



# **Child Care Challenges In The Face Of The Pandemic: A Survey Of North Carolina Child Care Providers**

Submitted to:  
North Carolina Child Care Resource and Referral Council

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## **I. Methodology and Sample Characteristics**

Zogby Analytics was commissioned by Child Care Resources, Inc. to conduct an online survey of all licensed child care programs in North Carolina. Out of 4810 programs with accurate email addresses, 1,825 have filled out the survey.

An invitation to participate in the survey was emailed to each child care provider in each of the 14 regions. Each invitation was password coded and secure so that one respondent could only access the survey one time.

The final sample was composed of for-profit child care centers (39%), family child care homes (34%), not-for-profit child care centers (15%), North Carolina pre-K providers (8%), faith-based child care centers (6%), Head Start programs (3%), Early Head Start programs (2%) and other public pre-K centers (1%).

Based on a confidence interval of 95%, the margin of error for 1,825 is +/- 1.8 percentage points. This means that all other things being equal, if the identical survey were repeated, its confidence intervals would contain the true value of parameters 95 times out of 100.

Subsets of the data have a larger margin of error than the whole data set. As a rule we do not rely on the validity of very small subsets of the data especially sets smaller than 50-75 respondents. At that subset we can make estimations based on the data, but in these cases the data is more qualitative than quantitative.

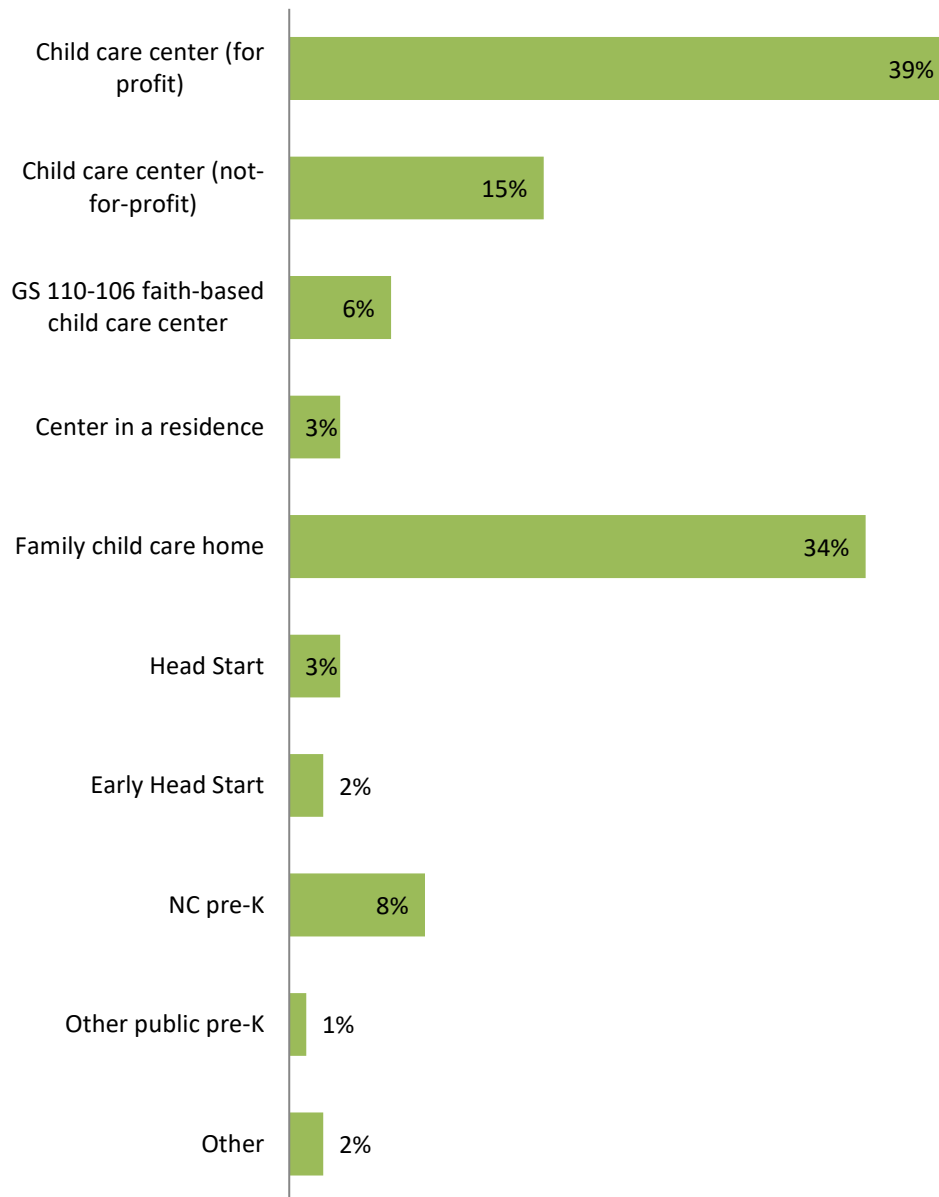
Additional factors can create error, such as question wording and question order.

### **About Zogby Analytics:**

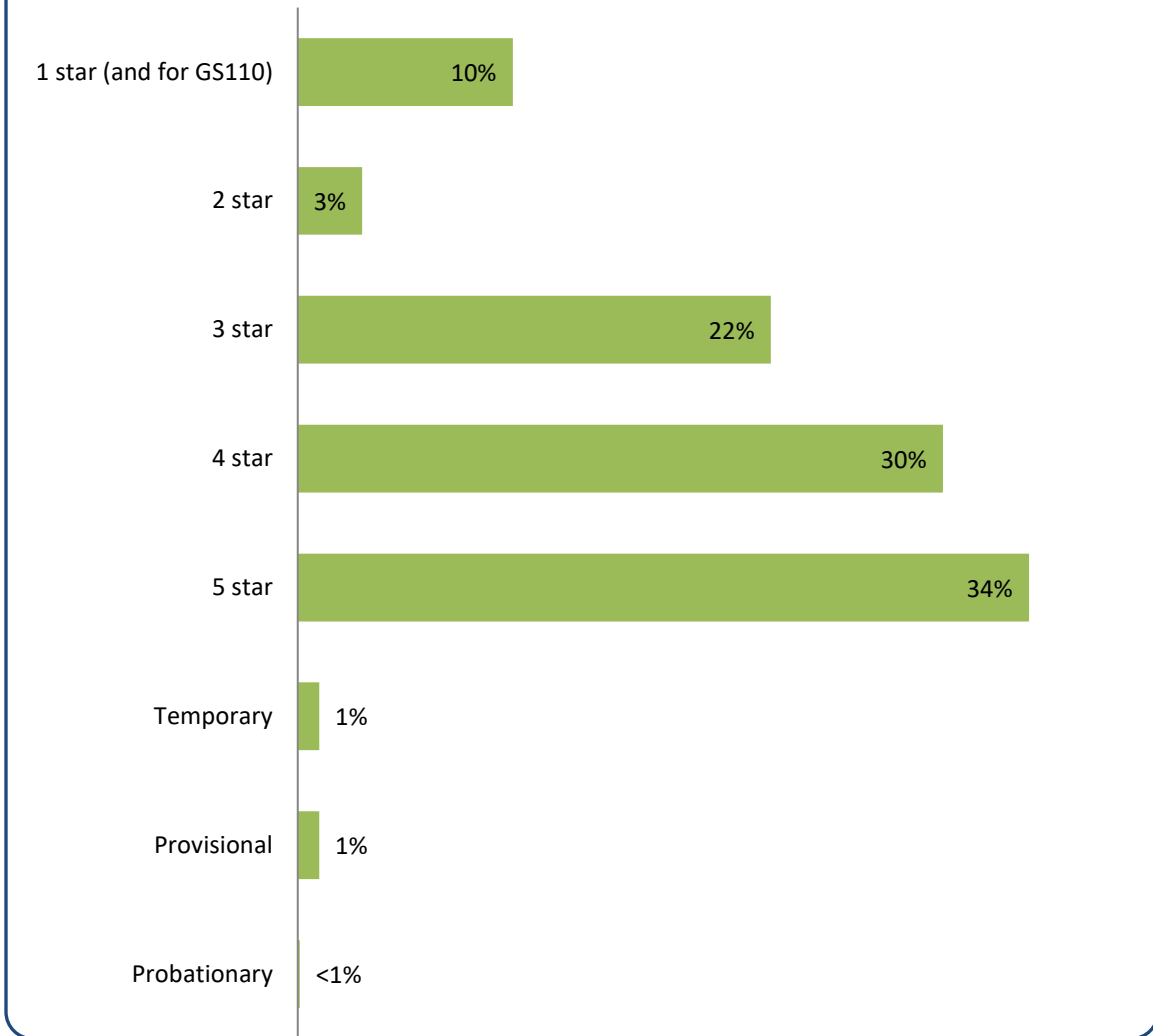
Zogby Analytics is respected nationally and internationally for its opinion research capabilities. Since 1984, Zogby has empowered clients with powerful information and knowledge critical for making informed strategic decisions.

The firm conducts multi-phased opinion research engagements for banking and financial services institutions, insurance companies, hospitals and medical centers, retailers and developers, religious institutions, cultural organizations, colleges and universities, IT companies and Federal agencies. Zogby's dedication and commitment to excellence and accuracy are reflected in its state-of-the-art opinion research capabilities and objective analysis and consultation.

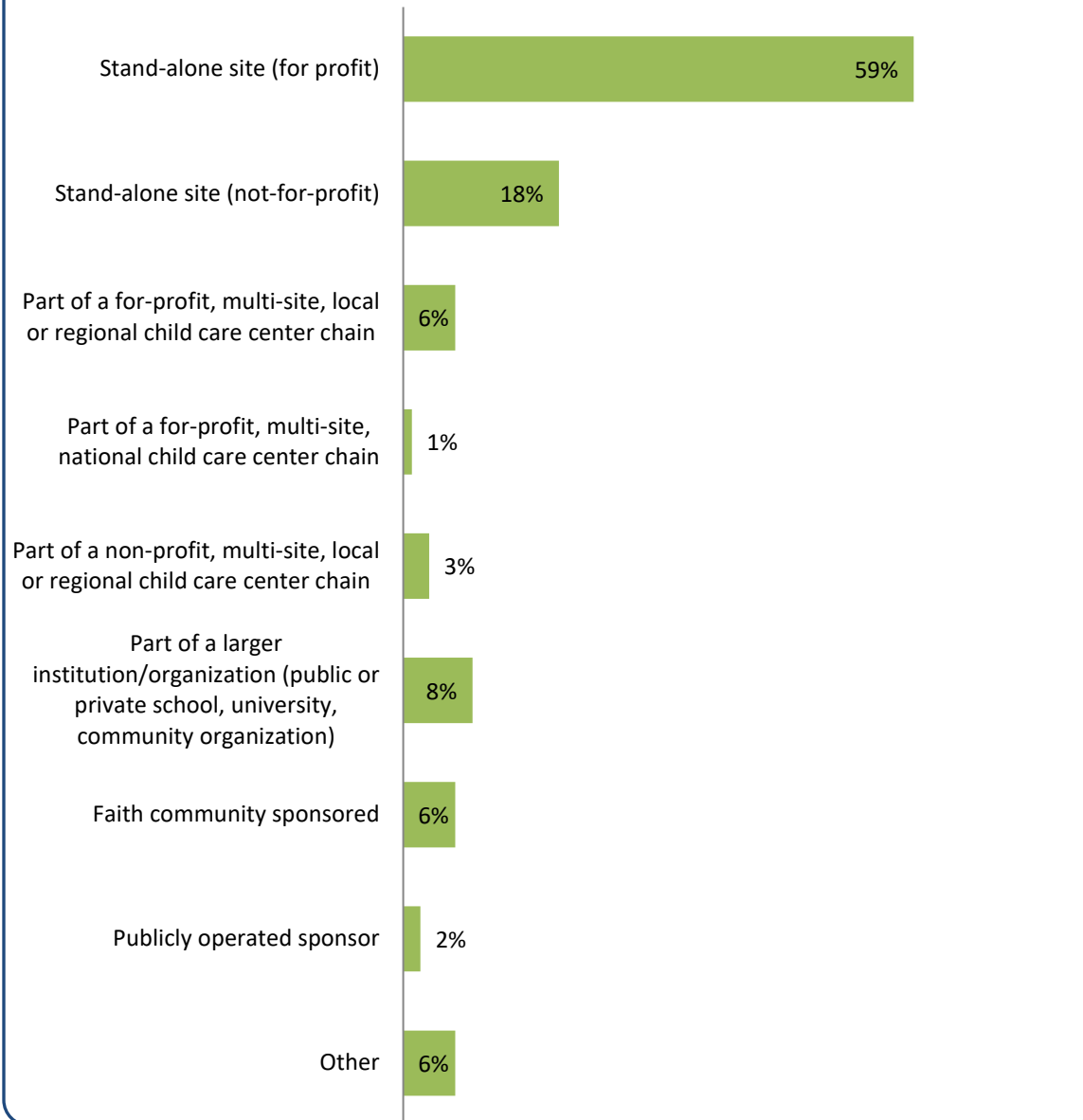
**Which of these type(s) of licensed child care / early childhood provider is your business?  
 (Choose all that apply) How would you describe your licensed child care program?**



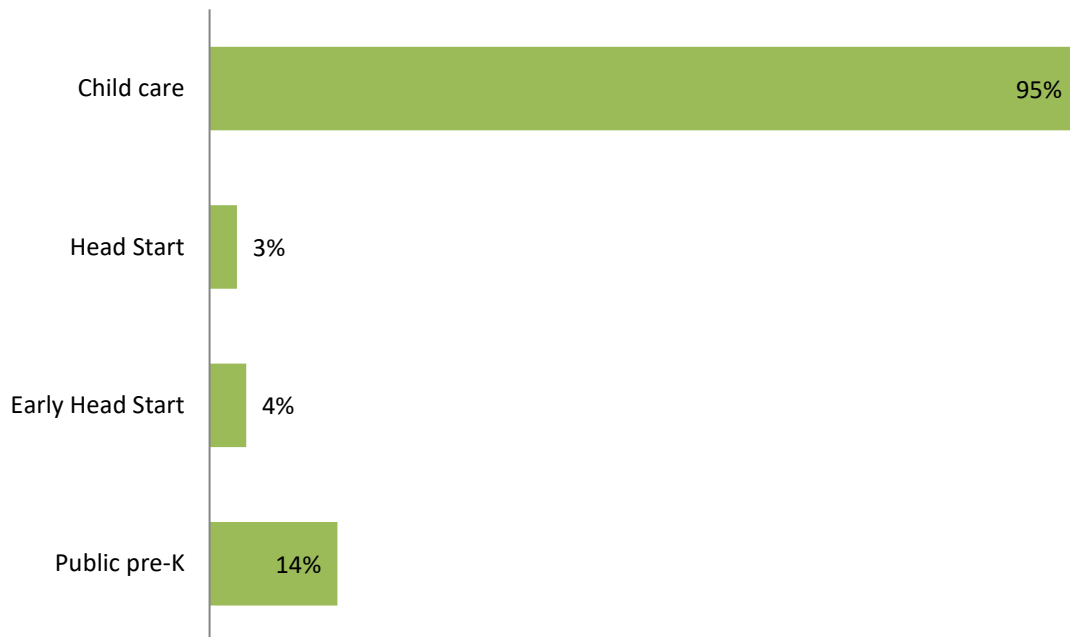
### What is the license status of your child care / early childhood provider business/program?

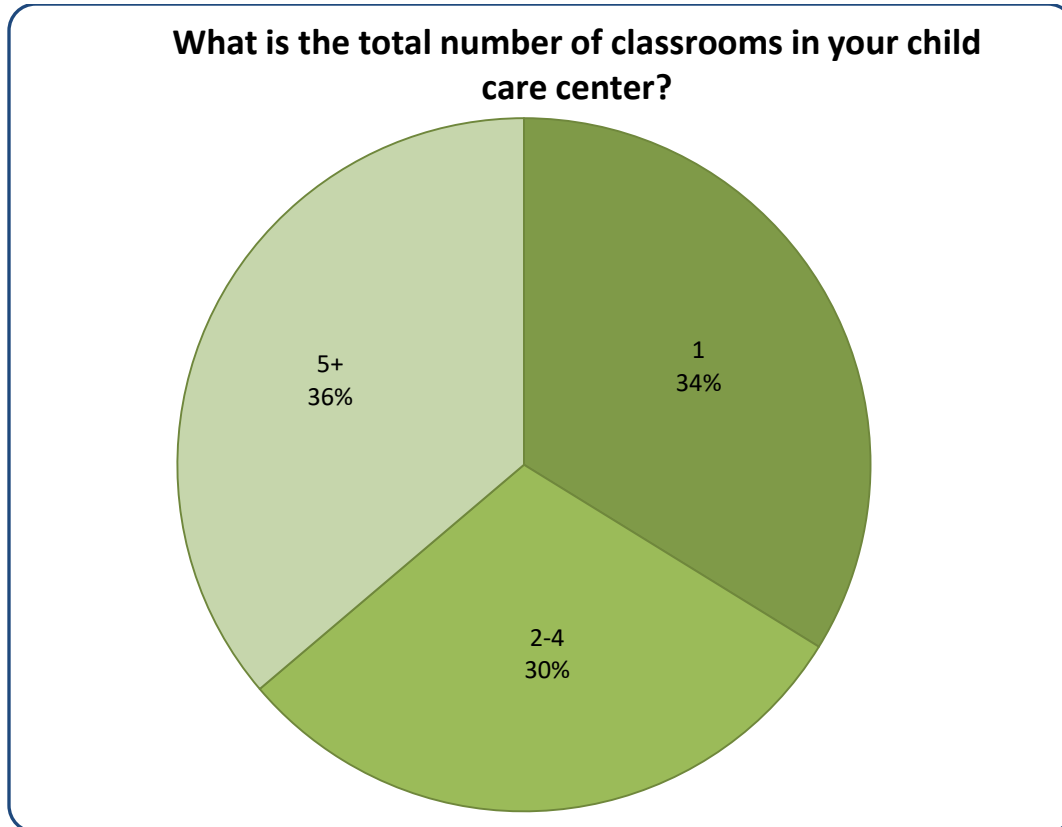


**What is the operating structure of your program?  
 (Choose all that apply)**



**Which best describes your business/program? What programs do you operate within your licensed child care facility? (Check all that apply)**





## II. Executive Summary

The primary reasons child care providers kept their facilities open during the COVID-19 pandemic were because parents of children were employed in essential jobs or were healthcare professionals or first respondents. Maintaining cash flow / revenue was a major factor for the for-profit child care centers but less so for the non-for-profit child care centers, faith-based child care centers and North Carolina pre-K programs.

For infants aged 6 weeks to 11 months, enrollment /attendance were below desired capacity at the end of both February 2020 and 2021. The same is true for 12 months to 23 months olds, two year olds, three year olds, pre-K five year olds and school children. In all cases, discrepancy between desired capacity and enrollment/attendance tended to be a bit higher in 2021 than it was in 2020. Also, the discrepancy tended to be larger among younger children, especially infants and 12-23 month olds

Enrollment levels dropped significantly since the onset of the pandemic. Staffing levels and the number of staff hours worked per week have also decreased during this period. Negative impact on the enrollment was especially strong for the for-profit child care centers, not-for-profit child care centers and North Carolina pre-K programs, while the impact on the enrollment on family child care homes and faith-based centers was smaller.



One in two survey respondents report that, at the end of February 2020, more than five children enrolled at their facility were funded by a local, state, or federal child care subsidy and 28% report having more than 20 such children. These numbers remained essentially the same over the course of the pandemic.

Increased sanitation and cleaning measures, communication with families about how to prevent the spread of COVID-19, changes in sick policies for children, creating a plan for how to respond if an employee, child or family have been exposed to COVID-19, communication with families on how they would make a decision to close their program and communication with employees about how to prevent the spread of COVID-19 are the measures most commonly taken and planned by surveyed centers to respond to COVID-19.

DCDEE's Health and Safety requirements have increased supply costs (cleaning, hand sanitizers, PPE) in a vast majority of cases. For some centers they also increased staffing costs, caused enrollment reduction or resulted in hiring more staff. Staffing costs increased for 60% of surveyed for-profit child care centers.

Since February 2020, close to half of surveyed centers and programs have closed at some point. In most cases the entire program closed once or twice, for the total of fewer than 60 days in 74% of the cases. Staff exposure to COVID-19 was by far the most common reason for closures. Not-for-profit child care centers, faith-based centers and North Carolina pre-K centers were most likely to close.

Among surveyed centers, the majority had individual classrooms that have been temporarily closed at least once due to COVID-19 exposure. Half had one or two classrooms closed, however, a fifth had five or more classrooms closed. The centers that had only one classroom closed typically closed it only once, for 8-14 or 1-7 days. However, centers that closed more than one classroom typically did so multiple times and for longer periods.

Private pay families and North Carolina or county child care subsidy vouchers are most common sources of funding among those surveyed.

Two-thirds of surveyed institutions did not change their tuition rates in response to the pandemic and an additional 15% did not change their rates yet but expect to; those who did change tuitions, typically raised them.

- **Family child care homes** can serve a maximum of five preschool and three school-age children. Of 616 total family child care home survey respondents to this question, approximately 80% reported a Covid-19 related financial loss. Of these, 265 (43%) FCCHs reported a loss of greater than \$5,000.
  - 116 (19%) reported no loss

- 220 (36%) had a loss of \$5,000 or less
  - 191 (31%) had a loss of \$5,000- \$15,000
  - 51 (8%) had a loss of \$15,001 - \$30,000
  - 23 (4%) had a loss of more than \$30,000
- **Child care centers** are always larger facilities than family child care homes. Of 912 total child care center respondents to this question, 771 center respondents reported a Covid-19 related financial loss. Of these:
    - 86 (9%) reported no loss
    - 98 (10%) had a loss of \$5,000 or less
    - 409 (42%) had a loss of \$5,001 to \$45,000
    - 264 (27%) had a loss of \$45,001 or more
    - 137 (14%) had a loss of \$75,000 or more
  - Over half (53%) of centers across NC with 11+ classrooms experienced a loss of more than \$45,000. Medium size centers with fewer classrooms (6-10) were only slightly less likely (42%) to incur a loss of more than \$45,000.
  - Providers with 6-10 classrooms and 11+ classrooms were more likely to incur losses of more than \$45,000. Specifically, 20% of centers with 6-10 classrooms incurred a loss of \$45,001 to \$75,000 and an additional 22% of centers 6-10 classroom had a loss of more than \$75,000.
  - One in two (51%) NC child care centers with 1-5 classrooms experienced a Covid-19 related loss of more than \$15,000. Over half of center respondents with 6-10 (58%) or 11+ (62%) classrooms incurred a Covid-19 related loss of more than \$30,000??

<b>COVID-19 Child Care Centers and Family Homes financial losses...</b>					
<b>\$ LOST</b>	<b>Child Care Centers</b>				<b>Family Homes</b>
	<b>Overall</b>	<b>Number of Class Rooms</b>			
		<b>1 - 5</b>	<b>6-10</b>	<b>11+</b>	
<b>No loss</b>	<b>9%</b>	<b>9%</b>	<b>8%</b>	<b>12%</b>	<b>19%</b>
<b>\$5,000 or less</b>	<b>21%</b>	<b>26%</b>	<b>15%</b>	<b>19%</b>	<b>36%</b>
<b>\$5,001 - \$15,000</b>	<b>18%</b>	<b>23%</b>	<b>13%</b>	<b>11%</b>	<b>31%</b>

<b>\$15,001 - \$30,000</b>	<b>18%</b>	<b>21%</b>	<b>14%</b>	<b>9%</b>	<b>8%</b>
<b>\$30,001 - \$45,000</b>	<b>12%</b>	<b>12%</b>	<b>13%</b>	<b>7%</b>	<b>2%</b>
<b>\$45,001 - \$75,000</b>	<b>15%</b>	<b>10%</b>	<b>21%</b>	<b>19%</b>	<b>1%</b>
<b>\$75,001+</b>	<b>16%</b>	<b>8%</b>	<b>24%</b>	<b>36%</b>	

Approximately 41% of respondents continue and 42% of respondents do not continue to pay employees who would otherwise be laid-off due to reduced enrollment size. The majority of respondents were not operating with reduced staffing. Respondents reported that laid-off employees are not typically applying for unemployment benefits. Child care centers are most likely to report operating with fewer staff than they did in February 2020.

Most surveyed providers did not apply for the Economic Injury Disaster Loan; only 14% applied for and received funding. The Paycheck Protection Program was more popular: 52% of respondents applied for this funding, including 42% who applied and received it. For-profit child care centers were most successful in receiving the Economic Injury Disaster Loan, while faith-based child care centers and for-profit child care centers were most successful in receiving the Paycheck Protection Loan.

The most influential factors in revenue changes were low enrollment due to reduced consumer demand, low enrollment due to compliance with health and safety guidelines, and higher staffing costs.

Health and safety of children, families, and staff; keeping enrollment high enough to break even; maintaining staff during and beyond the pandemic; recruiting staff; and paying staff or paying themselves as a solo provider are providers' biggest concerns regarding sustainability of their programs.

Majority of respondents believe that they are not at risk of permanent closure, while one-fifth feel they are at risk of closing within next six months without additional financial support. Staff bonuses, grants to pay for fixed costs during a closure, and forgivable loans and grants to pay staff during a closure are most needed kinds of support in the face of the pandemic.

Most respondents are not sure what enrollment reduction is necessary for their program to operate in the context of current state child care health and safety guidance; an additional quarter believe reduction in the range 0%-10% will be necessary.

Majority of respondents have found management of staff-to-children ratios during the COVID-19 pandemic not too difficult to manage. However, 15% of respondents did find managing staff-to-child ratios during the pandemic very difficult. This sentiment is especially strong among for-profit child care providers.

Large numbers of respondents are sharing information about vaccines and vaccine events with their staff and encouraging their staff to get vaccinated, while a significant but smaller number is neither promoting nor discouraging vaccine participation.

Since March 2020, large number of respondents have received payments through the subsidy system, grant supported or in-kind personal protective equipment, had parents continuing to pay tuition, have received funding to provide emergency child care to children of essential workers, and have received reimbursements for hazard pay / bonus payments for staff compensation.

Most survey respondents are not familiar with their local small business center while additional 18% know of it but do not communicate with it.

Keeping teachers and children safe, keeping parents informed and comfortable sending their children back, paying owners/directors, paying teachers and staff, and getting teachers to come back to work are foremost concerns in the minds of surveyed providers. Respondents in for-profit child care centers are much more concerned about paying teachers and staff and getting teachers to come back to work.

Majority of respondents review their financial statement regularly to look for trends and evaluate the financial health of the business or to check if they are making more money than they are spending. Overwhelming majority regularly collect tuition and fees that are owed on-time with few outstanding balances and late payments.

Continued access to health and safety supplies and grants and stipends to cover fixed operating expenses are by far the most needed types of support for providers to stay open. Many are not w not be interested in receiving no-cost confidential consultation or finance/budgeting technical assistance while one-in-five would be interested in receiving such assistance. Family child care homes are most interested in receiving this kind of assistance.

One-in-five of surveyed respondents would be willing to share with the media their experiences operating their child care program during the pandemic.

### **III. Child Care Programs Landscape**

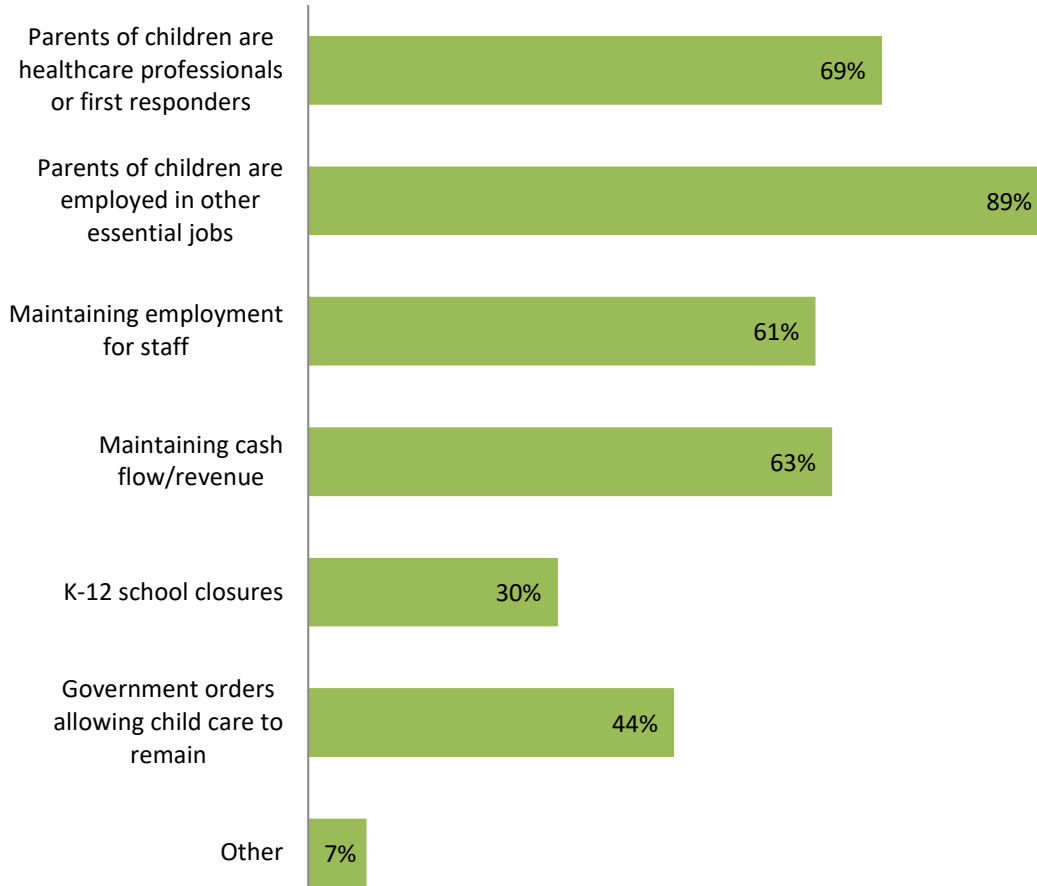
The primary reasons child care providers kept their facilities open during the COVID-19 pandemic were because parents of children were employed in essential jobs (89%) or were health care professionals or first respondents (69%); to maintain cash flow/revenue (63%) and to maintain employment for staff (61%). Maintaining cash flow/revenue was a major factor for the for-profit child care centers (77%) but less so for the not-for-profit child care centers (51%), faith-based child care centers (47%) and North Carolina pre-K programs (47%).

For infants aged 6 weeks to 11 months, enrollment and attendance were below desired capacity at the end of both February 2020 and 2021. The same is true for 12 months to 23 months olds, two year olds, three year olds, pre-K five year olds and school children. In all cases, discrepancy between desired capacity and enrollment/attendance tended to be higher in 2021 than it was in 2020. Also, the discrepancy tended to be larger among younger children, especially infants and 12-23 month olds.

Enrollment levels dropped significantly since the onset of the pandemic: 57% of respondents report that their enrollment was between 76% and 100% of their capacity at the end of February 2020, compared to 38% who report the same number a year later. At the same time, 41% report that the number of staff hours worked per week now falls below 75% of their typical staffing levels, including 22% that report that the number is now below 50% of typical staffing levels.

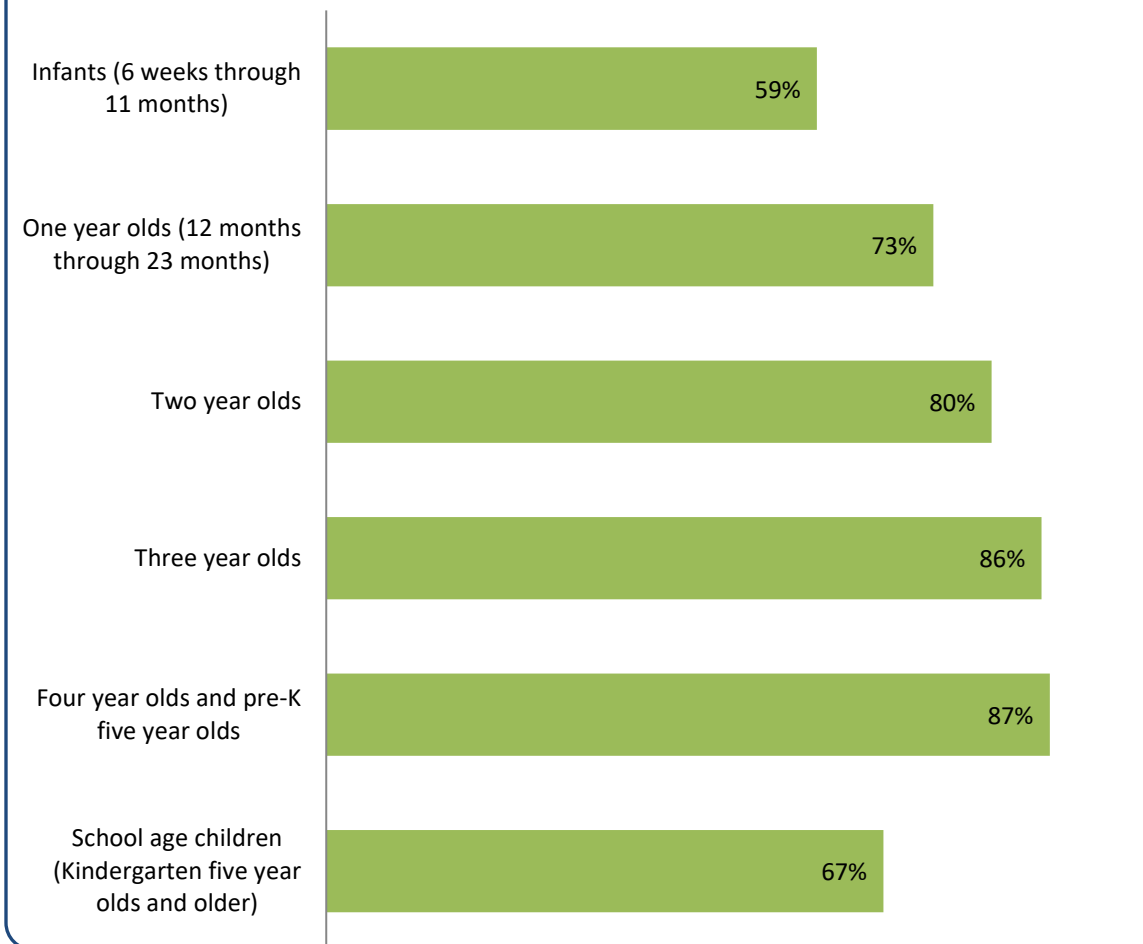
Negative impact on the enrollment was especially strong for for-profit child care centers (57% reported enrollment between 75% and 100% of the desired capacity at the end of February 2020 vs. 28% at the end of February 2021), non-for-profit child care centers (62% vs. 36%) and North Carolina pre-K programs (76% vs. 37%), while the impact on the enrollment for family child care homes (52% vs. 47%) and faith-based centers (60% vs. 55%) was smaller.

**Q1. What factors influenced your decision to keep your facility open during the COVID-19 pandemic?  
(Choose all that apply)**

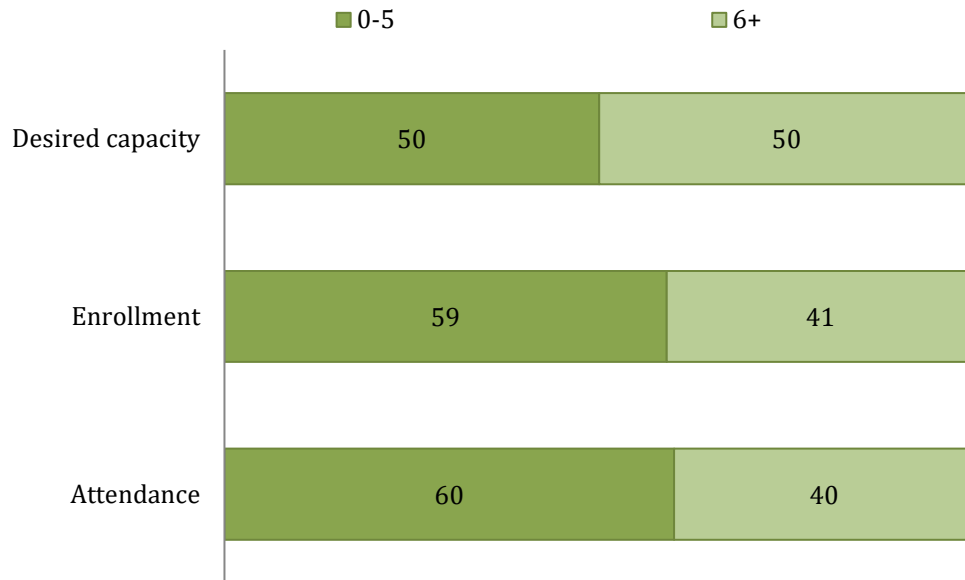




**Q1a. Please select the age levels you have at your facility?**

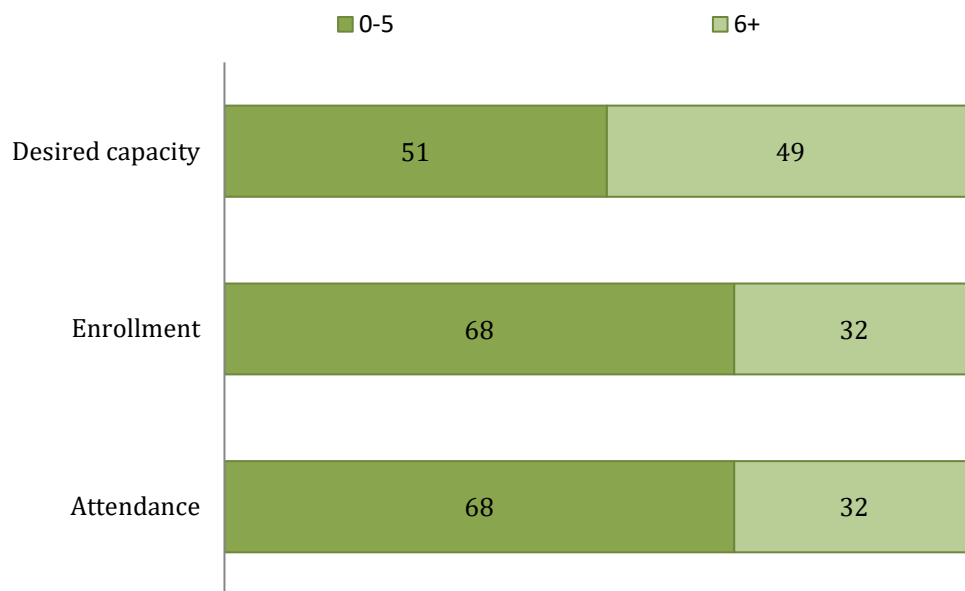


**Q2a. What was the desired capacity, daily enrollment, and attendance for infants (6 weeks through 11 months) at your child care program at the end of February 2020?**



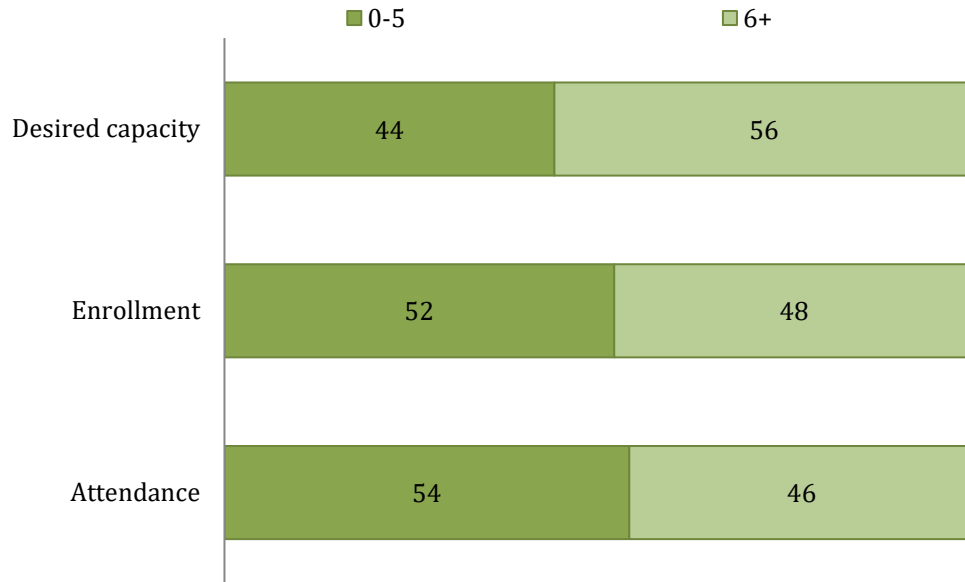
Note: sample size = 998

**Q3a. What was the desired capacity, daily enrollment, and attendance for infants (6 weeks through 11 months) at your child care program at the end of February 2021?**



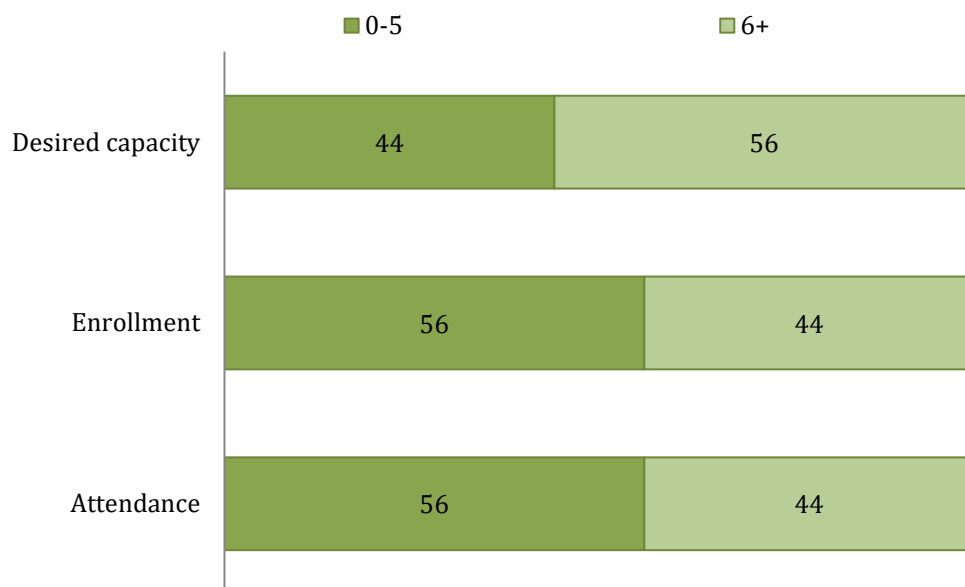
Note: sample size = 998

**Q2b. What was the desired capacity, daily enrollment, and attendance for one year olds (12 months through 23 months) at your child care program at the end of February 2020?**



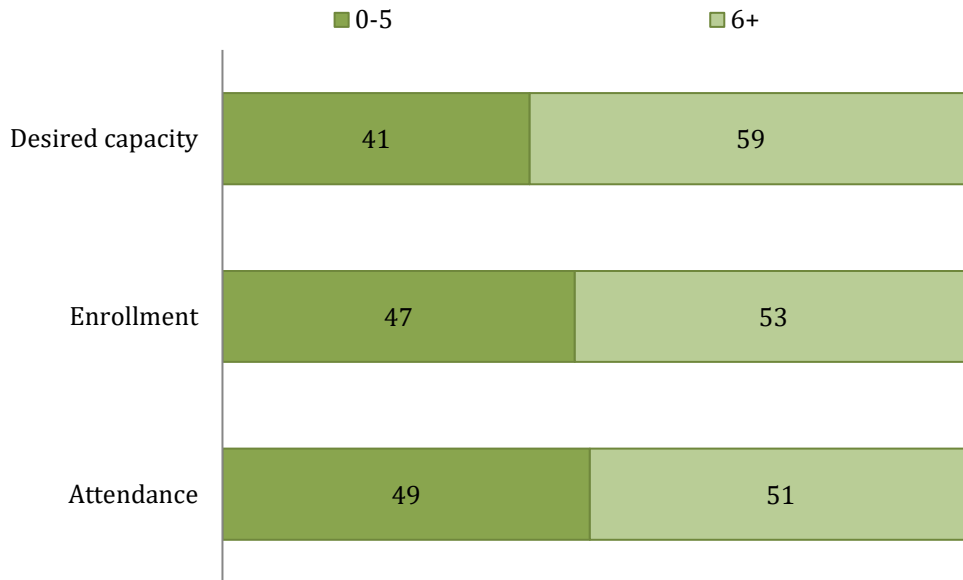
Note: sample size = 1259

**Q3b. What was the desired capacity, daily enrollment, and attendance for one year olds (12 months through 23 months) at your child care program at the end of February 2021?**



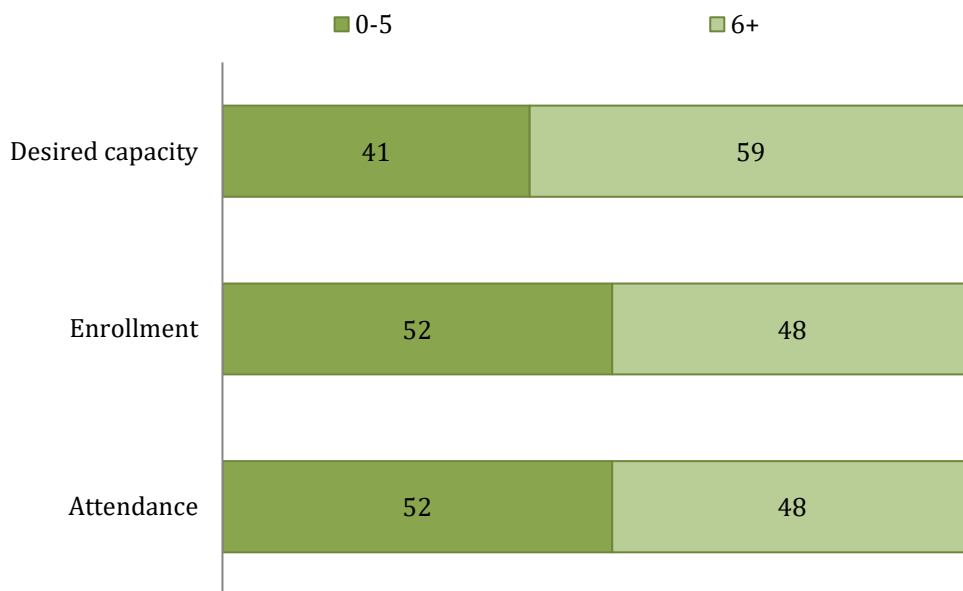
Note: sample size = 1259

**Q2c. What was the desired capacity, daily enrollment, and attendance for two year olds at your child care program at the end of February 2020?**



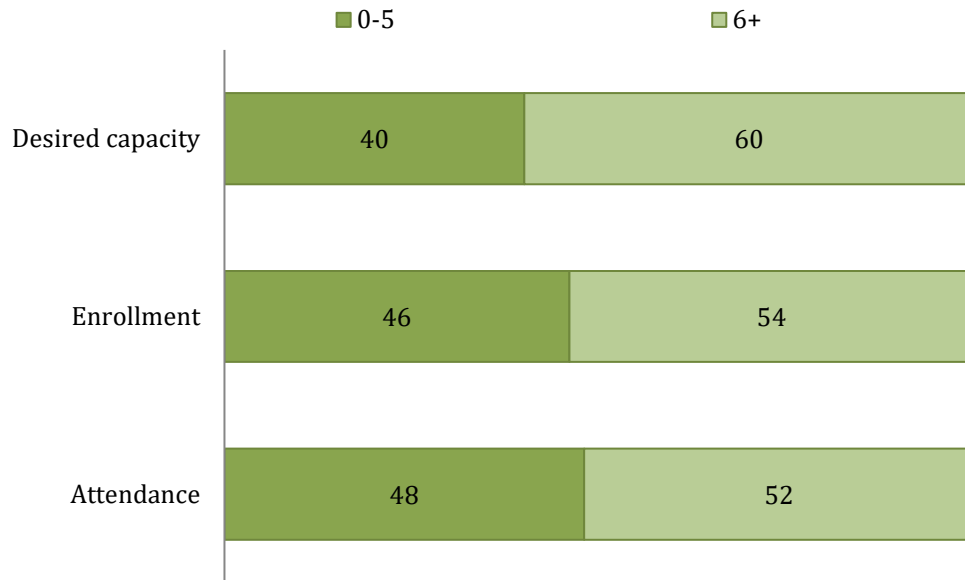
Note: sample size = 1386

**Q3c. What was the desired capacity, daily enrollment, and attendance for two year olds at your child care program at the end of February 2021?**



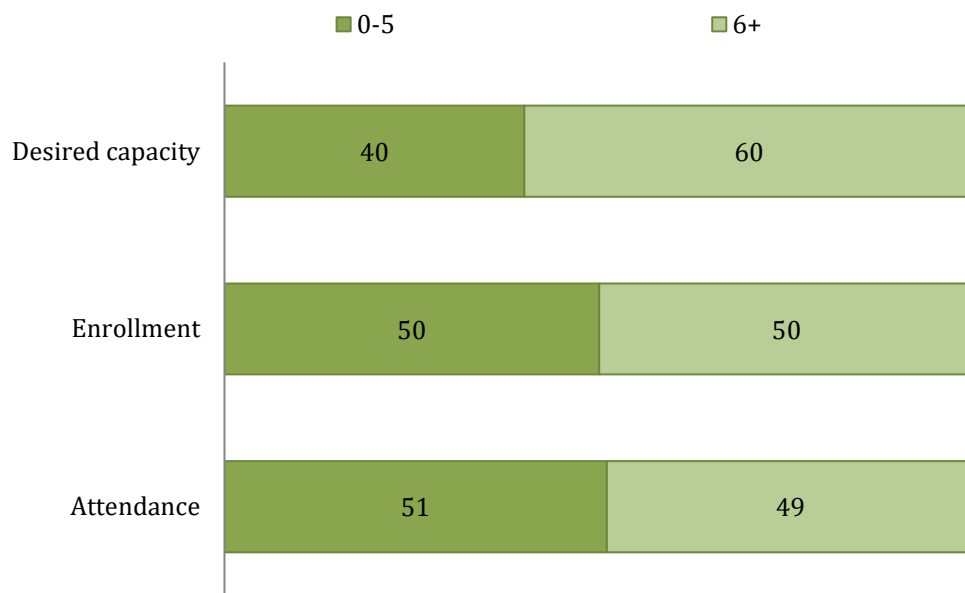
Note: sample size = 1386

**Q2d. What was the desired capacity, daily enrollment, and attendance for three year olds at your child care program at the end of February 2020?**



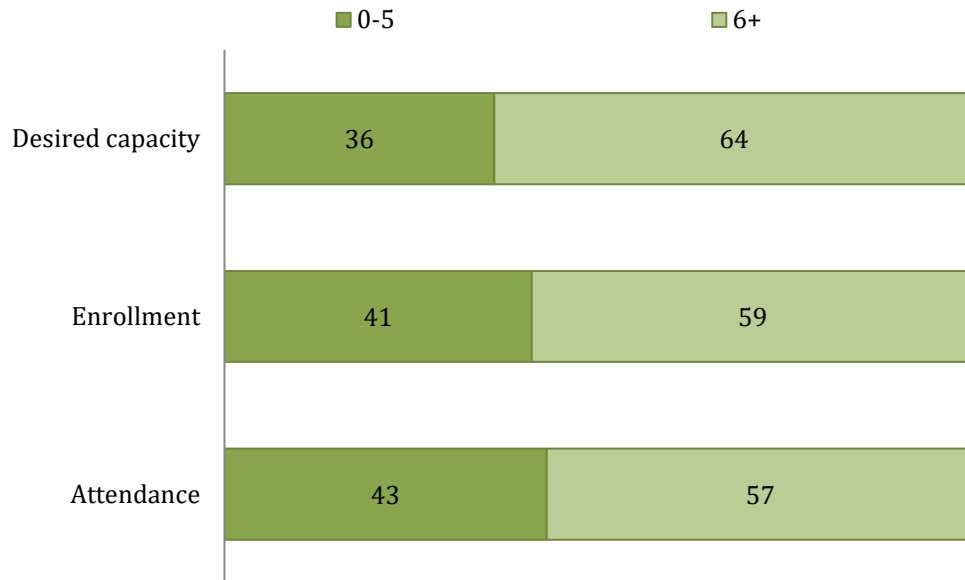
Note: sample size = 1500

**Q3d. What was the desired capacity, daily enrollment, and attendance for three year olds at your child care program at the end of February 2021?**



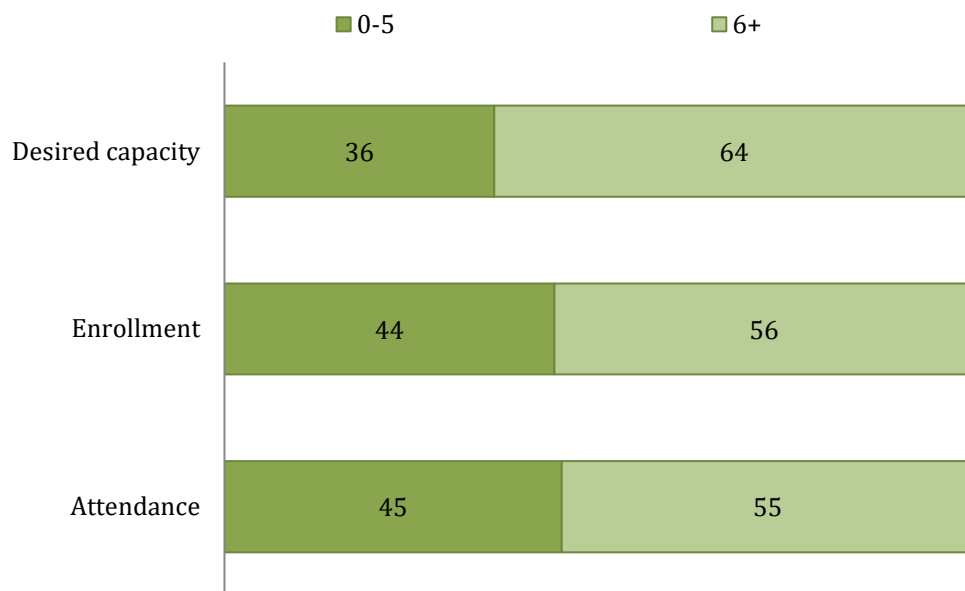
Note: sample size = 1500

**Q2e. What was the desired capacity, daily enrollment, and attendance for four year olds and pre-K five year olds at your child care program at the end of February 2020?**



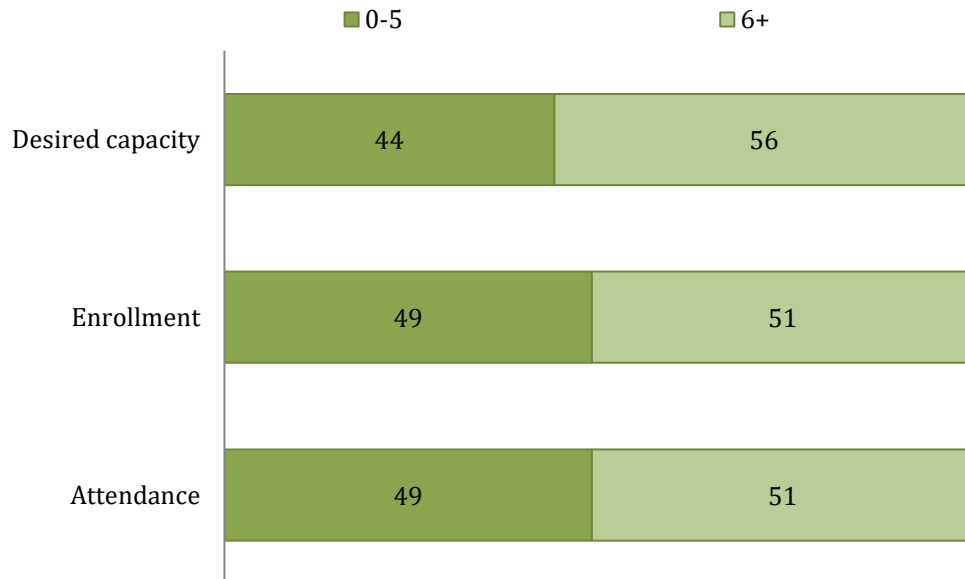
Note: sample size = 1514

**Q3e. What was the desired capacity, daily enrollment, and attendance for four year olds and pre-K five year olds at your child care program at the end of February 2021?**



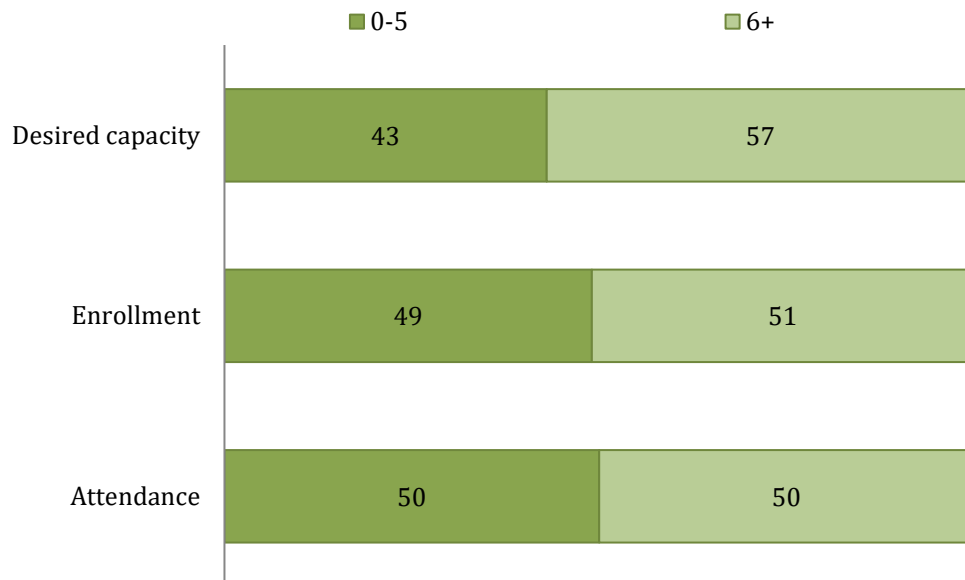
Note: sample size = 1513

**Q2f. What was the desired capacity, daily enrollment, and attendance for school age children (kindergarten five year olds and older) at your child care program at the end of February 2020?**



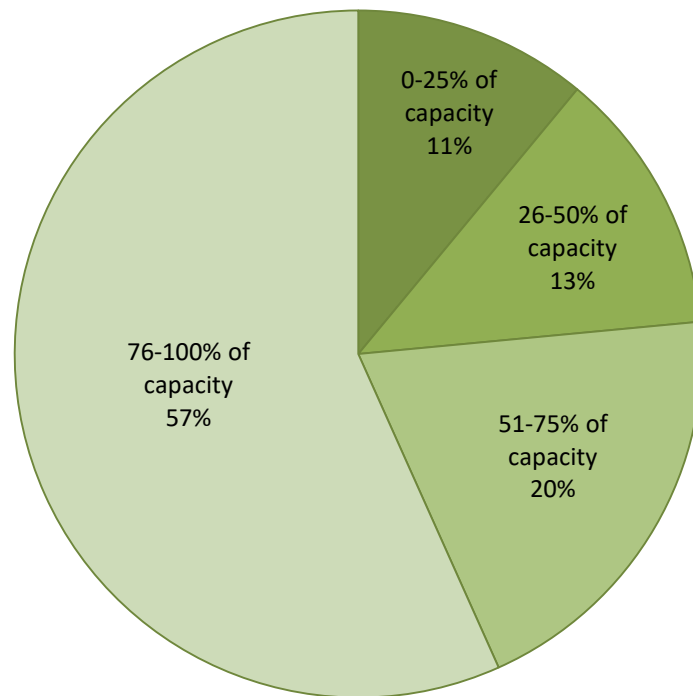
Note: sample size = 1146

**Q3f. What was the desired capacity, daily enrollment, and attendance for school age children (Kindergarten five year olds and older) at your child care program at the end of February 2021?**

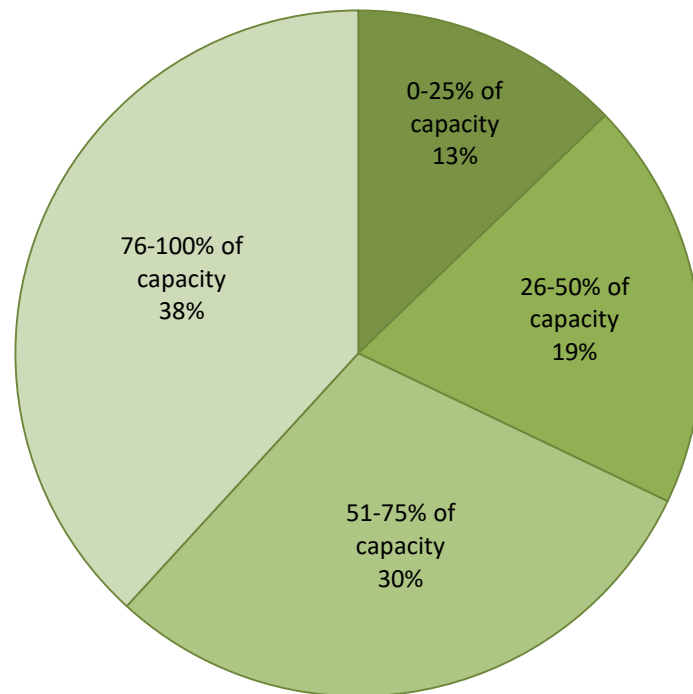


Note: sample size = 1145

**Q4. What percentage of your enrollment capacity was being served at the end of February 2020?**

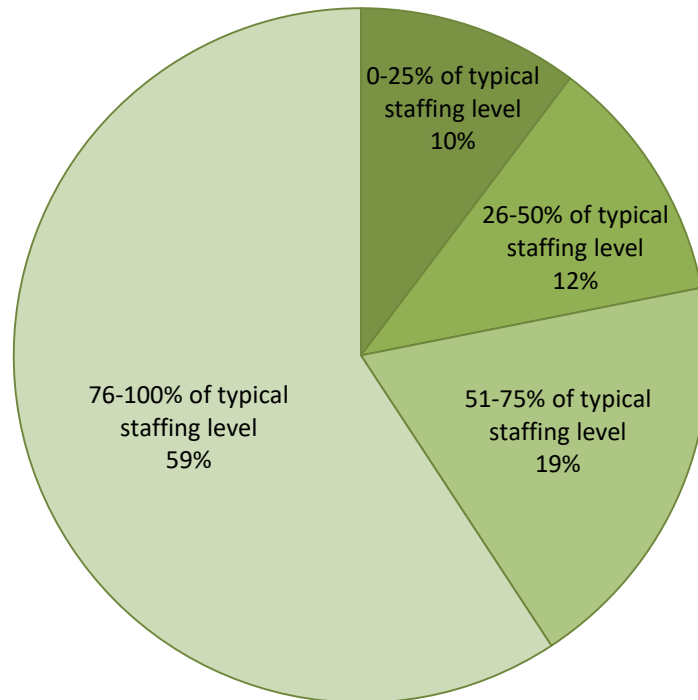


**Q4a. What percentage of your enrollment capacity was being served at the end of February 2021?**





**Q5. How does the number of staff hours worked per week now compare to your program's typical staffing level before the start of COVID-19?**



#### IV. Child Care Programs Funding

More than half (52%) of survey respondents report that, at the end of February 2020, more than five children enrolled at their facility were funded by a local, state, or federal child care subsidy and 28% report having more than 20 such children. These numbers remained essentially the same over the course of the pandemic.

Increased sanitation and cleaning measures (99% report having already taken this measure to respond to COVID-19 at their facility, and 95% report that they will be taking this step to respond to COVID-19 at their facility), communication with families about how to prevent the spread of COVID-19 (97%, 91%), changes in sick policies for children (93%, 88%), creating a plan for how to respond if an employee, child or family have been exposed to COVID-19 (90%, 85%), communication with families on how they would make a decision to close their program (89%, 86%) and communication with employees about how to prevent the spread of COVID-19 (83%, 81%) are the measures most commonly taken and planned by surveyed centers to respond to COVID-19.

In a vast majority of cases (87%), DCDEE's Health and Safety requirements have increased supply costs (cleaning, hand sanitizers, PPE). For some programs they also increased staffing costs (37%), caused enrollment reduction (23%) or resulted in hiring more staff (20%). Staffing costs increased for 60% of surveyed for-profit child care centers (compared to 41% of non-for-profit centers, 35% of North Carolina pre-K programs and only 13% of family child care homes).

Since February 2020, close to half (43%) of surveyed programs have closed at some point. In most cases the entire program closed once (59%) or twice (24%), for the total of fewer than 60 days in 74% of the cases. Staff exposure to COVID-19 was by far the most common reason for closures (58%). Most likely to close were not-for-profit child care centers (59% have closed at some point since February 2020), faith-based centers (55%) and North Carolina pre-K centers (54%). Most resilient were small centers – only 27% of centers with only one classroom and 21% of family child care homes have closed at some point since February 2020.

Among surveyed centers with classrooms, majority (61%) had individual classrooms that have been temporarily closed at least once due to COVID-19 exposure. Half (48%) had one or two classrooms closed, however, a fifth (21%) had five or more classrooms closed. The centers that had only one classroom closed typically (90%) closed it only once, for 8-14 (49%) or 1-7 (40%) days. However, centers that closed more than one classroom typically did so multiple times (40% had a total of 3 or more closures) and for longer periods (longer than 14 days in 46% of the cases).

Private pay families (87% of survey respondents receive funding from this source) and North Carolina or county child care subsidy vouchers (70%) are most common sources of funding among surveyed providers, followed by CACFP (41%) and public pre-K funding (16%).

Majority of surveyed institutions (62%) did not change their tuition rates in response to the pandemic and additional 15% did not change the rates yet but expect to; those who did change tuitions, typically raised them (61%).

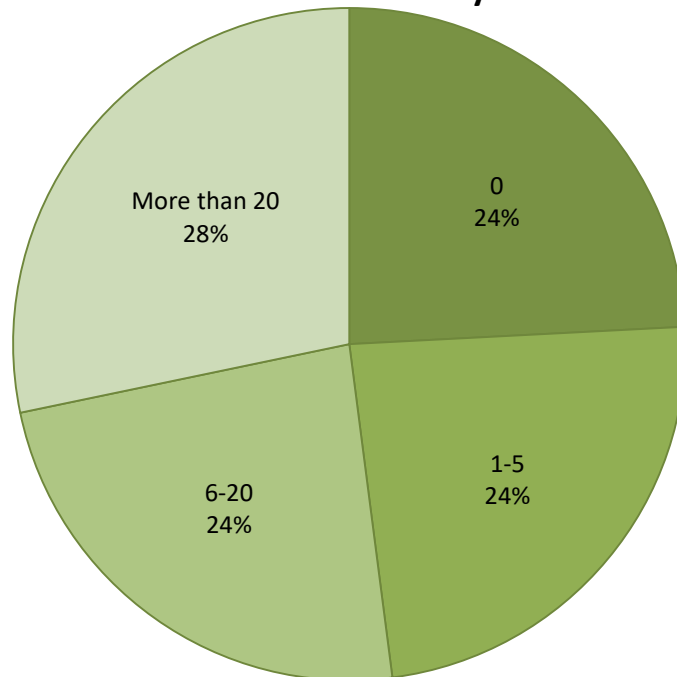
Approximately two-thirds (64%) of surveyed providers are experiencing at least some financial losses due to the COVID-19 pandemic; since March 2020 majority (58%) had losses over \$5,000. Employee wages (56% report this being their single largest expense this month) and rent/mortgage (24%) are providers' biggest expenses by far. Most likely to report financial losses were for-profit child care centers (77%), with employee wages being their single largest expense by far (83%).

Approximately equal number of surveyed providers continue (41%) and do not continue (42%) to pay employees who would otherwise be laid-off due to reduced enrollment size. Majority (60%) are not operating with reduced staffing; laid-off employees are typically (50%) not applying for unemployment benefits. For-profit (56%) and non-for-profit (51%) child care centers are most likely to report operating with fewer staff than they did in February 2020.

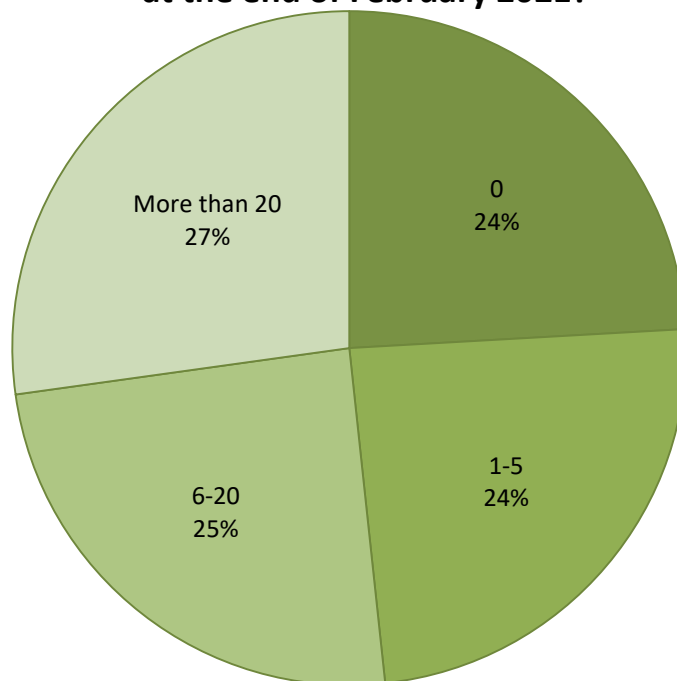
Most surveyed providers did not apply for the Economic Injury Disaster Loan (76%) and only 14% applied and received funding. The Paycheck Protection Program was more popular – fifty-two percent of surveyed child care providers applied for this funding, including 42% who applied and received it. For-profit child care centers (19% have applied and received this funding) were most successful in receiving the Economic Injury Disaster Loan, while faith-based child care centers (62%) and for-profit child care centers (57%) were most successful in receiving the Paycheck Protection Loan.

Low enrollment due to reduced demand (47%) was by far the biggest factor in revenue changes, followed by low enrollment due to compliance with health and safety (28%), and higher staffing cost (27%).

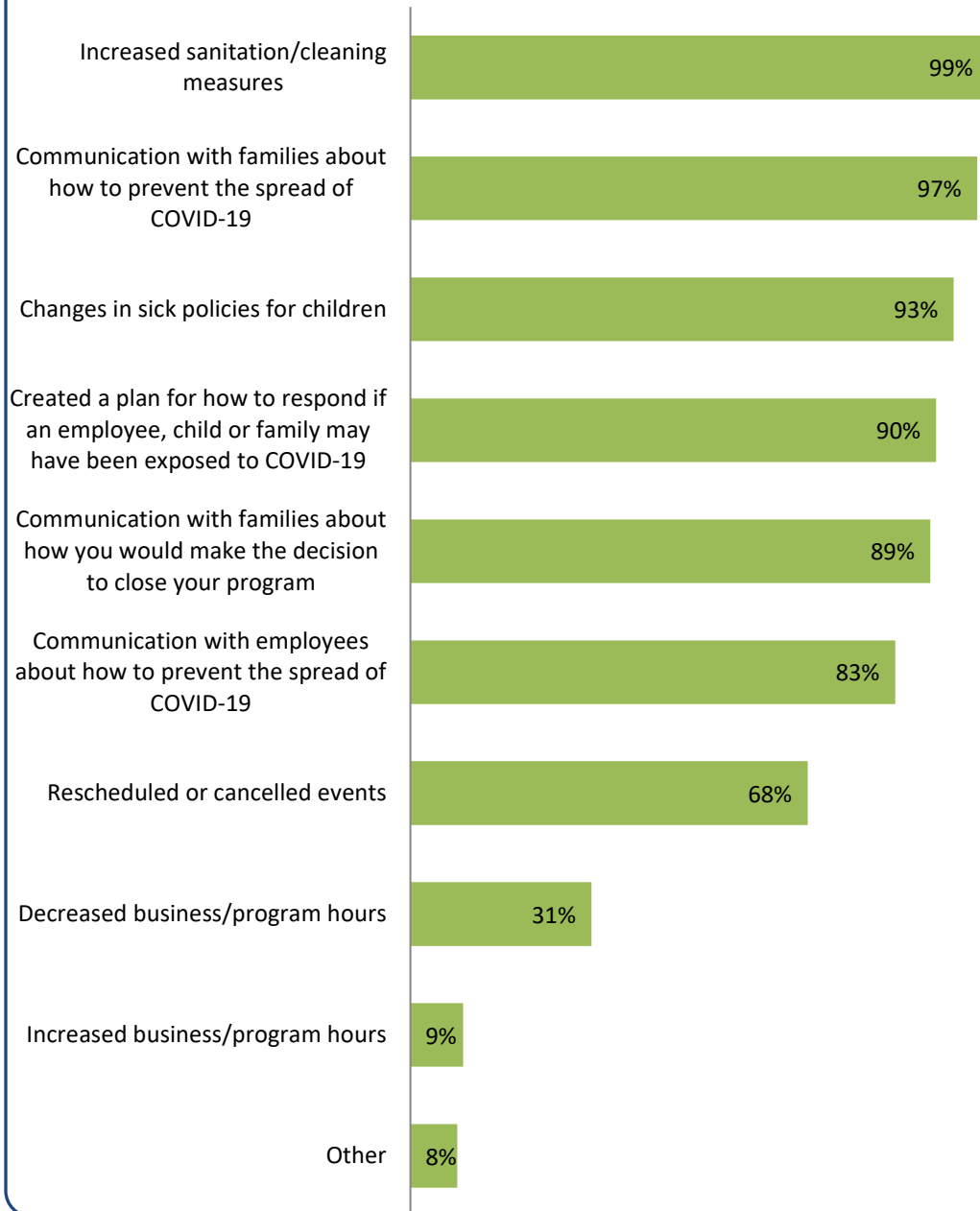
**Q6a. How many children enrolled at your facility were funded by a local, state, or federal child care subsidy at the end of February 2020?**



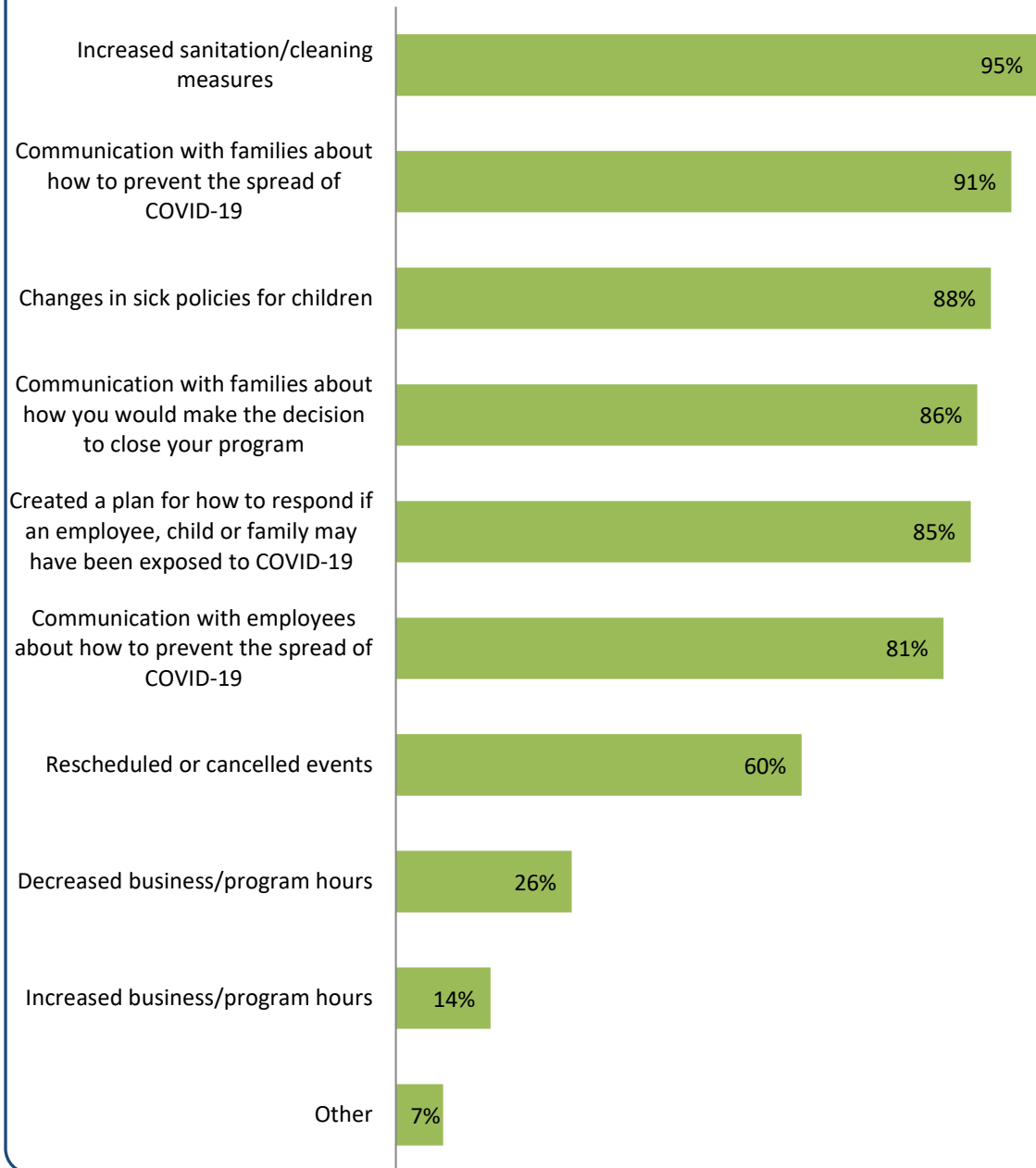
**Q6b. How many children enrolled at your facility were funded by a local, state, or federal child care subsidy at the end of February 2021?**



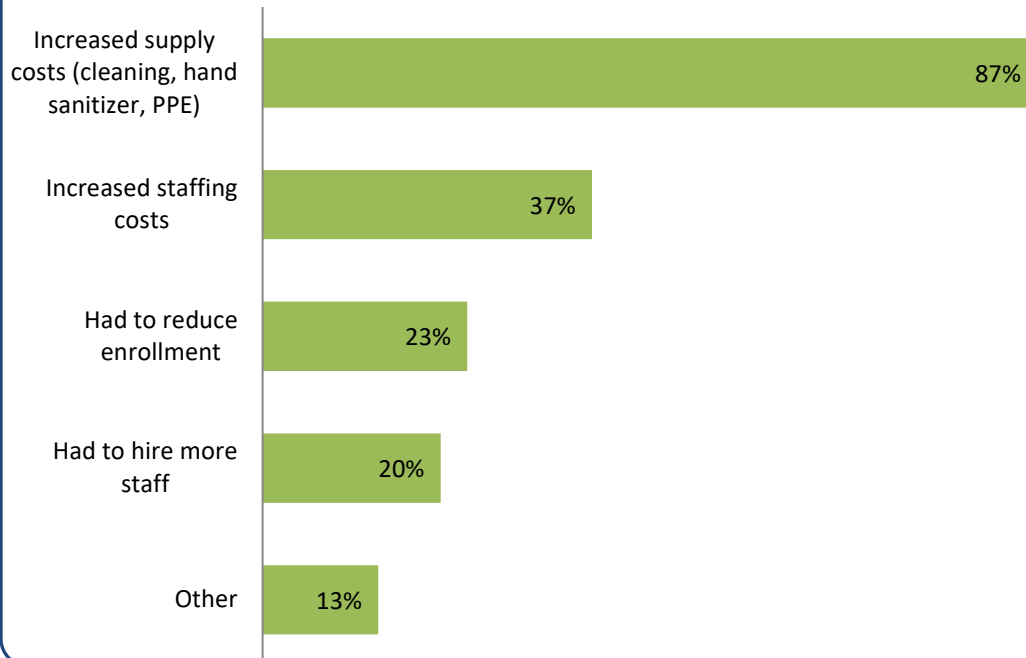
**Q7a. What steps have you already taken to respond to COVID-19 at your facility? (Choose all that apply)**



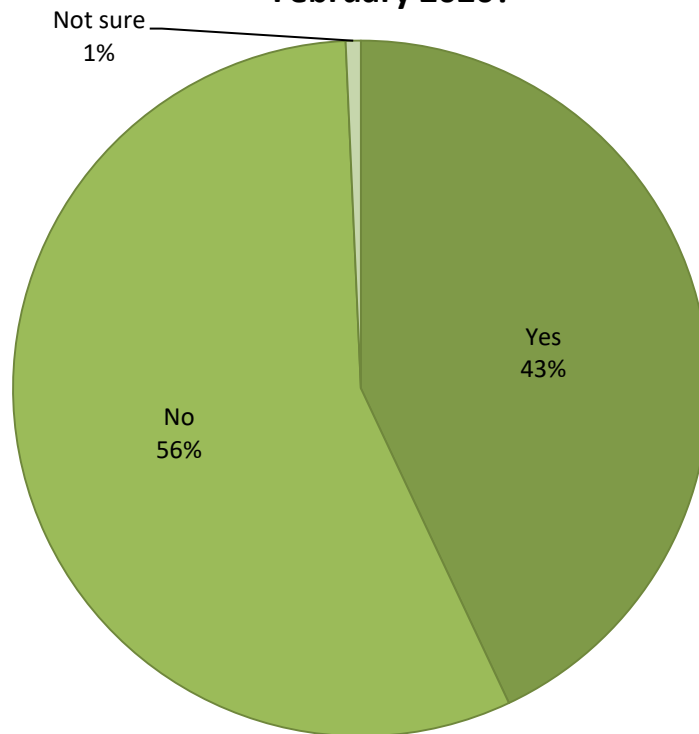
**Q7b. What steps will you be taking to respond to COVID-19 at your facility? (Choose all that apply)**



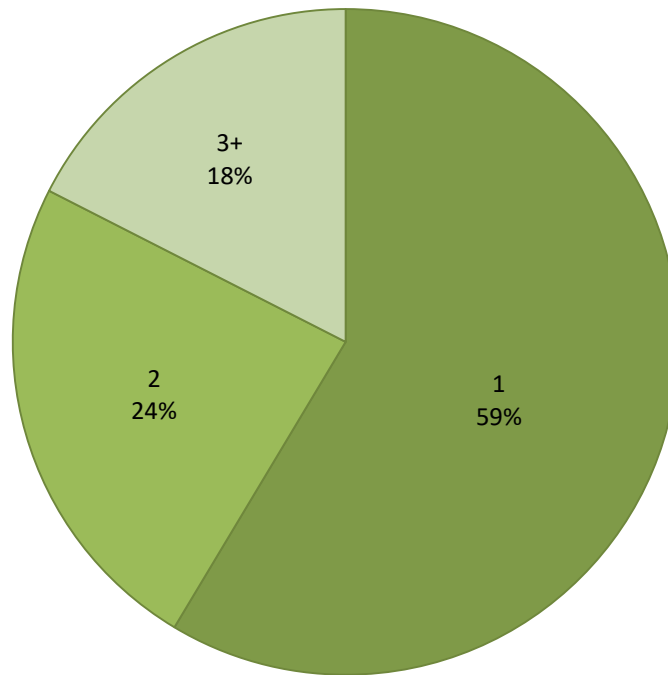
**Q8. How have DCDEE's Health and Safety requirements impacted your facility? (Choose all that apply)**



**Q9. Has your entire program closed at any point since February 2020?**

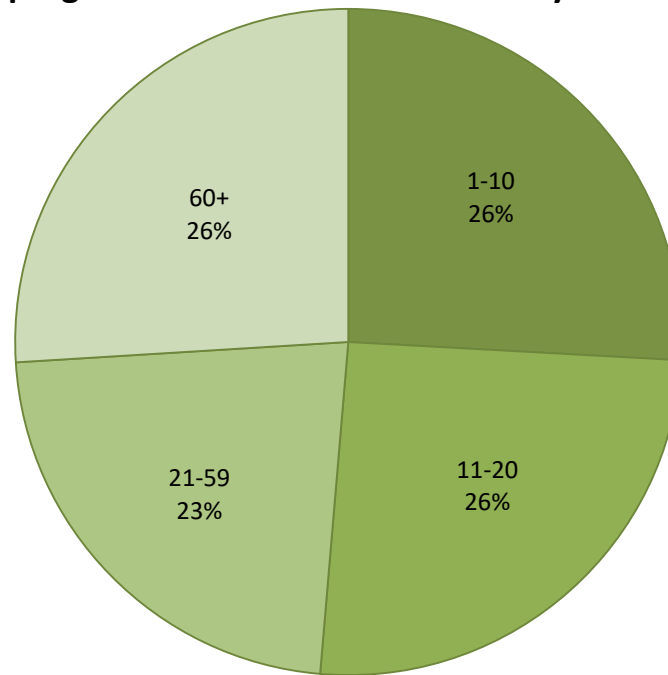


**Q10a. How many times has your entire program closed since February 2020?**



Note: sample size = 785

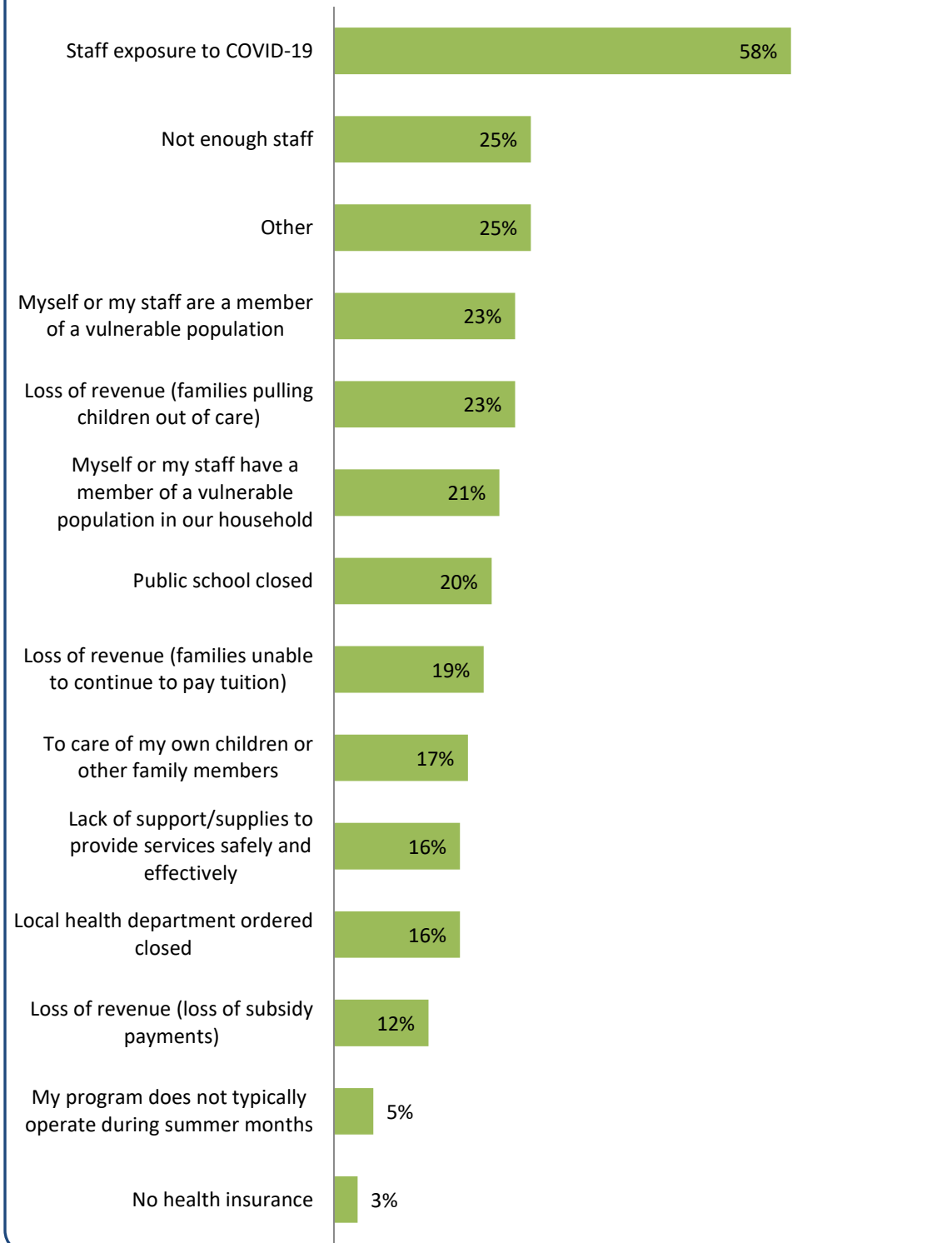
**Q10b. How many days in total has your entire program been closed since February 2020?**



Note: sample size = 785

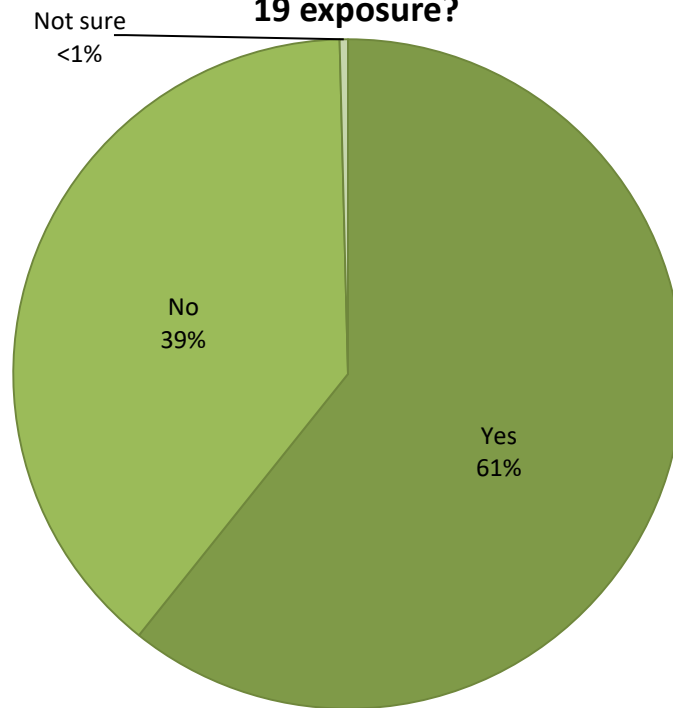


**Q11. What was the reason for the closure(s)?  
(Choose all that apply)**



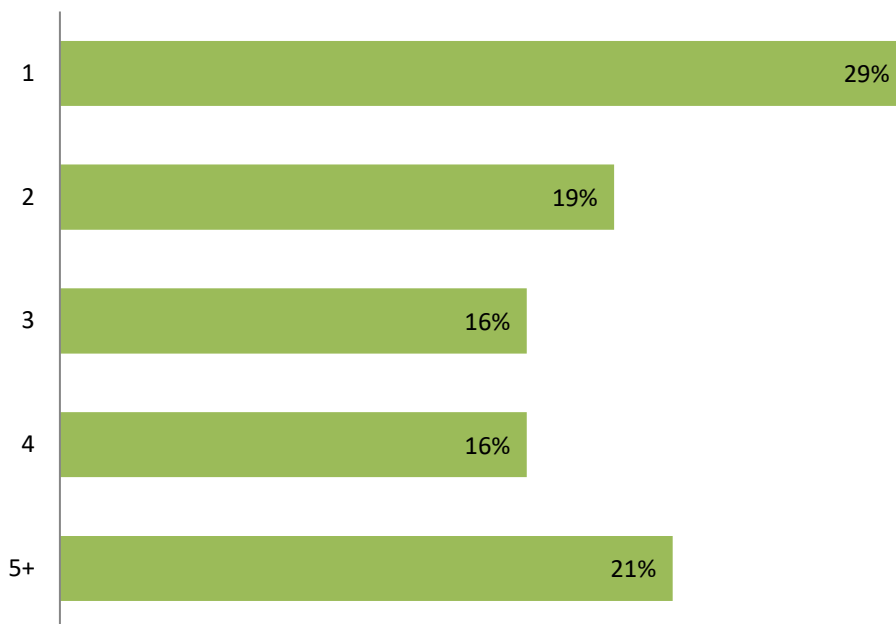
Note: sample size = 785

**Q11a. Has your center had individual classrooms that have temporarily closed at least once due to COVID-19 exposure?**



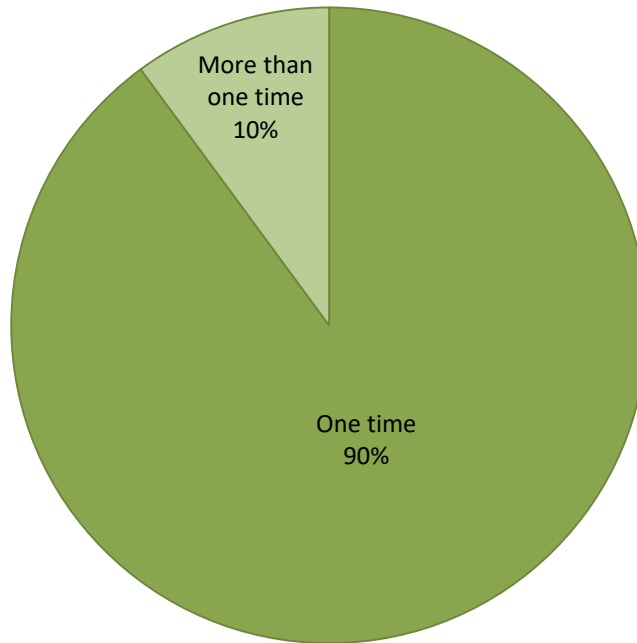
Note: sample size = 571

**Q11b2. How many classrooms have been temporarily closed at least once during the pandemic?**



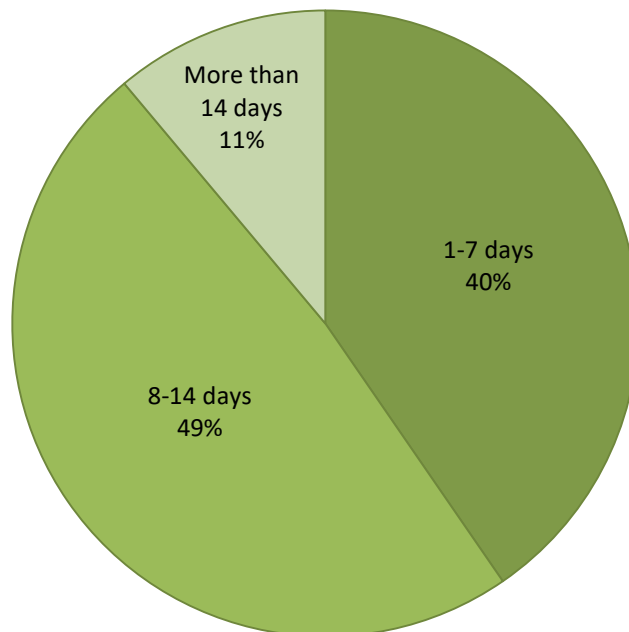
Note: sample size = 347

**Q11b3a. You indicated that only one classroom was closed - How many different times was the classroom closed?**



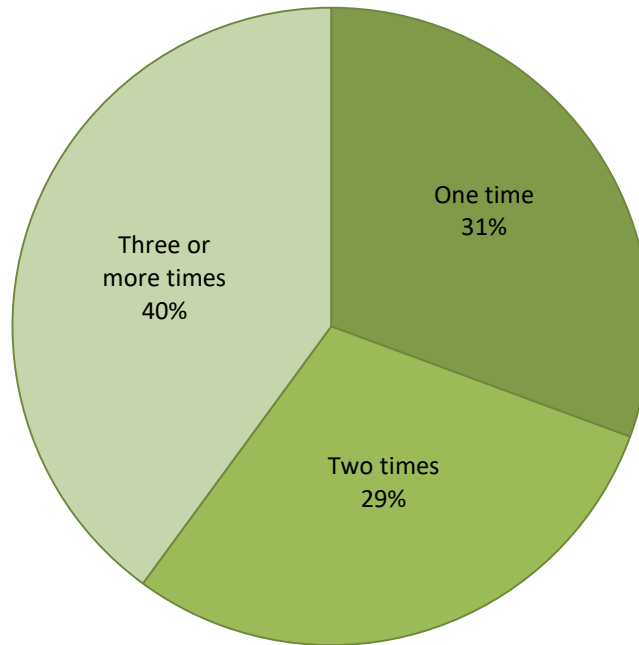
Note: sample size = 99

**Q11b3b. You indicated that only one classroom was closed - How many days in total was the classroom closed?**



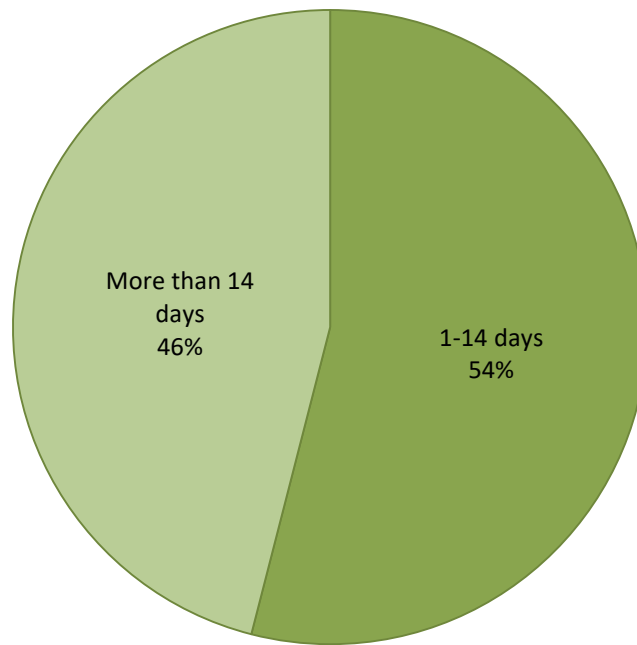
Note: sample size = 99

**Q11b4a. You indicated that more than one classroom was closed - How many times in total did you have to close classrooms?**



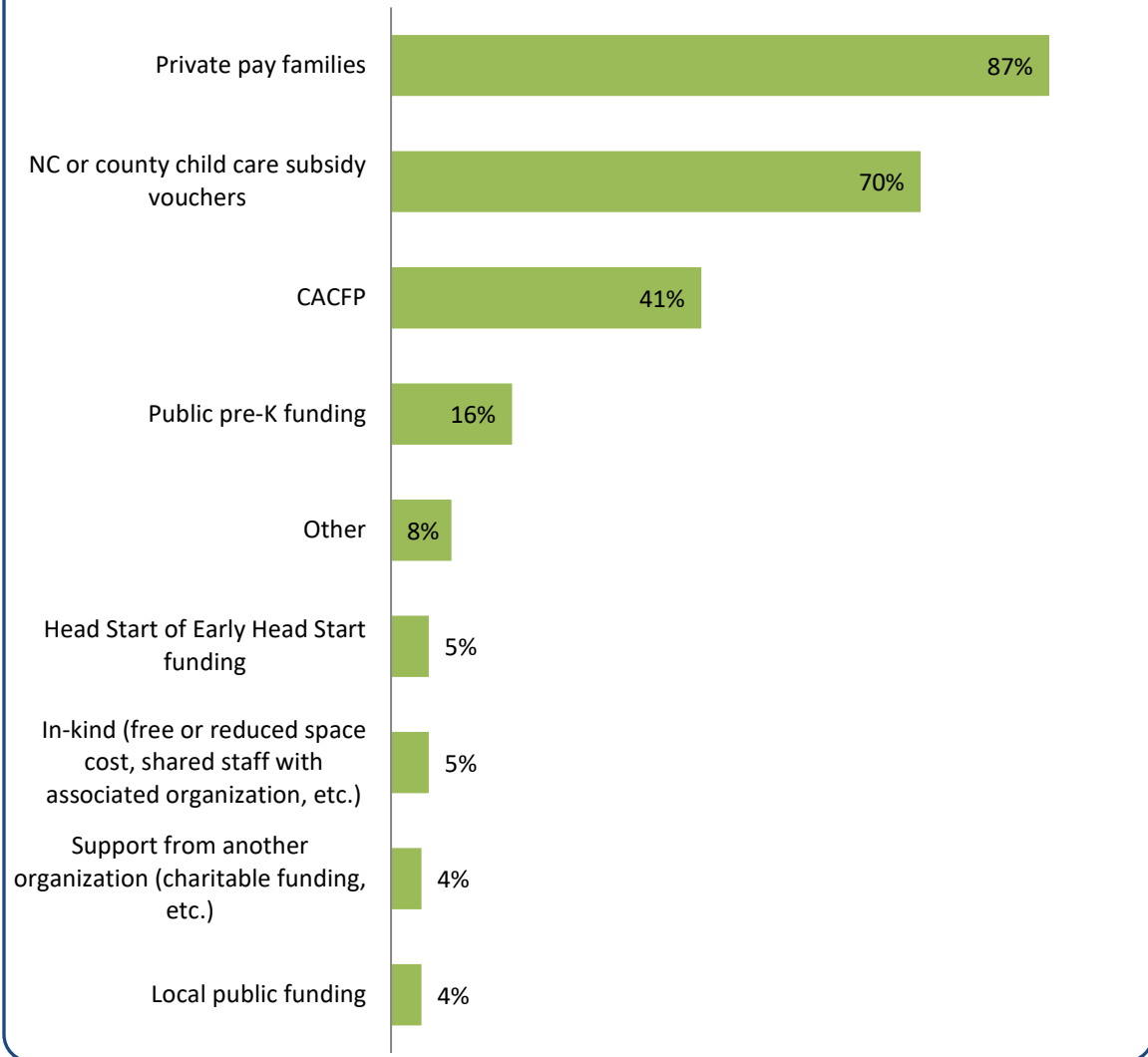
Note: sample size = 248

**Q11b4b. You indicated that more than one classroom was closed - How many days in total were the classrooms closed?**

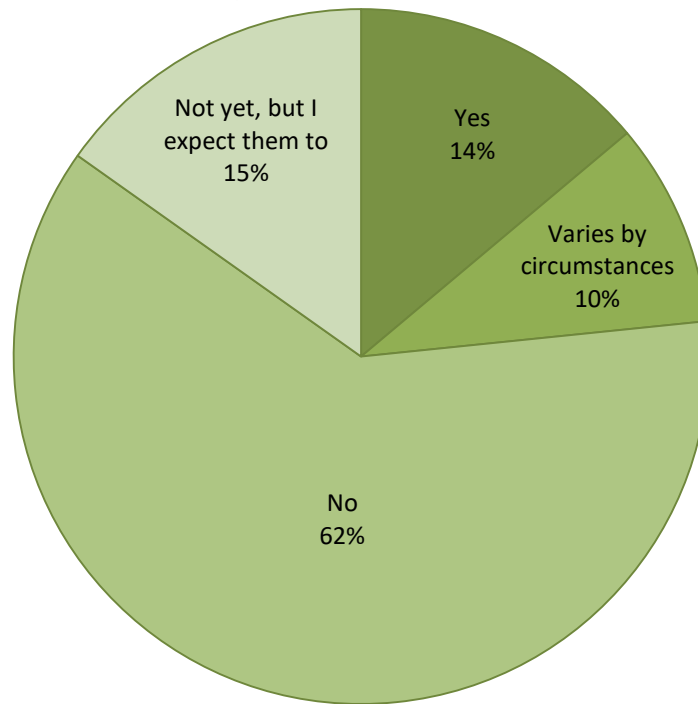


Note: sample size = 248

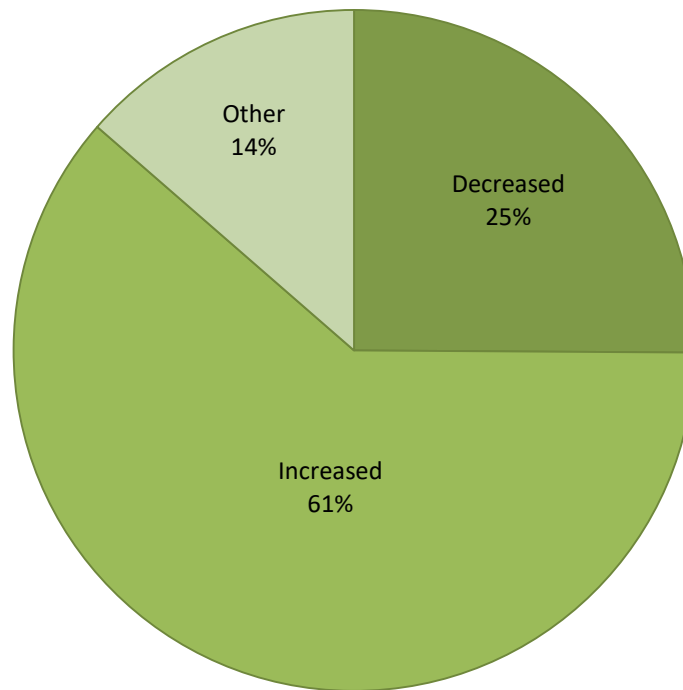
**Q12. From what sources does your business generally receive funding from? (Choose all that apply, thinking of the last year of operation before the COVID-19 pandemic began)**



**Q13. Have tuition rates for your facility changed in response to COVID-19?**

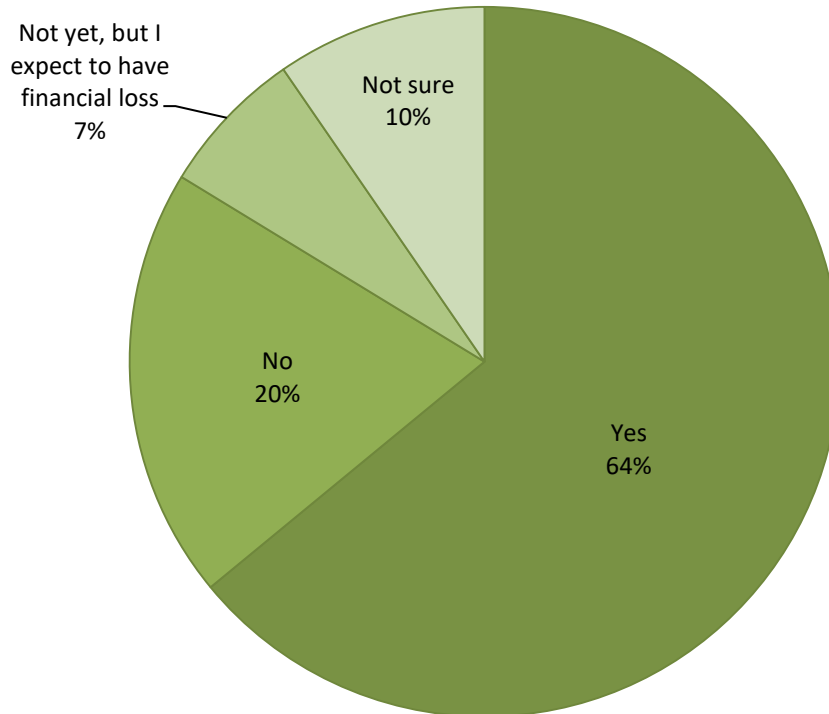


**Q14. How have tuition rates changes in response to COVID-19?**



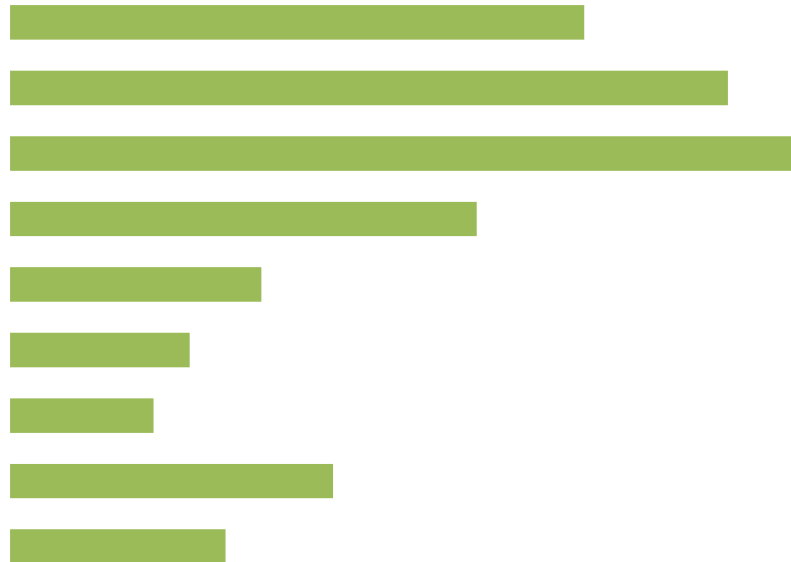
Note: sample size = 243

**Q15. Are you experiencing any financial loss due to the COVID-19 pandemic?**



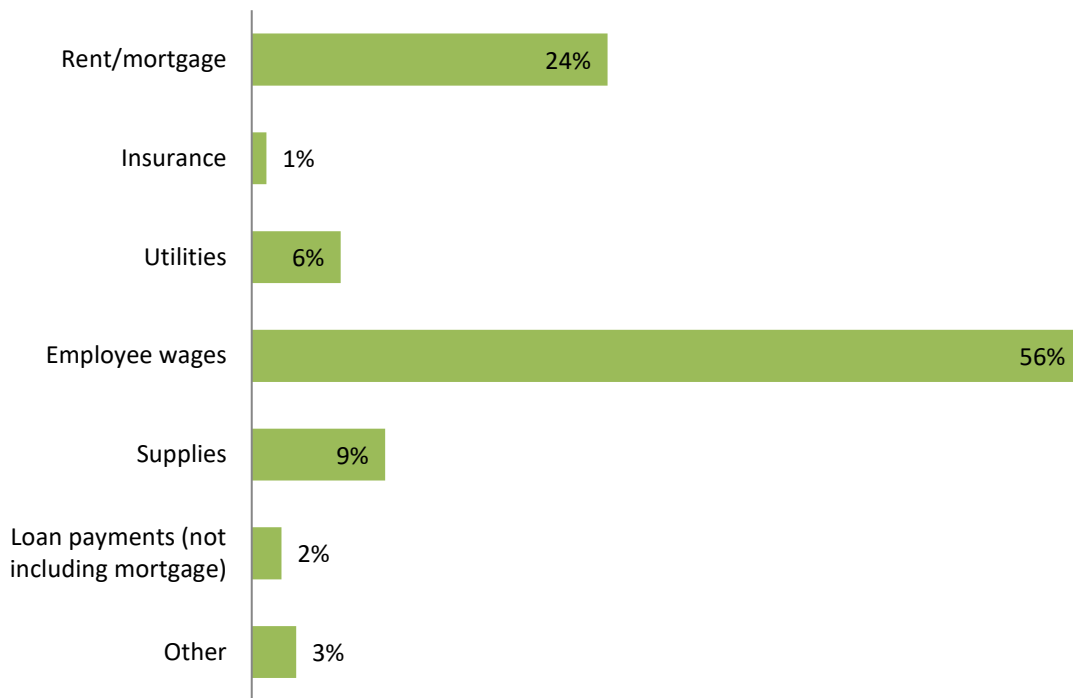
**Q16. What, if any, financial losses have your program incurred due to COVID-19 (increased expenses, decreased attendance, decreased enrollment, etc.)? Please provide your best estimate of financial loss between March 2020 and now.**

**SEE ADDENDUM FOR UPDA**

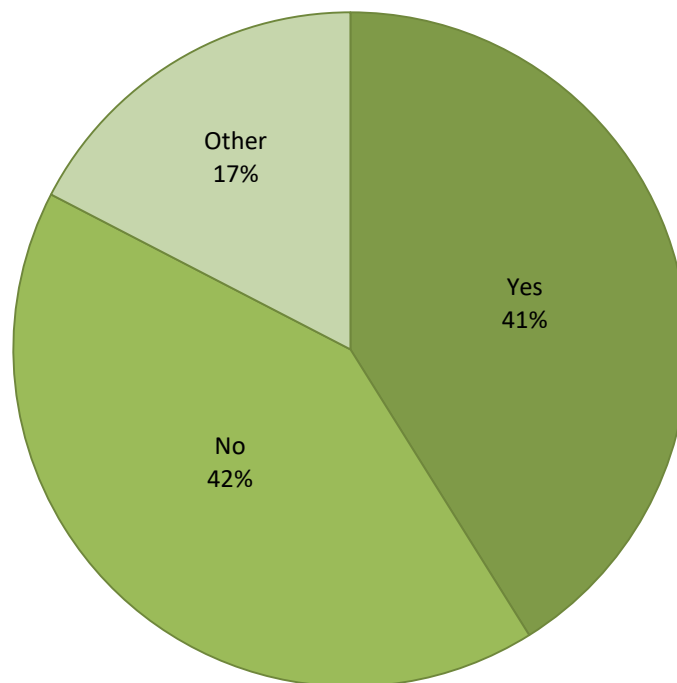




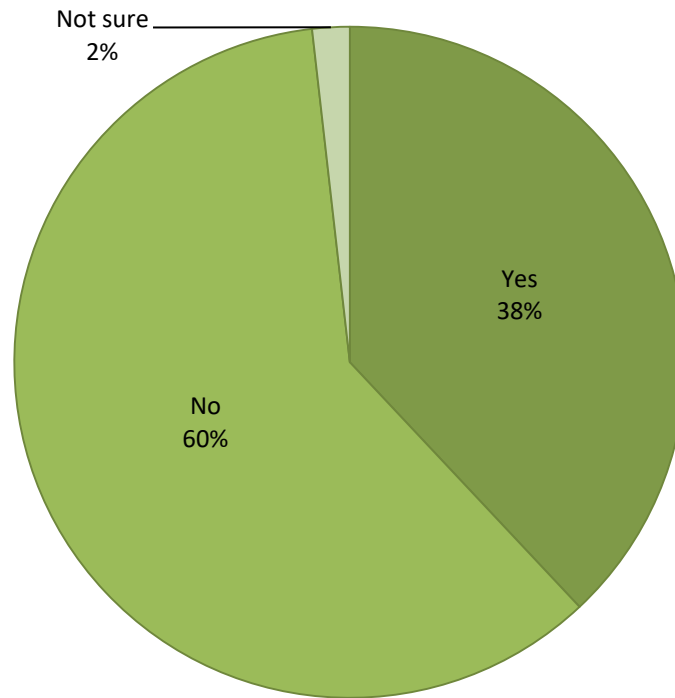
**Q17. What is the single largest expense for your business/program this month?**



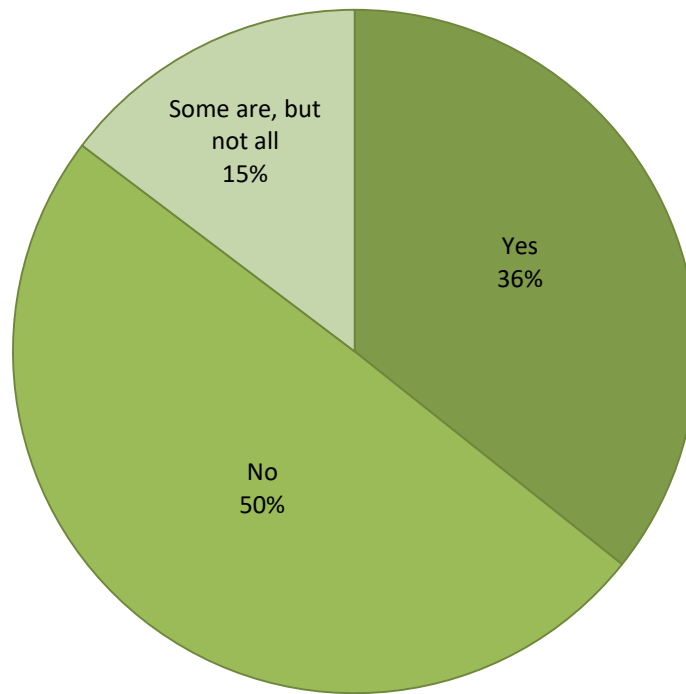
**Q18. Are you continuing to pay employees who would otherwise be laid off due to reduced enrollment size?**



**Q19. Is your center/program operating with fewer staff than it had in February 2020?**



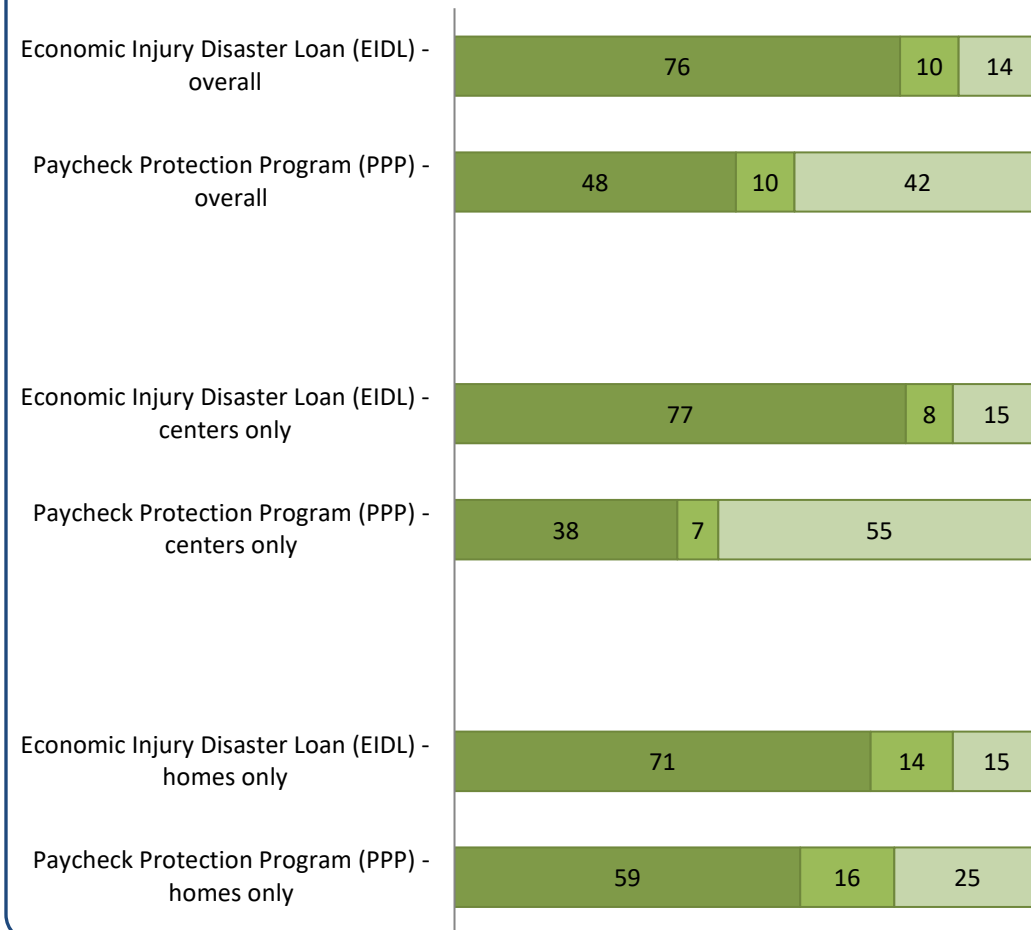
**Q20. Are your laid off employees applying for unemployment insurance benefits?**



Note: sample size = 694

**Q21. For each of the following funding opportunities which best describes the actions you took?**

- I did not apply for this funding
- Applied for and DID NOT receive funding
- Applied for and DID receive funding



**Q22. For the following, how influential was each in changing your revenue structure as a result of COVID-19:**

Very influential     
  Somewhat influential     
  Slightly influential  
 Not at all influential     
  Not sure



## V. Child Care Programs Future

Health and safety of children, families and staff (55% are very concerned about this in respect to the current and future sustainability), keeping enrollment high enough to break even (52%), maintaining staff during and beyond the pandemic (48%), recruiting staff (47%) and paying staff or paying themselves as a solo provider (45%) are providers' biggest concerns regarding sustainability of their programs.

Slightly over half (52%) of providers believe that they are not at risk of permanent closure, while one-fifth (21%) feel they are at risk of closing within next six months without additional financial support and 27% are unsure. Staff bonuses (70% need this kind of support for their business/program to continue operations and/or reopening from the impact of the pandemic), grants to pay for fixed costs during a closure (59%), forgivable loans (54%), and grants to pay staff during a closure (50%) are most needed kinds of support in the face of the pandemic.

Most providers (61%) are not sure what, if any, enrollment reduction is necessary for their program to operate in the context of current state child care health and safety guidance; an additional quarter (26%) believe reduction in the range 0%-10% will be necessary. Majority (60% 'very easy to manage, 'easy to manage' and 'neither easy nor difficult to manage' combined) of surveyed providers has found management of staff-to-children ratios during the COVID-19 pandemic not too difficult to manage. However, 15% of respondents did find managing staff-to-child ratios during the pandemic very difficult. This sentiment is especially strong among for-profit child care providers (27% report managing staff-to-child ratios to be very difficult).

Large numbers of surveyed providers are sharing information about vaccines (66%) and vaccine events (58%) with their staff and encouraging their staff to get vaccinated (42%), while significant but smaller number is neither promoting nor discouraging vaccine participation (22%).

Since March 2020, large number of providers have received payment through the subsidy system (63%), grants supported or in-kind personal protective equipment (57%), had parents continuing to pay tuition (54%), have received funding to provide emergency child care to children of essential workers (49%), and have received reimbursements for hazard pay / bonus payments for staff compensation (41%). Payments through the subsidy system were very common among for-profit child care institutions (79%).

Majority (70%) of survey respondents are not familiar with their local small business center while additional 18% know of it but do not communicate with it.

Keeping teachers and children safe (53% are very concerned about it), keeping parents informed and comfortable sending their children back (45%), paying owners/directors (44%), paying teachers and staff (43%) and getting teachers to come back to work (39%) are foremost concerns in the minds of surveyed providers. Among survey respondents in for-profit child care centers, 60% and 59%, respectively, are very concerned

about paying teachers and staff and getting teachers to come back to work— much higher than in other types of institutions, most notably faith-based centers where the corresponding numbers are only 22% and 17%, respectively.

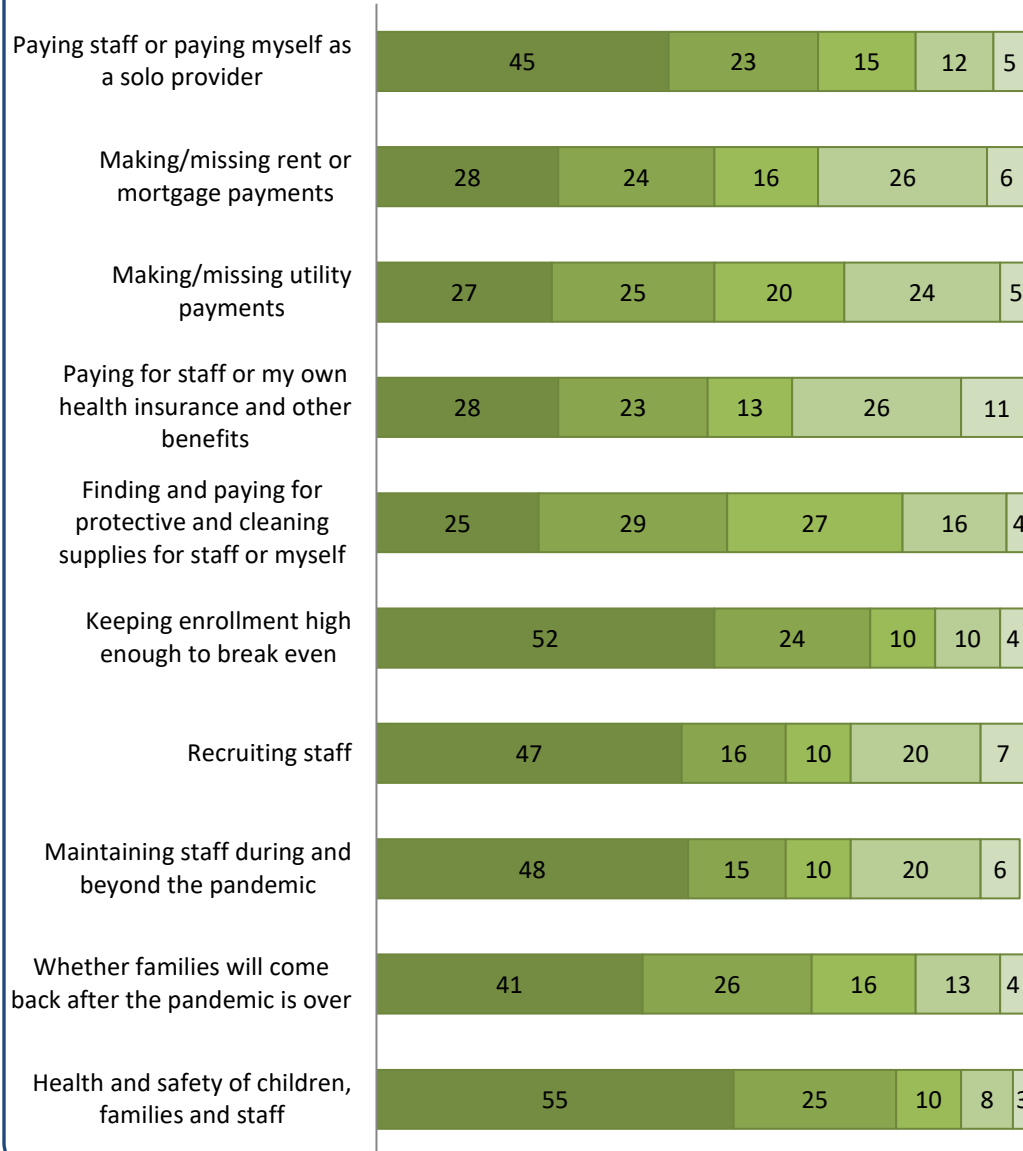
Majority of respondents review their financial statement regularly to look for trends and evaluate the financial health of the business (38%) or to check if they are making more money than they are spending (20%). Overwhelming majority (81% ‘strongly agree’ and ‘somewhat agree’ combined) regularly collect tuition and fees that are owed on-time with few outstanding balances and late payments.

Continued access to health and safety supplies (86%) and grants and stipends to cover fixed operating expenses (81%) are by far the most needed types of support for providers to stay open. Majority (51%) would not be interested in receiving no-cost confidential financing/budgeting consultation or technical assistance on child care program operations during and beyond COVID-19, while one-in-five (20%) would be interested in receiving such assistance. Family child care homes (26%) are most interested in receiving this kind of assistance

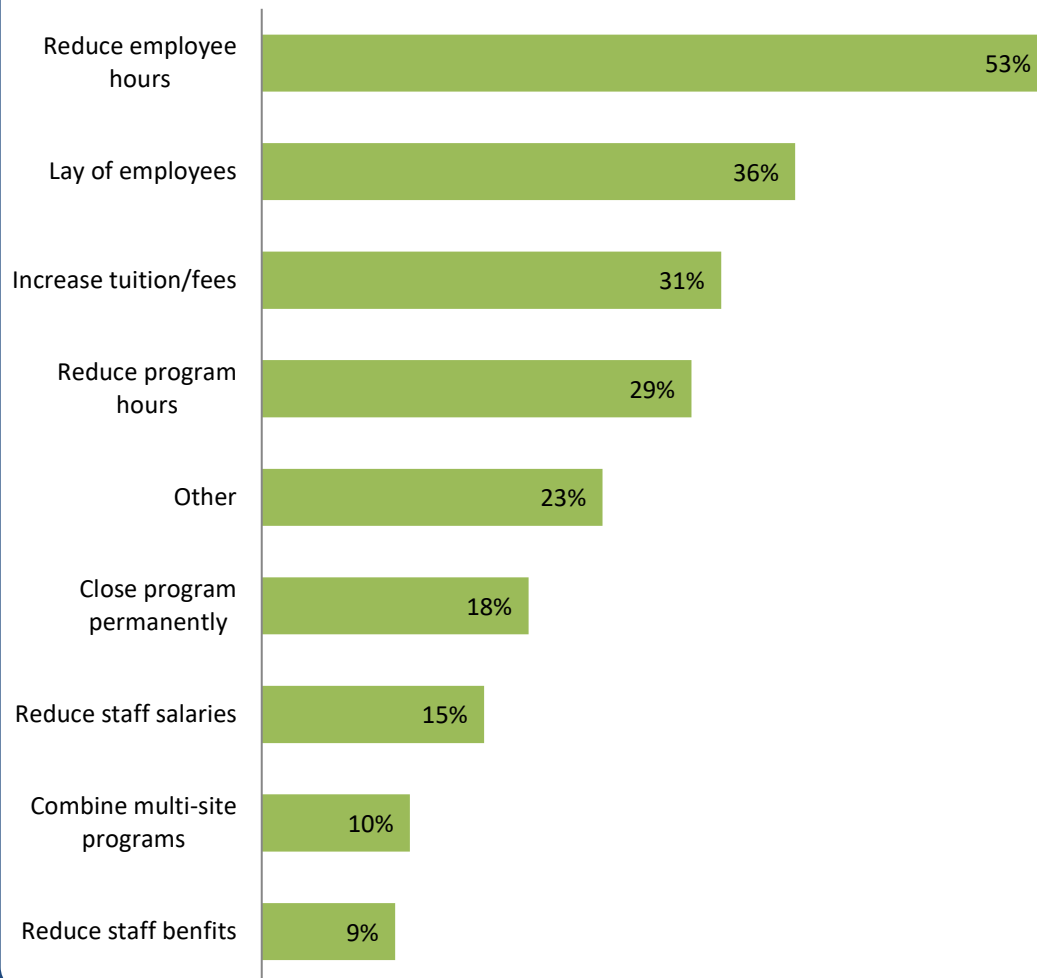
Only one-in-five (22%) of surveyed respondents would be willing to share with the media their experiences operating their child care program during the pandemic.

**Q23. When it comes to the current and future sustainability of your child care program, how concerned are you about each of the following:**

Very concerned     
  Somewhat concerned     
  Not too concerned  
 Not at all concerned     
  Not sure

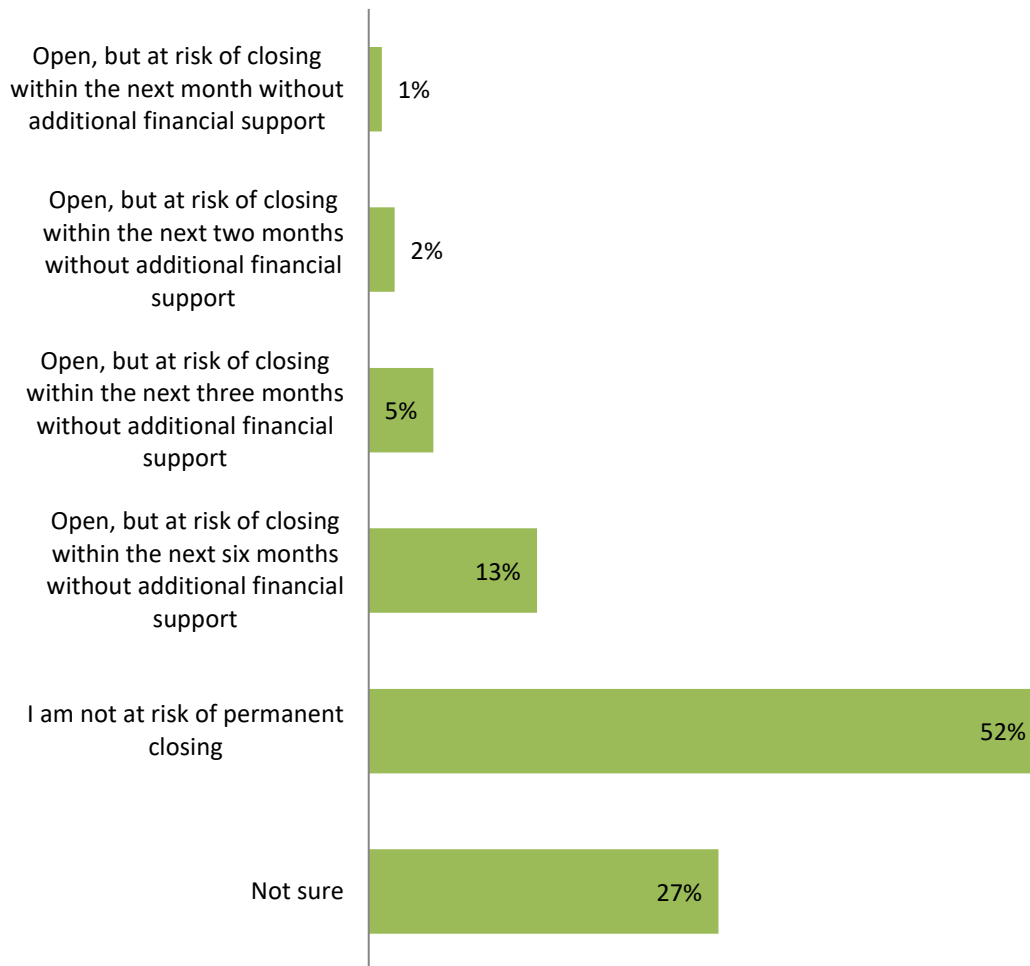


**Q24. What will happen to your program this summer if you have an unexpected decline in birth to five-year old enrollment and cannot replace these children for the summer with school-age children? (Choose all that apply)**

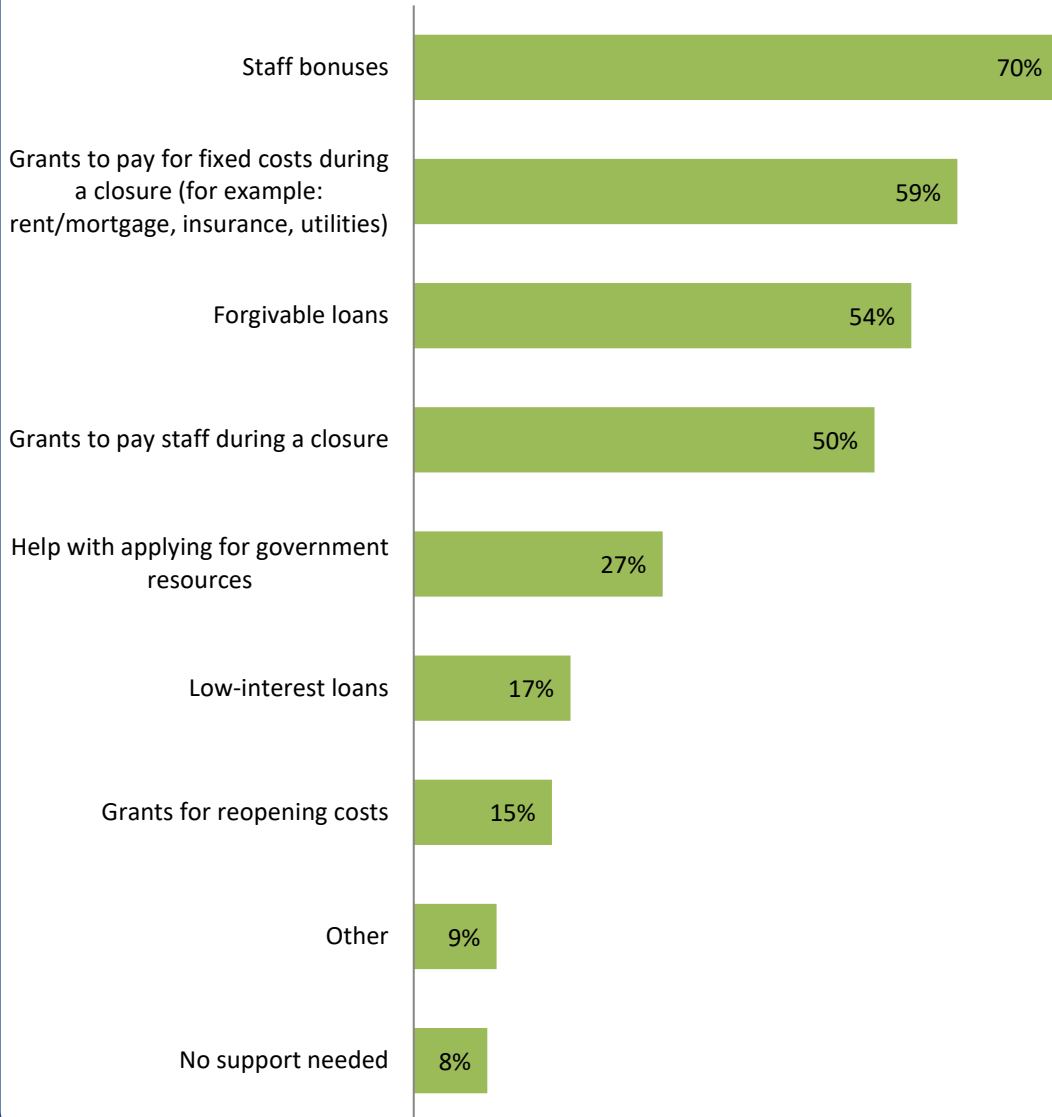




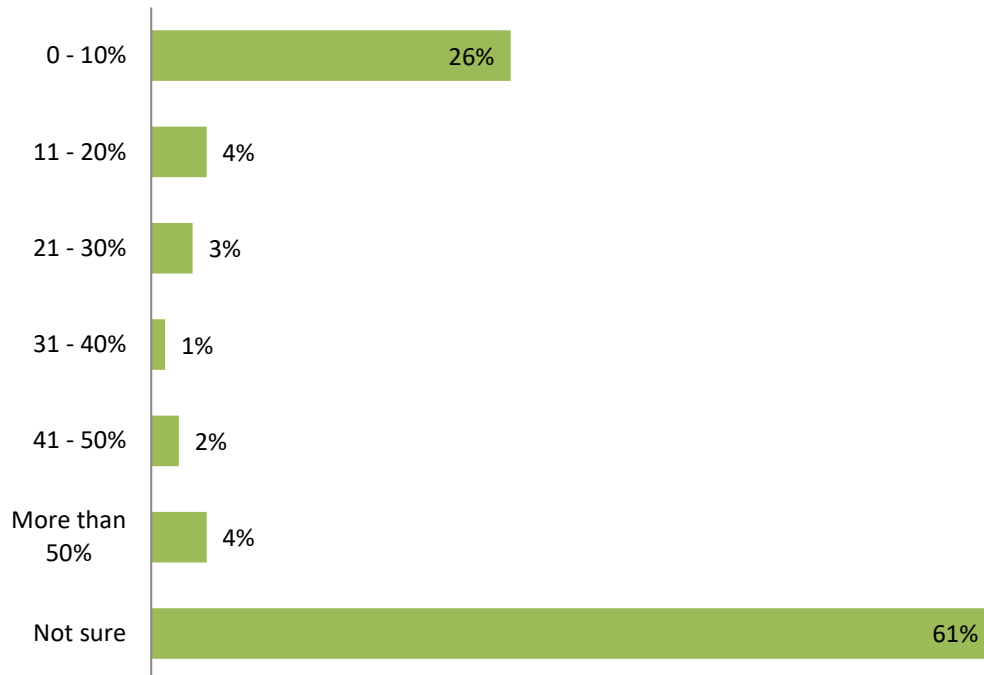
### Q25. What is your risk for permanent closures?



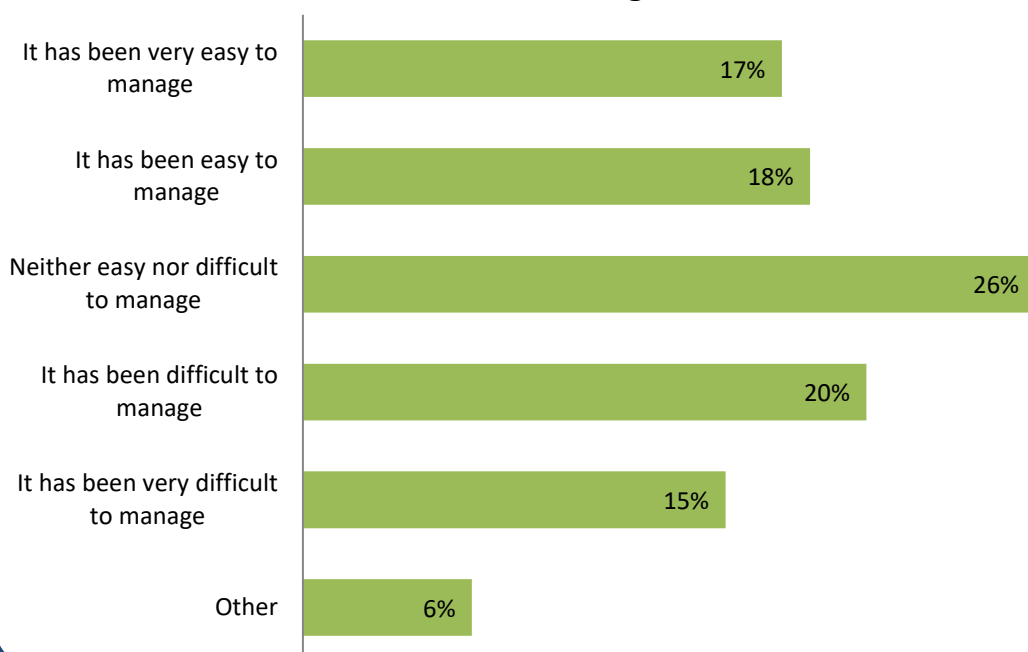
**Q26. What kinds of support does your business/program need to continue operations and/or reopening from the impact of the pandemic? (Choose all that apply)**



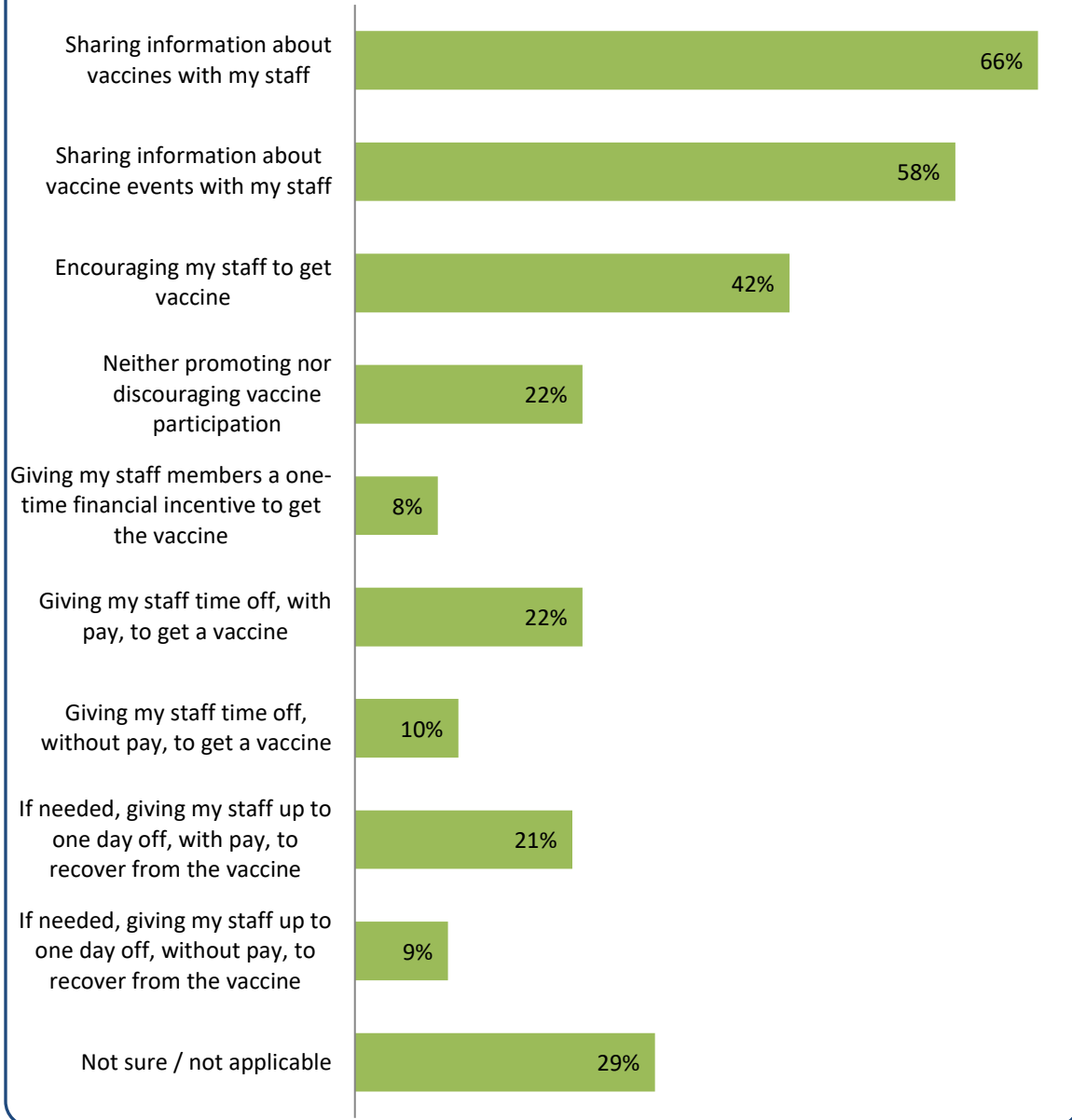
**Q27. Based on current state child care health and safety guidance during COVID-19, do you know what, if any, enrollment reduction is necessary for your program to operate?**



**Q28. How has your program been able to manage staff-to-child ratios during COVID-19?**



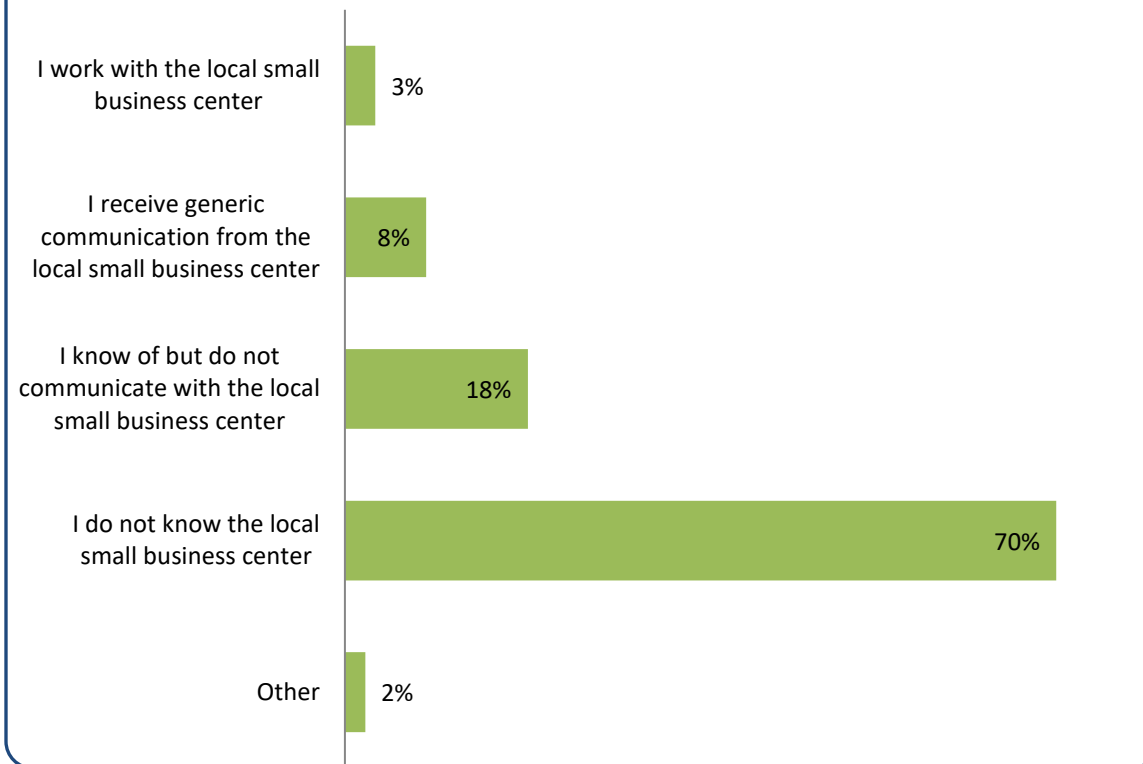
**Q29. For child care programs with more than one staff person: What steps, if any, are you taking with regard to COVID-19 vaccines? (Choose all that apply)**



**Q30. What types of support since March 2020 has your program received? (Choose all that apply)**

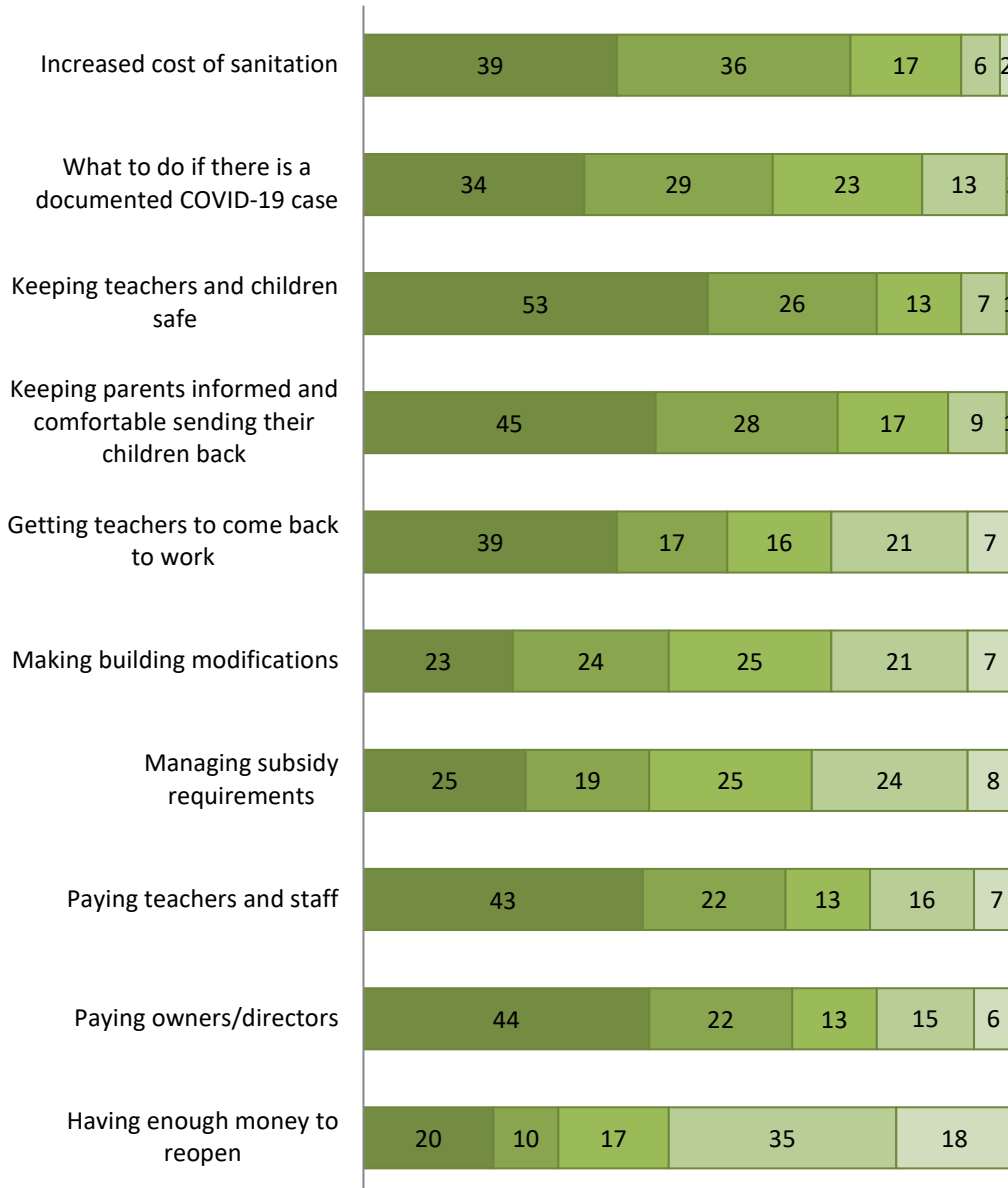


**Q31. How familiar are you with your local small business center?**

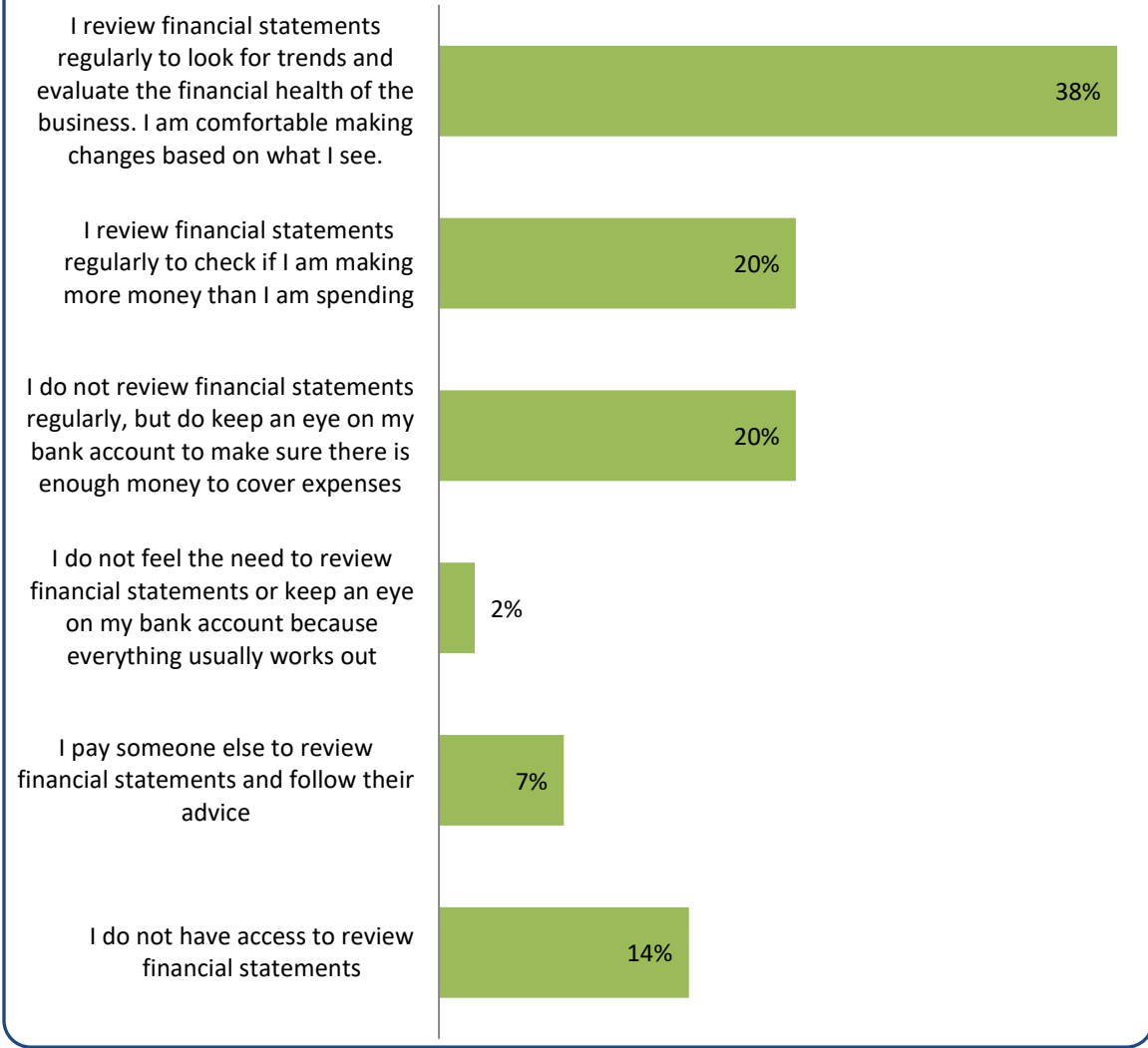


**Q32. How concerned are you about each of the following issues:**

Very concerned     
  Somewhat concerned     
  Not too concerned  
 Not at all concerned     
  Not sure

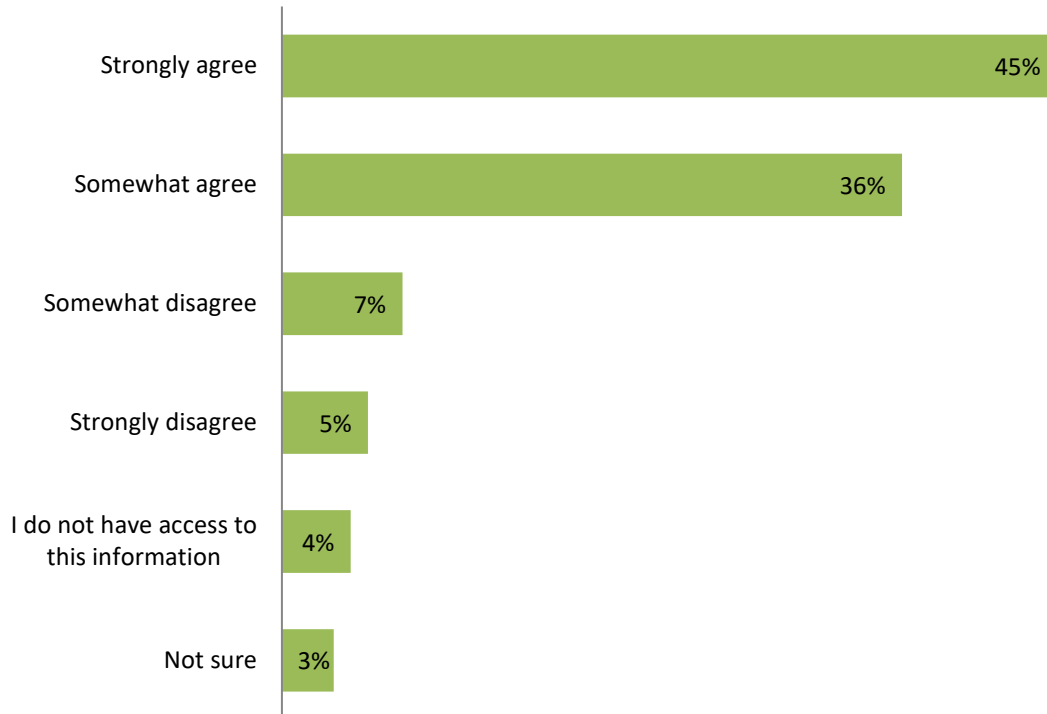


**Q33. Please select the following statement that best applies to your center/program. (Financial statements refers to reports such as Income Statement (Profit & Loss) and Cash Flow Statement)**

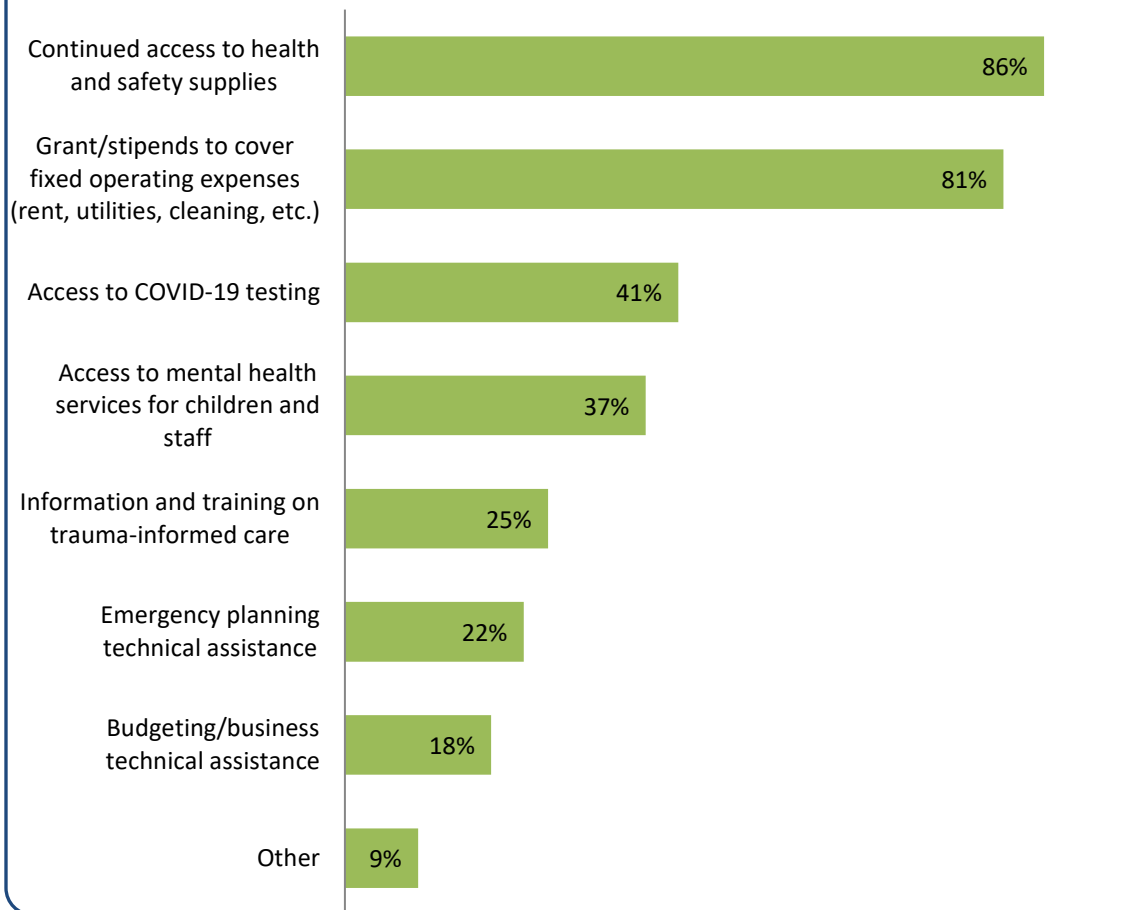




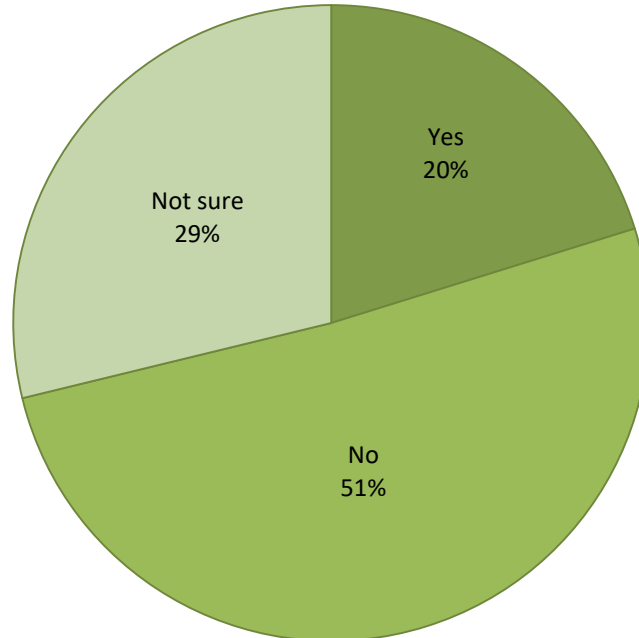
**Q34. Do you agree or disagree with the following statement: I regularly collect tuition and fees that are owed on-time (i.e. few outstanding balances / late payments)**



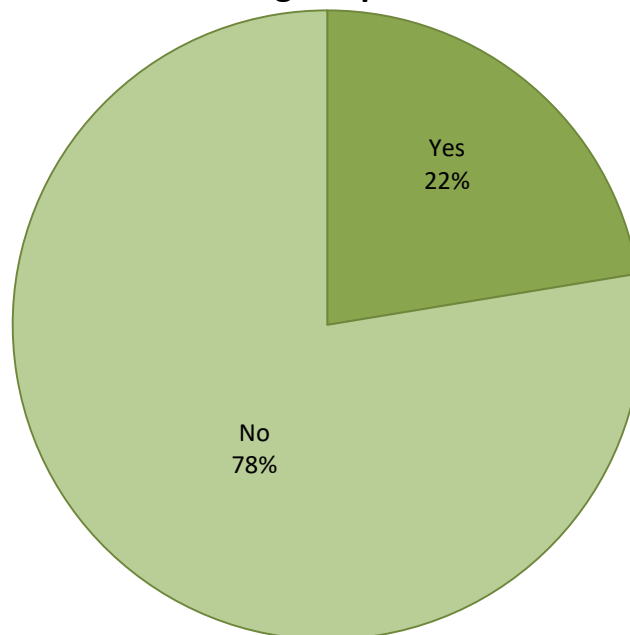
**Q35. What additional supports do you need to stay open?  
(Choose all that apply)**



**Q36. Would you be interested in receiving no-cost, confidential consultation / technical assistance on financing/budgeting of child care program operations during and/or beyond COVID-19?**



**Q38. Would you be willing to share with the media your experiences operating your child care program during the pandemic?**



## North Carolina Child Care Providers Report Addendum

**New Zogby Analytics survey of North Carolina child care providers shows that regardless of size and type, substantial financial losses were experienced due to Covid-19.**

- Family child care homes can serve a maximum of 5 preschool and three school-age children. Of 616 total family child care home survey respondents, 81% reported a Covid-19 related financial loss: 220 (36%) had a loss of \$5,000 or less; 191 (31%) had a loss of \$5,000- \$15,000; 51 (8%) had a loss of \$15,001 - \$30,000; and 23 (4%) had a loss of more than \$30,000.
- Of 912 total child care center respondents, Child care centers experienced a greater Covid-19 related loss in comparison to all providers: a loss of over \$75,000 was experienced by 16% of such providers, with 31% incurring a loss over \$45,000. Close to a half (43%) of child care centers incurred a loss of more than \$30,000, and 61% had losses of more than \$15,000.

Centers		
\$5,000 or less	184	21.5
\$5,001 - \$15,000	157	18.3
\$15,001 - \$30,000	150	17.5
\$30,001 - \$45,000	102	11.9
\$45,001 - \$75,000	127	14.8
\$75,001+	137	16.0
Total	857	100.0

- Almost one in five (18%) of child care programs had a Covid-19 related loss of more than \$45,000. The largest, \$75,001+ Covid-19 related loss, was incurred by 1 in 10 programs (9%).

**Child care providers with 11+ classrooms experienced the greatest Covid-19 related losses, however even smaller providers had measurable losses.**

- Over half (53%) of providers statewide with 11+ classrooms experienced a loss of more than \$45,000. Medium size providers with fewer classrooms (6-10) were only slightly less likely, 42%, to incur a loss of more than \$45,000.
- Providers with 6-10 classrooms and 11+ classrooms were more likely to incur costs of more than \$45,000. Specifically, 20% of providers with 6-10 classrooms incurred a loss of \$45,001 to \$75,000 and an additional 22% of 6-10 classroom providers had a loss of more than \$75,000.
- Smaller providers, with 1-5 classrooms, did not escape losses due to Covid-19, with one in three (29%) experiencing a loss of more than \$15,000. Over half of respondents with 6-10 (53%) or 11+ (59%) classrooms incurred a loss due to a Covid-19 of over \$30,000.

<b>COVID-19 Child Care Centers and Family Homes financial losses...</b>					
	<b>Child Care Centers</b>				<b>Family Homes</b>
	<b>All Centers</b>	<b>Number of Class Rooms</b>			
		<b>1 - 5</b>	<b>6-10</b>	<b>11+</b>	
<b>\$5,000 or less</b>	<b>21%</b>	<b>26%</b>	<b>15%</b>	<b>19%</b>	<b>55%</b>
<b>\$5,001 - \$15,000</b>	<b>18%</b>	<b>23%</b>	<b>13%</b>	<b>11%</b>	<b>31%</b>
<b>\$15,001 - \$30,000</b>	<b>18%</b>	<b>21%</b>	<b>14%</b>	<b>9%</b>	<b>8%</b>
<b>\$30,001 - \$45,000</b>	<b>12%</b>	<b>12%</b>	<b>13%</b>	<b>7%</b>	<b>2%</b>
<b>\$45,001 - \$75,000</b>	<b>15%</b>	<b>10%</b>	<b>21%</b>	<b>19%</b>	<b>1%</b>
<b>\$75,001+</b>	<b>16%</b>	<b>8%</b>	<b>24%</b>	<b>36%</b>	