

STATUS OF CHILD CARE AND EFFECTS OF THE PANDEMIC IN FLORIDA

Concerns from the Communities

May 29, 2020

Child care is a fragile infrastructure primarily comprised of small businesses with low profit margins. The impact of COVID has some variation by community but, in general, the impact has been hard. DCF has worked throughout the state to determine the closure rates for centers. In general, at least half of child care was closed during this period. Some programs that remained open were doing so to care for the children of essential workers. Below are some of the facts and challenges during this time:

- If programs remained opened during the pandemic, they have expressed difficulty in obtaining the necessary PPE to ensure that staff and children remain safe.
 - Possible solution is determining if child care could possible access resources from disaster preparedness / emergency management or some central purchasing resource.
 - Programs have experienced such an escalation in prices (when they are able to find resources) that these costs further exacerbate the financial challenges.
- Most every community has expressed that their businesses are financially challenged. Those serving high numbers of school readiness or VPK children have appreciated the state's allowing the enrollment to continue to be funded. However, the co-pays that parents typically pay and those who have lower state-funded children are expressing greater concerns as private pay parents are not attending.
- Some child care programs have accessed PPP loans and other financial resources available but we do not know how pervasive the industry has availed itself of the limited resources. Some have expressed that they are overwhelmed in trying to maintain financial viability while shouldering the responsibilities of caring for children.
- Child care programs are anxious about their ability to remain in business. Even as child care programs begin to open, parents are fearful about putting their children back in care, if they have any other resources available.
- Reduced capacity and staffing in programs are also challenging the industry. Most report that their fixed costs cannot be covered with programs at 50% or less that plan to return. Lower group sizes to reduce the possibility of spread challenges programs both in staffing and square footage in facilities.
- Child care teachers earn an average of \$10.50 per hour and they are committed to the parents and children. If they have been furloughed or terminated during this period, state and federal unemployment is yielding approximately \$22 an hour (if they've been able to access benefits). This is a deterrent to staff returning to earn less than half of what they can access through benefits. The delays in being able to access benefits has caused great financial distress to an under-compensated workforce.
- The Florida Office of Early Learning is offering limited assistance other than continuing to pay programs for enrollment prior to the shutdowns. For programs that receive fewer subsidies, they are eligible to receive \$1,000 infrastructure grants from their early learning coalitions. Their staffs are able to receive \$75 per completed training. They report that this is woefully inadequate in helping businesses to remain viable.
- Some early learning coalitions are trying to help programs by encouraging businesses to work with child care providers. Some may be able to connect nearby providers with their employees to open spaces for those expected to return. However, efforts vary throughout the state.
- With businesses expected to re-open and when this pandemic has passed, it is questionable whether the child care will be available to meet the needs of working families. Those able to survive during this period may be limited without an infusion of resources to sustain them. Those offering quality programs may be forced out of business or be forced to lower their standards to survive.