lasting impacts over a child's life including promoting improved outcomes in later school academics and social emotional skills. Childcare programs also serve a crucial economic role, by providing care for children while families work. Stable, quality childcare benefits the entire workforce by allowing more adults to secure and maintain employment.

Businesses and organizations in Kotzebue struggle greatly with hiring and retaining staff, causing delays or shortages of services, decreased quality of services, increased costs to employers and lost income for families.

The challenges surrounding childcare and fractured economies have caused many families to leave the region taking with them valuable skill sets and leaving generations to grow up disconnected from their culture, land and people.



Kotzebue Community Childcare

Program Overview

Page 04

- **Inupiat cultural and language programming-** potential to grow into a language nest model
- **Ages Served: 6 weeks - 5 years,**
 - primary focus on 6 weeks to 4 years
- **Max Capacity: 42 children & approximately 3 classrooms**
- **Hours of Operation: 7:30 am - 5:30 pm**
- **Tuition Fee Range: \$1200 - \$1500 monthly**
 - will accept both state and tribal childcare assistance
- **Pursuing pathways for Tribally exempt childcare licensing**



We need your help

To build a strong program that can care for our community we need your support.

Our greatest needs are
financial contributions and
in-kind donations of services,
space or other resources.



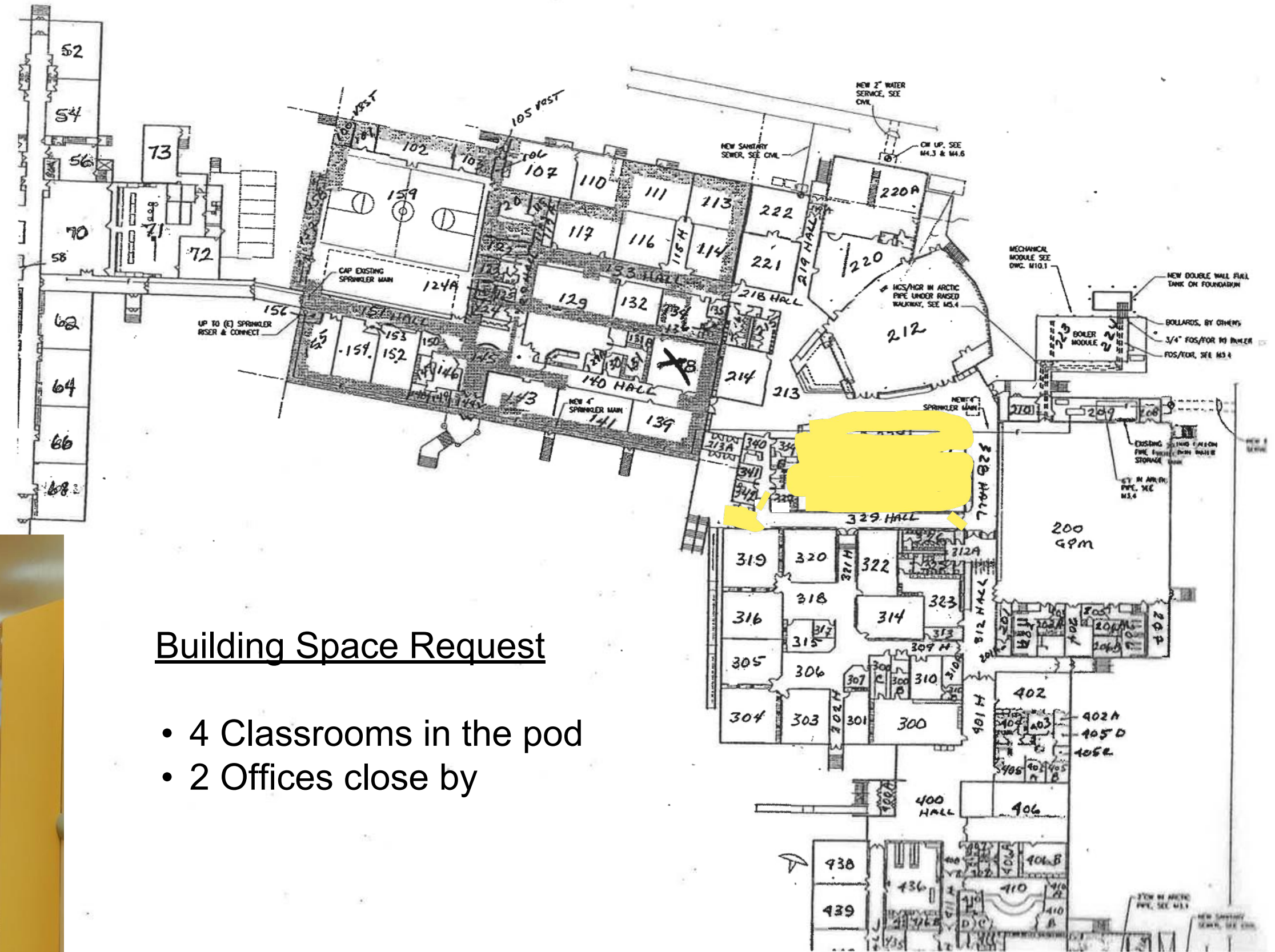
Contribute Building Space and Facility Support

The true cost of childcare is high and in an effort to keep prices affordable to families the program needs invested community partners to help offset this cost.

We respectfully ask that the Northwest Arctic School Board considers the building space and utilities of the KMHS former 6th grade pod area as an in-kind donation to the program for an initial 3 years.



School Facility



Building Space Request

- 4 Classrooms in the pod
- 2 Offices close by

Financial Overview

Budget Overview - School Location		
Expenditures		
Salaries and wages	\$	734,955.31
Supplies and all other	\$	186,550.00
TOTAL	\$	921,505.31
Revenue		
Tuition and fees	\$	657,300.00
Grants and all other	\$	10,000.00
TOTAL	\$	667,300.00
NET PROFIT/LOSS	\$	(254,205.31)



Estimated True Cost of Care By Region

TABLE 9. CENTER-BASED OPERATING COSTS PER CHILD, BASE CASE SCENARIO BY PUBLIC HEALTH REGION

Public Health Region	MONTHLY COST PER CHILD			
	Infants (0-12 months)	Toddlers (13-18 months)	Toddlers (19- 35 months)	Preschoolers (36-59 months)
Anchorage	\$2,105	\$1,781	\$1,565	\$1,186
Gulf Coast	\$1,759	\$1,759	\$1,551	\$1,385
Interior	\$1,882	\$1,882	\$1,667	\$1,319
Mat-Su	\$1,738	\$1,738	\$1,522	\$1,143
Northern	\$2,123	\$2,123	\$1,915	\$1,749
Southeast	\$1,780	\$1,780	\$1,571	\$1,406
Southwest	\$2,115	\$2,115	\$1,907	\$1,741
Statewide	\$1,785	\$1,785	\$1,571	\$1,250

From the Childcare In Alaska: The True Cost Of Care report created by the McKinley Research Group for the State of Alaska Department of Health

Committed Resources

Maniilaq Association

Providing approx. 2M in funds for start up costs, including building renovations and staff training and ongoing support.

Nunakins

Offering support for licensing process as well as staff training

Aqqaluk Trust

Support for staff training and language resources for cultural programming.





For More Information Please Contact

Local Working Group Members: **Tracey Schaeffer,**
Elizabeth Hensley, Carol Shaeffer, Rita Short or,

Jenny Murphey

Working Group Consultant

Phone: 907-401-0316

Email: jmurphey@ruralcap.org



THANK YOU

Kotzebue Community Childcare Program Plan

Updated May 20, 2025



KHMS 6th Grade Pod Location

Table *of* Contents



I. <u>Executive Summary</u>	1
II. <u>The NW Arctic Working Group</u>	2
III. <u>Business Description</u>	3
IV. <u>Childcare Market Analysis</u>	5
V. <u>Future Plans</u>	6
VI. <u>Financial Plan</u>	7
VII. <u>Timeline</u>	11

Executive Summary



MISSION

To serve our community through sustainable and quality childcare programming that upholds our Inupait Ilitqusiak and strengthens our future generations.

The Kotzebue Community Childcare Program will provide high quality, center-based care to young children and families in the local area. This program stands to address the growing childcare and workforce crisis in the region, starting in Kotzebue. We recognize that there is great need for care and services in the surrounding communities and plan to support that need by sharing our learnings and any resources developed by this project. We also hope to support the expansion of our local Tribal licensing system that will reduce barriers for all communities in the region wanting to operate childcare.

Nation wide childcare has been a topic of great concern and is especially impacted in rural areas. According to Thread Alaska's Early Childhood Education Data Dashboard there are over 750 children in the Northwest Arctic Borough and 48% of them are in need of childcare or early childhood education services. During stakeholder interviews with organizations and community members in Kotzebue at the beginning of this project every person we spoke with highlighted the profound impact of not having adequate childcare on the workforce. Almost all employers in the area experience issues with hiring, retaining staff, and staff missing work due to lack of childcare. This leaves critical roles unfilled or underfilled and causes services to be delayed or canceled in the community. .

Through collaborative community efforts we intend to build a sustainable and robust program that can support children and families as they grow and engage in the workforce. We are committed to offering care that is rooted in our Inupiat culture, it is through these traditions that our next generation will thrive.

The Northwest Arctic Childcare Working Group



The Northwest Arctic Childcare Working Group was established by dedicated community members to address the critical need for quality childcare and services in our city. Since June 2024, we have been formally working to develop a sustainable, center-based childcare program for Kotzebue. Our group includes over 18 members who represent parents and families, businesses, nonprofits and faith-based and Tribal organizations. The group advises on the structure and design of the program, space and location, community partnerships, funding and more. We hope to develop programming that can be replicated and implemented in communities beyond Kotzebue.

Members and Contributors

- Tracey and Bailey Schaeffer- Nunakins and Early Learning & Family Program
- Elizabeth Saagulik Hensley- Community Member and Parent
- Carol Schaeffer- Nana and School Board Member
- Alan Humphries - Church of God
- Saima Chase - City of Kotzebue
- Christina Hensley - Kotzebue IRA
- Rita Short- Community Member and Parent
- Ron Johnson- City of Kotzebue
- Wanda Baltzar - Early Learning & Family Program
- Maureen Nelson - Early Learning & Family Program
- Lucy Boyd - Aqqaluk Trust
- Denise Koutchak- Aqqaluk Trust
- Reid Paaluk Magdanz- Aqqaluk Trust
- Toni Rae Bergan - Kotzebue IRA
- Albie Dallemolle- Nana
- Maniilaq Workforce Development program

Business *Description*



Program Overview

The Kotzebue Community Childcare Program (KCCP) in the school location will serve up to 42 children in a center-based care model. In the KHMS 6th grade pod location the program will offer one infant, one toddler and one preschool classroom as well as one indoor gym space. The program will be established as a nonprofit that is governed by a diverse board of parents, community members and organizations. This high quality early childhood program will be inclusive of Inupiat cultural teachings and traditions that address the growing childcare need in Kotzebue with the potential to grow into a Language Nest program.

Ages Served & Hours of Operation

The program will serve children ages 6 weeks to 5 years old with a primary focus on children from 6 weeks to 4 years old. The program will be open from 7:30 am to 5:30 pm Monday through Friday. There is a need in the community for non-traditional hours (weekends, evenings) that the program could consider expanding to in the future.

Tuition and Fees

Tuition will be charged on a monthly basis for the whole month of care regardless of child attendance. Monthly tuition will align with Maniilaq's Tribal childcare assistance rates. The program will accept both Tribal and State of Alaska childcare assistance payments. Families will be responsible for the difference in cost if their assistance payments are less than the charged tuition. Families will also be charged an annual supply fee and late fees for late pick ups.

Enrollment

The Kotzebue Community Childcare Program will maintain a waitlist for slots and enroll families from the waitlist in a chronological manner. Waitlist preference will be given to siblings of children already enrolled. To be enrolled families and children will need to follow Tribal and State of Alaska licensing regulations including providing up to date immunization records and a current physical.

Licensure

The Northwest Arctic Childcare Working Group alongside the Maniilaq Association is exploring how to expand their Tribal licensing program to include center-based care that is approved by the State of AK. This would allow the KCCP to be a Tribally licensed program that is recognized by the State and could accept childcare assistance payments from both Tribal and State systems. Tribal licensure would provide region-wide benefits by reducing barriers and creating local systems of support and promoting tribal sovereignty. If Tribal licensure is delayed or not possible the program will pursue State licensure.

Staffing

The KCCP will be staffed with a Director, Assistant Director, Teachers, Teacher Aids and Volunteers. The program will adhere to required caregiver to child staffing ratios. Quality staff are the heart of any successful childcare program and great effort will be put into making sure that staff are well trained and fairly compensated for their work. The Northwest Arctic Childcare Working Group has cultivated potential training support and resources from ATC, Maniilaq, the School District Early Learning and Family Program and the Aqqaluk Trust.

Language and Cultural Programming

The Kotzebue Community Childcare Program will be rooted in Inupiat culture and traditions. The NW Arctic Childcare Working Group hopes to partner with other community and regional programs that are utilizing Inupiat cultural curriculums and activities and expand on those resources. A survey by the Working Group conducted in September 2024 came back with a strong preference from Kotzebue respondents to have cultural and language programming as a core component of childcare and early childhood education services.

The program will be set up with the potential to expand into a Language Nest in future years after successful childcare services are operating. The Working Group includes members from the Aqqaluk Trust who have shared their plans for expanding adult language programs. This would be beneficial for the launching of a Language Nest model. One of the largest barriers to Language Nests is having enough adult language speakers in classrooms. Nikaitchuat Iḷisaḡviat is a language immersion program already in operation in the community and a good opportunity for learning and connecting. In this way collaborative community partnerships will be key to expanding Inupiat language services.

Childcare Market *Analysis*

State of Need

Currently in the Northwest Arctic Borough there are over 750 children under the age of 6. According to the State of Alaska's Childcare Resource and Referral Agency, Thread Alaska, almost 50% of those children do not receive childcare or other early childhood education services due to lack of programming and availability. Most children under the age of 6 in the region are receiving care by relatives or friends in unlicensed home settings. These care settings are important and serve a valuable need the community but are not enough to meet the whole need for childcare.

Lack of access to high quality childcare and early childhood education services has a critical impact on the local workforce creating barriers for employers and employees. Many jobs in the community are difficult to fill and keep filled and costs thousands of dollars for employers for recruitment and training of new staff. This is a large financial burden and affects the quality and consistency of programming and services in Kotzebue. Strain and stress is put on organizations and the current staff as they work to cover positions or duties when other staff are out frequently leading to decreased job satisfaction for many.

Families pay a heavy cost as well by not being able to fully participate in the workforce or maintain employment causing lost income and overall decreased financial security for many. This leaves many parents experiencing additional stress and having to cycle through job opportunities or find other ways to make ends meet. The challenges surrounding childcare have even caused many families to leave the region taking with them valuable skill sets and leaving generations to grow up disconnected from their culture, land and people.

In Kotzebue there are currently two licensed childcare providers, Nunakins and Nikaitchuat Iḷisagviat. These two programs serve a combined 28 children in the community. Additionally the School District operates part day preschool programming for children who are 3-5 years old and are out of diapers. This leaves a significant need for care and for children under the age of 3 and those who are not yet potty trained. This childcare program would serve to address that need and work in coordination with other established programs in the community to provide more care options for families.



Marketing Opportunities

The Kotzebue Community Childcare program will utilize local marketing opportunities to get the word out about services and ongoing recruitment of families. These include local radio ads, community newsletter distribution lists, website and/or social media communications, and other news postings. Word of mouth and local referrals will be another valuable source for recruitment.

Future *Plans*

Kotzebue Childcare Expansion

The proposed childcare program in this plan would not meet the true community need for care but would be a first step to building out a continuum of care options (in-home childcare, center-based childcare, relative care, summer camps, school based preschool programs, etc.). To meet the diverse needs of families in a community many care options should be available so that each family and child can find the The NW Arctic Childcare Working Group would continue to explore options to expand the program to another location after this location was established and securely operating. The Working Group is open to exploring all existing resources and options for expansion.

Region Wide Supports

The NW Arctic Childcare Working Group is developing this program with intentions to support childcare and early childhood education services region wide. Kotzebue is the largest community in the region and center-based care is the community priority. The Working Group would like to explore how this model or a version of this could be replicated in surrounding communities. Through the building of this project supporting ideas have been generated for how the Working Group and partners can impact services across the region as well.

Replicable Program Model	Tribally Exempt Licensing	Resource Sharing
Create a replicable or modifiable model for center-based care programs that could be implemented in smaller communities.	Establish Tribally Exempt Licensing option that would reduce barriers for all home and center-based childcare programs region wide.	Develop and share resources for ECE programs across the region especially those that are Inupiat.

Financial *Plan*

The financial plan for the Kotzebue Community Childcare Program consists of two parts, start up costs and an annual operating budget.

Due to the costly nature of caring for young children and the need to keep care affordable for families, it is not expected that the operating budget will balance with tuition payments alone. The NW Arctic Childcare Working Group is actively seeking community partners to contribute to the program and invest in our community. Both in-kind donations and direct financial support are needed to be able to bring this program to fruition.

Start Up Costs

Childcare Program Start Up Costs - School Location		
Infant Room Furniture, toys and classroom materials	\$30,000.00	
Toddler Room Furniture, toys and classroom materials	\$20,000.00	
Preschool Room Furniture, toys and classroom materials	\$20,000.00	
Playground Play equipment, fencing, storage, other outdoor	\$35,000.00	
Building Space Renovations Bathroom space in classrooms, sink additions, e	\$60,000.00	
Office Desks for admin staff, reception desk, records s	\$5,000.00	
Computers and Equipment Laptops/desktops, printers, cell phones, tablets	\$10,000.00	
Appliances Washer and dryer, fridge and freezer, microwave	\$10,000.00	
Staff Start Up Training CPR, health and safety, background checks, food	\$2,000.00	
Freight and Shipping	\$50,000.00	
Fees and Licensing Costs	\$1,000.00	
Working Capital		
TOTAL		\$241,000.00

Operating Budget

Childcare Draft Annual Budget- School Location

SALARIES AND WAGES

Salaries/W ages	\$ 734,955.31
TOTAL PERSONNEL	\$ 734,955.31

FACILITY

Janitorial	\$25,000.00
Internet/phone	\$2,220.00
Building Rental	\$96,000.00
Utilities	\$6,000.00
TOTAL FACILITY	\$ 129,220.00

CONTRACTUAL - Other

Insurance/Workers Comp	\$ 5,200.00
HR/Payroll	\$ 25,000.00
Grant Development	
Childcare Management Software	\$ 1,080.00
TOTAL CONTRACTUAL	\$31,280.00

FOOD

Kitchen Supplies	\$250.00
Food/extra snacks	\$5,000.00
TOTAL FOOD COSTS	\$5,250.00

TOTAL DIRECT COSTS	\$ 921,505.31
--------------------	---------------

Revenue

Tuition	\$ 657,300.00
Childcare Grant Reimbursement	\$ 10,000.00
TOTAL	\$ 667,300.00

Net Profit/Loss	\$ (254,205.31)
-----------------	-----------------

SUPPLIES

Classroom Supplies	\$10,000.00
Office Supplies	\$ 1,000.00
Staff Supplies (Wellness & appreciation)	\$ 500.00
Family Events Supplies	\$ 500.00
TOTAL SUPPLIES	\$ 12,000.00

COMMUNICATIONS

Cell phone x 2	\$ 2,400.00
Landlines	
TOTAL COMMUNICATIONS	\$2,400.00

OTHER

Annual program licensing Fees	\$4 00.00
Curriculum Subscriptions	\$2,000.00
Staff training and licensing fees	\$4,000.00
TOTAL OTHER DIRECT COSTS	\$6,400.00

| Page 9

Tuition Detail

Tuition			
		Monthly	Annual
Classroom	Slots	Rates	
Infant	10	\$1,500.00	\$180,000.00
Toddlers	12	\$1,300.00	\$187,200.00
Preschool	20	\$1,200.00	\$288,000.00
School Aged		\$900.00	\$ -
Supply Fee	42	\$50.00	\$2,100.00
		Total	\$657,300.00

Timeline

April 2025 - September 2025

- ☐ Begin community partnership conversations
- ☐ Continue to secure supplemental funding
- ☐ Select and secure a building or space
- ☐ Define the Tribal licensing process with the State of AK CCPO
- ☐ Hire a Program Director to support planning efforts

October 2025 - March 2026

- ☐ Begin renovations on building
- ☐ Develop training programs for staff as available with Aqqaluk Trust, ATC & Maniilaq
- ☐ Develop program policies and procedures and other systems
- ☐ Order program materials and supplies

April 2026 - September 2026

- ☐ Finish renovations
- ☐ Final program set up and staff onboarding
- ☐ Completed Tribal Licensing process, get State AK CCPO approval

August 2026 open program with 1-3 classrooms

