



Maine Association for the Education of Young Children

Maine Child Care Sector Operating at a Financial Loss

Survey Results Estimate Over \$18 million Per Month Needed Just to Survive COVID-19 Crisis



Type of child care	Average monthly subsidy needed per site July 2020	#Licensed facilities in Maine	Projected future monthly system costs
Child Care Centers (including private programs, nonprofits, and YMCAs)	\$ 20,660	777	\$ 16,052,446
Family Child Care Programs	\$ 3,205	879	\$ 2,817,499

As the child care crisis continues in the wake of the coronavirus pandemic, **the child care industry is on the brink of collapse**, threatening parents’ ability to return to work. With lower enrollment rates, less revenue, and increased expenses, child care programs cannot hang on much longer. A silver lining of this public health crisis is that now everyone has a heightened awareness and understanding that **child care is essential for Maine’s workforce to work and our economy to recover**.

This spring Maine child care programs lost thousands of dollars in revenue from parent tuition when they closed or reduced enrollment due to COVID-19. The child care sector is funded almost completely by parent fees and operates on very thin margins. Revenue covers costs and loss of revenue even for a very short time can be devastating to this type of small business or nonprofit organization.

Even though 80% of child care programs in Maine are open this summer, they have been operating at an average of 65% capacity, with family child care averaging 67% capacity and child care centers averaging 62% capacity.

Many child care programs report that they are operating at a financial loss, mostly due to lost revenue with families not returning, serving less children in same spaces to follow CDC guidelines, or needing to hire more teachers in order to bring back more children. They expect to incur increased costs for staffing, equipment, and supplies for many months ahead.

However, almost 30% of respondents, mostly family child care programs, were not experiencing significant revenue loss. Further data will be helpful this fall to see if monthly lost revenue and increased expenses projections continue in the predicted trend.

Survey Methodology

Data shared above is from an online survey, conducted by MaineAEYC using SurveyMonkey. It represents the responses of a non-randomized sample of 659 individuals who own/lead a child care center or home-based child care program who completed the survey June 25th-30th. The respondents represent providers in all 16 counties in Maine. 71.5% of respondents work in family child care homes, while 28.5% report that they work in center-based child care. The survey link was shared widely through emails to all licensed child care programs in Maine (1,656 programs) over the 5 day period. While the total number of individuals participating in the survey during this timeframe was 659, the number of programs providing complete answers to all financial questions was 516, so projections of financial loss and future financial needs were calculated using those responses. Estimates for the full child care sector in Maine were made by looking at the % of respondents who completed the survey out of the total licensed programs in the state, broken down by family child care and child care centers.

Child and Family Services

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High Quality Care | QRS Rating Levels | Children Served | **Licensed Providers**

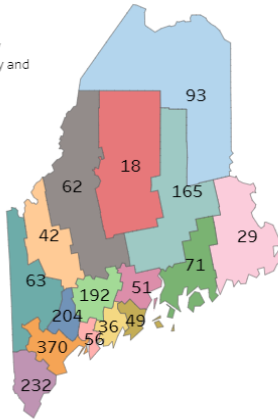
Licensed Providers

The goal of the Department is to provide early childhood education services in a safe, healthy and secure environment. This report shows the number of licensed providers by type, quality rating step level and county.

Point in Time Data

State Totals

Step	Child Care Facility	Family Child Care Provider
Not in QRS	239	451
Step 1	331	334
Step 2	71	59
Step 3	55	50
Step 4	132	11
Total all steps	828	905



Select Month

April 2020

Select Step

- (All)
- Not in QRS
- Step 1
- Step 2
- Step 3
- Step 4

Select Type of Provider

- (All)
- Child Care Facility
- Family Child Care Provider

For more information on the Quality Rating Score System please visit:

<https://childcarechoices.me/index.php/quality-rating-and-improvement-system/>

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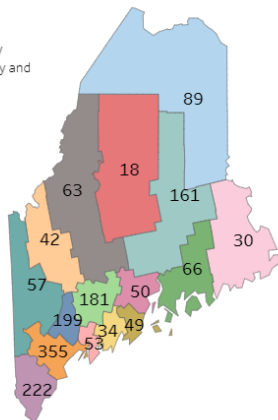
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Point in Time Data

State Totals

Step	Child Care Facility	Family Child Care Provider
Not in QRS	232	408
Step 1	330	345
Step 2	68	49
Step 3	56	53
Step 4	119	9
Total all steps	805	864



Select Month

September 2020

Select Step

- (All)
- Not in QRS
- Step 1
- Step 2
- Step 3
- Step 4

Select Type of Provider

- (All)
- Child Care Facility
- Family Child Care Provider

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