



State Child Care Administrator Forum COVID-19: What Worked, What Didn't, What's Next?

May 28th 2020



About BPC

- BPC is a non-profit organization based in Washington, D.C. that combines the best ideas from both parties to promote health, security, and opportunity for all Americans.
- BPC's policy solutions come from informed deliberations by former government officials, business and labor leaders, and academics and advocates who represent both sides of the political spectrum.
- BPC's Early Childhood Initiative is working with a diverse group of stakeholders- from parents and families to business and faith leaders- to build a high-quality early care and education system that supports all of America's families.



Goals

- Examine the child care landscape for parents and programs
- Learn from state child care leaders about successes and challenges in responding to COVID-19
- Understand how CARES Act child care funding is meeting the needs of families and programs and what is still needed to support child care
- Lay the groundwork for next steps for building back a better child care system



Morning Consult Parent Survey

In April, [BPC partnered with Morning Consult](#) to conduct a survey on parents' responses to the changes in work and child care since COVID-19. Key findings include:

- 60% of child care programs are closed for the foreseeable future
- Nearly two-thirds of parents in need of child care are having difficulty finding it
- Almost 80% of essential workers have been unable to continue using their regular child care arrangement
- Parents are alternating work schedules with a spouse, relying on other family members or friends, and working less hours, or even taking paid and unpaid leave in order to care for their children



Discussion: Implications for Child Care



Linda K. Smith

Director of the Early Childhood Initiative

Bipartisan Policy Center



**Janice Molnar | Deputy Commissioner, Office
of Children and Family Services, New York**

**New York received \$118
million in supplemental CARES Act funding**





**Office of Children
and Family Services**

**State Child Care Administrator Forum
COVID-19: What Worked, What Didn't, What's Next?**

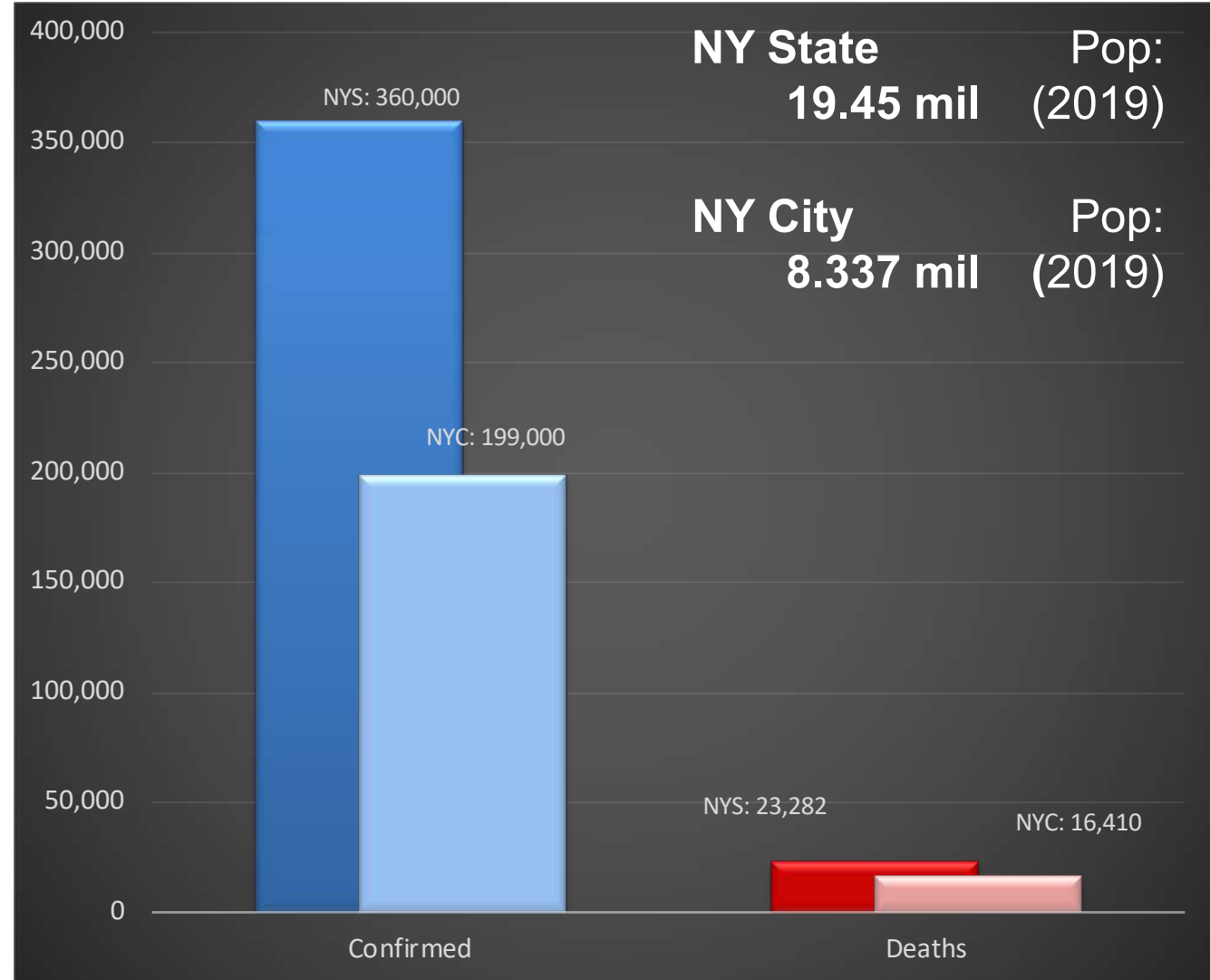
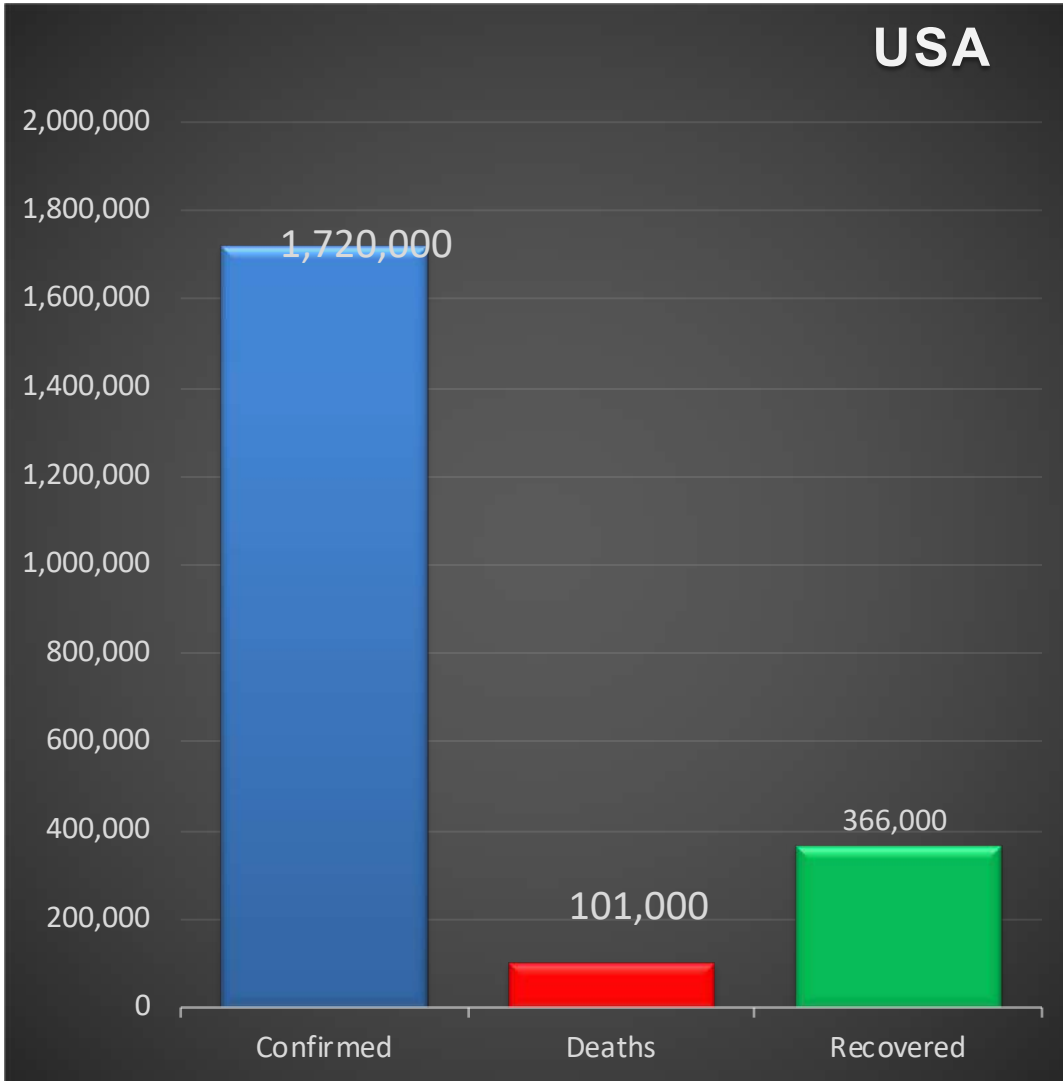
What's Next for New York?

Bipartisan Policy Center – May 28, 2020

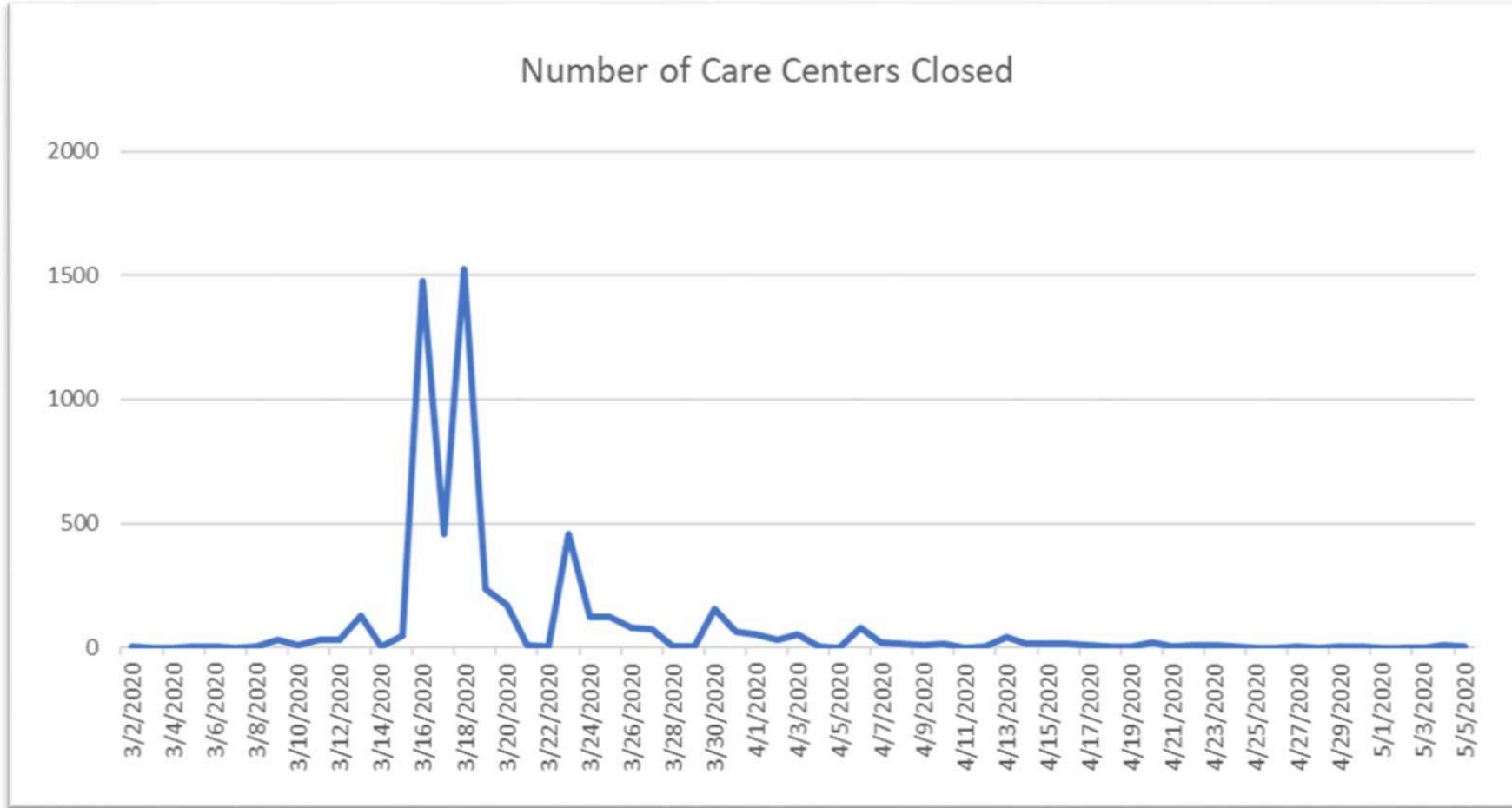
Janice M. Molnar, PhD

Deputy Commissioner, Division of Child Care Services

COVID-19 Figures



COVID-19: The Impact on Child Care



Closed Percent by Modality

	Open Centers	Closed Centers	Total	Percent Closed
Day Care Center	850	1214	2064	59%
Family Day Care	2443	841	3284	26%
Group Family Day Care	6066	1912	7978	24%
School Age Child Care	896	1950	2846	69%
	10255	5917	16172	



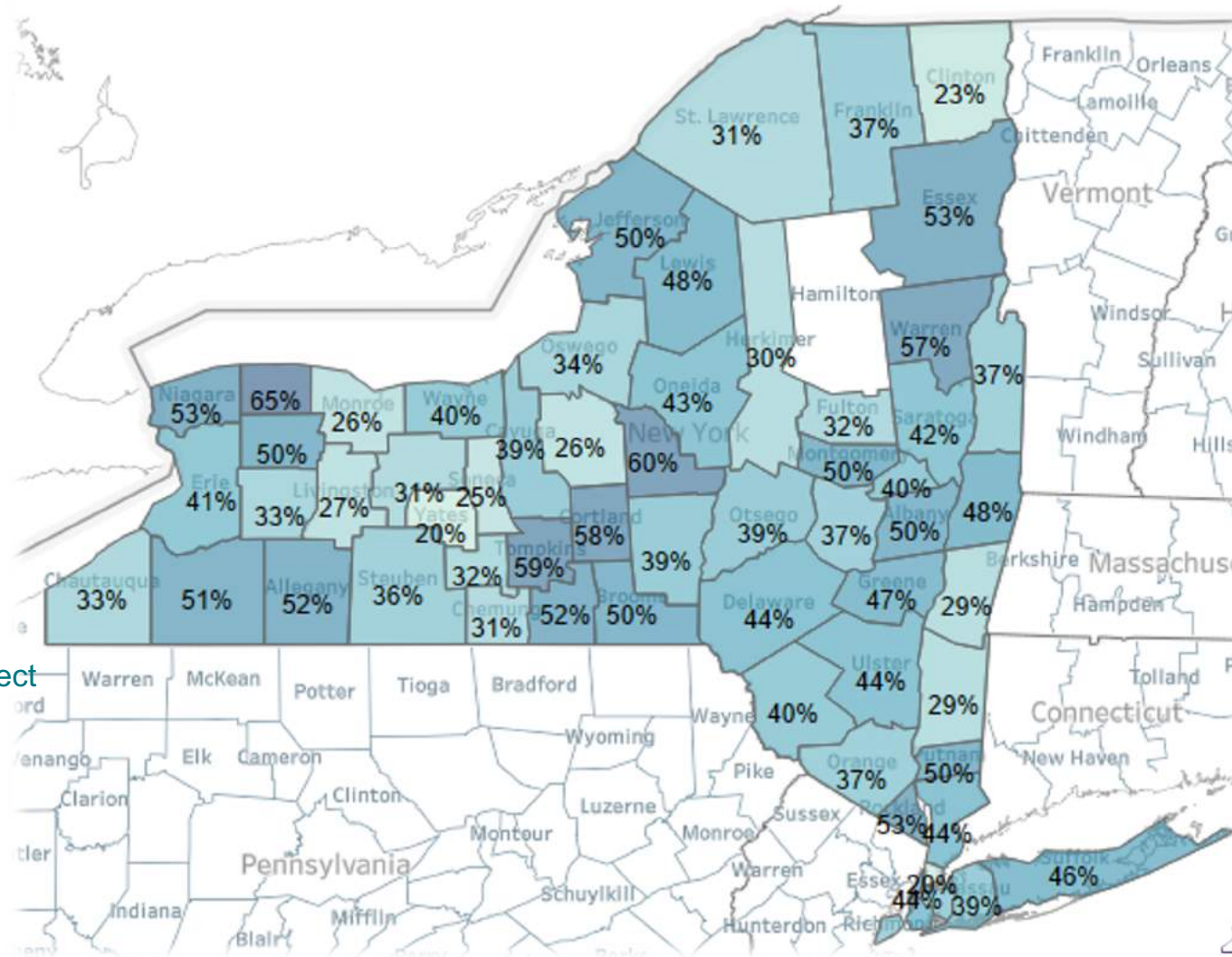
Closure Analysis & Drop-in Care

COVID-19:

OCFS Child Care Programs – all modalities – by County:

37% Closed (5,918) as of **5/27/2020 6:01:08 AM** (updated daily)

Please Note: CCFS data is subject to change.



Closure Status
 Closed
 Open

Closure Type
 *Open
 Mandatory
 School Closure
 Voluntary

Modality Code
 DCC
 FDC
 GFDC
 SACC
 SDCC

County
 Albany
 Allegany
 Bronx
 Brooklyn
 Broome
 Cattaraugus
 ...

Percent of Total
 20% 65%

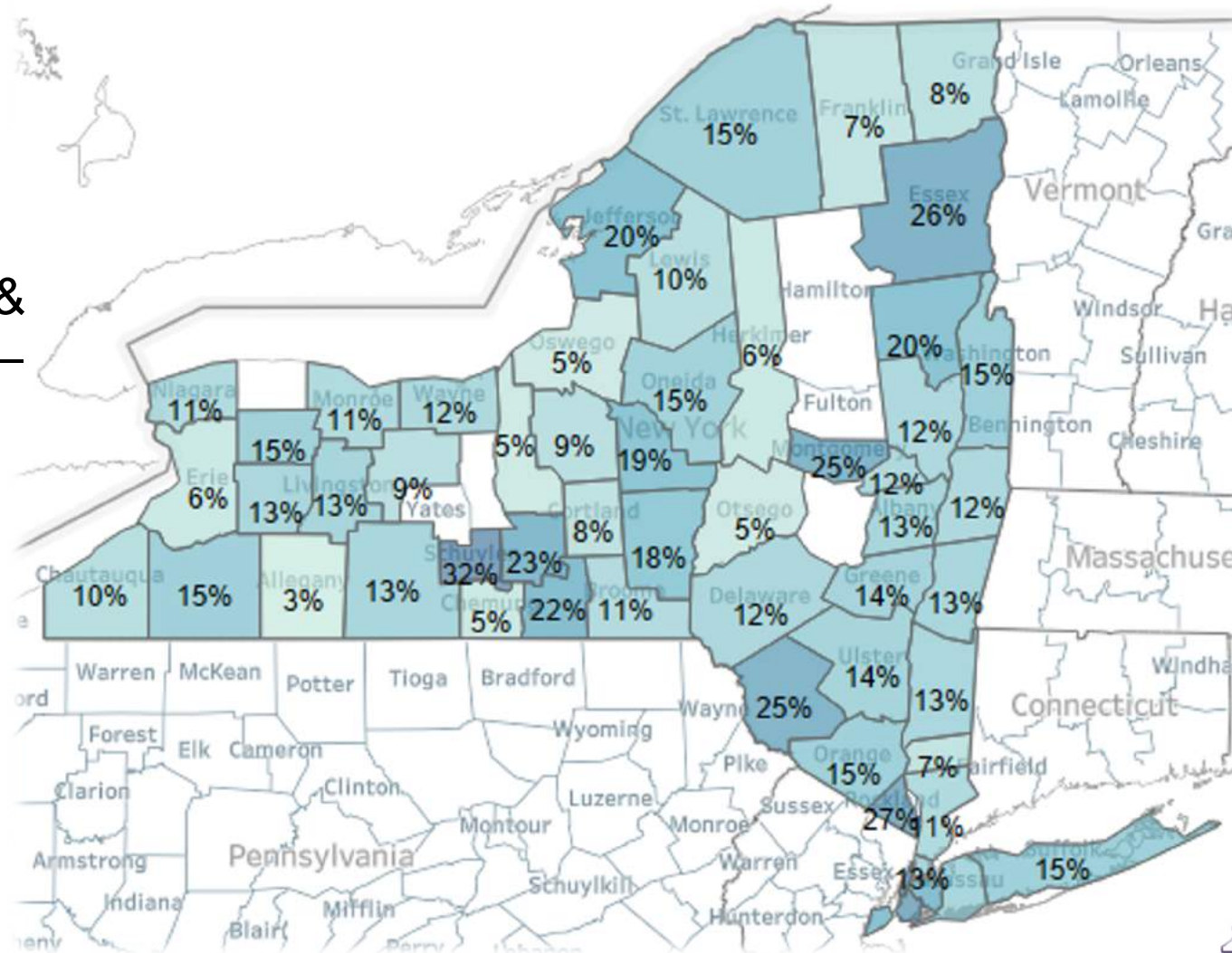
Closure Analysis & Drop-in Care

COVID-19:

OCFS Child Care Programs – Family & Group Family Care – by County:

17% Closed (2,754) as of 5/27/2020 6:01:08 AM
(updated daily)

Please Note: CCFS data is subject to change.



Closure Status
 Closed
 Open

Closure Type
 *Open
 Mandatory
 School Closure
 Voluntary

Modality Code
 DCC
 FDC
 GFDC
 SACC
 SDCC

County
 Albany
 Allegany
 Bronx
 Brooklyn
 Broome

Percent of Total
 3% 35%

NYS Actions in Support of Families & Providers

Supports for Families

- Waived family share for families affected by COVID-19
- Expanded subsidy eligibility up to 85% of the state median income
- Expanded the definition of a child needing protective services
- Extended the eligibility period for child care

Supports for Programs

- Allowed regulatory flexibility
- Expanded the number of paid child absence days
- Expanded the number of paid program closure days



Going Forward

CARES Act Funding to NYS: \$163.6 Million

Phase 1: Stabilizing the System for Essential Workers

- Tuition payments for essential workers
- Direct grants for supplies for open programs

Phase 2: Multiple Competing Needs

- Additional subsidy for families
- Re-start grants for closed programs
- Start-up expansion grants in child care deserts
- Other



CARES Scholarship

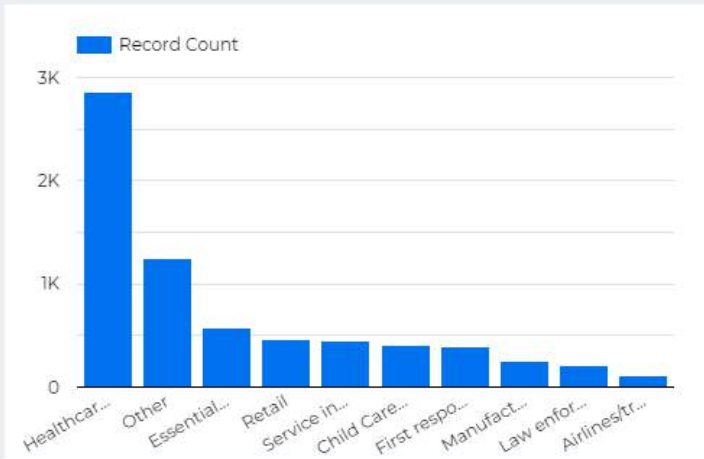
- **Total Parent Applications Received:** 7,263 (5/19/20) previous week 6,504
- **Total Parents Enrolled:** 3,334 total for project duration (an additional 1,318)
- **Total Children Enrolled:** 3,953 total for project duration (an additional 1,580)
- **Total Programs Profiles Received:** 4,587 (5/19/20); 4,256 (previous week)
- **Expenditures for Supplies:** \$456,448
- **Expenditures for Provider Scholarship:** \$376,916

Submitted Parent Applications

NYS Parent Application Responses, English

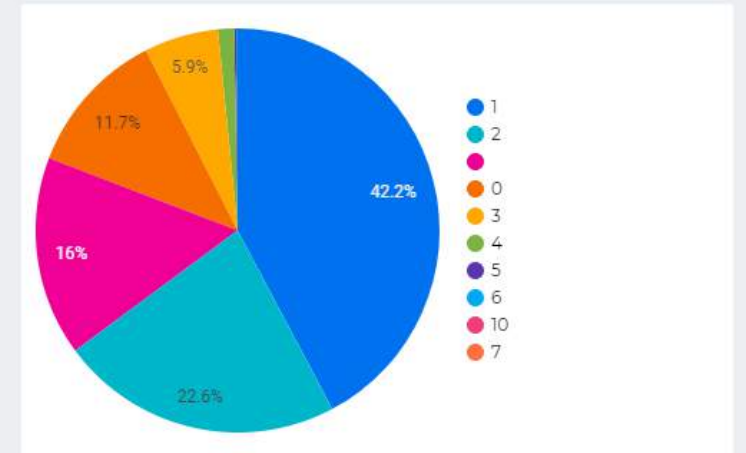
Record Count: 7,135

Job Classification



What county do you live in?	Record Count
Bronx	527
Suffolk	494
New York County	442
Monroe	411
Kings	397
Erie	327
Queens	319
Nassau	283
Orange	246
Dutchess	244
Albany	238
Westchester	234
Onondaga	181
Grand total	7,135

Number of Children in Household Needing Care



Source: Early Care and Learning Council, 5/19/20

Child Care Program Supplies

Do you currently have a two week supply of...



Source: Early Care and Learning Council, 5/19/20

Supplies for Providers

OCFS and CCR&Rs



...partner together to deliver supplies

Provider Survey Calls Findings

In early May, OCFS staff interviewed over 13,000 child care providers.

- Of those interviewed, 47% remained open.
- Of those that remained open, the average utilization rate was 27%; however, it ranged from 0% to 100%. The utilization rate was highest in family day care centers, and lowest in day care centers.
- Of those that closed, the majority said they did not know when they would re-open. Virtually all school-age programs said they would reopen in September.
- Of those responded 30% said their biggest concern was not having enough children to serve if they re-open. Other top responses included lack of cleaning supplies and access to staff.
- Approximately 7% of the providers interviewed applied for and received Paycheck Protection Program (PPP) funds. An additional 20% of the programs applied, but have not received funds.

Thank You! Contact:

Janice M. Molnar, PhD

Deputy Commissioner, Division of Child Care Services

janice.molnar@ocfs.ny.gov

(518) 486-6247

Sarah Neville-Morgan | Deputy Superintendent for the Teaching and Learning Support Branch, Department of Education, California

California received \$350 million in supplemental CARES Act funding





Turning Lemons into Lemonade: Impacts and Opportunities of the COVID-19 Pandemic on ELC

Sarah Neville-Morgan

Deputy Superintendent of Public Instruction

Opportunities for All Branch

May 28, 2020

CALIFORNIA DEPARTMENT OF EDUCATION
Tony Thurmond, State Superintendent of Public Instruction





TONY THURMOND
State Superintendent
of Public Instruction

California's Early Learning and Care System before the COVID-19 Pandemic

- Decades of growth and projected to have a record rainy day fund of \$18 billion in 2020-21.
- California (CA) was poised to put major new investments into an already \$5B early learning and care (ELC) system with:
 - Dramatic expansion of targeted pre-k,
 - Record investments in ELC workforce and facilities,
 - Expansion of other ELC services, and
 - Additional investments and stronger connections to the whole child (e.g. expanding paid family leave and home visiting).



TONY THURMOND
State Superintendent
of Public Instruction

California's Fiscal Situation Threatens ELC System

California now faces a **\$54.3 billion** budget deficit leading to Governor's proposal to:

- Eliminate all planned ELC investments, and
- Cut provider reimbursement rates by 10%



TONY THURMOND
State Superintendent
of Public Instruction

California's ELC System is Extremely Fragile

- California ELC providers report an **additional \$11,600 in COVID costs** annually per classroom (additional 43% in costs)
- Programs are serving **fewer children** due to lower group size ratios
- The Center for the Study of Child Care Employment found that in California:
 - 57% of programs have laid off/furloughed staff
 - 66% of families have lost income or can't pay



TONY THURMOND
State Superintendent
of Public Instruction

COVID-19 Response: Stabilizing ELC Providers

Through CARES funding and CCDF flexibilities:

- Allowed providers to still be paid if closed and held them harmless for lower attendance
- Issued \$50 million for cleaning and supplies to help providers stay open or reopen.
- Recalibrated Quality Activities to meet the needs of providers during COVID-19

Part II: Accessed modules of the California Early Childhood Online (CECO) from 1/1/20 to 4/26/2020



TONY THURMOND
State Superintendent
of Public Instruction

Total users by Module

Module	Users	Total	Percentage
The 3 R's of Early Childhood DRDP (2015) for use with preschool-age children	2,716	3,083	36.3%
Health & Safety	535	2,581	30.4%
Family Partnership and Culture	360	2,356	27.7%
CSEFEL Teaching Pyramid Framework	378	1,953	23.0%
Preschool Foundations and Frameworks	278	1,670	19.7%
DRDP (2015) for use with infants and toddlers	280	1,614	19.0%
COVID-19 Health & Safety	258	1,437	16.9%
Integrated Nature of Learning	82	1,163	13.7%
Sesame Street - Building a Reader	220	929	10.9%
Preschool Program Guidelines	129	909	10.7%
California SIDS Program Stories, Public Service Announcements (PSAs) and Training Videos	249	827	9.7%
Quality Counts California Family Engagement Toolkit	124	694	8.2%
Sesame Street - Make Believe with Math	71	684	8.0%
Business Practices in Family Child Care	73	674	7.9%
Infant/Toddler Foundations and Frameworks	117	636	7.5%
Resources & Referrals	139	616	7.2%
Watch Me! Celebrating Milestones and Sharing Concerns	82	396	4.7%
DRDP-K (2015) for use with transitional kindergarten and kindergarten-aged children	32	381	4.5%
Preschool Rater Certification - Princess (Portfolio 2)	180	247	2.9%
Preschool Rater Certification - Trinity (Portfolio 2)	69	78	0.9%
Foundations and Frameworks Overview Module - Early Learning and Development System I/T a...	58	64	0.8%
Infant/Toddler Rater Certification - Sebastian's Portfolio Evidence	37	53	0.6%
Guidelines for Early Learning in Child Care Home Settings (Family Child Care)	29	34	0.4%
TK/K Rater Certification - Carlos (Portfolio 1)	9	14	0.2%
TK/K Rater Certification - Julianna (Portfolio 2)	8	10	0.1%
TK/K Rater Certification - Naomi (Portfolio 2)	1	1	0.0%

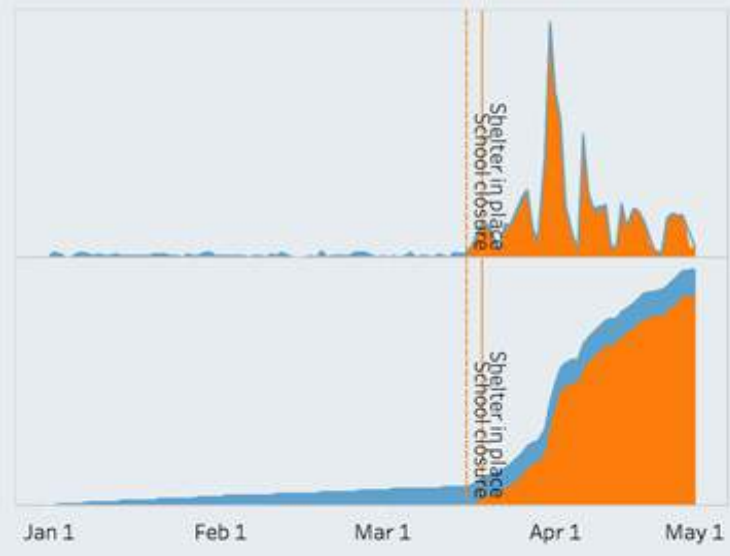


Beginning date
1/1/20
Ending date
4/26/2020

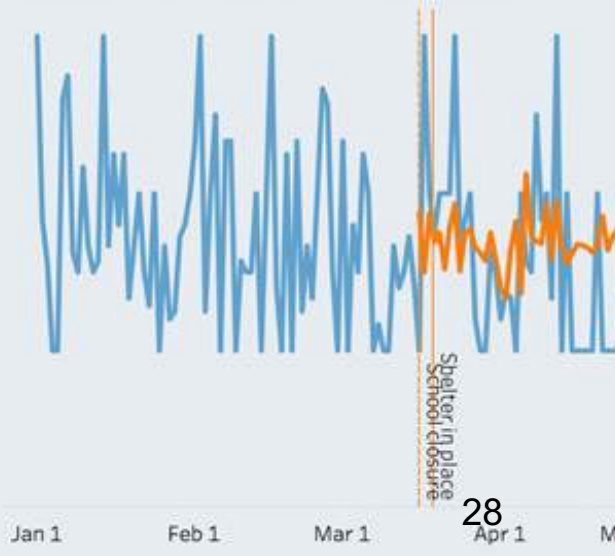
Number of users completed at least one submodule in *The 3 R's of Early Childhood* by county



Daily and cumulative submodules completed by users



Average daily submodules completed by users





TONY THURMOND
State Superintendent
of Public Instruction

COVID-19 Response: Serving Essential Workers and Stabilizing Families

Through CARES funding and CCDF flexibilities:

- Issued \$50 million in additional funding to serve children of essential workers and at-risk populations
- Stood up a new system to match essential workers with vacant child care slots
- Continued to fund spaces for children unable to attend to hold their spot and support providers
- Waived family fees for all families through June 30, 2020



TONY THURMOND
State Superintendent
of Public Instruction

States Need Additional Federal Investments

We need A BIG VISION for a radically different and better system of ELC. This will mean:

- Guaranteeing access
- Rebuilding with a focus on quality
- Building a more resilient sector through shared services
- Prioritizing effective data infrastructure
- Effective cross-state and national partnerships³⁰



TONY THURMOND
State Superintendent
of Public Instruction

Questions?



“We live in a world in which we need to share responsibility. It's easy to say "It's not my child, not my community, not my world, not my problem." Then there are those who see the need and respond. I consider those people my heroes.”

– Fred Rogers

**Tracy Gruber | Director, Office of Child Care,
Department of Workforce Services, Utah**

**Utah received \$40.4 million in supplemental
CARES Act funding**



Child care subsidy changes



UTAH DEPARTMENT OF
**WORKFORCE
SERVICES**
CHILD CARE



Temporary child care system for essential employees



UTAH DEPARTMENT OF
**WORKFORCE
SERVICES**
CHILD CARE



Child care operations grant to stabilize Utah's child care system



UTAH DEPARTMENT OF
**WORKFORCE
SERVICES**
CHILD CARE



Health and safety grants for facility changes



UTAH DEPARTMENT OF
**WORKFORCE
SERVICES**
CHILD CARE



Funds for the recovery stage



UTAH DEPARTMENT OF
**WORKFORCE
SERVICES**
CHILD CARE



**Kara Bertke-Wente | Assistant Director,
Department of Job and Family Services, Ohio**

**Ohio received \$117 million in supplemental
CARES Act funding**



Ohio Child Care Updates

Kara B. Wente, Assistant Director
Ohio Department of Job and Family Services

Pre COVID 19

Publicly Funded Child Care: Approx. 119,000 children per month

Number of Programs: 6,284

Centers: 3,880

Family Child Care: 2,404

Payments: Approx. \$15M/week

What Worked?

- Closed Child Care March 25, 2020 at 11:59pm
- Opened Temporary Pandemic Child Care Programs
 - Opened over 2,500 programs
 - 86 were brand new programs
 - Served more than 24,000 children
- Provided Closure payments March 29 – May 30, 2020 (CCDF/CARES Act)

What's Next?

1. Reopen May 31, 2020 – Transition Policy

- Temperature Screening
- Increased Handwashing/Sanitizing
- Reduced Ratios/Class Size
- Notification

2. Infrastructure/Supply Support: Open providers will be eligible for:

1. COVID-19 payment: intended to provide assistance in covering the cost of COVID-19 classroom dividers, cleaning supplies, personal protective equipment (PPE), temporary sinks, thermometers, and other expenses.

2. Child Care Center - Ratio Support: to support Child Care Centers as a result of reduced ratios.

3. Prevalence Study

What's Needed?

So Far:


- Access Support:
 - Closure Payments (Overhead/Ongoing Cost)
 - Essential Child Care for PFCC Eligible
- Re-Open Support:
 - Grant Support (COVID 19 Supplies/Reduced Ratio)

Ongoing Need:

1. Stabilization Support
2. Workforce Support
 - Recruitment
 - Retention

**Matt Judge | Child Care Administrator,
Washington State**

**Washington State received
\$58.6 million in supplemental CARES Act
funding**



Early Learning and Child Care in Washington During COVID-19

Original Date: May 27, 2020

www.dcyf.wa.gov



Washington State Department of
CHILDREN, YOUTH & FAMILIES

Early Learning and Child Care

- Community based early learning and licensed centers, family homes, school age programs
 - Kindercare, Y's, Boys and Girls Club, ECEAP, Head Start
 - ECEAP and Head Start may not always be licensed
- License exempt Family, Friends, and Neighbors care
 - Occurs in either the family or neighbors home depending upon who is providing care
- School-based settings – some may be licensed (K-5)
 - Y's, Boys and Girls Club, ECEAP, Head Start, before and after-school care
- Child care in any setting must follow the social distancing guidelines and maximum group size of 10

Funding Streams and Eligibility

- Working Connections Child Care Subsidy
 - Families under 200% FPL and participating in an approved activity
- Private Pay
- ECEAP – 110% FPL and other eligibility requirements
- K-12 Funding

CARES Act Funding

- Washington received about \$58 mil additional CCDF through CARES ACT
- DCYF is using about \$29 mil to provide grants to assist licensed providers to keep doors open:
 - Small: 0-49 kids -- \$6,500
 - Medium: 50-99 kids -- \$11,500
 - Large: 100-150+ kids -- \$14,000
- Funds can be spent on facility or space rent, personnel, utilities, health and safety or cleaning supplies and food.

Child Care Policy Updates

- Enrollment based payment through June
- Increased authorizations for school age children
- No copayment for families through June
- Relaxed approved activities for reauthorization
- Name/Date of Birth Background Check
- Remote/Virtual Health/Safety Monitoring

Thank you!


Contact:

Matt Judge, Child Care Administrator,
Matt.Judge@dcyf.wa.gov



Sarah Vanover | Director of the Division of Child Care, Cabinet for Health and Family Services, Commonwealth of Kentucky

**Kentucky received
\$68 million in supplemental CARES Act
funding**



Kentucky Division of Child Care COVID19 Update

Department of Community Based Services
Cabinet for Health and Family Services

- The public school system closed in Kentucky on Friday, March 13th, 2020.
- Child care programs closed in Kentucky on Friday, March 20th.
- The first Limited Duration Childcare (LDC) programs began opening on Monday, March 23rd.
- Kentucky was awarded \$67.74 Million for Child Care Aid.

Coronavirus Aid, Relief, and Economic Security (CARES) Act

- Kentucky was awarded \$67.74 Million for Child Care Aid.
- This aid package has more flexibility than typical CCDBG funding. It is designated to support child care programs during their closures and reopening, as well as support essential employees and the child care programs serving them.
- Centers that do not typically receive CCDBG funding can receive assistance through the CARES act.

CARES Act

- All licensed, certified, and registered child care providers will receive a one-time stipend of \$225/child based on maximum program capacity to assist with fixed expenses.
- All childcare providers working in a Limited Duration Childcare (LDC) program will receive a \$1500 Hero Bonus for serving essential employees.
- Division of Child Care will pay the full amount of tuition (beyond typical CCAP fees) for eligible children enrolled in LDC programs.

CARES Act

- LDC Programs will receive a one-time stipend of \$250/child based on maximum program capacity to assist with operational costs.
- All licensed, certified, and registered child care providers will receive a one-time stipend for cleaning supplies, thermometers, and PPE based on program size (\$1500, \$3000, or \$6000).

Kentucky Plan to Reopen Childcare

- Family Childcare Programs will reopen on Monday, June 8th
- Child Care Centers will reopen on Monday, June 15th.
- Many programs are apprehensive if potential enrollment will bring in the revenue needed for stability.

Reopening Childcare

- All programs must utilize a maximum group size of ten children.
- Children should remain in the same group of ten children all day.
- Adults must wear face masks at all times.
- Children age 5 and under should not wear face masks due to risk of suffocation and strangulation.

Background Checks

- All childcare providers with a completed and approved background check in the KARES system are ready to return to the classroom and be safely left alone with children.
- The statewide fingerprint background check system is not yet open. New employees will have to complete name-base background checks at this time.

Todd Landry | Director, Office of Child and Family Services, Maine

Maine received \$11 million in supplemental CARES Act funding

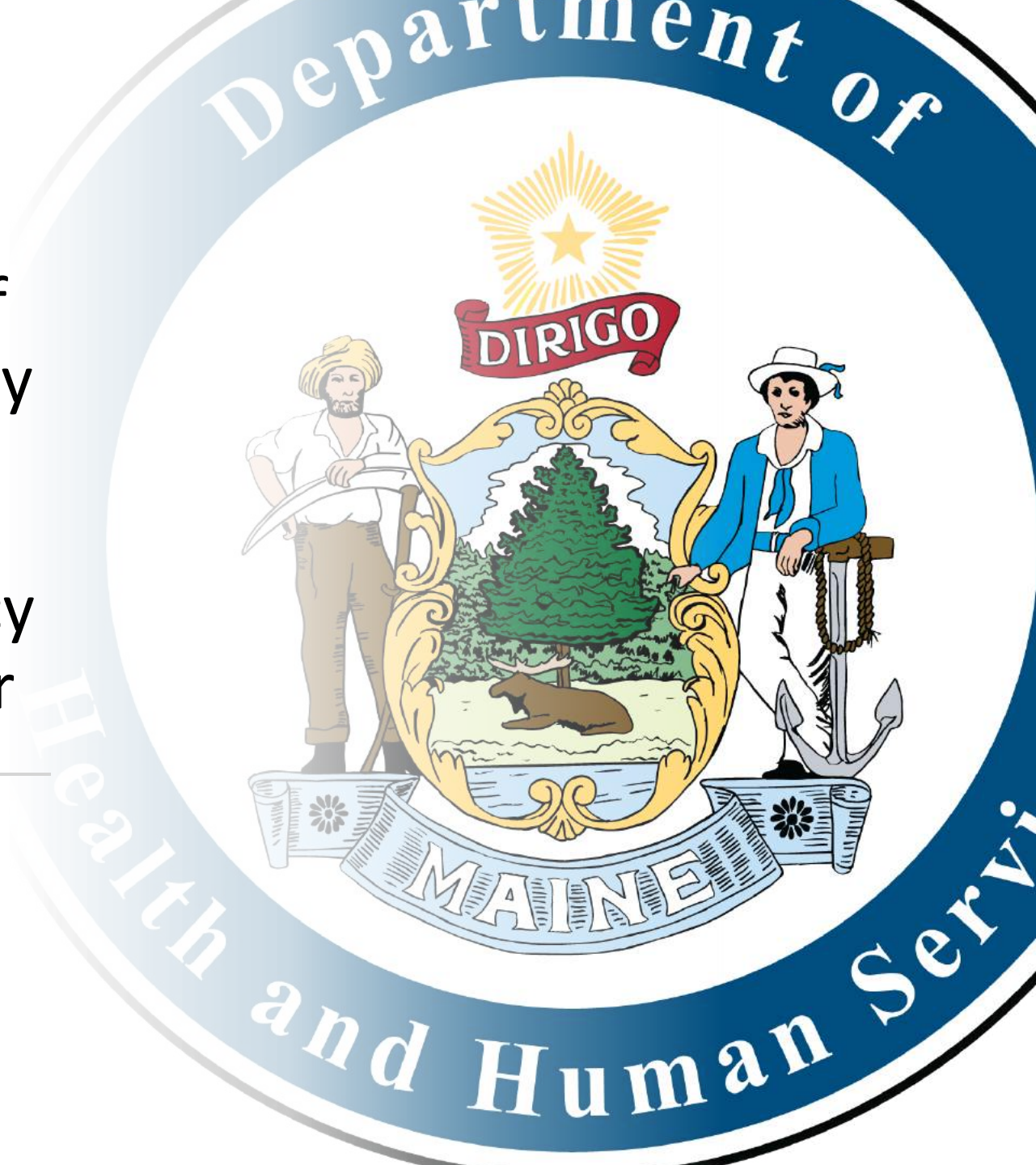


—

Maine Office of Child and Family Services

Bipartisan Policy Center Webinar

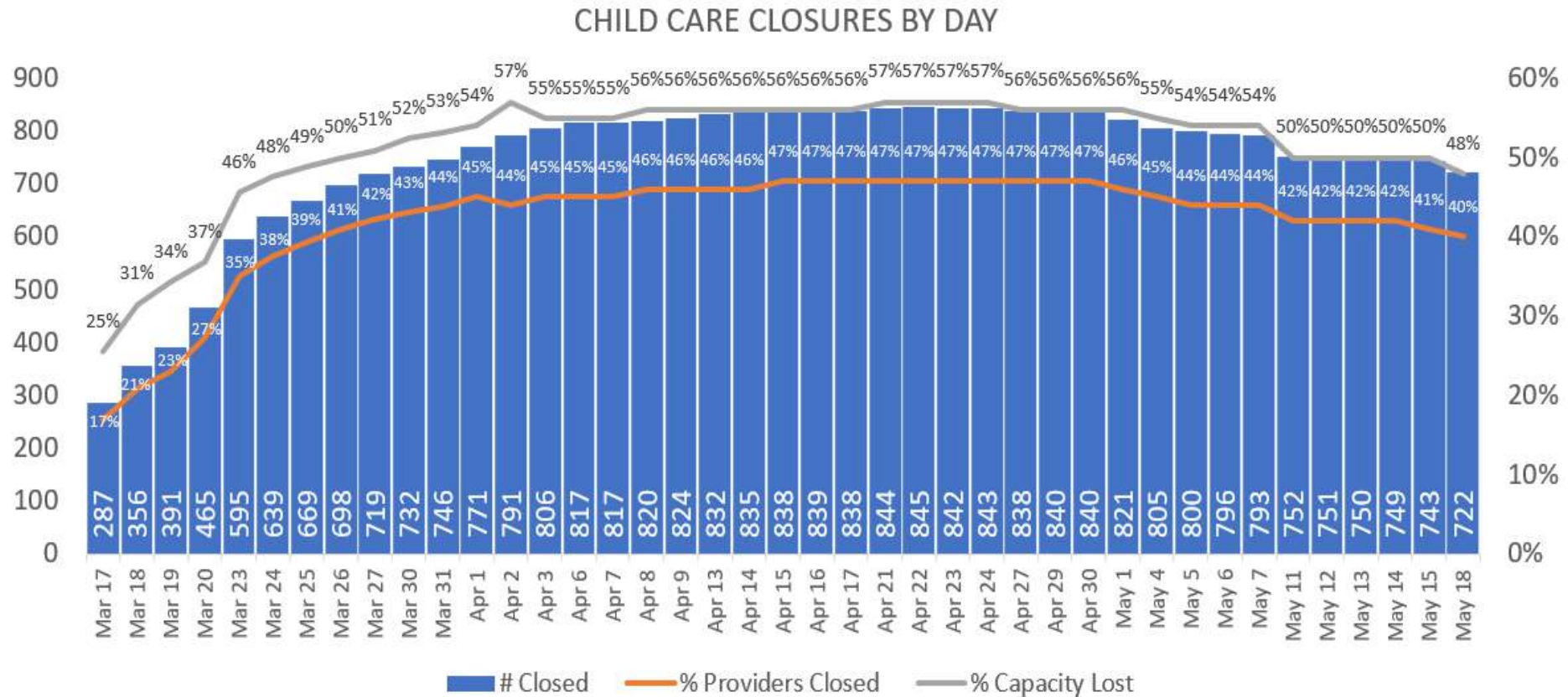
May 28, 2020



Efforts To Date

- Child Care services deemed essential throughout emergency – decision to open or close left to individual providers
- Ongoing guidance with updates from US and Maine CDC
- Implemented paid subsidy for absences due to COVID-19
- State paying the parent portion for subsidy
- Implemented emergency, temporary child care licenses
- Distributed ~45% of CARES Act CCDBG funds in one-time stipends to providers (both closed and open)
- Implemented subsidy for essential workers during emergency

Maine Child Care Closures Data



*Capacity lost is based on the provider's total licensed capacity, actual capacity may be lower depending on staff/child ratios.

OCFS Recovery Guiding Principles

- 1 DATA DRIVEN DECISION MAKING**

OCFS will continue to use CDC data and office metrics to inform county by county practice and policy changes while addressing child welfare, behavioral health and child care needs.
- 2 ENSURE STAFF HEALTH AND WELL-BEING**

Healthy staff are critical to the OCFS mission. OCFS must be able to respond to child abuse and neglect allegations, Out of Home complaints, licensing violations; all to keep Maine children and families safe, stable, happy and healthy.
- 3 CLOSE COLLABORATION WITH PUBLIC AND PRIVATE PARTNERS**

OCFS realizes that it depends on close collaboration with public and private partners to accomplish its mission. During this difficult time, strengthening these relationships will be critical for the dealing with the unknow of the recovery effort.
- 4 PROTECT THE MOST VULNERABLE**

During the recovery phase, OCFS must remain ever vigilant to the needs of our most vulnerable population. OCFS will respond timely and compassionately.

Child Care Staged Approach

STAGE 1, MAY

- Ensure safety of staff
- Continue PPE use
- Continue telework
- Manage use of essential resources
- Maximize social distancing
- Minimize non-essential travel
- Adhere to CDC guidelines regarding isolation following travel
- Support providers following OCFS Guidance for Childcare Providers

STAGE 2, JUNE

- Encourage telework but begin rotating staff back into the office
- End Temporary Emergency Licensing program
- Provide CARES Act recovery grants
- End Essential Employee CCSP
- Resume non-essential travel
- PPE use as recommended

STAGE 3, JUL / AUG

- Unrestricted staff in offices
- Resume normal licensing inspections cycles
- Schedule deferred licensing actions
- Implement mini grants to improve quality of service
- Begin infant/toddler incentives

STAGE 4, TBD

- Normal operations with appropriate precautions
- Continue to monitor and adjust for any outbreaks
- Incorporate new technology and practice into normal operations

Concerns/Considerations

- Budget considerations
 - Considered phasing of “recovery grants” but providers have indicated need for upfront support
 - Possible change in strategies from ongoing CCDBG funding to support recovery
 - Consideration moving from “per student” to “provider level” support
- Parental choice and needs
 - Traditional summer programming may be limited
 - If schools reopen with a non-traditional schedule in the fall, what are the childcare needs
 - Collaborating with Maine Dept. of Education to prepare for possible contingency plans, including emergency licensure of school sites for child care




All Maine Children & Families

**SAFE, STABLE,
HAPPY, HEALTHY**

**Susan Gale Perry | Chief Deputy Secretary,
Department of Human and Health Services,
North Carolina**

**North Carolina received \$118
million in supplemental CARES Act funding**





NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

North Carolina's Child Care Response During COVID-19

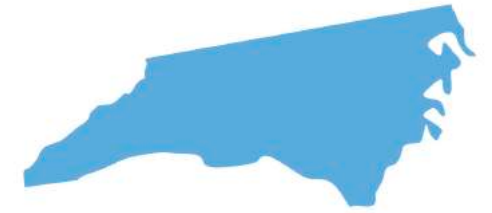
May 28, 2020

Susan Gale Perry

Chief Deputy Secretary

NC Department of Health and Human Services

North Carolina Snapshot



Features NC's Early Care and Education System:

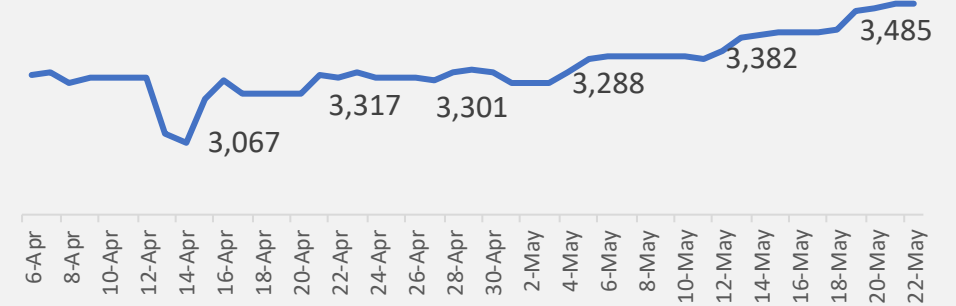
- Smart Start network serving all 100 counties
- Child Care Resource & Referral network
- NC Pre-K program for eligible 4-year-olds
- Quality Rating Improvement System embedded in licensing (1 to 5-star ratings)

Prior to COVID-19:

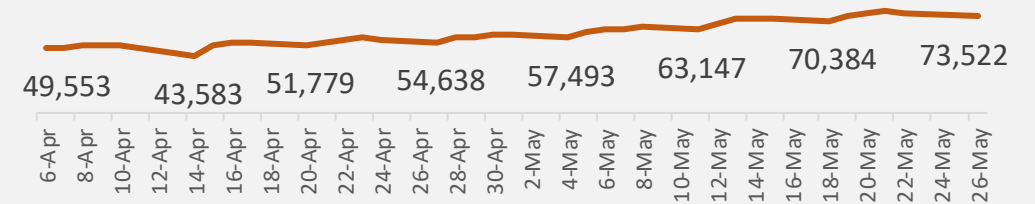
- 265,432 children enrolled in regulated child care (25% receiving subsidy)
- 5,746 licensed child care facilities
 - 76% centers/255,600 children
 - 24% homes/9,900 children
- 41,000 teachers and staff

During COVID-19:

Number of Providers Applying to Be Open



Number of Children Attending Child Care



Vacancy Rates at Child Care Programs

	4/6	4/15	5/4	5/27
Overall (62% open)	68%	66%	63%	55%
Centers (53% open)	70%	68%	65%	56%
Homes (88% open)	41%	37%	31%	26%

NCDHHS Actions to Support Child Care During COVID-19

NC will fully expend \$118M in CARES funding and \$47M in prior year CCDF funding and SFY19-20 base funding for these initiatives by the end of July 2020.

Health and Safety



Regularly updating [health and safety guidance](#) aligning with CDC



Held **webinars** with 3,500+ providers on Emergency in [March](#) and Reopening Guidelines in [May](#)



Stood up network of [child care health consultants](#)



Established partnership with **local Smart Start** to help find essential supplies



Issued Executive Order to ensure child care only for essential workers during stay at home order

Access and Affordability



Launched [child care hotline](#) with CCR&R system to provide enhanced referrals to 2,465 families to care for 3,694 children to-date



Covered [copayments](#) for families receiving subsidy for April, May, June



Launched [Emergency Child Care Subsidy program](#) for essential workers (up to 300% FPL) serving 17,000+ children in April

Operational Support



Provided [subsidy stabilization](#) to all programs (April & May), open programs (June)



Provided [NC Pre-K stabilization](#) through end of school year



Providing [operational grants](#) based on fixed costs to open programs (ranging \$500 to \$30,000 per month for centers, ranging \$359 to \$2,500 per month for homes) for April to June



Planning to offer **recovery grants** (TBD)

Workforce Support



Provided [bonus payments](#) of \$950/month to teachers and \$525/month to staff for April and May



Provided 10% [additional payment](#) for bonuses to cover administrative costs like payroll tax



Launched Hope4Healers [mental health helpline](#) for child care and health care workers experiencing stress



Planning to offer **incentives for teacher rehiring** (TBD)

Unmet Need #1: Continued Teacher/Staff Bonuses Beyond May

- **Pre-COVID:** NC had ~41,000 child care staff prior to COVID-19 (~33,000 teaching staff, 8,100 non-teaching)
- **In April 2020:** NC had ~20,000 child care staff were working on-site

\$1,907: Average monthly salary for teachers

- Average teacher salary is ~ \$11/hr
- Average full-time monthly: \$1,907

\$2,860: Average monthly salary for teachers working during COVID with NC bonuses

- Bonuses are equivalent to time and a half (\$950/month for full-time teachers, \$525/month for full-time staff)
- Paying additional 10% to cover administrative costs for programs
- **\$16.2 million:** Cost for bonuses for ~ 20,000 staff for month of April

\$3,553: Average monthly salary for teachers receiving unemployment

- Based on average teacher salary, teachers are receiving ~ \$820/week (federal = \$600/week, state = \$220/week)
- 24% more than if working and receiving bonus
- **\$37.5 million:** Cost for state if NC had matched unemployment levels for one month

States need additional financial support to attract and rehire qualified staff to the child care workforce.

Unmet Need #2: Continued Fixed Operational Costs Support

APRIL 2020 SNAPSHOT OF POTENTIAL REVENUE LOSS

Closed Programs

- In April, about 50% of programs were closed
- Estimated pre-COVID revenue earned among closed facilities was \$98.1M per month (115,757 children attending multiplied by average 2018 rates)
- Provided subsidy stabilization of \$8.4M in April to closed facilities
- After subsidy stabilization, closed facilities lost ~\$89.6M per month in private pay in April
- Assumed staff salary comprises ~70% of costs and closed programs laid off all staff – lower expenses offset some revenue loss
- **After subsidy stabilization and staff layoff offset, revenue loss for closed facilities: ~ \$30M per month**

Open Programs

- In April, about 50% of programs were open
- Average vacancy rate of 64%
- Estimated pre-COVID revenue earned among open facilities was \$125.2M per month (149,675 children attending multiplied by average 2018 rates)
- Provided \$29.7M of subsidy stabilization and \$17.6M in operational grants in April to open facilities
- Assumed open facilities only very modestly offset losses by laying off staff based on bonus take-up rate
- **After subsidy stabilization and operational grants, revenue loss for open facilities: ~ \$45M per month**

Programs unlikely to have full capacity beyond July.

Anticipate programs will need fixed operating grants for 3-5 additional months beyond July.

Unmet Need #3: Financial Assistance for Families

- Launched Emergency Child Care Subsidy program on April 1 for essential workers whose income was below 300% of poverty line and had no other child care options
- April 2020: ~17,000 children of essential workers were covered by emergency child care subsidy and costs of \$14.5 million
- May 2020: Projected enrollment of 19,000 and costs of \$17.6 million
- NC's emergency child care subsidy program ending May 31st as there is no longer "essential business" designation
- NC's current traditional subsidy waiting list is 14,055

Beyond traditional subsidy, states need funding to provide financial relief to families who will need child care assistance as they slowly reenter the workforce at pre-COVID levels.

**Theresa Hawley | First Assistant Deputy
Governor, Education, Governor's Office,
Illinois**

**Illinois received \$118 million in supplemental
CARES Act funding**





Challenges and Opportunities for Child Care in the Pandemic

Illinois' approach

May 28, 2020

Illinois has a robust Child Care Assistance Program, but has typically focused less attention on the private-pay child care market

- About 40% of licensed child care is funded by CCAP
 - Eligibility for subsidy is at 200% FPL (exit at 225% FPL), with eligibility for both employment and education/training
 - No waiting lists
 - Copayments are maximum of 9% of income; will be 7% in FY21
 - Rates are well below 75th percentile of market in Chicago area
- There is substantial blending and braiding of CCAP with Head Start and state education funding
 - This is especially true in Chicago, less so in the balance of the state
- Quality funding for QRIS (ExceleRate Illinois) is focused mostly on tiered reimbursement for subsidized slots

Our approach in the early days of the pandemic was to close licensed child care centers and homes and create an Emergency Child Care System



ALL LICENSED CHILD CARE CENTERS
AND HOMES WERE REQUIRED TO
CLOSE



ONLY FAMILIES OF “ESSENTIAL
WORKERS” WERE ALLOWED TO USE
CHILD CARE



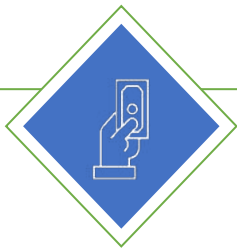
LICENSED CENTERS COULD OBTAIN
(THROUGH EASY APPLICATION) AN
EMERGENCY LICENSE, WHICH
PROVIDED GREATER FLEXIBILITY ON
MOST STANDARDS (INCLUDING
STAFF QUALIFICATIONS) BUT
ALLOWED ONLY 10 CHILDREN PER
CLASSROOM



HOMES COULD IMMEDIATELY
REOPEN AS LICENSE-EXEMPT, BUT
COULD CARE FOR ONLY 6 CHILDREN
(NORMAL FOR LICENSED HOME IS
6-16 MAX)

Illinois used the CARES Act Child Care Funds primarily to support CCAP

Continued payments to closed providers



Reduced parent copayments to \$1/month for families on Child Care Assistance



Increased rates for those providing emergency care



Made all Priority Essential Workers eligible for Child Care Assistance



Provided stipends to all emergency centers and homes



What worked: This did sustain through June the providers who serve low-income families

What didn't: It was very difficult to reconcile these supports with the Paycheck Protection Program

As we reopen,
the financial
challenges facing
all providers—
not just those
providing
subsidized care—
has become clear

- Our reopening rules require smaller group sizes than are typically allowed
 - First 4 weeks a center is open: Max 8 infants, 10 all other ages
 - Thereafter, for foreseeable future, group sizes reduced by about 30% from pre-pandemic maximums
 - Homes will be limited to lesser of normal licensed capacity or 10 children
- Even if we did not mandate reduced group sizes, survey data suggests that families will be slow to return to child care, and enrollment will be considerably lower than before the pandemic

Plan for safe operations in child care centers in the Restore Illinois reopening plan

Group sizes of:

- Infants 8
- Toddlers/2s 12
- Preschool 15
- School Age 15

- Capacity of system for birth through 5 will be reduced by about 25-30%
- Revenue for a typical center will be reduced by about 30%
- Typical center budget will go into the red by about:
 - \$350,000 for larger center
 - \$200,000 for smaller center

We risk losing an enormous percentage of our child care capacity if we don't provide support

Our approach:
Provide grants
to offset lost
revenue for
providers
across the
system

- Business Interruption Grant program
- Funded through Coronavirus Relief Program in CARES Act
 - Economic relief funds, not the CCDBG funding
- **\$260 million focused specifically on child care**
 - **40% of all small business relief appropriated**
- Program was included in state budget for FY21 passed last weekend
- Specifics currently being designed

Illinois will need much more funding to sustain the child care industry through the coming year



\$385 million for business stabilization support for Oct 20-June 21



\$30 million for needed supplies/facility modifications to operate safely



\$300 million for workforce supports

Stipends to attract and retain qualified staff

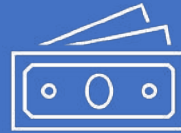
- Estimate based on \$500/mo/staff person

Illinois needs an additional \$715 million for child care for SFY2021



This will require a federal investment of at least \$20 Billion


The best vehicle for this CCDBG



Additional funding will likely be required in SFY2022 to support the full restoration of our child care system

**Samantha Aigner-Treworgy | Commissioner,
Department of Early Education and Care,
Massachusetts**

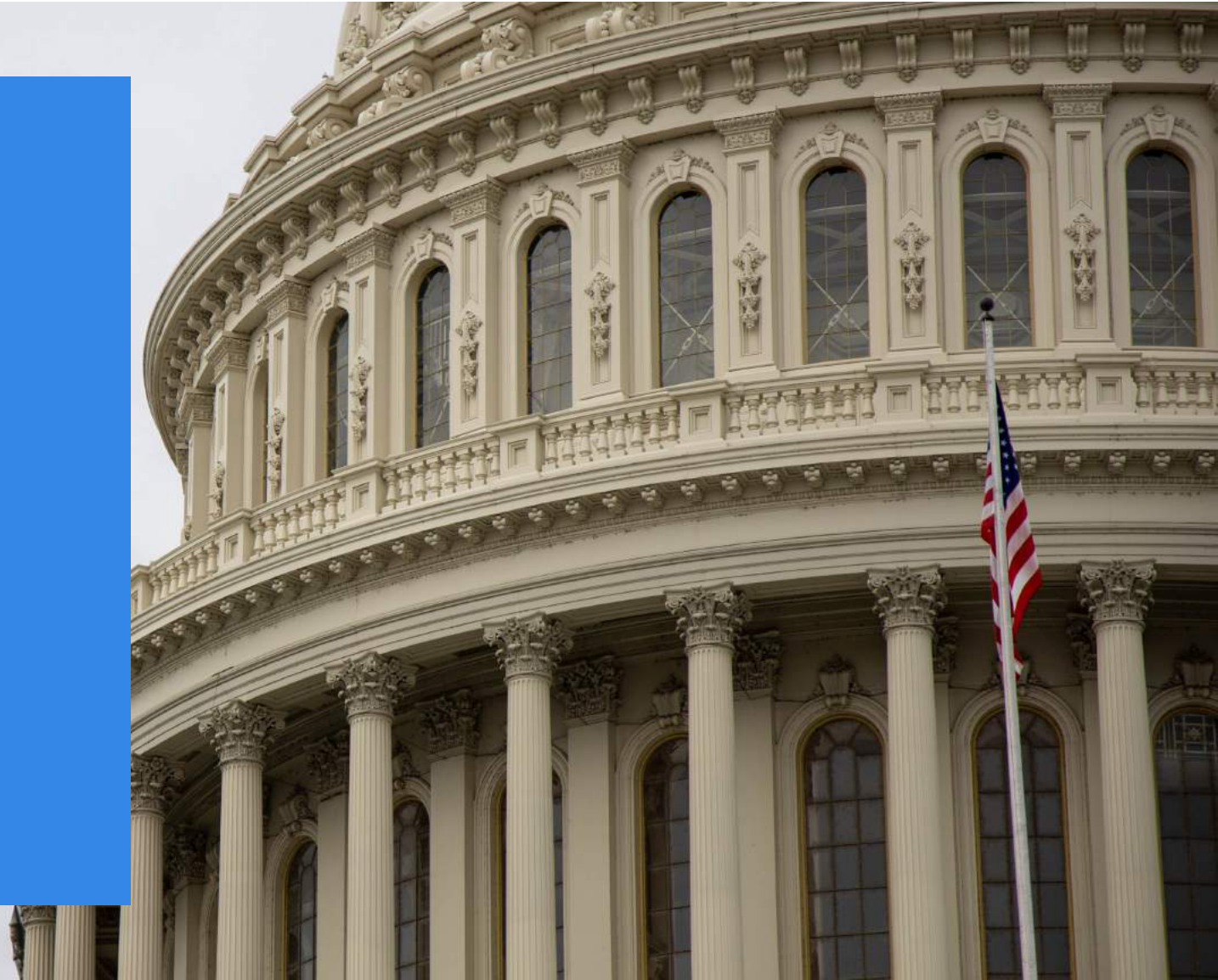
**Massachusetts received
\$46 million in supplemental CARES Act
funding**





Questions?

Please ask your questions
in the “comment” box





Bipartisan Policy Center

1225 Eye Street NW, Suite
1000 Washington, D.C. 20005

IDEAS. ACTION. RESULTS.