SURVEY: NC CHILD CARE PROGRAMS REMAINED OPEN FOR ESSENTIAL WORKERS DURING PANDEMIC

Many programs now face uncertain future without additional aid

North Carolina child care providers remained open with only short interruptions of service in the first year of the COVID-19 pandemic, according to a new survey.

Child care services in the state reported staying open in order to support parents who work in healthcare and other essential sectors. Despite their resiliency, more than one in five (21%) child care providers now say they are at risk of permanently closing within the next six months without additional financial support.

“The child care sector showed tremendous strength amid the pandemic, but we are still facing a crisis,” said Sheila Hoyle, Executive Director of the Southwestern Child Development Commission. “Our early child care system is chronically underfinanced and unless that is addressed these programs won’t be there for us as we build back and look toward our state’s future economic growth.”

The findings come from a new survey, Challenges in the Face of the Pandemic: A Survey of North Carolina Child Care Providers, which more than 1,800 licensed child care centers and family child care home operators completed. The research was conducted by Zogby Analytics to examine the effects of COVID-19 on early education in the state on behalf of the North Carolina Child Care Resource and Referral Council, with funding from the Blue Cross and Blue Shield of North Carolina Foundation.

Nearly half of surveyed child care programs closed at some point since February 2020, but in most cases the entire program closed only once or twice for a total of less than 60 days. Staff exposure to COVID-19 was by far the most common reason for closures. The decision by North Carolina providers to largely remain open, with only temporary closures, was unique when compared to actions taken by providers in other states.

“More so than many other states, North Carolina policymakers made some key decisions that helped programs remain open,” said Marsha Basloe, President of Child Care Services Association. “Our state froze subsidy levels, allotted bonus pay and provided financial assistance that helped the state’s early child care programs stay afloat.”

Despite programs remaining open to the communities they serve, decreased enrollment as a result of the pandemic was cited by 47 percent of respondents as the biggest factor in ongoing revenue challenges.

Additional survey findings include:

- Programs stayed open to serve parents serving their community. During the COVID-19 pandemic, programs primarily remained open because parents of children were employed in essential jobs (89%) or were healthcare professionals or first responders (69%).
Centers are focused on keeping teachers and children safe. Safety of students and staff (53%) and keeping parents informed and comfortable about their decision to send their child back to a care provider (45%) remain foremost concerns for providers.

Centers need grants and supplies. 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.

Financial Challenges. Nearly one-third (31%) of centers reported revenue losses that exceeded $45,000, with 16 percent reporting losses of $75,000 or more. Additionally, 43 percent of smaller family child care homes – providers that serve up to five preschool and three school-age children – reported losses greater than $5,000, a significant amount for programs that often operate on razor thin margins.

“It’s clear that North Carolina child care providers rose to the occasion serving as the ‘workforce behind the workforce’ in caring for the children of healthcare professionals, first responders, and other essential workers, but now they face financial challenges and an unprecedented workforce shortage,” said Janet Singerman, President of Child Care Resources Inc. “As North Carolinians get back to the office, it’s vital policymakers and stakeholders ensure child care providers can continue to receive the financial support needed to keep their staff and maintain an excellent level of care.”


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