

THE ONGOING IMPACT OF COVID-19 ON LOUISIANA CHILD CARE PROVIDERS

STATEWIDE SURVEY FINDINGS FROM
APRIL 13 - APRIL 20, 2020



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Overview

The Louisiana Policy Institute for Children (LPIC) is conducting a series of surveys about the impact of COVID-19 on child care providers, in partnership with Agenda for Children, Childcare Connections for Northeast Louisiana, Louisiana Association of United Ways, Northwestern State University, On Track by 5 Alliance, Pointe Coupee Early Childhood Coalition, United Way of Southeast Louisiana, and Volunteers of America.

The first survey of child care providers was conducted March 16 - 23, 2020, one week after the first confirmed case of COVID-19 was diagnosed in Louisiana and one week prior to Governor John Bel Edwards issuing a stay-at-home order for all residents. While K-12 schools in Louisiana were ordered closed effective March 16, early learning centers and other child care businesses have been permitted to remain open as long as they follow enhanced health and safety protocols, including lower group size requirements.

The second survey of child care providers was conducted April 13 - 20, 2020, while Louisiana remained under a stay-at-home order, and K-12 school closures were extended through the remainder of the school year. The survey again asked child care providers what impact COVID-19 had on their program or business, including financial losses and closure decisions, and what supports were needed to help providers respond to the public health crisis. Additional questions about open centers and what specific supports closed centers would need to reopen were added.

Summary of Survey Findings

Results from the survey show the troubling circumstances and difficult decisions child care providers in Louisiana continue to face as the COVID-19 pandemic persists. Most notably:

All Providers

As the COVID-19 Pandemic Continued, More Providers Experienced Financial Losses

87% of providers who responded to the survey reported experiencing financial losses due to COVID-19, with losses averaging over **\$26,000 per center** as of April 20, translating to an estimated **\$37 million** in collective losses statewide.

Over One-Third of Child Care Providers Continued to Expect an Extended Closure Will Force Them to Close Permanently

On average, those centers each serve **61 children** and employ **13 full- and part-time staff members**.

Almost Half of Providers Laid Off Staff and Most Expected Additional Layoffs If Faced with an Extended Closure

46% of providers indicated they have already laid off employees, and **62%** of providers expected to lay off employees if the COVID-19 pandemic continues for an extended period of time.

Grants and Forgivable Loans Remained Most Requested Supports

Over 70% of providers indicated grants to pay for fixed costs during a closure, grants to pay staff during a closure, and forgivable loans would support their response to COVID-19 if their program or business must close.

Summary of Survey Findings

Closed Providers

More Providers Have Had to Close Temporarily

Within the survey window, the percentage of providers that had closed some or all of their locations increased to **56%**, impacting **over 14,600 children**. By the end of April, the percentage of closed providers rose to **70%**, according to data from the Louisiana Department of Education.

Closed Providers Cited Low Enrollment, COVID-19 Concerns as Most Common Reasons for Closure

Providers reported the most common factors influencing their closure decisions were low enrollment (**62%**), concerns about contributing to the spread of COVID-19 (**60%**), and possible COVID-19 exposure of someone in their community (**51%**).

Closed Providers Indicated Needing Financial Support to Reopen

Most providers responded that financial support would help them reopen, requesting an average of **\$23,000 per center**. The most common uses for the support would be employee payroll, supplies, rent/mortgage, and food.

Open Providers

Providers Able to Remain Open Mostly Served Families of Essential Workers

Of the providers still open during the survey window, **over 97%** cited parents with essential jobs as a factor influencing their decision to remain open. Almost all of these centers (**98%**) served children of essential workers, and those children represented **over 90%** of current enrollment at open centers.

Most Open Providers Experienced at Least a 50% Reduction in Enrollment

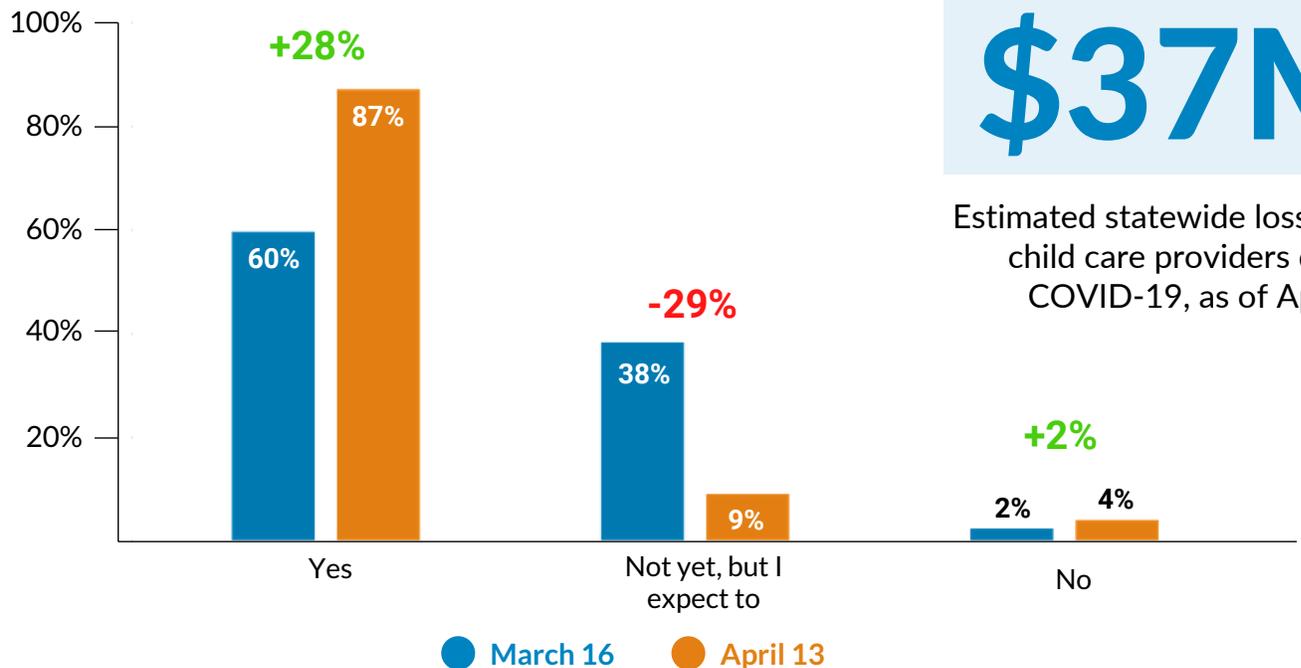
Over 75% of open providers reported enrollment numbers in April that were **less than 50%** of their enrollment in January, representing **almost 9,500** fewer children served.

Survey Findings: All Providers

As the COVID-19 Pandemic Continued, More Providers Experienced Financial Losses: 87% of providers who responded to the survey reported experiencing financial losses due to COVID-19, with losses averaging over \$26,000 per center as of April 20, translating to an estimated \$37 million in collective losses statewide.

Figure 1

Almost All Providers Experienced or Expected Financial Losses Due to COVID-19



Question: Are you experiencing any financial losses due to the COVID-19/coronavirus outbreak?

Over One-Third of Providers Continued to Expect an Extended Closure Will Force Them to Close Permanently: On average, those centers each serve 61 children and employ 13 full- and part-time staff members.

Table 2

Child Care Providers Expected Staff Layoffs, Permanent Business Closures from Long-Term Child Absences or Extended Closures

Response	Percent of Responding Participants
Layoff employees	62%
Reduce employees' hours	54%
Close program permanently	36%
Reduce program hours	28%
Increase program tuition/fees	22%
Other	19%

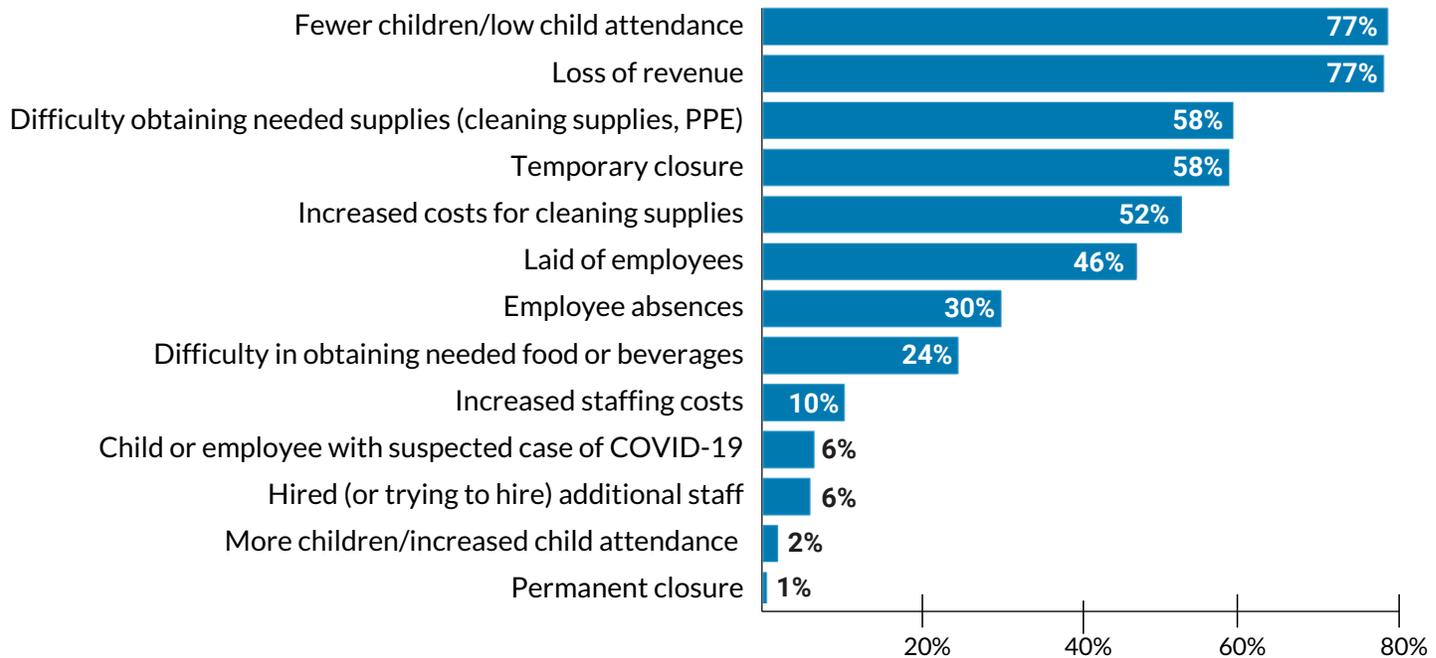
Question: What will happen to your business/program if families keep children home for extended periods or if your business/program is closed for an extended period of time? Please check all that apply.

Note: Respondents may have selected more than one response. Percentages may total to more than 100%.

Survey Findings: All Providers

Almost Half of Providers Laid Off Staff and Most Expected Additional Layoffs If Faced with an Extended Closure: 46% of providers indicated they have already laid off employees, and 62% of providers expected to lay off employees if the COVID-19 pandemic continues for an extended period of time.

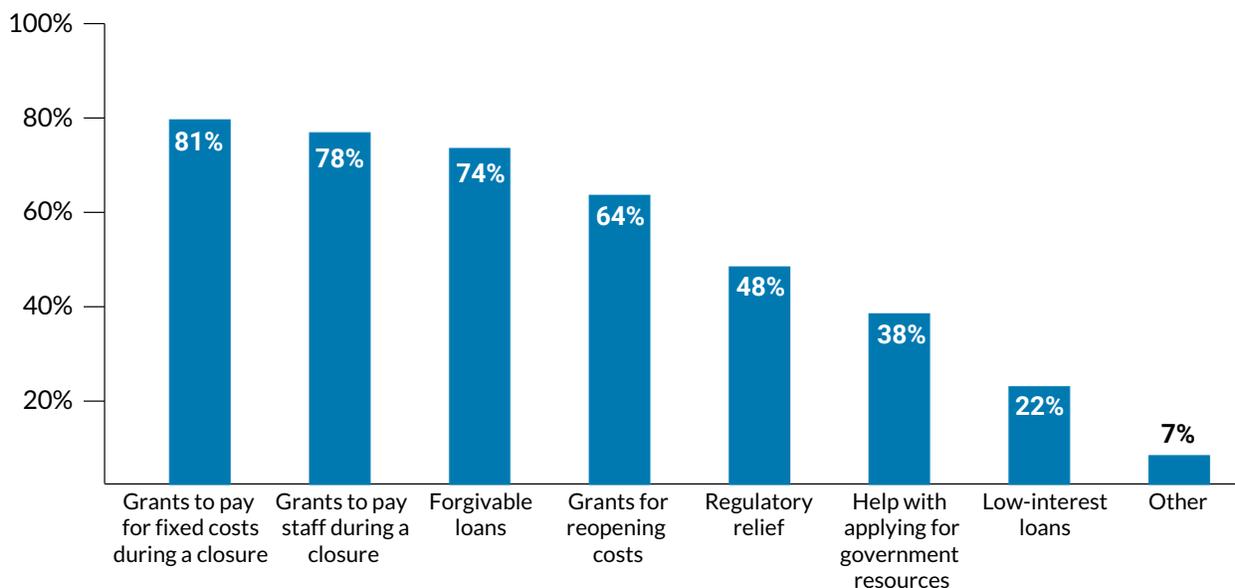
Figure 3
Impacts of COVID-19 on Child Care Providers



Question: [If responded "Yes" to previous question, "Has your business/program been impacted by COVID-19/coronavirus?"] If yes, how? Please check all that apply.
Note: Respondents may have selected more than one response. Percentages may total to more than 100%.

Grants and Forgivable Loans Remained Most Requested Supports: Over 70% of providers indicated grants to pay for fixed costs during a closure, grants to pay staff during a closure, and forgivable loans would support their response to COVID-19 if their program or business must close.

Figure 4
Grants, Forgivable Loans Most Requested Supports for Responding to COVID-19 Induced Closure

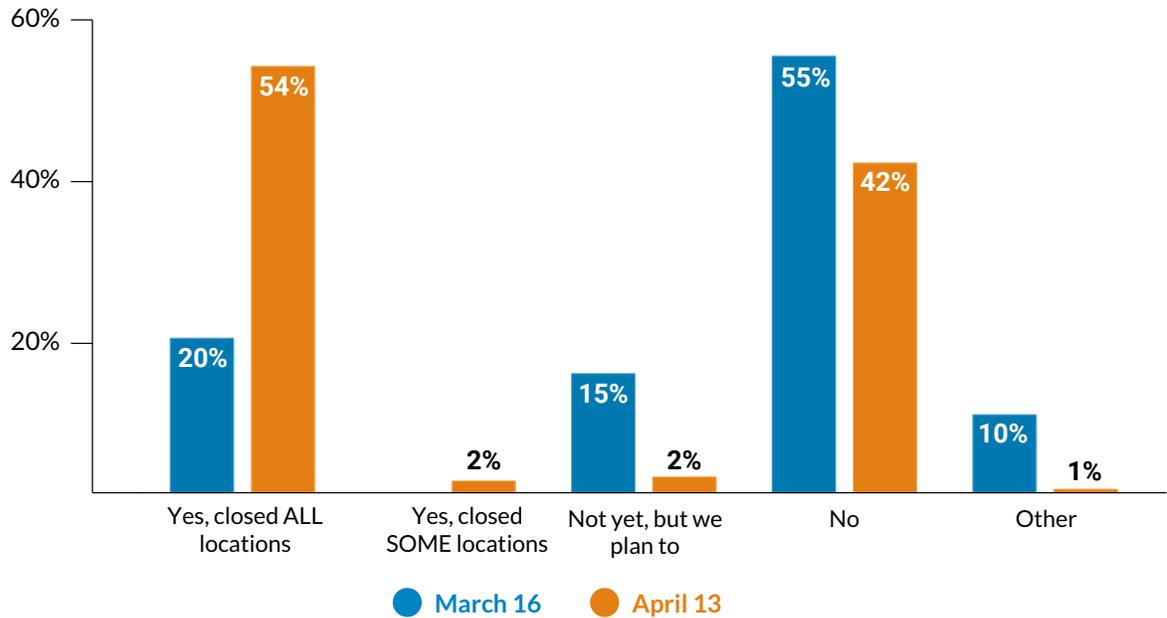


Question: If your business/program has to close for a period of time (or has already closed) due to COVID-19/coronavirus, what kinds of support might your business/program need? Please check all that apply.
Note: Respondents may have selected more than one response. Percentages may total to more than 100%.

Survey Findings: Closed Providers

More Providers Have Had to Close Temporarily: Within the survey window, the percentage of providers that had closed some or all of their locations increased to 56%, impacting over 14,600 children. By the end of April, the percentage of closed providers rose to 70%, according to data from the Louisiana Department of Education.

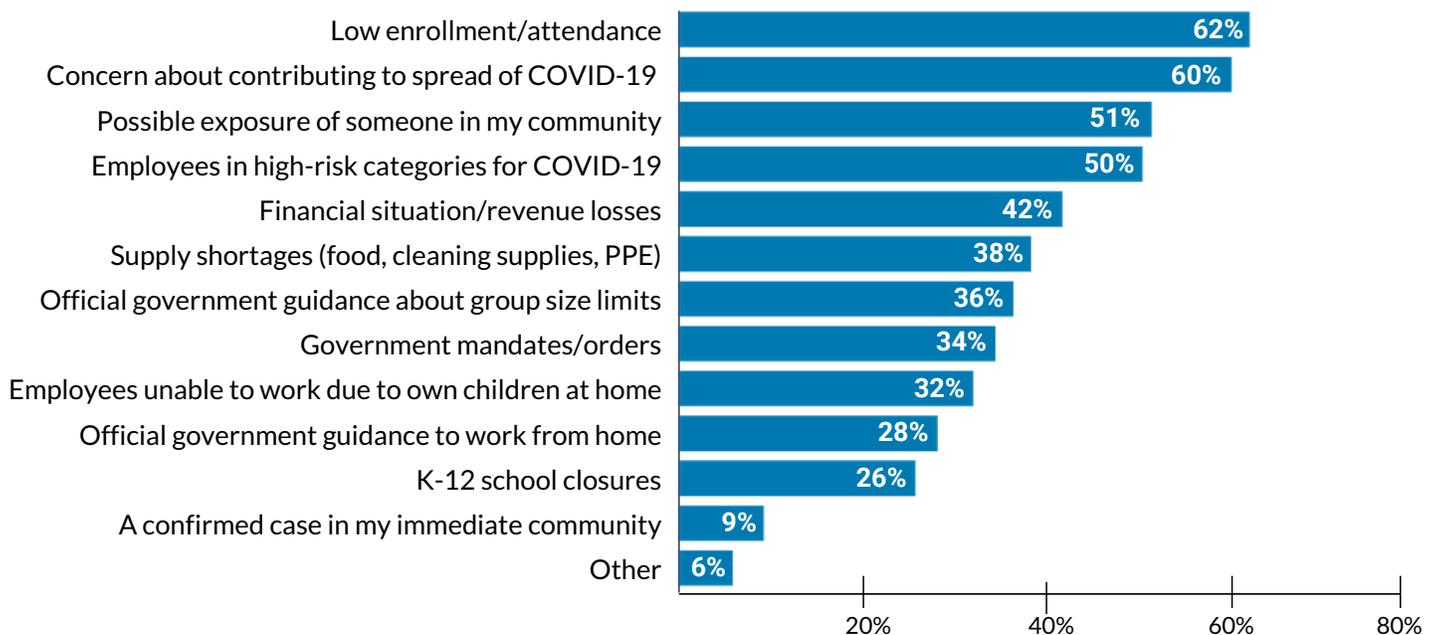
Figure 5
Most Providers Have Closed Temporarily Due to COVID-19



Question: Has your business/program closed due to COVID-19/coronavirus?
 Note: The March 16 survey included one "Yes" response option.

Closed Providers Cited Low Enrollment, COVID-19 Concerns as Most Common Reasons for Closure: Providers reported the most common factors influencing their closure decisions were low enrollment (62%), concerns about contributing to the spread of COVID-19 (60%), and possible COVID-19 exposure of someone in their community (51%).

Figure 6
Low Enrollment, COVID-19 Concerns Most Common Factors Influencing Provider Closure Decisions



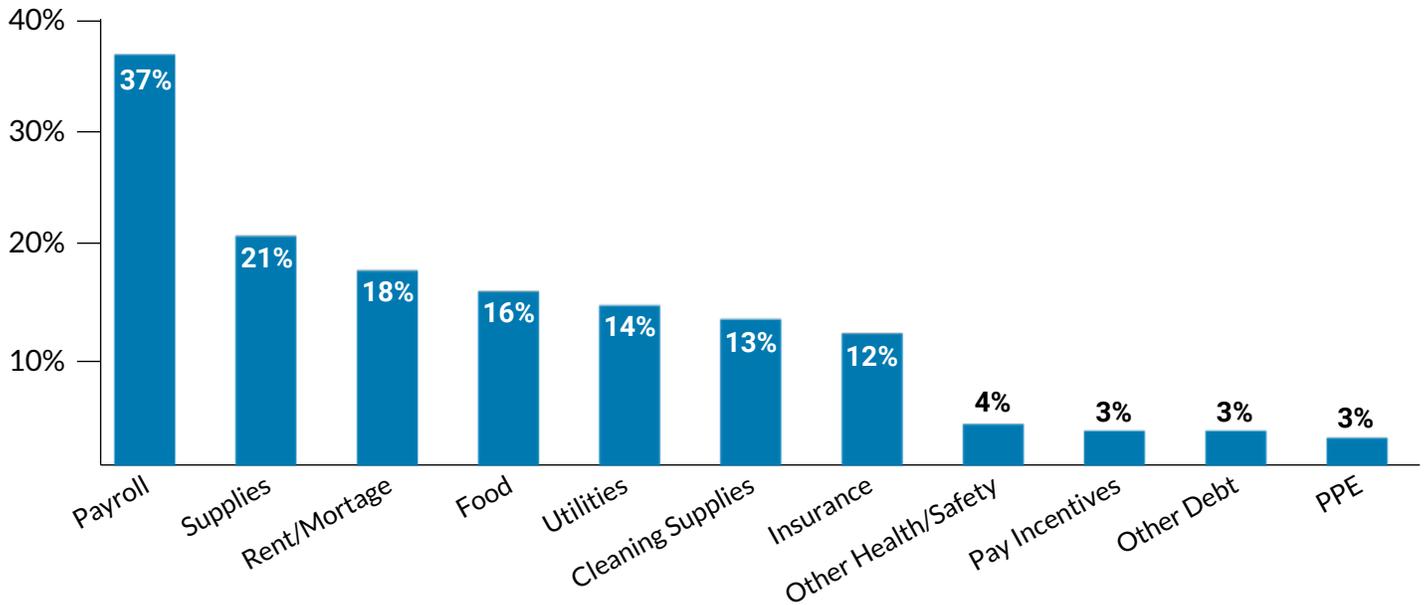
Question: What circumstances influenced your decision to close your business/program due to COVID-19/coronavirus? Please check all that apply.
 Note: Respondents may have selected more than one response. Percentages may total to more than 100%.

Survey Findings: Closed Providers

Closed Providers Indicated Needing Financial Support to Reopen: Most providers responded that financial support would help them reopen, requesting an average of \$23,000 per center. The most common uses for the support would be employee payroll, supplies, rent/mortgage, and food.

Figure 7

Providers Would Use Financial Support for Reopening for Payroll, Operational Costs



Question: What supports would you need in order to reopen your business/program? [open ended]

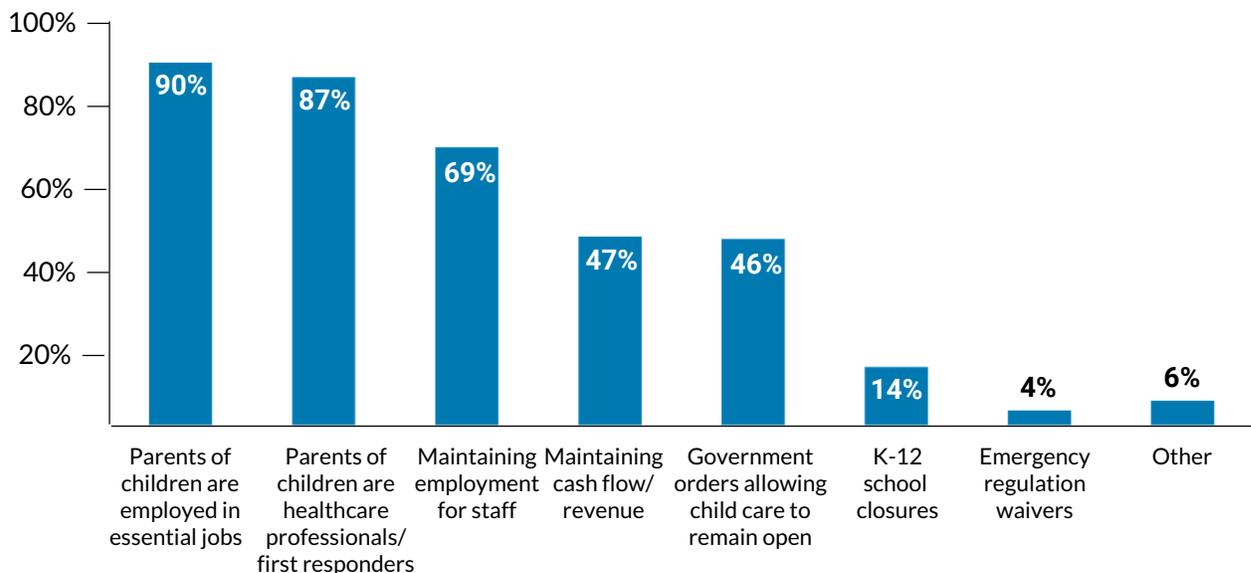
Note: Respondents may have provided more than one response. Percentages may total to more than 100%.

Survey Findings: Open Providers

Providers Able to Remain Open Mostly Served Families of Essential Workers: Of the providers still open during the survey window, over 97% cited parents with essential jobs as a factor influencing their decision to remain open. Almost all of these centers (98%) served children of essential workers, and those children represented over 90% of current enrollment at open centers.

Figure 8

Parents with Essential Jobs, Maintaining Jobs for Staff Influenced Provider Decisions to Remain Open



Question: What factors influenced your decision to keep your business/program open? Please check all that apply.

Note: Respondents may have selected more than one response. Percentages may total to more than 100%.

Survey Findings: Open Providers

Most Open Providers Experienced at Least a 50% Reduction in Enrollment: Over 75% of open providers reported enrollment numbers in April that were less than 50% of their enrollment in January, representing almost 9,500 fewer children served.

Table 9
Over 75% of Open Providers Experienced at Least a 50% Reduction in Enrollment in April 2020 Compared to January 2020

April Enrollment as Percent of January Enrollment	Percent of Responding Providers
No Children Enrolled	11%
1% to 20% of Jan. Enrollment	15%
21% to 40% of Jan. Enrollment	44%
41% to 60% of Jan. Enrollment	11%
61% to 80% of Jan. Enrollment	2%
81% to 99% of Jan. Enrollment	4%
100% of Jan. Enrollment	8%
More than 100% of Jan. Enrollment	2%

Question: What was the typical daily enrollment for each age group at your business/program last week (April 6th through April 10th)? Please include total enrollment across all locations.

Looking Ahead

These April survey results build on the findings from the March survey and past research, and suggest the following as Louisiana begins to reopen:

- **The child care sector, which already operated on thin financial margins, is experiencing serious, negative impacts from COVID-19 that are only continuing to grow.** In addition, if the COVID-19 ratios and group size requirements for providers continue, it will impact enrollment and staffing and substantially increase the costs of early care and education, making it unattainable for many parents without public support.
- **Child care providers will be a key factor in any post-COVID-19 economic recovery effort,** given the importance of reliable, quality child care to Louisiana working parents and the state economy,
- **Reopening child care will not be possible without early care and education teachers.** These teachers already experience low pay (the median wage for child care teachers in Louisiana is \$8.95 an hour) and a lack of workplace benefits, and laid off teachers may not return to the workforce without incentives, especially if they are concerned about their own health.
- **Even with the recently available federal relief funds, child care providers will need further support** to reopen and serve the working families who need them in order to return to work.

Survey Methodology

For this survey, LPIC developed and administered the survey online through Survey Monkey from April 13, 2020, to April 20, 2020. The Child Care Association of Louisiana and resource and referral agencies emailed survey links to providers throughout the state. The Louisiana Department of Education also shared the survey link during a webinar with child care providers on April 16, 2020, and included the survey link in a COVID-19 resource FAQ on the department's website. For questions where some survey respondents did not provide an answer, the included results percentages reflect calculations based only on the number of survey respondents providing an answer to the question. For example, if only 100 survey respondents answered a question, the results would reflect what percentage of those 100 respondents selected each answer.

Characteristics of Survey Respondents

Prospective respondents included any child care provider in Louisiana. Of the approximately 1,624 licensed child care centers and family child care providers in the state, 383 providers representing 433 locations responded to the survey, answering some or all of the questions.

Regions of Responding Child Care Providers

Region (Parishes)	Percent of Responding Providers
Acadiana (Acadia, Avoyelles, Evangeline, Iberia, Lafayette, Rapides, St. Landry, St. Martin, St. Mary, Vermilion, Vernon)	27%
Capitol Region (Ascension, East Baton Rouge, East Feliciana, Iberville, Livingston, Pointe Coupee, St. Helena, Tangipahoa, West Baton Rouge, West Feliciana)	30%
Northeast Louisiana (Caldwell, East Carroll, Franklin, Lincoln, Madison, Morehouse, Ouachita, Richland, Tensas, Union, West Carroll)	12%
Northwest Louisiana (Bienville, Bossier, Caddo, Catahoula, Claiborne, Concordia, De Soto, Grant, Jackson, La Salle, Natchitoches, Red River, Sabine, Webster, Winn)	4%
Southeast Louisiana (Assumption, Jefferson, Lafourche, Orleans, Plaquemines, St. Bernard, St. Charles, St. James, St. John the Baptist, St. Tammany, Terrebonne, Washington)	17%
Southwest Louisiana (Allen, Beauregard, Calcasieu, Cameron, Jefferson Davis)	9%

Program Type of Responding Child Care Providers

Program Type	Percent of Responding Participants
Type III Center	69%
Type II Center	11%
Type I Center	13%
Family Child Care	3%
In-Home Child Care	3%

