



EDUCATION AND ECONOMIC RECOVERY: CHILDCARE IN THE CAPITAL REGION



Baton Rouge Area Chamber®

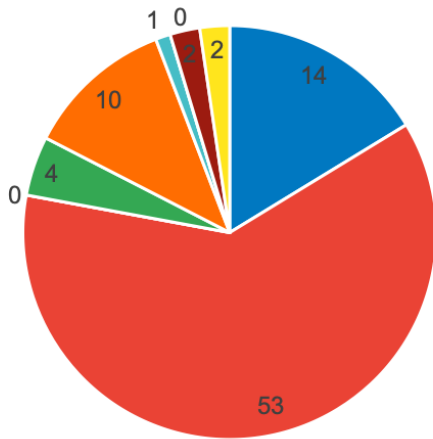
MAY 28, 2020 | BRAC.ORG

OVERVIEW

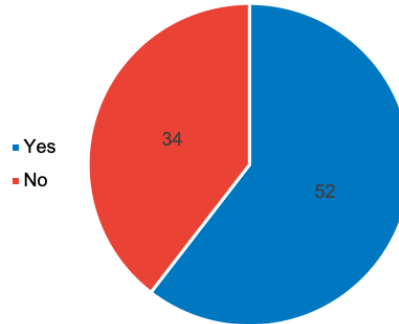
The Baton Rouge Area Chamber surveyed 325 early childcare providers in the nine-parish area it serves. Surveys were emailed out between May 15 and 20 using contact information provided by the Louisiana Department of Education. Of those, 86 responses were collected in that timeframe for a rate of 26.5%.

PARISHES SURVEYED

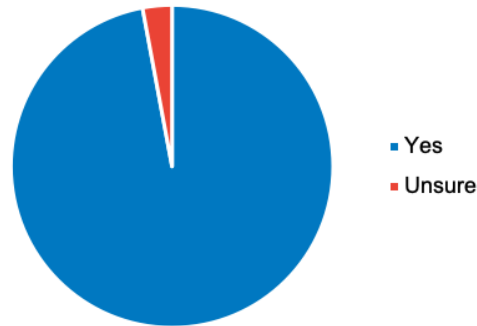
- Ascension
- East Baton Rouge
- East Feliciana
- Iberville
- Livingston
- Pointe Coupee
- St. Helena
- West Baton Rouge
- West Feliciana



CENTERS OPEN DURING PANDEMIC

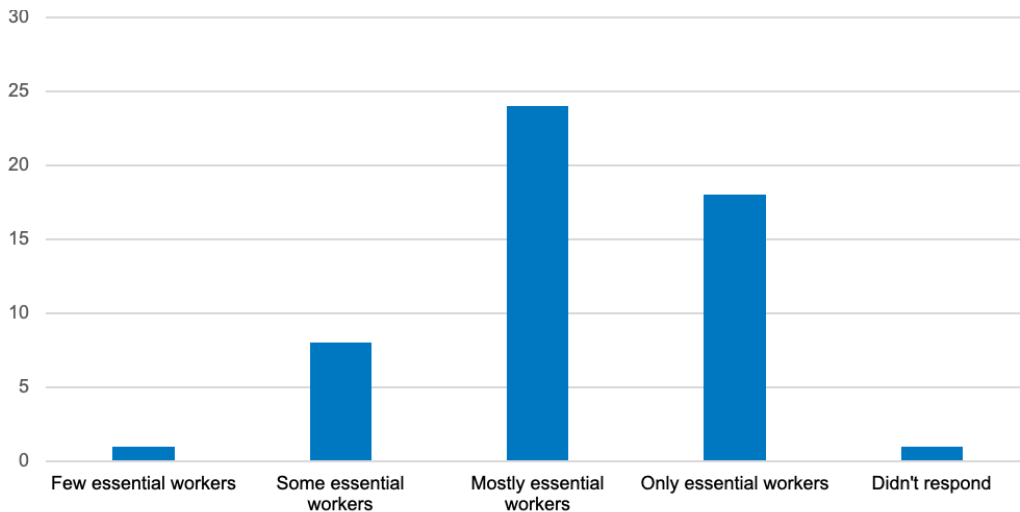


PLANNING TO REOPEN



CHILDCARE FOR ESSENTIAL WORKERS

The centers that remained open primarily served children of essential workers. There were no centers that reported not having served essential workers' children, showing that the centers that remained open did so to provide care for front line and essential workers during the height of the pandemic.



BRAC'S CHILDCARE PROVIDER SURVEY

REOPENING

All but one of the 34 centers (60%) that closed during the pandemic plan to reopen, though they are unsure when.

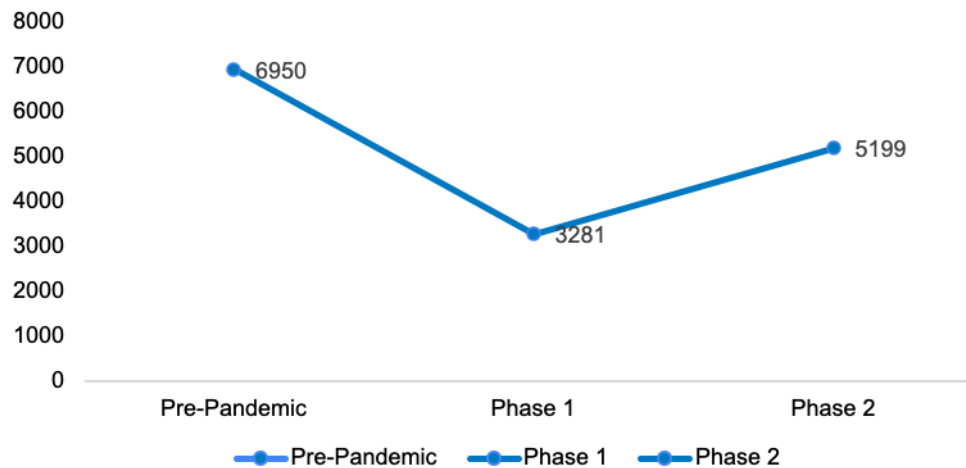


Opening dates of centers range from May 4, 2020 to August 20, 2020.

STAFFING

Nearly 75% of centers report that they will need to hire, on average, **four new or additional staff** to address the ratio requirements and to replace staff that did not or could not return to work. According to research conducted by the Louisiana Policy Institute for Children, centers employ an average of 14 people.

CAPACITY



BARRIERS

BRAC asked respondents to choose the most pressing obstacle preventing them from reopening or returning to pre-pandemic capacity.

PRIMARY BARRIERS TO REOPENING

Employees declined work offer while receiving unemployment benefits	6
Employees hesitant to return due to risk of exposure	7
Access to sufficient personal protective equipment (PPE) or other supplies	8
Families unable to pay tuition	9
Operating costs too high	11
Lack of sufficient space/facilities to keep children and staff distanced	12
Low demand from parents/guardians	12
Other	21

ACCESS TO FINANCIAL RESOURCES

BRAC asked childcare providers whether they had applied or received any funding from three major small business loan programs: the Paycheck Protection Program, the Economic Injury Disaster Loan and Advance, and the Louisiana Loan Portfolio Guaranty program.

LOAN PROGRAM	HAVE APPLIED	HAVE RECEIVED	AVG AMT APPLIED FOR	TOTAL FUNDING APPLIED FOR
PPP Funding	54	39	\$84,353.00	\$3,036,735.00
EIDL	29	13	\$25,405.00	\$508,100.00
LLPG	3	2	\$13,063.00	\$26,125.00
Total	86	54	\$122,821.00	\$3,570,960.00

CAPACITY

On average, centers opening in Phase One have had to reduce their capacity by 40% from the maximum number legally allowed (license capacity) to provide higher student teacher ratios and maintain social distancing. Capacity dropped from a total of 6,950 children to 3,281 children in Phase One, a 52% decrease overall that potentially leaves 3,669 children without care.

ANSWERS TO OTHERS INCLUDED:

- All are concerns including food shortages.
- All of the above.
- Parents are nervous we will have to close schools again.
- Type I and Type II centers receive no financial assistance from the state.

LOAN PROGRAMS

Across the three loan programs, centers submitted 86 applications. As of May 20, 37% of applications were unfunded. Notably, less than half of EIDL loans were received which is to be anticipated as this SBA-led program can take 6-8 weeks to process applications, longer than most childcare providers can wait. PPP and LLPG loans are granted through private banks and have more funding available.