

LOCAL

The State of the Childcare &
Youth Education Industries
Update from the City of Berkeley OED

#DISCOVERED in BERKELEY

Berkeley Chamber Business Forum
September 15, 2020

O V E

The New York Times

Why Are Child Care Programs Open When Schools Are Not?

Society's perception of child care being of lesser quality to education has rarely been so pronounced.

EdSource

California child care providers losing money, risking health during pandemic

HUFFPOST

You Can't Reopen The Economy Without Child Care

arch ▾ The Guardian US edition ▾

The pandemic exposes US childcare for what it is: 'a crisis within a crisis'

CITYLAB

Where Is the American Child Care Bailout?

Daycare providers and early learning centers warn they'll go out of business — at a cost to children, parents and the economy — unless governments step in with funding.

POLITICO

How the Child Care Crisis Will Distort the Economy for a Generation

Child Care Sector in Crisis: Broader Context

US: Since March, **61% of parents reported their childcare closed at some point.** Of those families, 80% paid reduced or no fees

CA: **78% of providers made staffing changes** (Layoffs, benefit/hours reductions)

CA: 70% of centers are unable to provide health benefits for all teaching staff.

62% have staff who are not working due to health

Bay Area: **at least 57% of providers lost income** (reduced attendance, increased operating costs, families not paying)

Long standing equity issues:

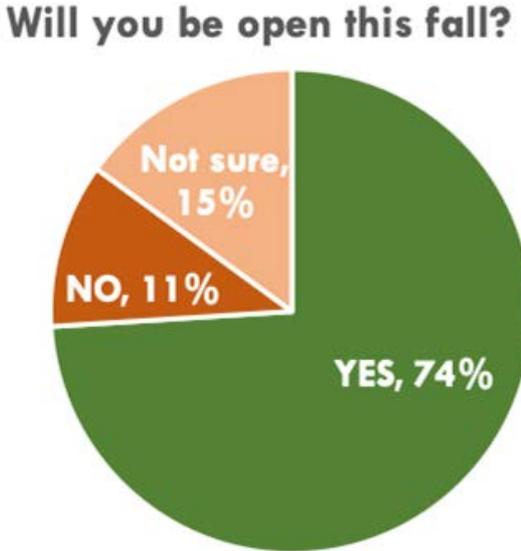
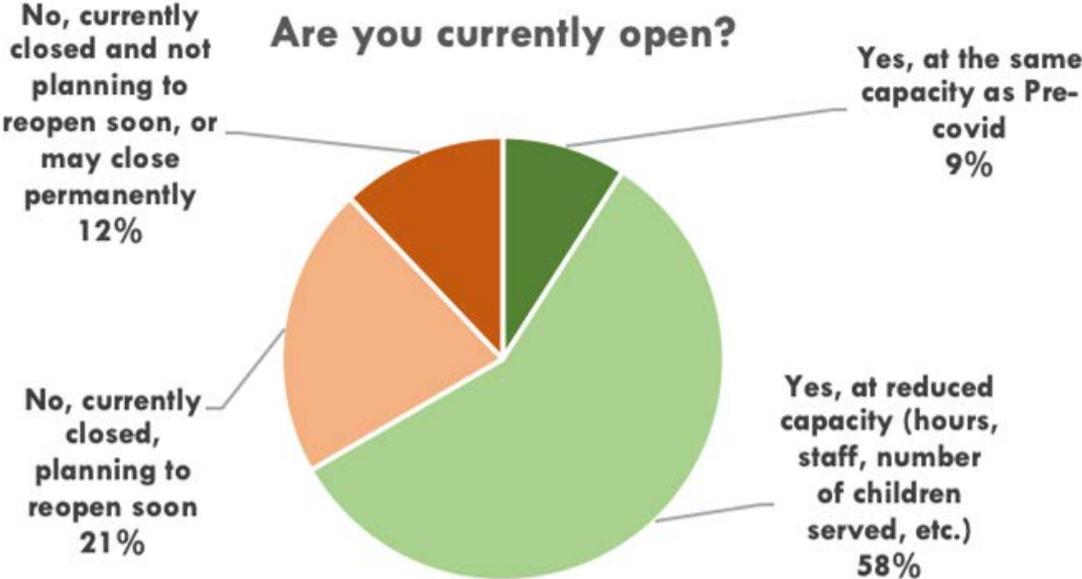
- Low national median hourly wage (~\$12)
- Workforce is primarily women, POC
- Large pay disparities by race and age group served
- Not enough subsidized seats for low income families

“It’s largely women of color in California who are financing this and keeping this industry afloat”
-Sean Doocy, UC Berkeley Center for the Study of Child Care Employment

COVID-19 has had significant impacts to Berkeley's child care sector.

Our Research Methods:

- 1) Childcare and Camps Roundtable: June 9, 75 participants
- 2) Survey: 68 Berkeley childcare centers, schools, camps and student programs
- 3) Interviews with childcare providers and UC Berkeley Center for the Study of Child Care Employment



Berkeley's childcare & youth education businesses have made significant changes to the way they operate.

25% reduced the number of students + families served

23% had to rely on a government grant to keep the business afloat (e.g. PPP, EIDL)

Other common actions/impacts:

- Reduced hours of operation and staff schedule
- Reduced staff hours or laid off teachers
- Closed until further notice due to health concerns in home based care
- Operating at loss
- Increased outdoor time or moved fully outdoors
- Reworked program structure so that pods do not interact
- Pivoted completely/partially to online learning

*"We lost almost all our families overnight. We switched to a whole new group of essential workers' kids. We lost all our staff, family had to fill in. **We have completely re-worked our program to stay in business...**The list goes on and on."*

-Child care provider

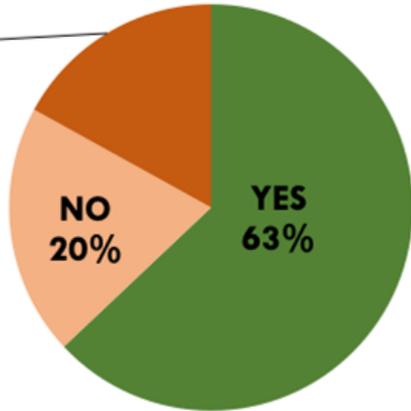
COVID-19 is deepening existing equity issues.

Most childcare providers, schools and camps offer scholarships for low income families.

Many have reduced or eliminated scholarships due to pandemic-related financial challenges.

Does your school or program offer scholarships?

We used to, but are not able to throughout the duration of the pandemic 17%



9% of survey respondents increased fees

"We usually offer financial aid...but would have had to rescind them this year."

"We have a freeze on financial aid due to the pandemic."

*"[Child care providers] are in this horrible bind, trying to **decide between their own health and the finances.**"*

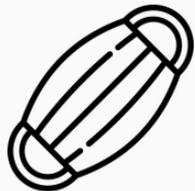
-Sean Doocy, UC Berkeley Center for the Study of Child Care Employment, quoted by EdSource

Child care & youth education providers are deeply concerned about operating during the pandemic & their businesses' future.



FINANCIAL SUSTAINABILITY

- Low enrollment, high staffing needs
- Health requirements present additional out of pocket expenses
- Applying for loans/grants is difficult and confusing



FACILITIES + SUPPLIES

- Many existing facilities have little outdoor space
- Lack capacity to make indoor space safer (ventilation, etc)
- Many respondents reported difficulty with accessing + paying for PPE, cleaning supplies



LOGISTICS + WORKFORCE

- Staff shortages due to safety concerns or own child care issues
- Pods create a host of challenges
- Anxiety over preparing COVID safety plans without specific public health guidance

LOCAL LOVE



#DISCOVERED in BERKELEY

Discover how Berkeley childcare providers are finding solutions and enabling human interaction in time of isolation.

Learn more about childcare providers across Berkeley
DiscoveredinBerkeley.com



Child Care: City of Berkeley & partner support

FINANCIAL SUSTAINABILITY

- City & Berkeley Chamber share financial resources (for all industries) via [websites](#) and newsletters ([subscribe!](#))
- City helped local businesses find lenders that would help non-customers access federal PPP grants and loans, City & Chamber provided education on loan applications & forgiveness terms
- City distributed Berkeley Relief Fund grants to businesses in need
- City put in place commercial and residential [eviction moratoriums](#) through duration of emergency

FACILITIES + SUPPLIES

- [BANANAS](#) offers cash awards & cleaning supplies to certain childcare providers
- CoB Parks & Rec has made park space available to providers, offers City-run camps

LOGISTICS + WORKFORCE

- City has a childcare liaison communicating with industry about health orders
- City offers free pop-up [testing sites](#) and group appointments for the industry
- OED worked with UC Berkeley, SELC, East Bay EDA and ACSBDC to identify & offer [pro bono or discounted rate legal advice](#)
- City facilitated peer-to-peer sharing through [June listening session](#); an industry-led preschool directors group meets weekly

Youth Education: City of Berkeley & partner support



What can you do? (www.berkeleystartupcluster.com/giveback)

DEVELOPING TALENT

Berkeley's Workforce Post COVID-19

- (Virtual) career exploration activities with Berkeley High School students – [tell your story](#)
- Serve as a “classroom volunteer” or “Zoom Mentor” with [Berkeley Schools Volunteers](#)
- Prevent the digital divide: [donate a working computer](#) to BUSD employees
- Provide advice on technology to [Berkeley RISE](#) -
- or mentor & donate gifts for students

Questions & Discussion

For more information, see [full survey results](#) on the City of Berkeley website.



Image: EdSource

Visit www.berkeleystartupcluster.com/giveback to find other opportunities to support Berkeley non-profits and educational institutions (based on your interests and time available).