



building

child care

capacity

thread connecting early care & education to alaska

FY23 ANNUAL REPORT

from

the

CEO



Dear Friends,

thread has always believed that building on strengths leads to greater success. Your support this year made it possible to strengthen and build capacity within our organization, across communities, and in the early childhood education field in Alaska.

Strengthening child care: During this fiscal year, we still felt the effects of the pandemic. Child care programs continued to struggle to stay open, and access to child care remained a challenge for many families. Through the continued struggles, your support made a significant difference supporting **thread** to provide the knowledge, skills, and resources that families and child care programs need to excel. Together, we helped stabilize Alaska's child care sector and achieved some remarkable accomplishments throughout the year.

With annual revenue exceeding \$58.6M, we had the largest budget year in our history. We were proud to partner in delivering COVID-19 financial relief to child care programs and stand up new initiatives across Alaska. The COVID-19 relief resources helped hundreds of programs stay open, retain staff, keep the lights on, and make improvements that benefited over 10,000 Alaskan children.

Strengthening our response to child care needs: Following our agency value of being an incubator, **thread** created the INNOVATION and IMPROVE grant opportunities to increase and sustain the availability of affordable, high-quality child care. The IMPROVE grant allowed 24 licensed child

care programs to make improvements such as health and safety repairs and supplies for new classrooms. The INNOVATION grant provided 17 communities across Alaska with resources for planning and implementation of projects for increased access to quality child care including building and sustaining the child care workforce and increasing capacity for high-quality child care.

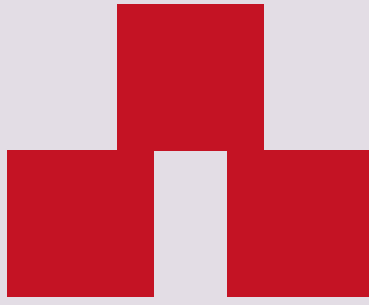
Strengthening our business model: This fiscal year, **thread** focused on strengthening our business model with goals of greater efficiency and maximizing customer reach. This includes moving to a unified statewide organization. This is a momentous change for **thread** as for the last 15 years, we have shared the delivery of our primary services in partnership with AEYC Southeast (SEA-AEYC) in Southeast Alaska and Thrivalaska in the Northern/Interior regions. Through this three-sister organizational structure, **thread** services grew and expanded to serve the early childhood education community. We are proud of this partnership and our successes and at the same time recognize that the COVID-19 pandemic changed how we work, engage in and respond to service needs, and communicate. These changes, coupled with flat funding for our primary services led to the movement of streamlining services with aim to better serve and respond to the needs of early educators and families across the state. This transition aims to achieve the greatest impact for more accessible, affordable, high-quality early childhood education.

Strengthening our partnerships: We extend our heartfelt thanks to our partners for working together to strengthen child care. Our primary partner this year was the State of Alaska, Child Care Program Office (CCPO). We thank them for their invaluable collaboration in continuing to ensure stability in the child care sector. They, like many of you, stood by and worked with **thread** to respond to still critical needs and provide targeted resources. We appreciate your partnership to strengthen our mission and impact. Together, we ensured that children have access to affordable, high-quality care.

Thank you for your continued support.

A handwritten signature in black ink that reads "Stephanie Berglund".

Stephanie Berglund,
thread CEO



impact

15,307

Total child care referrals



empowering families

Highlights:

- In February of 2023, **thread** reopened offices to in-person visits for the first time since the beginning of the pandemic and used video conferencing technology to safely connect families face-to-face with one of **thread's** Early Childhood Specialists.
- **thread** revised and updated its guidebook for Alaska families in choosing quality child care.
- **thread** joined Programs for Infants & Children, Inc. (PIC) in the Swaddle Me project to distribute new parent packages to families welcoming babies in Anchorage area hospitals.

our mission

To advance the quality of early education and child development by empowering parents, educating child care professionals, and collaborating with our communities.

vision

All early care and learning is accessible, affordable, and high-quality to support positive outcomes for children and families.

values

Empowerment
Access
Child Care Professionalism
Children's Rights
Entrepreneurial Incubator



**stabilizing
child care
programs**

\$41,233,163

Total COVID-19 support direct
to child care programs

378

Child care programs awarded

COVID-19 relief funding helped stabilize licensed child care programs. **thread** provided COVID-19 grant support including \$29.9M in stabilization grants from ARPA, the American Rescue Plan Act, and CRRSA, the Coronavirus Response and Relief Supplemental Appropriations Act. In addition, **thread** partnered with the Municipality of Anchorage's Assembly and Mayor's office, and the Mat-Su Health Foundation to provide additional funding for child care programs in their service area.

Highlights:

- **thread** provided \$89,590 worth of educational supplies directly to child care programs.
- In partnership with State of Alaska, Child Care Program Office (CCPO), **thread** offered the Improve Child Care competitive grant, which awarded 24 child care programs approximately \$930,000 to improve their programs, including projects such as updated outdoor environments, facilities maintenance, and classroom enhancements.
- **thread** partnered with the Alaska Small Business Development Center to offer more than 15 free workshops to child care businesses.

686

Individual early childhood educators received
free professional development

Highlights:

- **thread** resumed trainings in person, including our first hybrid training with both live and virtual participants.
- **thread** provided expanded professional development resources including a free subscription to the training platform ProSolutions.
- To support educator wellness and help reduce burnout, **thread** provided 1,700 premium Calm app subscriptions for early educators.



**investing
in early
childhood
educators**

\$14,000,000

Total awarded to 17 communities
to support child care



engaging
communities
& businesses

thread's Community INNOVATION grant awarded over \$14M to 17 communities across the state to support areas such as infrastructure, both in increasing capacity and planning, as well as new development of child care programs, early childhood workforce supports, and other unique and exclusive supports involving the early childhood education field.

Highlights:

- **thread** supported early childhood conferences with event sponsorships.
- The 8th annual **thread** awards drew more than 40 nominations from across the state.
- **thread** attended a total of 21 events throughout the state to connect with families, educators, and communities.
- This year thread launched the Child Care Works initiative aimed at bringing child care stakeholders together to shape goals and stronger collaboration for child care. thread hosted a convening and key stakeholder interviews to create a draft Child Care Works plan with actionable goals and activities to create change for child care over the next 10 years.
- **thread** led a successful marketing campaign titled Quality Child Care Creates Futures to raise awareness of what high quality child care looks like and why it is important for Alaska.

25

Meetings with legislators
in Juneau



advocating
to transform
child care

Highlights:

- **thread's** Public Policy Manager position was added to strengthen relationships with policy makers and help drive needed funding and policy change for the child care sector.
- Governor Dunleavy created the Child Care Task Force, and the state designated \$7.5M in new, one-time funding for child care.
- **thread** continued to increase public awareness of the pandemic's impact on families and the workforce shortage impacting child care.



early childhood systems

thread houses and manages two statewide early childhood systems to advance quality in child care. The Alaska System for Early Education Development (SEED) supports the professional development of Alaska's early and school age educators. Learn & Grow, Alaska's Quality Recognition and Improvement System, provides early childhood education programs with supports and resources to improve their quality of care. Together, these two systems ensure the critical components that create high quality are available in Alaska's child care professionals and programs.



Alaska SEED – Supporting professional development for early educators

Active Members at the End of FY23: 1,456

Highlights:

- **thread** provided \$80,927 to early educators in support of their professional development and higher education expenses. This financial support included educational expense reimbursements such as costs of professional development, travel, and Child Development Associate credential fees.
- \$231,000 in Retaining Our Outstanding Teacher Stipends (ROOTS) Awards were paid to child care professionals and helped bolster earnings.



Learn & Grow

Learn & Grow – Improving the child care environment for young children

Enrolled Programs at the End of FY23: 137

Highlights:

- 32 participating early childhood education programs advanced a Level of Quality in FY23, including the largest advancement of participating programs from Level 1 to Level 2 over the last two years.
- After expanding to offer Level 3, Learn & Grow celebrated the first program to achieve Level 3.
- Learn & Grow explored a new cohort model that proved successful at engaging participating programs in advancing in quality. With this model, program administrators learned together in peer groups, or cohorts, rather than individually.



organizational growth

In FY23 **thread** continued its successful management of teleworking, providing quality services to customers while keeping safety and flexibility top of mind. Progress also continued with the implementation of our new customer relationship management software, Salesforce, across the organization.

To meet growing needs, **thread** created two new positions in FY23: a Chief Administrative Officer to oversee office management, information technology, and operations workflow; and a Community Services Manager to support **thread's** collaboration with communities, businesses and tribal communities, to expand our services and increase access to affordable, high-quality child care statewide.

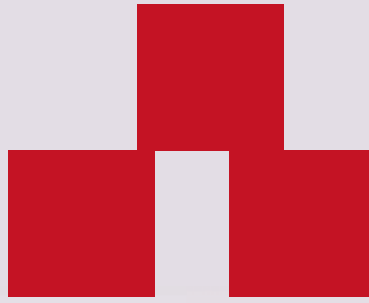
Additionally, **thread** invested in the well-being of staff by providing a new benefit. Employees now have access to the Calm app free of charge. Calm provides mental health resources such as breathing exercises, meditations, master classes on managing stress and burnout, and sleep stories and soundscapes for better sleep.

Finally, **thread** launched a new website to better organize our resources and meet the needs of our customers, including updating the child care search tool. We rounded out our online presence by launching a brand-new Instagram account. Follow us at @**thread**_alaska.

Leadership

thread's FY23 Board of Directors provided leadership and support.

- **Board President:** Lindsie Mills, Providence Alaska Foundation
- **Board Vice President:** Monica Garcia-Itchoak, Rasmuson Foundation
- **Board Treasurer:** Olivia Foster, Providence Valdez Medical Center
- **Board Secretary:** Margo Fliss, UA Center for Economic Development
- **Board Member:** Kevin Berry, University of Alaska Anchorage
- **Board Member:** Alana Humphrey, Retired
- **Board Member:** Vandana Ingle, Mat-Su Health Foundation
- **Board Member:** Nathan Johnson, Providence Health & Services Alaska
- **Board Member:** Jonathan King, Halcyon Consulting Group
- **Board Member:** Elena Romerdahl, Perkins Coie LLP
- **Board Member:** Shirley Pittz, Retired
- **Board Member:** Chris Sturm, UAA's Center for Human Development
- **Board Member:** Sen Kwang Tan, Retired



supporters & partners

On behalf of the thousands of Alaska children in child care today,
thank you for your support.

Together we are working toward the vision that all early care and learning is accessible,
affordable, and high-quality to support positive outcomes for children and families.

thread appreciates the community of partners, organizations and individuals who helped build capacity
for child care this year by supporting **thread's** work. Thank you!

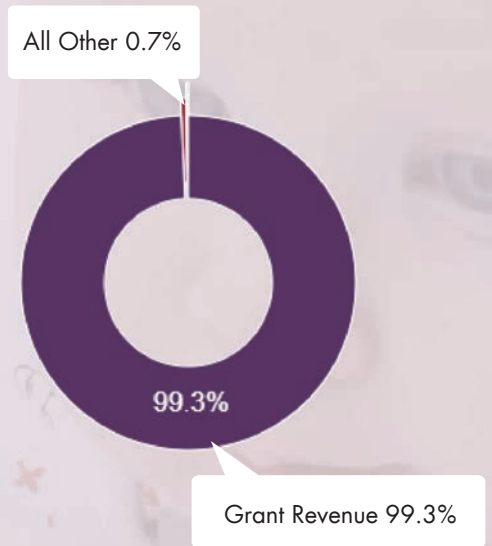
Our supporters in FY23 include:

Alaska Chamber of Commerce
Alaska Community Foundation
Alaska Department of Education and Early Development
Alaska Department of Health
Anchorage Association for the Education of Young Children
Barney and Rachel Gottstein Charitable Foundation
ConocoPhillips Alaska
Credit Union 1
First National Bank Alaska
Gottstein Family Foundation
Halcyon Consulting
Little Red School House
Mat-Su Health Foundation
Municipality of Anchorage
PerkinsCoie LLC
Rasmuson Foundation
The Kroger Co Foundation
U.S. Community Federation
United Way of Anchorage
United Way of Valdez
Valley Hospital Association
And many more donors!

financial position

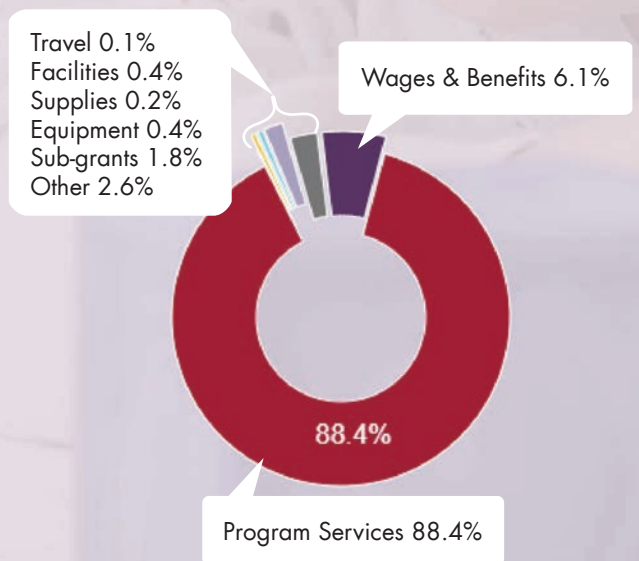
Support & Revenue

Grant Revenue	\$58,163,415
Contract Revenue	\$283,574
Program Income	\$5,948
Individual & Corporate Contributions	\$35,721
Investment Income	\$76,562
Miscellaneous Income	\$1,564
Total Support & Revenue	\$58,566,784



Operating Expenses

Program Services	\$57,820,100
Administrative / Supporting Services	\$609,272
Total Operating Expenses	\$58,429,372



To request the full FY23 audited financial statements, please contact **thread** at finance@threadalaska.org

thread connecting
early care & education
to alaska

