

Survey Results and Discussion

In November 2020, the Institute for Child Success (ICS) launched a survey of child care providers in South Carolina to better understand how the continued spread of COVID-19 and resulting economic impacts are affecting the child care sector as of Fall 2020. This survey was adapted from a previous version fielded in Spring 2020, in the early days of the public health crisis.

The child care sector is essential to the health, financial stability, and overall well-being of hundreds of thousands of South Carolina families, and to our economy as a whole, and we want to ensure the sector is able to weather this storm.

ICS is a non-partisan, independent, research and applied policy organization headquartered in Greenville, South Carolina, focusing on children, prenatal to age 8. ICS works with many other organizations and policymakers in the state to ensure children and families are able to thrive – and child care is a key part of that equation. We consulted with several organizations in the state to understand the needs of the sector in developing this survey.

BACKGROUND

The child care and early education sector is in a crisis: facing closures, reduced enrollment, increased costs, and new challenges for staff in the ongoing public health crisis of COVID-19 and its economic impacts on communities. While South Carolina did not require the mandatory closure of child care centers in the initial spring wave of the virus' transmission, many providers voluntarily closed out of an abundance of caution and to take time to develop appropriate safety precautions and policies. As providers have reopened for business, they face a rapidly changing market. Many families are no longer able to afford child care services based on changes to their own employment or are opting to keep children home out of continued concerns related to the transmission of COVID-19. The challenges of ever-changing school schedules for preschool and school-age children – with “hybrid” schedules and the ongoing concern that a switch to all virtual schooling could be necessary – create new issues. Staff members face difficult decisions regarding balancing the needs of their own families and health concerns alongside the realities of a low-paying field with an uncertain future.

In our spring survey, ICS found extreme struggles among child care providers of all types:¹

- One-third of centers reported they could not financially weather a closure of any length of time; another one-third of centers were unsure how long they could last.

- Overall, the sector was serving about one-third (30 percent) of its pre-COVID-19 enrollment, resulting in decreased tuition revenue and threats to payroll and other operating expenses.
- The projected losses from just March 15 to May 15 were greater than \$50,000 per provider on average.

Nationally, the trends are just as troubling. In a July report, the National Association for the Education of Young Children (NAEYC)² found that, among respondents who were still operating, providers were serving 67 percent fewer children than pre-pandemic levels. The vast majority of centers reported new costs in the form of staffing needs, personal protective equipment (PPE), and disinfectant supplies. About half of the respondents reported they were at risk of permanent closure by the end of this calendar year without additional government support, which has not been delivered at the federal level. In an update published December of 2020, NAEYC found that over half of respondents reported losing money every day they were open at this time, and a high proportion of providers dipping into their personal savings or lines of credit to cover expenses for their business. Providers continue to face a high risk of closure – one quarter of child care centers and one-third of child care homes fear they will close within the next three months assuming enrollment trends continue. Of particular concern, *half* of all minority-owned providers report the risk of closing within three months.³

Our fall survey of South Carolina providers found that while many providers have adapted to the “new normal” of their current operations, and enrollment has recovered to some degree, providers still have dramatic financial needs that threaten to destabilize the whole sector. Additionally, there are major concerns about the ability to continue to safely provide high-quality care due to a perfect storm of high supply costs, staffing issues, and the rapidly approaching “Twindemic” of the winter cold and flu season coinciding with another wave of COVID-19 cases in South Carolina and nationwide.

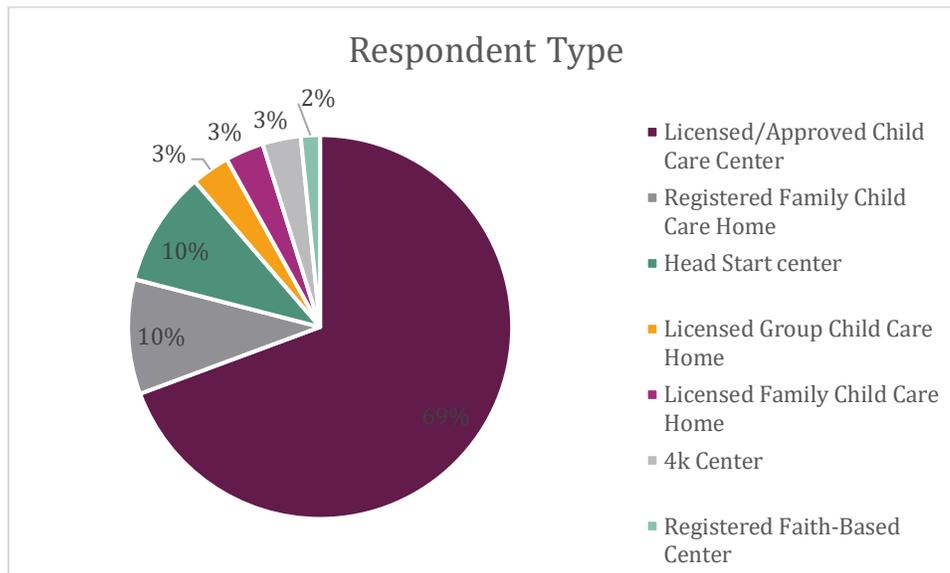
There have been notable efforts at the state level to help “stem the bleeding” among South Carolina child care providers, led by the Department of Social Services (SCDSS). On October 15, South Carolina Governor McMaster and Director Leach of the Department of Social Services announced additional supports for the early care and education sector.⁴ At least 4,500 additional families will have access to economic supports to attend quality early learning through SC Voucher, representing a significant increase over pre-pandemic levels of enrollment. This support is especially critical for parents who are struggling to remain in the workforce. In order to qualify, parent income must be at or below 300 percent federal poverty level (FPL), and the parent must be working at least 15 hours a week or in a school or training program. The number of vouchers is limited based on funding availability; DSS originally planned to approve 4,500, but it plans to increase this number as much as the underlying federal funding allows. In the two weeks after the announcement, the agency logged applications for 4,804 children, and the agency has since created a wait list for additional incoming applications. Several respondents in this survey discussed the previous child care voucher program for essential workers; because of the timing

of their survey responses, they most likely had not yet seen an impact from this new voucher expansion and thus could not report on its impact.

On November 2, SCDSS announced another round of COVID-19 Support Grants for early care and education providers. This grant opportunity is available to assist providers in paying for their child care facility expenses, including rent/mortgage payments, utility bills, cleaning or sanitation costs, and personnel costs. In the first two weeks after the announcement, DSS received 1,328 applications in the amount of \$21,560,000.⁵ Respondents in this survey are very clear about the financial challenges they are facing, ranging from utility bills to cleaning supplies, and the first round of SCDSS grants available for their use were highlighted as useful. Even with this second round of grants, though, the financial losses of many providers exceed what is available for assistance from SCDSS.

SURVEY RESPONDENTS

Survey respondents were largely child care centers; that they comprise 69 percent of respondents is in line with the percentage of licensed providers in the state.⁶ Our previous survey also heavily represented licensed child care centers, who were 77 percent of respondents. Group and family child care homes across all license types accounted for 16 percent of respondents. Other respondents were Head Start centers (10 percent), 4k programs funded through state funds (3 percent), and faith-based centers (2 percent).



The survey used word-of-mouth and outreach networks to contact potential respondents, as well as outreach directly through Facebook private message for those in under-represented counties whose presence could be verified online. Despite this, the survey had just 62 respondents, lower than the 98 respondents in the spring survey and a small enough sample that caution must be used in drawing broad conclusions. Early childhood providers are a difficult demographic to reach for research. A recent brief published by the federal Administration for Children and Families (ACF) finds that “center directors and teaching staff have limited ability to

participate in data collection activities because of time pressures and the immediacy of issues that arise in providing care to young children.”⁷ Qualitative reports in South Carolina and other states suggest that the COVID-19 crisis has only exacerbated these challenges and time pressures, creating additional barriers to data collection. Because a diverse set of voices regarding the realities of child care is *essential* to understanding impacts, numerous attempts were made to increase the take-up rate of this survey, including social media and direct message outreach. “Snail mail” outreach to the addresses on file with the state were not attempted based on the need for quick turnaround for this survey; phone outreach was not attempted based on literature in the field which finds this to be a time-intensive process. (The above research from ACF finds that, on average, it takes five phone attempts to a child care center to speak with someone about research projects).

Understanding that the challenges a community faces may differ starkly by region; efforts were made to ensure respondents came from a diverse range of counties within the state. The full breakdown of respondents by county is below:

County	Frequency	Percent
Spartanburg	18	29%
Horry	11	18%
Charleston	4	6%
Florence	4	6%
Georgetown	4	6%
Williamsburg	4	6%
Darlington	3	5%
Jasper	3	5%
Newberry	3	5%
Greenville	2	3%
Richland	2	3%
Aiken	1	2%
Dorchester	1	2%
Laurens	1	2%
Saluda	1	2%

Centers are not limited just to service within their geographic area and many serve a high number of out-of-county families based on their location or their proximity to a major employer. Four respondents indicated they serve a high number of children from outside their county:

County of Center	Additional County Served
Georgetown	Williamsburg
Florence	Darlington
Laurens	Simpsonville
Richland	Lexington

OPERATING STATUS & PROCEDURAL CHANGES

Respondents were asked whether they had closed at *any* point since the public health crisis began in March, as well as asked to provide additional details.

Operations since March	Percent
Yes, we closed for a period of time and are now open	53%
No, we stayed open all the time for all of our families	37%
No, but we only served some families (frontline workers, etc.)	6%
Other	3%

Just over half of the responding centers had closed for some period of time but are now open; 37 percent had stayed open the whole time. These responses were relatively similar for the “point in time” results collected during the spring. In our previous survey, 48 percent of respondents reported that as of April 15 were closed for all families, with another 39 percent open for all families and 6 percent served only a subgroup of families (usually essential workers). Of the two providers who indicated their status as “other,” one indicated that they were instead providing on-site and at-home services, and another reported they had only closed for one week following a child receiving a false positive on a COVID-19 test.

Even for providers who have remained open since March, it has not been “business as usual.” There has been no shortage of resources for providers to reference in terms of making adjustments to their programs in the hope of slowing the spread of virus; in fact, with guidance available from a range of state and federal sources, there may be a risk to overwhelm in working through these recommendations. Additionally, providers must weigh these expert recommendations with what works logistically for their locations, families, staff, and financial situations.

Respondents were given a list of nine frequently recommended programmatic changes, based on a review of materials from the Centers for Disease Control and Prevention, South Carolina agencies including DSS and Department of Health and Environmental Control (DHEC), and early childhood experts such as National Association for the Education of Young Children (NAEYC). Three of these measures were reported to be in use by more than 80 percent of respondents: taking temperatures of staff and children (92 percent); creating a policy on how to handle any possible COVID-19 cases for staff and/or children (84 percent); and requiring face masks for staff (82 percent). While there is significant agreement among these adaptations, there is a significant drop-off among other responses, with no other change being utilized by more than 50 percent of centers. The full results follow:

Precaution/Change	Percent
Taking temperature of staff and children	92%
Creating a policy on how to handle any possible COVID-19 cases for staff and/or children	84%
Requiring face masks for staff	82%
Reducing the number of children, we will serve to allow for distancing	48%
Changing our operating schedule	47%
Hiring professional cleaners (daily or on another schedule)	32%
Requiring face masks for children who are above the age of 2	31%
Offering child care to more older children than previously, to oversee virtual learning	29%
Increasing the resources, we send home with families (meals, supplies, etc.)	29%

On average, respondents indicated they were using about five of these accommodations. Of course, there is no “right” number to use, and not all precautions are equally effective. But the use of five largely new processes in each center, as documented here, does speak to the tremendous amount of time and energy that has gone into planning by child care providers, as well as the time and resources burden that staff may be feeling in order to make these changes.

Respondents offered additional details on these precautions, or additional precautions they have also implemented. A common adjustment to the daily routine was in *limiting access* to as few additional people as possible, which means only allowing staff and children into the building; orchestrating parent drop-off and pick-up outside; and, for a small number, requiring parents to wear masks at drop-off and pick-up. Providers also noted they have changed their cleaning protocols, ranging from introducing additional cleaning and sanitizing throughout the day to hiring a professional company to sanitize the facility once per week. Centers have also changed policies to not allow anything be brought back and forth between the child care location and home. A small number reported making changes to their *physical spaces*, with one adding that “safe glass” shields where possible to create separation (although they did not specify where this could be used – for example, at a reception desk); and another installing a new air purification system. At least one center noted that they are “cohorting” groups, a strategy which aims to keep the same children together all day and day-to-day without mixing with other groups; this is intended to have fewer individuals in close contact with each other, stemming transmission and potentially making contact tracing easier if an infection occurs.

The nature of research on the spread of COVID-19 does not offer an easy way to determine if a child care provider is taking “enough” or “correct” preventative steps. There is no one-size-fits-all approach. One helpful reference comes through a large study from researchers at Yale University looking at the spread of COVID-19 among child care providers (staff, not children in care) in the early months of the public health crisis.⁸ The researchers found that COVID-19 transmission did not seem to increase the risk of the virus spreading among adults who work there, though importantly, providers were taking a number of precautions amounting to “considerable infection mitigation efforts.” The study focused only on April through May; respondents were given about 20 choices of common mitigation efforts to indicate which their

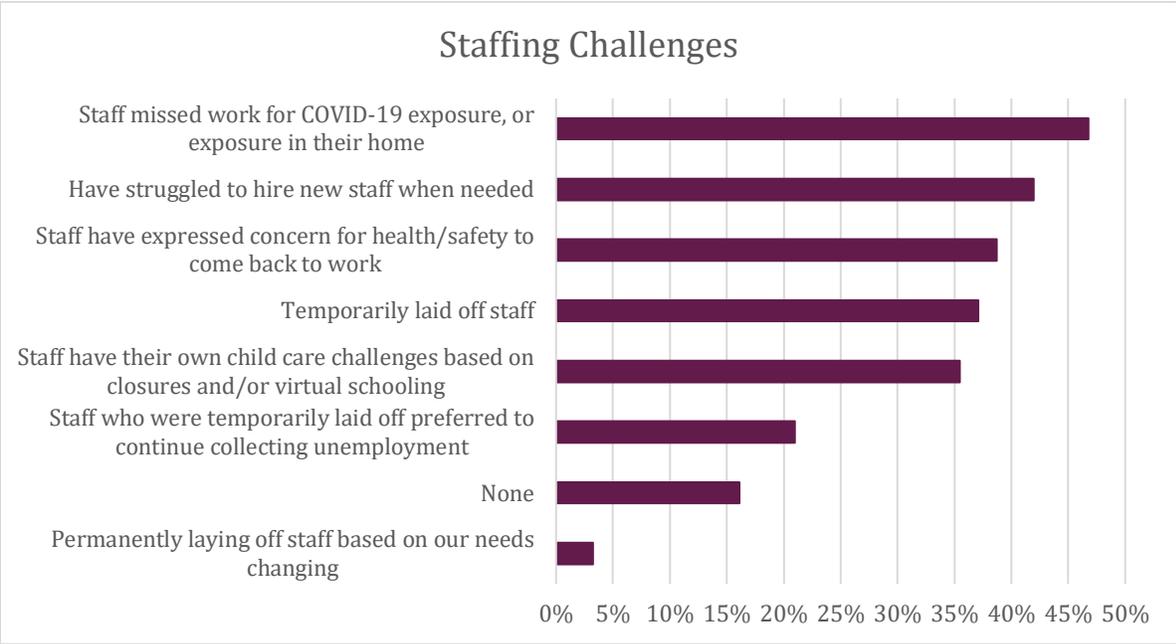
centers were using. Nearly a dozen of these were reportedly in use by 70 percent or more of respondents, including increased child and staff hand washing; disinfecting indoor services and materials; distanced drop-off/pick-up; and temperature/symptom screening for adults and children. In this study, only about one-third reported staff wearing masks, though this may reflect an issue of timing as the Center for Disease Control (CDC) only began recommending widespread mask usage in April.

STAFFING CHALLENGES

Respondents were asked about challenges their locations faced in terms of staffing throughout the course of the COVID-19 pandemic. In our initial spring survey, staffing challenges were largely raised within the broader context of budget concerns, with half of providers reporting they were facing a financial toll from continuing to pay their staff through closures and 30 percent reporting they had to stop paying staff. The spring survey also resulted in several comments about the challenges of bringing back staff when they had been temporarily laid off; many providers were concerned that the weekly federal add-on to unemployment payments offered early in the pandemic, incentivized staff to stay home rather than come back to work.

Several months later, payment and unemployment are still issues facing program directors; but staffing is now a significantly more complex issue as providers face a range of challenges. Child care providers struggle to determine the correct staffing for safe ratios, while also experiencing diminished revenue from reduced enrollments. Additionally, child care has long been plagued by workforce issues centered on low wages, a frequent lack of benefits, and high turnout and turnover.⁹ Finally, staff of child care centers are, of course, people themselves and may be juggling employment decisions alongside concerns about their own health, health of a family member, or the needs of children in their household. As a result, we heard many concerns from providers but no clear themes. Sixteen percent of respondents indicated they did not have any of the given staffing issues. For those who did report a staffing concern, the average was to indicate 2.9 issues – indicating that even individual providers are juggling with a complex interplay of issues.

The most common issue was that staff had missed work at some point during operations since March due to exposure (or potential exposure) to COVID-19 among themselves or a household member, with 47 percent reporting this issue which could result in the need to bring in substitute staff or shift staff, which may undermine attempts to distance or “bubble” groups.



Forty two percent reported they had struggled with hiring new staff when needed. This may seem paradoxical at first, as many discussions about the pandemic’s economic impacts have focused on high unemployment rates. However, providers have experienced a range of challenges in hiring, from knowing their exact staffing needs at a time of rapid change, to delays in the hiring process, to difficulty recruiting high-quality professionals. In follow-up comments, respondents gave some insight into the challenges they had faced. One reported hiring took “three times as long as usual,” while another provider reported that the emergency staff member they had hired since the crisis began had recently quit. Several providers elaborated on their challenges:

- “We continue to need additional funds to support the on-going operation. We need to hire extra staff because of the need to cover staff who are in and out of quarantine or who have symptoms. We also need to continue to hire replacement staff as staff turnover has increased.” – Child Care center, Aiken County
- “While we are managing, more staff would be a huge benefit, as we are spending a tremendous amount of time on health and safety protocols, which exhausts our staff and makes the instructional time shorter each day.” – Child Care center, Greenville County
- “Staffing is a big problem. We can't hire [people] with 6-month’s training because they make more on unemployment than we can afford to pay.” – Child Care center, Dorchester County
- “Staffing has been very difficult due to some teachers still remaining at home with their children and teachers staying home with their children who chose "LIVE" schooling at home all week.” – Family Child Care home, Newberry County

Other challenges to a stable, high-quality workforce are a result of cash flow. Respondents indicated that furloughs, reduced operating schedules, and low enrollment were all creating staffing challenges. Those who want to invest in their staff’s retention have often times been

unable to, with one provider reporting they are struggling to give staff “needed raises or bonuses for working during COVID” and another acknowledging that they have struggled to provide professional development and support to staff: “We have received very little face to face support for training our staff and providing the professional development needed to support the social, emotional, and physical development of our children.”

And, tragically, child care professionals are not unscathed from the impacts of this virus; one provider sadly noted that four of its staff members had battled COVID-19 and one had died from the illness. Any loss of a child care professional is too many, even if contracted outside of the workforce, and can have a profound impact on other staff members and children in care.

IMPACTED CAPACITY

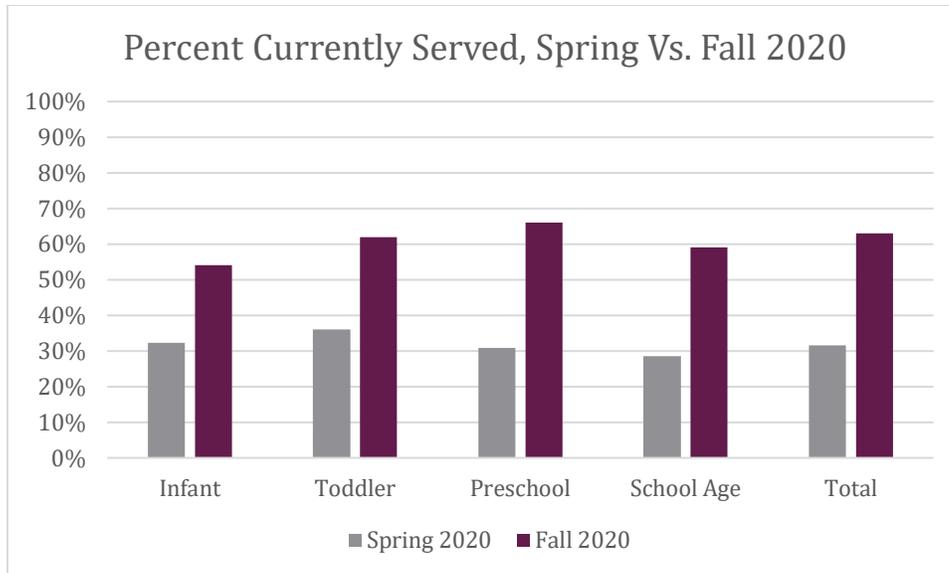
A provider’s capacity and ages served are among the many factors impacting its financial situation at this time. Providers were asked to report their capacity for each of the age groups specified below, as well as how many children are currently attending from each group. We specified that this meant children who are actively attending programming, not just those who are enrolled but are being kept home. About three-quarters of respondents reported this information, with a capacity of 3,895. Across all ages, providers were actively serving about 63 percent of their capacity, or fewer than two out of three children they are licensed to serve.

Child Age	Capacity	Currently Serving	Percent Currently Served
Infant	448	241	54%
Toddler	970	600	62%
Preschool	1,804	1,197	66%
School Age	673	400	59%
Total	3,895	2,438	63%

The decline in service by age is most stark among infants, with only 54 percent of the centers’ capacity being met, followed by 59 percent of school-aged children’s capacity. There is no one reason for this trend. It may be that school-aged children who had previously been served by child care centers for after school hours are no longer attending, due to the nature of hybrid scheduling models or a parental desire to reduce the number of individual settings a child is exposed to out of concerns of contracting the virus.

Across all age groups, the rate of children currently participating in child care is higher than it was in the spring survey, indicating that capacity is beginning to recover as centers reopen and implement precautionary measures. Caution must be used in drawing conclusions from these results, as only a small sample of the state’s overall providers participated in our survey and the participant groups are not the same in both rounds of the survey. However, across all ages and setting types, our survey suggests that providers who are open are not operating at full capacity

(whether as a result of their own preference in reducing group size or parental preference and/or need). As a fee-for-service model, decreased participation dries up operating capital for centers and threatens long-term stability.



FINANCIAL IMPACTS

Providers were asked to quantify their financial losses since the beginning of the crisis. Because different providers may organize their budgets differently, this was an open-ended question which allowed for reporting weekly, monthly, or cumulative losses. Responses have been standardized for our purpose based on 30 weeks/7.5 months, from the first week of April (when the virus was confirmed to be in all counties in South Carolina) through the last week of October based on the timing of the survey.

Across the 32 respondents who provided information on their financial impact, the average loss was \$102,951, equivalent to losing \$13,727 each month since the public health emergency began. While these losses are less steep than the ones initially reported in our spring survey, when providers expected to lose about \$31,000 in month of April 15 – May 15, they are still deeply concerning. Additionally, note that all providers responding to our survey are currently operating (though they may have closed for a period of time since March) and thus are generating income. A combination of decreased revenue through loss of enrollment and increased costs through new precautions and procedures threatens the very stability of this sector. Providers cannot continue absorbing five-figure losses on a monthly basis and hope to operate in the future.

Just seven respondents (12 percent of respondents) indicated that they have not had a financial loss, or it was “not applicable,” with one indicating that it received “the loan” (unspecified, but assumed to be from the federal Small Business Administration), allowing them to operate without a loss for now. Similar to our spring survey, programs which received funding through

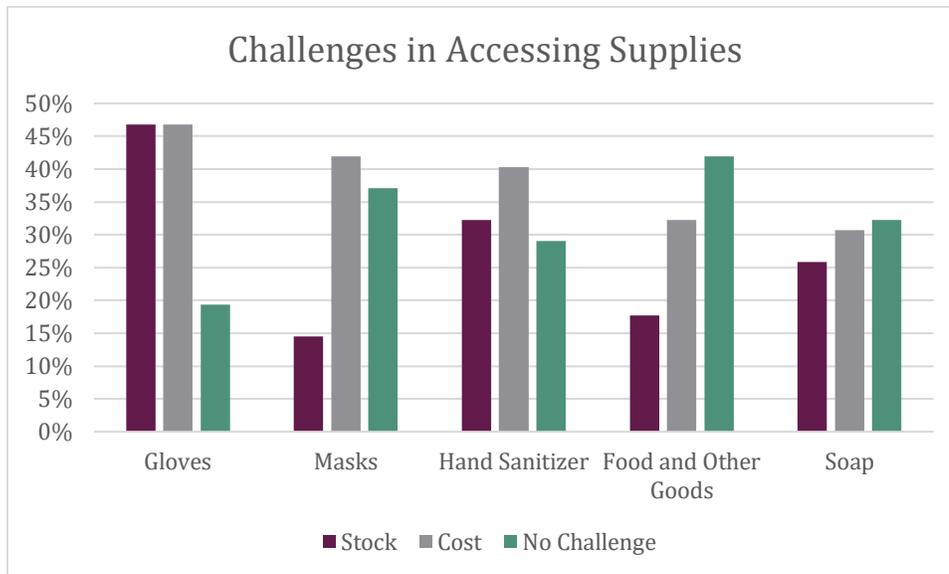
the state's 4K stream or federal Head Start funds were in comparatively better financial situations – none of these respondents indicated a financial loss. Specifically, although most did not submit any response, three Head Start respondents directly acknowledged they have not had a financial loss, with one acknowledging they are fully funded for the year.

Providers were also asked about their ability to rely on operational reserves if they were to face tuition declines once again. Of the 62 survey respondents, only 24 were able to provide an estimate of how long their operating reserves could allow them to operate. The average operating reserve could sustain a provider for 48.25 days – assuming roughly 20 days of operating per month during weekdays, providers could operate for about two and a half months. . Notably, two centers reported *significantly* larger operating reserves than others, each reporting about one year's worth of operating expenses. If these two outliers were removed, the average operating reserve would be reduced to just 25 days, or just over a month of weekdays. Notably, of the centers that were even able to report their operating reserves, all but two were licensed child care centers. This is in line with the finding of our spring survey, which found that one-third of respondents did not know how long their finances could sustain them; in that survey, the most commonly reported duration was one month of operating expenses. These are *crucially* important issues as providers face the prospect of a winter with COVID-19 cases rising and potentially needing to close for safety reasons once again. If revenue dries up, it is certain that many centers will not be able to continue paying their obligations throughout a closure and risk closing permanently.

SUPPLY ACCESS

In our spring survey, qualitative responses found significant issues related to accessing and affording supplies needed for safely operating a child care center, including masks, gloves, cleaning supplies, and everyday grocery items. Given these concerns, and the continued need for such supplies, we added a quantitative question to better understand any continued barriers to access. Providers were asked whether they have had any challenges *accessing stock* of these supplies as well as *affording the cost* – they could select one challenge or both challenges, or indicate “no challenge” (thus, these percentages do not add to 100 percent).

Across all item types – gloves, masks, hand sanitizer, food, soap, and other grocery goods, – cost was a larger issue than supply access, with at least one-third of respondents reporting an affordability challenge for each item. As shown on the following page, the items of greatest concern are gloves, with 47 percent of respondents indicating challenges related to supply stock as well as cost. Earlier supply challenges accessing masks seem to have been corrected, with only 15 percent reporting a stock challenge and 37 percent reporting no challenges at all; but 42 percent did still report a cost issue.



Respondents gave a deeper sense of the challenges through open-ended responses. More than a dozen respondents note that they are having challenges finding and affording sufficient cleaning supplies, particularly easy-to-use disinfecting wipes which could be used as needed throughout the day:

- “Cleaning supplies can sometimes be difficult or costly to find.” – Child Care center, Richland County
- “We are struggling with trying to order Clorox or disinfecting wipes.” - Head Start center, Spartanburg County
- “I am in need of more funding for food and cleaning supplies.” – Registered Family Child Care home, Darlington County
- “We need cleaning & paper supplies, vinyl gloves, and sanitizer to keep going. it is very hard to find and the cost has gone sky high.” – Child Care center, Richland County
- “We are always open to supplies for cleaning and sanitizing such as gloves, masks, disinfectant, bleach, etc.” – Child Care center, Spartanburg County

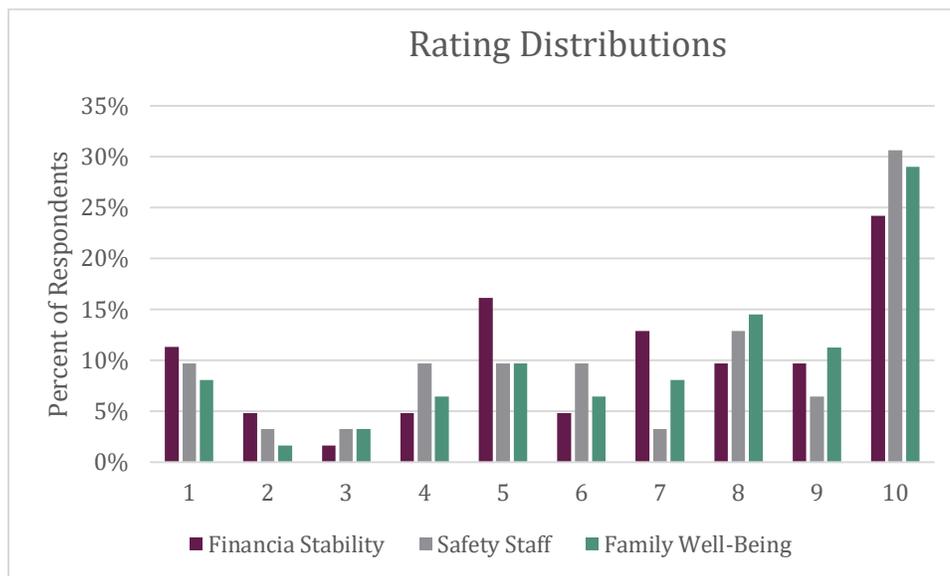
One provider noted they spend roughly \$250 per week on cleaning supplies beyond their pre-pandemic spending habits. Other items that were mentioned in open-ended feedback included disposable gloves, disposable masks, hand sanitizer and – to a lesser extent – thermometers and plexiglass for dividers. One provider noted that, ideally, they would want to purchase new toys and other learning supplies as well, but have delayed replacing these items as revenue has been diminished.

PROVIDER STRESS

Providers were asked to rank their stress and concerns on a scale of 1-10, with 1 being “not at all stressed” and 10 being “the most stressed I have ever been,” on three areas:

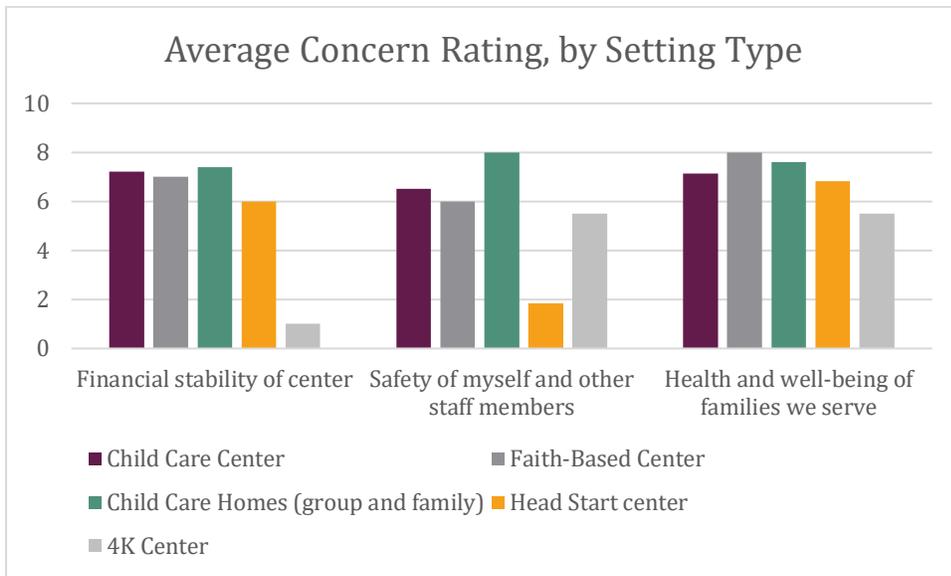
Concern	Average Rating
Financial stability of center	6.52
Safety of myself and other staff members	6.72
Health and well-being of families we serve	7.1

These averages are all relatively close to one another but may mask important differences in the stress level some providers are experiencing opposed to others. Notably, the highest average rating was in considering the health and safety of families they serve, rather than either of the two indicators more specifically focused on their daily operations.



For each of the three areas about which we asked, roughly 25 percent or more of respondents selected 10 – “the most stressed I have ever been.” We must ensure that a focus on the average, which suggested stress but not catastrophe, does not drown out the very high needs of some centers to be able to continue their work.

Additionally, the average rating differed significantly by provider type, as seen next.



* Note that the number of respondents varied dramatically among these categories and results should be considered cautiously. Respondents were: child care center, 43; faith-based center, 1; child care homes (group and family), 10; Head Start, 6; 4K, 2.

In terms of financial stability, 4K centers had *significantly* lower levels of concern than did any other setting type; for safety within the location, Head Start centers were least concerned. This suggests, in alignment with other responses in the survey, that the comparatively more centralized nature of 4K and Head Start funding streams, and their implementing agencies, may alleviate some pressure for operations. However, settings with more decentralized oversight and heavier reliance on fee-for-service enrollment – including child care centers, child care homes, and faith-based settings – had similar high levels of financial concern. Child care homes were most concerned about safety in operations. Notably, the differences by setting largely disappeared when asked about concern for the families they serve; even the lowest average rating of 6 within 4K centers suggests providers recognizing that families are going through extremely difficult times.

ADDITIONAL CONCERNS: LONG-TERM STABILITY AND FAMILY WELL-BEING

Providers were asked about additional concerns they are facing in their work after nearly eight months of a public health emergency. Several clear trends emerged.

Financial Assistance

The most pronounced need was *financial support for operating expenses*, particularly related to staffing. At its heart, child care is a fee-for-service business; when facilities have to close or families withdraw children due to health concerns or financial need, revenue falls for the center. Reduced capacity has made it difficult to pay staff. One provider reports, “[W]e are operating at

half full and it doesn't pay even my staff -three staff;" others noted it was difficult to stay within required or ideal ratios with the staff they are able to pay. One provider reports closing earlier for safety reasons and that "It has been a great challenge to rebuild after closing. Loss of children has made it difficult to maintain staff/employees."

At the same time, providers have seen increased costs they must absorb, including personal protective equipment (PPE), cleaning supplies, and cleaning services. As detailed in a previous section, some noted that prices seem to have increased on supplies they have always previously purchased, including groceries and cleaning supplies; one provider noted prices on items like gloves have tripled in their area since March. One provider identified being behind on utility bills as a real concern, which carries with it the threat that service could be shut off, further jeopardizing business. A faith-based provider reported that their relationship with the church had significantly lessened their financial losses; "[W]e are blessed to run our program as a ministry of our church, so we have been forgiven for quarterly contributions to the building and utilities, and for the copier and cleaning services." Providers worry they will have to raise tuition rates to make up for their losses and costs, a move they fear will create hardship for families, as well as potentially cause more withdrawals. One provider in Spartanburg County was particularly sensitive to family finances, noting "raising rates for our families seems extremely unfair considering several of them are just now returning to work themselves." One provider opted not to continue charging families while they were closed out of concern for family finances: "it put our center in a great financial burden and we are struggling."

One provider noted that because of the services they provide, their major funding source is Medicaid; however, they could not receive any reimbursement from Medicaid as they could not provide services during the closure period.

The emotional toll on providers and families is very real. One provider in Newberry county reports that they have lost about half of their enrollment since March due to parent fears that children will catch the virus there. One family child care home provider summarized this as being "a time when providers are unsure when or if we will have to close at any time."

Providers had feedback on specific strategies that could help them. There was a positive response to the expanded child care vouchers offered by DSS, and a call to continue these with even broader eligibility:

- "At the moment, the state has opened up pandemic vouchers for the working families. That has helped the daycares keep working and providing care for the children that we serve daily." – Child Care center, Horry County
- "It was very economical on the center and the parents when they were awarded essential ABC vouchers. They should've kept those vouchers until the end of the year. The vouchers ended at the end of August." - Child Care center, Florence County
- "Parents need help paying for childcare without worrying if their income will disqualify them. Essential vouchers should be given again to help parents working on the frontline." – Child Care center, Horry County

Note that these vouchers *have* been expanded in October, but likely had not yet been received by respondents to this survey. These comments should be understood in that context: a positive review of the previous expansion and a call for continued investment by DSS, to which the state has begun to respond.

Two respondents mentioned they had applied or were applying for loans and/or grants from the S.C. Department of Social Services. Several respondents noted specifically that they could benefit from assistance in bringing in more clients to help rectify the loss of tuition funds from families that have withdrawn, noting that “recruiting children has been a challenge, people are still not comfortable with releasing children to go to day care or school” and that they “don’t receive a lot of calls for Child Care anymore.” One provider specifically noted they cannot afford to run advertisements to reach new families. This is a compelling opportunity in that it does not necessarily require direct financial assistance to these locations but could be provided as a technical assistance opportunity by any number of government, nonprofit, or higher education entities in the state. Finally, two respondents noted specific concerns about paying their taxes this year based on declining revenue – this is an area that would need intervention directly from the state government. Four centers reported that at this time, they do not need any additional supports.

Respondents are “tapped into” how the larger political, economic, and cultural context impact their operations. There is concern about what cuts could be looming in the next budget year: “We are fortunate because we are state-supported; however, there could be a budget cut depending on what the state decides in January. There could be a budget cut or a furlough. We don't know at this point.” Providers were generally aware of efforts by the state and federal governments to support the sector, though there were mixed perspectives on the efficacy of these opportunities. One provider reported that “the lack of support from and communication from DSS has been disheartening,” while another noted specifically the SCDSS sanitation grants were helpful in covering expenses. This latter provider also noted that CARES and Paycheck Protection Program (PPP) funds were essential.

One provider identified that the potential for another “shutdown” and the continued lack of full-time schooling for all kids in the state was taking a toll on child care and on families: “Children need to get back to school face-to-face. This is causing a burden on the parents and has caused my enrollment to decrease as the parents have to stay home to teach school age children and cannot afford the child care for a younger child. Parents must be given many options so that they can continue to work. No more shut downs.” The ongoing nature of this crisis and the responses to it have complicated responses and made planning difficult: “It remains difficult to establish protocols and procedures as government officials continually change directives. Our families eagerly adapt to our changes, but it can be confusing.”

Health, Safety, and Seasonal Changes

While concerns for family and staff safety were a theme throughout survey responses, there is a very clear concern regarding the impact of moving into the winter “cold and flu” season at the same time as COVID-19 cases are rising. Providers are concerned about the variety of ailments in play, as well as how declining temperatures may complicate the precautions they have put into place. More than a dozen providers registered concerns about seasonal illness and COVID-19; a sample of comments is provided:

- “I worry that during the Fall/Winter time, we as childcare provider will have to take extreme precaution when it comes to kids having colds during this season.” – Registered Family Child Care Home, Florence County
- “Staffing/covering staff who are sick or being quarantined” – Child Care Center, Horry County
- “I'm concerned that with the temperature changing and it being flu /cold season that there could be a spike in COVID numbers.” – Child Care Center, Spartanburg County
- “Really worried for our staff and families as we approach the 2nd wave.... with flu and COVID it is so stressful.” – Child Care Center, Newberry County
- “We hope and pray as the seasons change, we can continue to be here for our families.” – Registered Faith-Based center, Spartanburg County

The similarities among symptoms for COVID-19, flu, and common cold are also of concern, both in terms of presumed COVID-19 cases which impact operations, but turn out to be more manageable issues, as well as “missing” COVID-19 diagnoses because they were assumed to be colds. Providers are worried about several scenarios:

- “Due to flu season coming, I am really concerned about how to tell the difference between the flu and COVID-19. What happens if I have to shut down again and [no] income coming in.” – Registered Family Child Care home, Darlington County
- “Stricter guidelines on differentiating COVID-19 symptoms and general cold and flu symptoms that we see during the fall months. When do we send a child home and what is the difference in the precautions we should take when it comes to cold and the flu versus COVID-19.” – Child Care center, Laurens County
- “With the upcoming flu season, allergies, RSV, and other respiratory issues, we are concerned for our children's health and well-being. There is such a focus on just COVID19 that we are afraid that other (just as important and dangerous) illnesses will not be “diagnosed and treated promptly.” – Child Care center, Saluda County
- “With cold and flu season starting, parents are concerned they will be required to keep children home for “colds” condition because they are the same as COVID. I worry that parents are looking now for other care options and will no longer come to the center.” – Child Care center, Spartanburg County
- “As fall approaches, we are concerned with illnesses in staff as well as the children. We have a new policy which states children and staff who feel ill must stay home for 3 days which is a

challenge for the families and the school, but we are trying our best to keep everyone safe and healthy.” – Child Care center, Horry County

Many providers have taken advantage of the state’s relatively mild climate over the last few months to implement additional precautions, including keeping parents outside for drop-offs and pick-ups. They anticipate potential challenges to this strategy as temperatures decrease and possible winter weather makes its way to South Carolina.

Staffing

In addition to the staffing issues highlighted in the earlier section, providers are nervous looking into the next few months, ranging from being able to cover sick time, retention, and benefits to staff burnout. Providers reported a concern in having adequate staffing to cover their classrooms while maintaining best practices both for quality and for virus mitigation:

- “We are trying to keep the staff in their own classroom, but this can be a challenge when another staff member is out.” – Child Care center, Horry County
- “I am concerned for my staff's health and what will we do if we have more than two out for an extended time. We can't find help and if we do, we struggle getting the paperwork returned for them to start.” – Child Care center, Spartanburg County
- “We cohort groups, floating an assistant to cover two classes. Cohorting classes is a challenge when teachers must be absent, the burden falls to the co-teacher or the person temporarily covering groups while trying to distance. It takes more time so that each group gets to play outside, but the time the individual classes get to spend outside is shortened.” – Child Care center, Spartanburg County
- “I am mainly concerned with staffing. I am having a horrible time getting qualified employees.” – Child Care center, Horry County

Providers identified high turnover as a result of low pay or lack of benefits, a situation which has been worsened by centers’ current financial constraints:

- “Hazard pay or some financial incentive would be helpful to maintaining positive morale and attract more high-quality teachers during this time.” – Child Care center, Greenville County
- “No medical benefits or sick pay for the staff.” – Child Care center, Charleston County
- “It is very frustrating to watch employees come and go because of the benefits they receive from not working and their desire to work from home doing another job.” – Child Care center, Newberry County
- “We are considered essential work force, but we have no benefits” – Licensed Group Child Care home, Georgetown County
- “Staff childcare workers want some type of Health Benefits to be issued and affordable for ALL childcare workers also like State health plan, Teachers benefits. Childcare workers are

needed just as much and often as other workers. People can't go to work without childcare needs. So, WE must open and be here daily no matter what pandemic is going on. WE ARE FRONT LINE WORKERS ALSO!!” – Child Care center, Spartanburg County

One provider noted they have let go of more staff members this year than is typical: “[W]e have an issue with some staff who are not working up to prior performance levels. I have discharged four staff in four months due to performance issues. I have discharged one staff person in 19 days and one in 35 days of being employed.” The provider does not elaborate as to what they believe is the cause of this issue, but based on other responses in this survey, a combination of burnout among individuals and difficulty recruiting highly qualified staff members may be in play.

Stress

One provider referred to themselves as “stressed to the max,” a pithy summary of a sentiment expressed by many in the industry, and nationwide. They continued, “You never know if someone will bring this virus into the center and spread it, causing a shut down and loss of revenue. Daycares can’t afford to close to quarantine for no [sic] length of time...I am so afraid of a child bringing in COVID to me and the children and staff in my care.” This concern of spreading the virus within the center, to both children and adults, was expressed by others as well. Another noted that the stress from multiple avenues is causing burnout among staff: “[I]t has taken such a mental toll on all my staff. I can't hire enough qualified staff, so the ones I have are overworked. Constantly worrying about who is exposed other than at work and them having to quarantine for a week or two is ridiculous. We are stressed to the breaking point and are no longer doing quality care because of it.”

Providers also feel the toll of public opinion on their work and their staff, as well as the lack of resources they have available to them compared to some other sectors to continue their essential work.

“The most frustrating element being that we are not notified by a medical professional and must rely on the "honesty" of parents regarding exposures at home. Reliable information from medical institutions regarding family/child positive results would allow us to respond more quickly and minimize possible exposure to high-risk staff and family members.”

- “Public perception that we should be open no matter what can be draining and demoralizing for staff who are daily putting forth more effort, potentially exposing themselves and their families to COVID, and continuing to provide high quality early childhood education. I wish there was recognition of the sacrifices being made by these teachers.” – Child Care center, Greenville County
- “The daily demands of parents and children facing a time of uncertainty. We have been caregivers, educators, counselors, and medical professionals. Our staff has remained diligent during this time with very little support from agencies. While others have remained out of the office and working from home, our staff has been face-to-face with children since March 2020” – Child Care center, Newberry County

Methodology & Survey Instrument

The Institute for Child Success (ICS) developed survey content in collaboration with several South Carolina stakeholders, and distributed the survey instrument between October 26 and November 11, 2020. ICS distributed the survey through a variety of email and social media networks. The survey was hosted online via SurveyMonkey. A copy of the instrument is available here: <https://www.instituteforchildsuccess.org/wp-content/uploads/2020/12/Fall-Child-Care-Survey-Instrument.pdf>.

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About ICS

Launched in 2010, the Institute for Child Success (ICS) is a private, nonpartisan research and applied policy organization. ICS works to create a culture that facilitates and fosters the success of all children. ICS supports policymakers, service providers, government agencies, funders, and business leaders focused on early childhood development, healthcare, and education – all to coordinate, enhance, and improve those efforts for the maximum effect in the lives of young children (prenatal to age eight). Rather than being a direct service provider, the Institute’s approach focuses on helping those who help young children succeed by working with stakeholders to seek holistic solutions to complex early childhood challenges.

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