

# The Impact of COVID-19 on Greater New Orleans Child Care Providers



Survey findings from the Greater New Orleans  
Region from March 16 - March 23, 2020

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SURVEY FINDINGS FROM THE GREATER NEW ORLEANS REGION FROM MARCH 16 - MARCH 23, 2020

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## OVERVIEW

The COVID-19 pandemic has had wide-ranging and devastating impacts on Louisiana's people and economy. Since the first confirmed case of COVID-19 (novel coronavirus) was diagnosed in Louisiana on March 9, 2020, in the New Orleans region, 2,745 additional cases have been confirmed and 119 people have died, as of March 27.[i] While Governor John Bel Edwards ordered all public schools closed as of March 16, early learning centers have been permitted to remain open. However, as the number of confirmed cases continued to rise, and as the calls for social distancing and later stay at home orders became increasingly urgent, some child care centers have temporarily shuttered their doors. As of March 27, 2020, 60% of licensed centers in southeast Louisiana were temporarily closed, and those that remained open were mandated to follow enhanced health and safety protocols, including lower group size requirements.

Recent research conducted by the Louisiana Policy Institute for Children (LPIC) has shown that child care breakdowns for families have a significant negative impact on Louisiana's economy. Even before this public health crisis, LPIC research showed that one in six Louisiana workers with young children had to quit a job because of child care issues and one in 13 Louisiana workers with young children are fired due to recurring child care issues.[ii] On top of this, national research consistently shows that most child care centers operate on tight profit margins, which is likely to leave them particularly vulnerable in economic downturns.[iii] Given both the precarious financial state of the child care sector and its importance to the overall economy, as well as to understand what kinds of supports providers will need in order to stay in business, it is critical to understand the impact that COVID-19 is having on the early childhood sector.

LPIC, Agenda for Children, and the United Way of Southeast Louisiana conducted a survey of child care providers in southeast Louisiana from March 16-23, 2020.[iv] The survey asked these providers what impact COVID-19 is having on their program or business, including financial losses and closure decisions, and what supports are needed to help providers respond to the public health crisis. It was sent directly to providers and the Louisiana Department of Education encouraged providers to complete the survey during several informational webinars during the survey window.

The scale of the pandemic and the guidance provided to child care centers changed dramatically over the course of the survey window, which could have an effect on the overall results. Child care providers who answered on March 16 were more likely to be open, and they likely had less concrete information of the pandemic's economic impact on their center. By the time the survey closed on the morning of March 23, 45% of all child care centers in southeast Louisiana had reported their closure to the Louisiana Department of Education.

## TIMELINE OF COVID-19 IN LOUISIANA

- March 9, 2020:** The first confirmed case of COVID-19 in Louisiana is diagnosed in the New Orleans region.
- March 11, 2020:** The World Health Organization designates COVID-19 as a pandemic and Gov. Edwards declares a public health emergency in Louisiana.
- March 13, 2020:** Gov. Edwards encourages social distancing, mandates all public gatherings of 250 people or more be postponed or canceled, and closes all public schools until April 13, 2020.
- March 15, 2020:** Gov. Edwards limits public gatherings to 50 people, orders the closure of certain businesses, and limits restaurants to takeout and delivery orders.
- March 22, 2020:** Gov. Edwards issues a Stay at Home Order to begin at 5pm on March 23, directing all Louisiana residents to shelter at home and limit movements outside of their home to essential needs, and ordering additional business closures.
- As of March 27, 2020:** Louisiana has 2,746 confirmed cases of COVID-19 and 119 related deaths, and COVID-19 cases continue to increase on a daily basis.



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## SUMMARY OF SURVEY FINDINGS

Results from the survey show the troubling impacts and difficult decisions facing child care providers in southeast Louisiana during the COVID-19 pandemic. **Most notably, due to COVID-19:**

### Majority of Child Care Providers Report Losing Revenue

**80%** of child care providers in southeast Louisiana have experienced a loss in revenue, with collective losses totaling more than **\$800,000** as of March 23, 2020, due to COVID-19.

### Almost One-Third of Child Care Providers Have Been Forced to Close During the Survey Window

**30%** of responding child care providers have already closed their program or business, and another **18%** expect to close, as of March 23.

### Closed Child Care Providers Experience Financial Losses from Multiple Directions

**73%** of closed child care providers are no longer collecting tuition from families; however, **48%** of these providers are continuing to pay their employees.

### One-Third of Child Care Providers Report an Extended Closure Will Force Them to Permanently Close

Those centers serve **over 3,400 children**, including **over 1,300 children** in need.

### Majority of Providers Request Support to Pay Their Employees

**Over 90%** of child care providers indicated grants to pay employees during closures would support their response to coronavirus both now and in the future if their program or business must close.

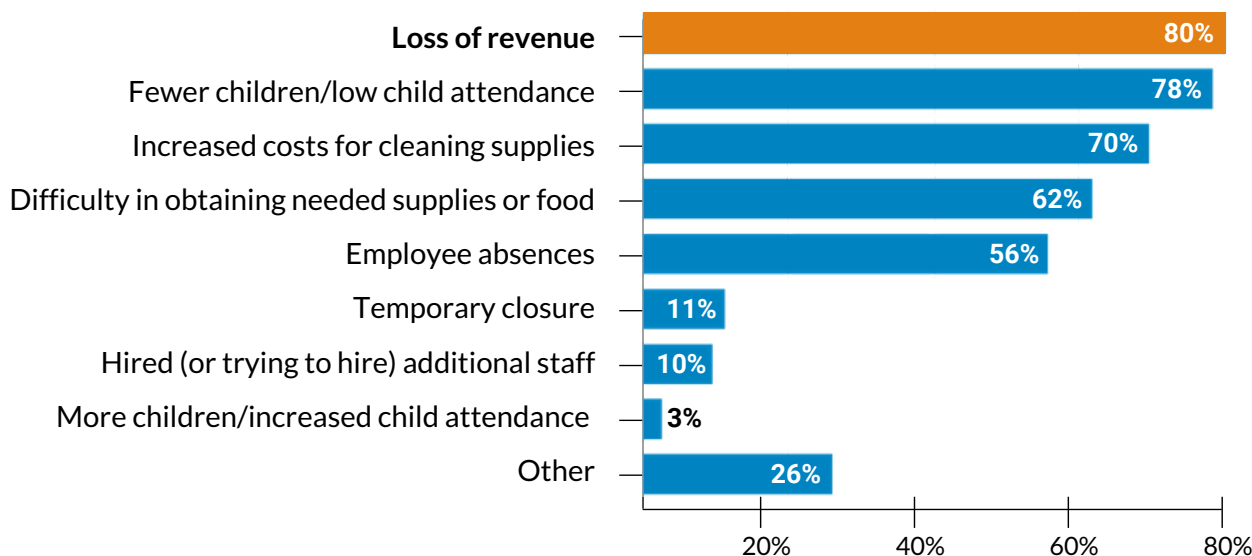
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## Majority of Child Care Providers Report Losing Revenue Due to COVID-19

Over 80% of responding child care providers in southeast Louisiana reported COVID-19 has impacted their program/business in some way. Specifically, 80% of providers are experiencing loss of revenue, 78% report low child attendance, 70% are facing increased cleaning costs, 62% are having difficulty in obtaining needed supplies or food, and 56% are struggling with employee absences.

**Figure 1**  
**Impacts of COVID-19 on Child Care Providers**

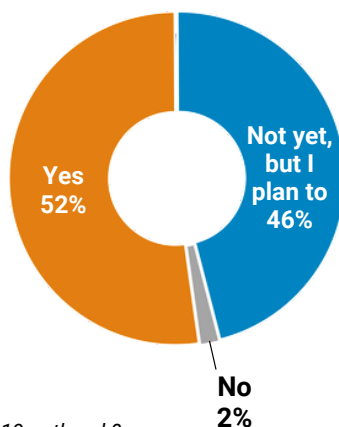


Question: How has your program been impacted by coronavirus?

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

Over half (52%) of responding child care providers in southeast Louisiana are already experiencing financial losses as a result of the COVID-19 pandemic, while another 46% are either already experiencing financial losses but not yet tracking the actual amounts or expecting financial losses. Together, responding child care providers have already experienced losses totaling more than \$800,000 as of March 23, 2020, due to COVID-19.

**Figure 2**  
**Most Providers Experiencing or Expecting Financial Losses Due to COVID-19**



Question: Are you tracking any financial losses due to the COVID-19 outbreak?

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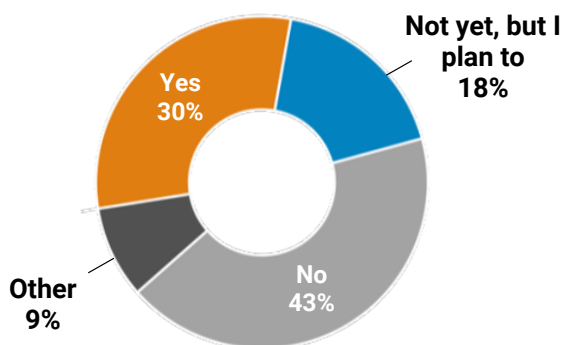
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## Almost One-Third of Child Care Providers Already Been Forced to Close

Of responding child care providers in southeast Louisiana, 30% have had to close their program or business due to COVID-19, and another 18% expect to close.

**Figure 3**

### Child Care Providers Have Already Been Forced Closed Due to COVID-19

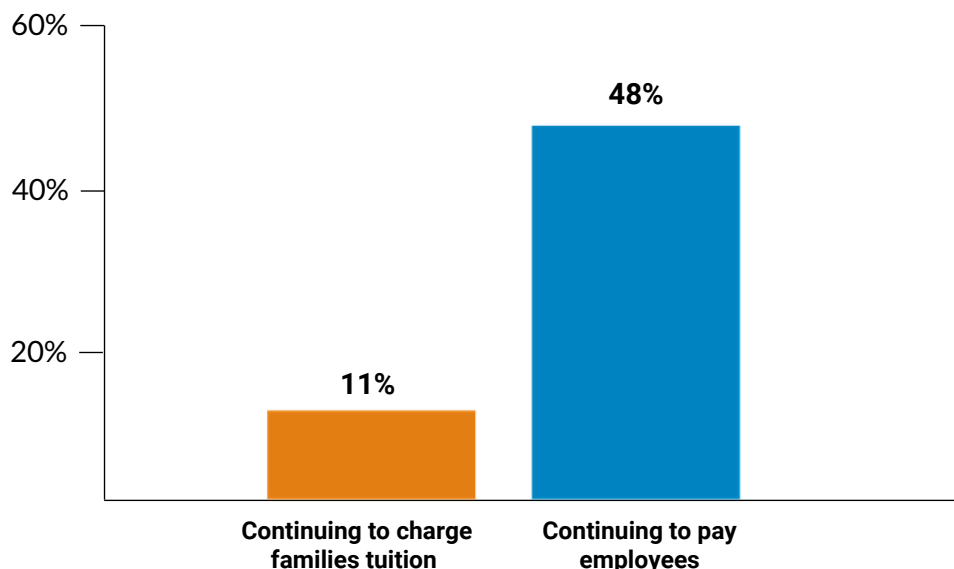


Question: Has your business closed due to COVID-19 (also known as coronavirus)?

The majority of child care providers who have already closed are not continuing to charge families tuition, however almost half are still continuing to pay employees.

**Figure 4**

### While Most Closed Providers Are Not Charging Tuition, Almost Half Continue to Pay Employees



Questions: [If responded "Yes" to previous question, "Has your business closed due to COVID-19 (also known as coronavirus)?"] Are you continuing to charge families tuition while your business is closed? Are you continuing to pay employees while your business is closed?

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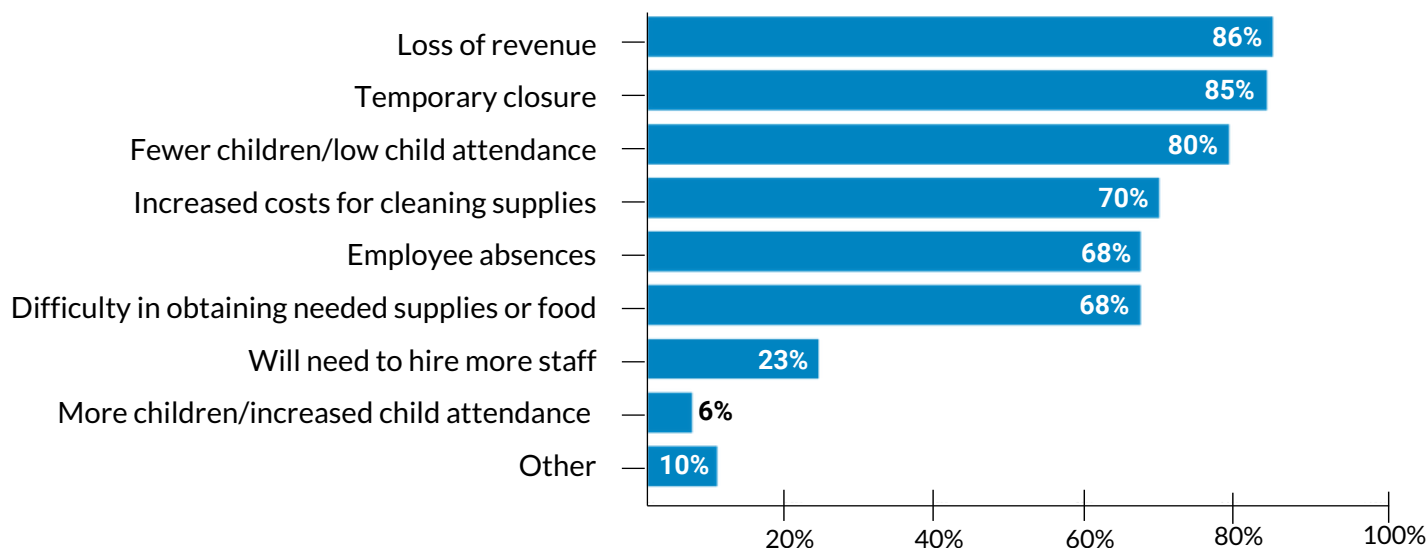
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## Child Care Providers Anticipate Employee Layoffs, Closures as Pandemic Continues

As COVID-19 continues to spread, an increased percentage of child care providers expect to be impacted over the next weeks and months by revenue losses, closures, and low child attendance. This includes providers who have already closed, as well as those who remain open.

**Figure 5**

### Most Child Care Providers Expect to Lose Revenue, Close Doors Due to COVID-19



Question: With the continued spread of the coronavirus, how do you think it will impact your program over the next weeks and months?

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

If the COVID-19 pandemic causes families to keep their children home for a long period of time or child care programs or businesses to close for an extended period of time, responding child care providers expect to have to reduce or eliminate employee hours, or even close their program/business permanently.

**Table 6**

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

Response	Percent of Responding Participants
<b>Layoff employees</b>	<b>71%</b>
Reduce employees' hours	60%
Reduce business hours	46%
<b>Close business permanently</b>	<b>34%</b>
Other	22%

Question: What will happen to your child care business if families keep children home for extended periods or if your business is closed for an extended period of time?

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



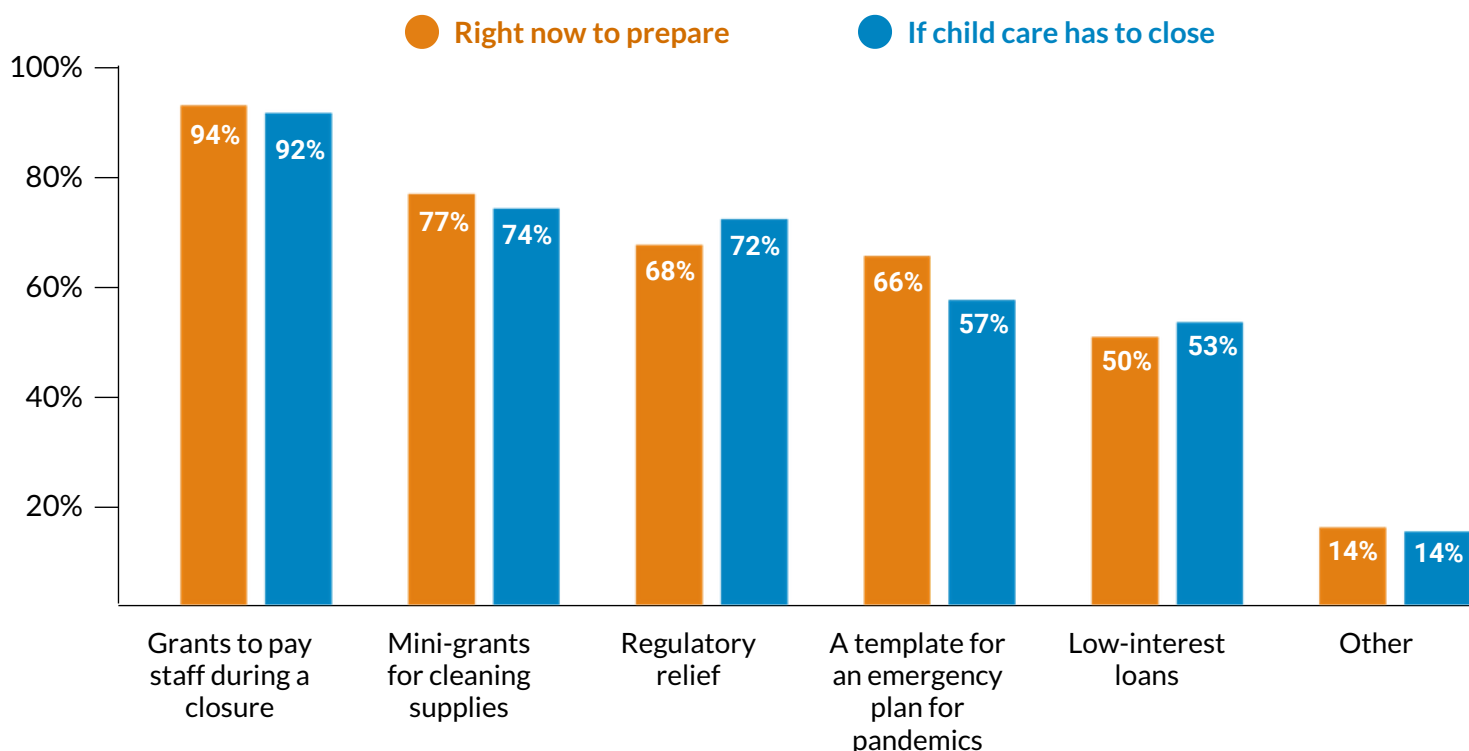
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## Majority of Providers Request Support to Pay Their Employees

When asked what would be helpful now, or in the future if their program/business has to close, over 90% of responding providers in southeast Louisiana selected grants to pay staff during a closure. And over 70% of providers indicated grants would be the single most helpful support.

**Figure 7**  
Grants for Staff Salaries, Cleaning Supplies Most Helpful for Responding to COVID-19



Questions: What kind of help would be useful to your child care business right now in preparing for the novel coronavirus (COVID-19)? If your child care business has to close for a period of time (or has already closed) due to novel coronavirus (COVID-19), what kinds of support might your business need?  
Note: Respondents may have selected more than one response. Percentages may total to more than 100%.

## ENDNOTES

<sup>i</sup> Cases reported by the Louisiana Department of Health, as of March 27, 2020.

<sup>ii</sup> Louisiana Policy Institute for Children. (2017). *Losing Ground: How Child Care Impacts Louisiana's Workforce Productivity and the State Economy*. Retrieved online at: <https://0cd902dd-9de1-4dae-8781-4a355ebda8df.filesusr.com/ugd/20d35d476f91BQZKqdp2CV3 QV5n UEsqSg1ygegLmqRyjj.pdf>

<sup>iii</sup> Center for American Progress. (2018). *Where Does Your Child Care Dollar Go?* Retrieved online at: <https://www.americanprogress.org/issues/early-childhood/reports/2018/02/14/446330/child-care-dollar-go/>

<sup>iv</sup> The surveyed parishes include Assumption, Jefferson, Lafourche, Orleans, Plaquemines, St. Bernard, St. Charles, St. James, St. John the Baptist, St. Tammany, Terrebonne, and Washington.



# The Impact of COVID-19 on Greater New Orleans Child Care Providers: Appendix

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## SURVEY METHODOLOGY

For this survey, LPIC and Agenda for Children developed and administered the survey online through Survey Gizmo from March 16, 2020, to March 23, 2020. The survey link was distributed by Agenda for Children through its email listserv on March 16. The Louisiana Department of Education also shared the survey link during a webinar with child care providers on March 17 and March 20, 2020, and included the survey link in a COVID-19 resource FAQ on the department's website.

Prospective respondents included any child care provider located in Agenda for Children's resource and referral region. This region includes the following parishes: Assumption, Jefferson, Lafourche, Orleans, Plaquemines, St. Bernard, St. Charles, St. James, St. John the Baptist, St. Tammany, Terrebonne, and Washington.

Of the approximately 529 licensed child care centers and family child care providers in southeast Louisiana, 168 providers representing 218 locations, responded to the survey, answering some or all of the questions. For questions where some survey respondents did not provide an answer, the included results percentages reflect calculations based only on the number of survey respondents providing an answer to the question. For example, if only 100 survey respondents answered a question, the results would reflect what percentage of those 100 respondents selected each answer.

## CHARACTERISTICS OF SURVEY RESPONDENTS

**Table A1**  
Top 10 Cities of Responding Child Care Providers

Top 10 Cities	Percent of Responding Participants
New Orleans	34%
Metairie	8%
Covington	5%
Houma	5%
Marrero	5%
Gretna	5%
Chalmette	4%
Slidell	4%
Thibodaux	4%
Harvey	3%

**Table A2**  
Parishes of Responding Child Care Providers

Parish	Percent of Responding Participants
Orleans	32%
Jefferson	27%
St. Tammany	13%
Terrebonne	7%
Lafourche	5%
St. Bernard	5%
Washington	4%
Plaquemines	2%
St. Charles	2%
St. John the Baptist	2%
St. James	1%

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## CHARACTERISTICS OF SURVEY RESPONDENTS

**Table A3**

**Program Type of Responding Child Care Providers**

Program Type	Percent of Responding Participants
Type III Center	75%
Type I Center	12%
Type II Center	10%
Family Child Care	2%
In-Home Child Care	1%

## ADDITIONAL SURVEY RESULTS

**Table A4**

**Paid Sick Days Offered to Employees by Responding Child Care Providers**

Offers Paid Sick Days	Percent of Responding Participants
Yes	36%
No	64%

Question: Does your center offer employees paid sick days?

**Table A6**

**Responding Child Care Providers with Current Emergency Plan for Public Health Crisis**

Currently Has Emergency Plan for Public Health Crisis	Percent of Responding Providers
Yes	57%
No	43%

Question: Do you currently have an emergency plan for a public health crisis or pandemic?

**Table A5**

**Number of Sick Days Offered to Employees by Responding Child Care Providers**

Number of Sick Days Offered	Percent of Responding Providers
1	2%
2	7%
3	26%
4	2%
5	26%
6	6%
7	4%
8	2%
10	19%
12	4%
14	2%
15	2%

Question: [If responded "Yes" to previous question] How many sick days does your program provide to most employees?

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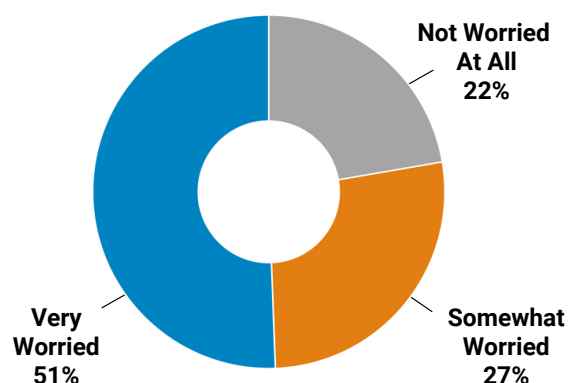
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## ADDITIONAL SURVEY RESULTS

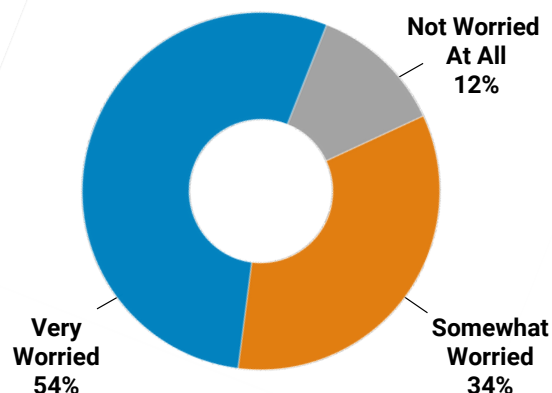
**Figure A7**

### Responding Child Care Providers Level of Worry

Staff continue to come to work even if they are sick because they cannot afford to stay home/not work



Families try to send ill children to program because parents need child care in order to work



Question: How worried are you about the following scenarios?: Staff may continue to come to work even if they are sick because they cannot afford to stay home/not work? Families may try to send ill children to your program because parents need child care in order to work?

**Table A8**

### Actions Already Taken to Address COVID-19 by Responding Child Care Providers

Action Taken	% of Respondents
Increased sanitation/cleaning measures	95%
Communication with families about how to prevent the spread of coronavirus	89%
Communication with employees about how to prevent the spread of coronavirus	88%
Communication with families about how you would make the decision to close your business	79%
Changes in sick policies for children	78%
Created a plan for how to respond if an employee or child has a suspected case of coronavirus	61%
Created a plan for how to respond if an employee, child, or family may have been exposed to coronavirus	61%
Rescheduled or cancelled events	51%
Decreased business hours	37%
Increased business hours	3%
Other	10%

Question: What steps are you already taking to respond to novel coronavirus (COVID-19) at your child care business?  
 Note: Respondents may have selected more than one response. Percentages may total to more than 100%.

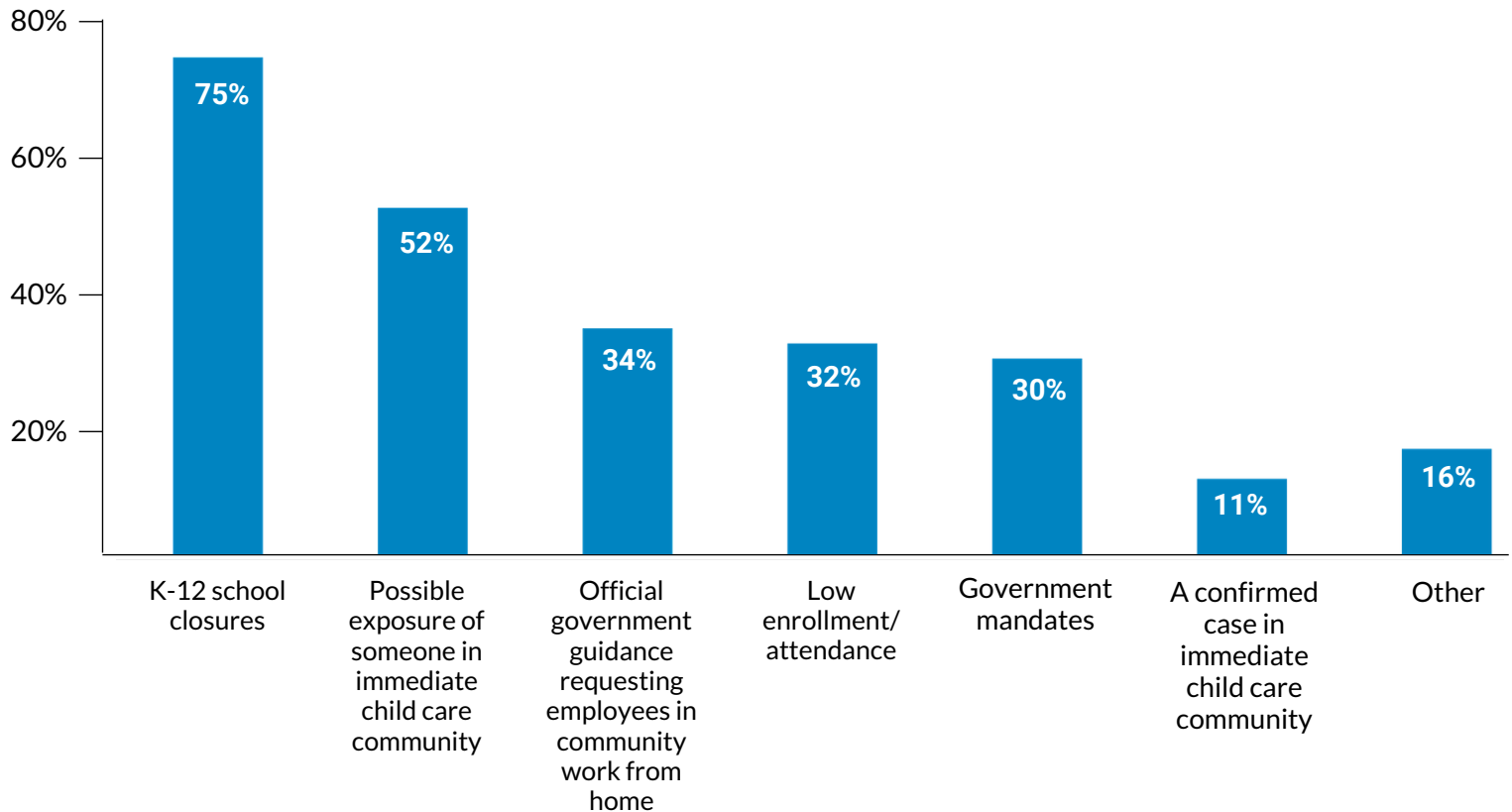


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## ADDITIONAL SURVEY RESULTS

**Figure A9**  
**Factors Influencing Current Child Care Closures**



Question: [If responded "Yes" to previous question, "Has your business closed due to COVID-19 (also known as coronavirus)?"] What circumstances influenced your decision to close your child care business close due to the novel coronavirus (COVID-19)?

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

