SURVEY REPORT:
INITIAL ECONOMIC IMPACT OF COVID-19 ON SOUTH CAROLINA’S CHILD CARE SECTOR

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Child Care Landscape, Pre-COVID
A Fragile Sector

• Access: Demand Exceed Availability
  • Young children potentially needing care: 223,138
  • Child care spaces available: 189,463

• Workforce issues: Low compensation, unclear professional pathways, high turnover
  • 6,700 providers employed in SC (does not include public school 4K)
  • Average salary $21,030 (for context, this would be below the poverty level for a family of 3)
High Parent Costs, Yet Thin Provider Margins

**AVERAGE CARE COSTS**

- **Family child care home**
- **Center-based care**

<table>
<thead>
<tr>
<th>Age</th>
<th>Family Child Care Home</th>
<th>Center-based Care</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infant</td>
<td>$4,797</td>
<td>$6,840</td>
</tr>
<tr>
<td>4-Year-old</td>
<td>$4,531</td>
<td>$5,863</td>
</tr>
</tbody>
</table>
COVID Forces a National Crisis in Child Care

50% would not survive a closure of 2 weeks
- National (NAEYC) (3/12-25)

Of those open, 85% are at 50% or less of capacity
- National NAEYC (4/2-10)

1/3 could close permanently without immediate financial relief
- North Carolina (4/9)

Many unable to make next mortgage/rent payment for home and/or business.
- Nebraska (4/6)

72% of closed providers were no longer collecting tuition
- Louisiana (3/16-32)
Impacts on Child Care in South Carolina
Survey Participants

• Surveyed between April 17 – 27
• 98 respondents across 22 counties
  • 54 respondents who indicated the use of SC Child Care Vouchers

<table>
<thead>
<tr>
<th>County</th>
<th>Percent</th>
<th>County</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spartanburg</td>
<td>17%</td>
<td>Laurens</td>
<td>3%</td>
</tr>
<tr>
<td>Richland</td>
<td>11%</td>
<td>Aiken</td>
<td>2%</td>
</tr>
<tr>
<td>York</td>
<td>9%</td>
<td>Dorchester</td>
<td>2%</td>
</tr>
<tr>
<td>Horry</td>
<td>8%</td>
<td>Newberry</td>
<td>2%</td>
</tr>
<tr>
<td>Charleston</td>
<td>7%</td>
<td>Allendale</td>
<td>1%</td>
</tr>
<tr>
<td>Georgetown</td>
<td>6%</td>
<td>Clarendon</td>
<td>1%</td>
</tr>
<tr>
<td>Greenville</td>
<td>6%</td>
<td>Jasper</td>
<td>1%</td>
</tr>
<tr>
<td>Kershaw</td>
<td>5%</td>
<td>Oconee</td>
<td>1%</td>
</tr>
<tr>
<td>Lexington</td>
<td>5%</td>
<td>Orangeburg</td>
<td>1%</td>
</tr>
<tr>
<td>Berkeley</td>
<td>4%</td>
<td>Union</td>
<td>1%</td>
</tr>
<tr>
<td>Florence</td>
<td>4%</td>
<td>Williamsburg</td>
<td>1%</td>
</tr>
</tbody>
</table>
Provider Type of Respondents

- Child Care Center (Licensed/Approved)
- Faith-Based Center (Registered)
- Group Child Care Home (Licensed)
- Family Child Care Home (Licensed & Registered)
- Head Start center
- 4K Center (publicly funded, privately operated CERDEP)
Operating Status

Operating Status (April 15, 2020)

- Closed for all registered families
- Open for all registered families
- Open, only for specific families (first responders, emergency child care)
- Other (please explain)
- Open, but anticipating closing in the next two weeks

- Centers in “rural” counties are more likely to be operating than are non-rural counties
Capacity & Attendance – Rural vs. Nonrural

Capacity and Current Attendance, by Age and Region

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Non-Rural</th>
<th>Rural</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infants</td>
<td>319</td>
<td>248</td>
</tr>
<tr>
<td>Toddlers</td>
<td>550</td>
<td>382</td>
</tr>
<tr>
<td>Preschoolers</td>
<td>1196</td>
<td>734</td>
</tr>
<tr>
<td>School Age</td>
<td>767</td>
<td>448</td>
</tr>
</tbody>
</table>

- Not Attending
- Serving
Continuing Operations

How long could you center financially survive closure?

- 33% Could not handle any closure
- 32% Two weeks
- 16% One month
- 10% Several months
- 9% I do not know
Cost Concerns

- Other facilities cost
- Rent/mortgage
- Continued to pay staff
- Emergency supplies
- Supplies/equipment costs
- Stopped paying staff
- Contracted services
- Other
Economic Losses

• Current loss: $22,033
• Projected loss: $31,070 (Apr 15- May 15)

Average Losses by Center Capacity*
Provider Concerns – Open-Ended

- Supplies
  - COVID specific (PPE, cleaning supplies)
  - Regular operations (groceries, wipes)
- Government relief, and lack of access to available resources
- Staffing concerns: pay, availability, and health & safety
- Enrollment uncertainty
- Cash flow
- Mental toll and uncertainty
- Gratitude
What’s Next?
Now What?

Outreach & Advocacy
• ICS sharing results and engaging with state agencies, nonprofits (local and state) and elected officials
• Hearing concern both for parents’ ability to return to work and impact on child care officials as small business owners

Resource Development
• Ongoing blog series on COVID-19 related issues: https://www.instituteforchildsuccess.org/category/covid-19/
• Resources for Child Care Providers (navigating PPP, Unemployment Insurance, etc.): https://www.instituteforchildsuccess.org/resources-for-child-care-provider-concerns/
Resources

Read the full report:

Resources for child care providers:
https://www.instituteforchildsuccess.org/resources-for-child-care-provider-concerns/

Rural vs. Non-Rural Comparisons: