



thread Recommendations to Stabilize Child Care During COVID-19

Background

High-quality child care* is the backbone of Alaska's economy. A robust early childhood education system supports the development of young children (birth to age 12), providing a foundation for success in school and life. It allows families to go to work or school, confident their children are in a licensed, safe, healthy, and playful environment. Businesses benefit from having a reliable, productive workforce less distracted by child care struggles.

Prior to the coronavirus pandemic (COVID-19), Alaska's early childhood education system was fragile. Access to high-quality child care has been getting more difficult for Alaska's families, especially for infant and toddler care. Additionally, the cost of providing care exceeds the price families can afford to pay (an average cost of \$1,000/month). Child care businesses have high operating costs, tight revenues, and slim margins, even though early educators are paid near-poverty wages (an average of \$12/hour). Low child-to-staff ratios means the work is labor intensive which drives the cost of quality care up.

Despite its fragility, the system's economic and social impact is significant. Alaska's early childhood education system generates over a half a billion dollars of economic activity annually. It accounts for more than 500 licensed/regulated businesses, 7,000 jobs in the system, and allows 52,000 Alaskans (1 in every 6 resident workers) to participate in the workforce.

COVID-19 has brought the complex issues of child care to the forefront and exposed the cracks in the system. More than 75% of Alaska's child care businesses are open, but are struggling during the pandemic. Fluctuating enrollments and necessary—but

costly—State and local health and safety mandates has left these small businesses on the brink of collapse. Additionally, the change in the K-12 school delivery has put more pressure on the system. Some programs are accommodating school-age children while others are considering whether to care for older children during the 2020-21 school year. Families as well as early educators are navigating the health risks associated with COVID-19 against how to work and best care for children. Alaska faces a real threat of losing this critical infrastructure.

The need to work together to support Alaska's children, families, and child care system is more vital than ever. Recognizing the cyclical nature of the pandemic, Alaska's response and plan must prioritize child care as an essential service by leveraging current federal and State funding, and pandemic-related policy changes. Once the system is stabilized, Alaska must use this opportunity to build it back better.

thread, Alaska's Child Care Resource & Referral Network, is on a mission for affordable, high-quality child care in Alaska. For over 30 years, **thread** has been committed to improving child care by:

- empowering parents as consumers and advocates;
- training early educators and supporting their professional development through Alaska SEED;
- assisting child care programs in delivering high quality care through Learn & Grow, Alaska's Quality Improvement and Recognition System (QRIS); and
- collaborating with communities, policymakers and businesses on solutions and as advocates at the local, state, and federal level.

These areas will continue to be **thread's** focus during and after the pandemic.

thread Recommendations for COVID-19 Child Care Crisis (through 2021)



1 Alaska must stabilize the child care system. Alaska's response and plan must make a financial investment in existing child care programs, and prioritize child care as an essential service. **IMPACT: 500+ Licensed/Regulated child care programs are retained.**

The financial burden on child care programs has grown during the pandemic, and they are struggling to survive. Financial assistance has been made available through the CARES Act funding, but it is not enough to stabilize the system. In a survey conducted by **thread**, 61% of child care programs reported needing financial assistance to keep their doors open. Of those temporarily closed, 54% anticipated needing funding to reopen before the end of the year. More than 50% need personal protective equipment (PPE), cleaning supplies, and other supplies to operate. To stabilize the system and ensure pre-COVID-19 child care capacity is there for families, Alaska needs to:

- **Ensure adequate funding for child care programs. **thread** estimates a \$10M/month need in Alaska. Ideas and strategies include:**
 - Create a flexible, emergency fund or grant program for child care programs to access funding based on need, and flexibility to use the funding for operations, workforce, family support, etc.
 - Ensure child care programs are eligible for resources such as any small business and nonprofit grants, and other community resources available.
 - Leverage current payment systems such as the Child Care Assistance Program to affordably and quickly distribute funding to programs.
- **Ensure access to high-quality child care remains stable.**
 - Maintain current child care licensing regulations during this time to ensure licensed programs continue to operate safely and effectively, and with quality standards.
 - Leverage federal waiver opportunities recognizing that child care programs have altered their business models, and help make it easier for programs to operate and receive federal funds.
 - Prioritize access for child care to obtain PPE and supplies (as essential workers) to continue to do their work safely.

- **Ensure economic recovery planning and policy includes child care.**

- Ensure alignment between child care and K-12 education planning for greater learning outcomes and community solutions.
- Ensure child care support and collaboration is part of any COVID-19 policy, regulation, and law. This includes State and local economic recovery planning.



2 Early childhood educators are essential workers. It's time to recognize this workforce as essential and invest in them as professionals. **IMPACT: 7,000 early educators are retained.**

Early educators have always provided essential services to families by caring for Alaska's youngest children. Research shows that the majority of early educators love their work. But, they can't afford to do it. For educating and caring for our greatest asset—young children—they earn some of the lowest wages in the State (Avg. \$12/hour or 15% below the national average wage) with little to no benefits. The early childhood education workforce is a fragile, underfunded, and undervalued workforce. Most are living below poverty level unable to support their families.

This situation has worsened with COVID-19. Early educators are serving children and families without appropriate pay, health care benefits, PPE, paid sick leave, or recognition that should come with their work. This uninsured workforce has shown up through the pandemic to support children and families, while balancing personal health risks. Many early educators have left the sector permanently.

Solving this problem isn't as simple as having parents pay more for child care because most parents can't afford to pay more. Alaska must make an investment to foster a more skilled, competent, confident, and consistent early childhood education workforce. In **thread's** recent survey, 25% of child care programs reported needing more qualified staff. Eighty-two percent of early educators reported needing more training and professional development around current issues. **thread** is responding by making training available for free until December 2020.

To ensure we recover, recruit, and retain a qualified early childhood education workforce, Alaska needs to:

- **Dedicate funding to child care programs for staffing. This includes funding to support:**
 - Increased staffing needs due to smaller group sizes and accommodating for illness-related absences.
 - Compensation for additional work duties including health checks, cleaning and sanitizing.
 - Offer paid time for all work including training and professional development.
- **Pay early educators a livable wage and access to benefits.**
 - Recognize early educators as front line pandemic workers and improve wage compensation to a minimum of \$15/hour.
 - Offer incentives for retention and professional development.
 - Offer access to health and other benefits such as paid sick leave.
- **Ensure labor supports and benefits include early educators.**
 - Ensure early educators are considered among essential workers and those integral to our economic infrastructure and pandemic recovery efforts.
 - Ensure early educators have the provisions necessary to protect their well-being including access to supplies, unemployment benefits, and health insurance.
 - Ensure access to adequate health supports including testing and care.
 - Ensure early educators are part of labor planning, resources, policy, and laws. This includes State and local economic recovery planning.



3. Families can not afford to pay more for child care. Alaska must support working families that need access to high-quality child care.
IMPACT: Families are less stressed with the option to fully return to work.

The pandemic has brought a new level of stress and uncertainty to Alaska's families. Some parents have faced job loss while others are juggling remote work and school demands. In the pandemic's early stages, Alaska's residents were asked to stay home except for those the State deemed essential workers. Child care programs stayed open to support those essential workers and have remained open to support families returning to the workplace or needing child care. However, families are questioning their ability to afford high-quality care,

and are cautious about the reentry to child care and school for their children. The affordability of child care has been a growing issue for years. There is concern cost will increase even more as child care programs need smaller class sizes, additional staff and PPE supplies.

thread encourages families to choose licensed/regulated care and avoid placing children in unlicensed care. For families in need of care, **thread** continues to be a resource for both free child care referrals as well as early childhood information. **thread** also encourages families to talk with their employer about flexible work schedules and leave. Some organizations are covered by the Federal Families First Coronavirus Response Act, which provides benefits for family leave relative to COVID-19 until December 2020.

To help families afford high-quality child care, Alaska must:

- **Invest in child care programs with flexibility to:**
 - Cover and/or offset family costs through 2021.
 - Change their fee schedule to accommodate varying schedules and dynamic family needs, including school-age children needs.
 - Ensure families have equitable access to high-quality child care that meets their needs.
- **Ensure families are able to find safe, affordable, high-quality child care in a variety of settings.**
- **Ensure equity is front and center by ensuring families with the greatest need are served first, particularly if funds are limited.**
- **Use cost based methods to establish child care reimbursement rates that are more accurate and equitable than market price surveys.**
 - Ensure programs get payments to cover/offset families cost for a minimum of the next 6-9 months.
 - Support more families in need of child care assistance by raising the (minimum) income eligibility requirement.
 - If using the market price survey, increase financial support for families in need to ensure that they can afford at least 75% of the child care available.
- **Create COVID-19 policies to mitigate risks for children and families, and ensure families have easy access to information.**
 - Use science to inform decision-making for children in child care.
 - Provide easy access to information that is

clear regarding health and safety protocols for children and child care.

- **Ensure families' needs and preferences drive policy and funding decisions.**



4 Alaska doesn't work without child care. Alaska's business community must be part of the child care solution. **IMPACT:** Alaska's workforce is retained for business and economic recovery.

Alaska's business community is a critical partner in solving the issues of the child care system. Approximately a third of Alaska workers have children under the age of 18. During the pandemic, the struggle between balancing work and home has become even harder for working families.

Individual businesses must decide how best to support their working families in keeping their children safe and healthy. **thread** can be a resource for businesses interested in providing child care solutions to employees.

thread encourages Alaska's businesses to:

- **Learn employee needs and consider the best support.**
- **Offer the most flexibility as possible, including:**
 - Remote work options.
 - Flexible work schedules.
 - Options to bring children to work.
- **Support the emotional health/stress of employees through the pandemic.**
 - Offer benefits to support wellness including EAP, food assistance, wellness supports, and more.
 - Know what COVID-19 workplace resources are available such as the Families First Coronavirus Response Act.
- **Invest in employee child care supports. Ideas and strategies include:**
 - Offering funding to cover/offset child care costs.
 - Purchasing "slots" for employees at a licensed community based child care program.
 - Creating a licensed child care program (or out of school care) at your workplace for your employees.
- **Adopt a policy position in support of child care including family-friendly policies, and public investments for an effective child care system as part of the State's economic development agenda.**

Looking Forward

We have an opportunity to build it back better. **thread is on a mission for affordable, high-quality child care. Join us.**

While COVID-19 is challenging the country in unprecedented ways, there is an opportunity for Alaska to build a new vision for child care. The long-term solution is a significant investment, stronger policies, and a community focus to build a robust, adaptable child care system. The early childhood education workforce can offer creative solutions but needs support.

To achieve affordable, high-quality child care that benefits children, families, business, and our economy, Alaska must act today for a better tomorrow. Join **thread** to build child care back better for Alaska!

- Take part in **thread's** future community discussions.
- **Have heart!** Spend time with your family and children to be inspired for change.
- **Reach out** to your early educators, other families, and employees to stay in touch on the needs and ways to help and support.
- **Educate** yourself and others on child care issues.
- **Advocate** for child care and share your story with your legislators. Sign up for **thread's** action center at www.threadalaska.org/advocacy.
- **Donate** now at www.threadalaska.org/donate.

**Child Care is defined as licensed and regulated child care, Head Start/Early Head Start and Pre-elementary (Pre-K) programs.*



thread's Mission

To advance the quality of early education and child development by empowering parents, educating child care professionals, and collaborating with our communities.

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