



Pandemic Child Care Business Checklist

Start Here!

Child Care businesses in Essex County, NJ and across the nation are struggling to make ends meet in the COVID-19 pandemic. Through the generosity of the Maher Charitable Foundation, Programs for Parents and national consultancies Civitas Strategies and Nielsen Training and Consulting identified key strategies from child care providers and experts that you can use to strengthen your own business.

We have grouped the strategies into those that can **increase revenues, decrease costs, and reduce risk** of having new issues in 2021.

We recommend you read through each item on the checklist. Check the box if the item is not one you have done and may be helpful. We suggest you do at least one item you checked in each of the categories so that you can increase your revenues, decrease costs, and reduce your risks.

We are keeping this checklist updated as new opportunities come up. This one is current as of December 2, 2020. If you want to see if there is a more recent edition or to find more tools and information to help your childcare business go to [this website](#).

Have questions or need help? Free one-on-one coaching from our experts is available and at the end of this program, you will also be given \$100 for your time. Register [here](#).

We want to express appreciation for the Maher Charitable Foundation for supporting this project and enabling us to share these tools.



Increase Revenues

Create a pandemic budget

The pandemic has created new costs and reduced your income. Without any budget for the future you may end up out of business before you know it! Use our workbook to create a near-term budget.

TIP YOU CAN ALSO FIND WAYS TO CUT COSTS AS YOU DO IT.

→ Get the Pandemic Budget Workbook on the [resources page](#)

Join the Child and Adult Food Program

The Child and Adult Care Food Program (CACFP) is a federal program that provides reimbursements for meals and snacks for eligible children enrolled in participating child care providers. Payments vary from \$0.08 to \$0.96 cents per snack and \$0.33 cents to \$3.51 for breakfast, lunches, and dinners.

TIP THIS IS A GREAT WAY TO COVER YOUR CURRENT FOOD EXPENSES OR OFFER A NEW BENEFIT TO FAMILIES.

→ Family child care providers can enroll with [Programs for Parents](#)

→ Child Care Center providers can [sign up with the state](#)

Sign up for the NJ PPE Access Program

As part of the New Jersey PPE Access Program, small businesses will be eligible to purchase discounted PPE through Designated Vendors at 10% to 25% discounts.

TIP DISCOUNTS MAY BE HIGHER AT TIMES, SO KEEP AN EYE OUT.

→ Sign up [here](#)

Take on school-aged children

Families with children learning at home (remote or hybrid) can use help. You can take on school aged children to fill vacancies.

TIP ASK PARENTS IF THEY HAVE OLDER SIBLINGS WHO MAY NEED CARE.

→ Share with existing parents first (for potential older siblings and friends). Note: ensure that you stay in compliance by caring for no more than five children at a time.

Apply for the Families First Coronavirus Leave

Ends December 31, 2021

Owner or staff can qualify for paid time off (funded by the federal government if: a) they need time off because they have COVID, are caring for a family member with COVID, or need to quarantine or b) if they need time off to care for a child out of school or care, even if the school is open for remote education.

TIP THIS CAN HELP YOU THROUGH QUARANTINES AND ILLNESS.

→ Get a one-pager on how to apply on the [resource page](#)

Consider weekly vs. monthly billing

Many assume \$1,000 per month works out to \$250/week but some months have five weeks translating to an additional \$1,000 per year per student with weekly billing.

TIP THIS CAN ALSO SPEED UP YOUR COLLECTIONS.

→ Transition to weekly billing for private pay

→ Collect all parent co-payments on a weekly basis

Require pre-payment

For market-rate children, you can ask for one or two weeks of pre-payment. That is billing the families for care before you provide it.

TIP CUTS DOWN THE TIME NEEDED TO TRACK DOWN OPEN INVOICES.

→ Provide notice and begin to provide advance billing for market-rate children

Charge a registration or spot hold fee

Providing intake for new children takes time. Most centers (and family care providers can do this too) charge a minimal registration fee when parents apply for care, such as \$50 per child. To hold a spot during a closure you may have a set fee or a policy such as using a security deposit or just continue billing.

→ Update your parent handbook with a clear policy on closure and fees

Allow electronic transfers

Offer payment by electronic transfer apps such as Venmo, PayPal, Zella, and CashApp.

TIP PARENTS LOVE THE CONVENIENCE.

→ Sign up for one or more electronic fund payment systems and provide the information to parents regularly

Have a collection policy and follow it

Have a clear policy on how long parents have to pay a bill and put it in your handbook.

→ Develop a clear policy for collections and update your parent handbook

→ Institute late fees

Market the cleanliness of your facility and use of required protocols (or more)

Families are currently driven by perceptions of safety. Share the changes you have made to avoid the spread of COVID.

TIP PARENTS DON'T REALIZE HOW MUCH YOU ARE DOING TO KEEP CHILDREN SAFE – LET THEM KNOW!

→ Offer virtual tours to parents using your phone

→ Ensure any ads or marketing materials include pictures of staff with masks and reference to adherence to all protocols

→ Create a short video on the precautions you are taking for your website and social media

→ Include your policies for health & safety (COVID-19 Addendum) in your Parent Handbook

→ Have testimonials written by parents (video or written) made available on website/social media, etc.

Ensure you have a social media/web presence

Parents – subsidy or market rate – use the web and social media as a key resource. Websites can be built relatively easily on systems like Wix.com and Squarespace.com. Common social media platforms to be on are Facebook, Instagram, and Tik Tok.

→ Create a web page emphasizing your unique selling points, how you are keeping children safe in COVID, and have a way to contact you and request a virtual or in-person tour or more information

→ Be on at least one social media platform (if not more than one)

Ask your staff to refer families

Staff often know families with children of child care age. Additionally, you can offer an incentive for new families they refer to you.

TIP NEW FAMILIES ARE MOST LIKELY TO TRUST THE OPINION OF OTHER FAMILIES AND FRIENDS.

→ Ask staff and/or families for referrals

→ Offer a small gift, amount of money, or tuition discount for families and/or who successfully refer your business

Reach out to other providers who are retiring or may be going out of business

Existing families will need care if their current providers close. They will appreciate a reference to a new provider and continued care (without interruption).

→ Ask in your network of providers

Offer flexible learning, creative offerings

Consider offering flexible learning such as virtual music and movement/circle time/book readings, to families not quite ready to send child for in person learning.

TIP THIS IS A GREAT WAY TO STAY CONNECTED WITH YOUR FAMILIES WHO ARE KEEPING THEIR CHILDREN AT HOME.

→ Identify any additional/creative services you may provide

→ Be sure to offer flexible hours

Get free breakfasts and lunches for your children

In Newark until December 31, 2021

The Newark Public schools in partnership with Programs for Parents is providing free breakfasts and lunches.

→ Find the [pickup locations](#)

Review new funding opportunities

Additional grants and aid are coming out on a regular basis to help you through the pandemic. Monitor email from your CCR&R, the NJ Child Care Information System (NJCCIS) portal, and Grow NJ Kids.

→ Review websites every 1-2 weeks

→ Read every email from Programs for Parents and Grow NJ Kids

→ Create calendar reminders for dates that grants open and are due

Decrease Costs

Consider child care management systems

Child care management systems such as Brightwheel, Wonderschool, Procure, EZcare can help with billing, attendance, etc.

TIP PARENTS LOVE HOW EASY THEY CAN BE.

→ Keep an eye out for the Programs for Parents free pilot program for Wonderschool!

→ Identify any partnership allowing for discounting of a system

Use online accounting and payroll programs

Online systems such Freshbooks, Quickbooks, and Gusto can help with bookkeeping and payroll reducing the time needed.

→ Add a bookkeeping and/or payroll system

Use a lower-rate credit card or balance

Many providers use credit cards to help keep their business going. The practice can lead to challenges, but if you are doing this, consider a lower-rate credit card or balance transfer to reduce the burden of interest.

→ Research credit cards with lower rates or low/interest-free balance transfers

Defer or reduce payments for rent, utilities, and mortgage

VA, FHA, and USDA backed mortgages can have an automatic halt to payments through December 31, 2020

Many landlords, banks, and utilities are allowing you to postpone payments or make partial payments. Money is still owed but deferred payments can provide vital cash to keep your business going.

TIP CONSIDER RENEGOTIATING LEASE OR MOVING TO A NEW SPACE – WILLINGNESS TO MAKE DEALS IN YOUR FAVOR INCREASES WITH MORE PEOPLE WORKING FROM HOME.

→ Identify at least one cost you can try to re-negotiate or defer

→ If you have a VA, FHA, or USDA backed mortgage you can [learn about forbearance](#) (a pause to your payments)

Look for recurring subscriptions to cut

Small monthly or other recurring costs can add up. Check your bank accounts and credit cards for recurring transactions you can live without.

TIP MANY OF THESE WILL BE SMALL AMOUNTS, BUT THEY ADD UP QUICKLY.

→ Review your bills to identify subscriptions to cancel

Reduce staff

Never easy decision, but if needed, can conserve cash as staff pay is likely your biggest cost. Ensure reductions will not impact state and federal requirements nor overall quality and safety.

→ Identify staff to be cut at least six weeks before you plan termination

→ Have a plan to have termination that is sensitive to the employee and complies with state and federal laws

→ If you reduce hours, recommend staff apply for partial unemployment



Reduce Risks

Get help for Paycheck Protection Program Forgiveness

Space is Limited

Your Paycheck Protection Program loan is debt until you have it forgiven. Programs for Parents has teamed up with Civitas Strategies and Nielsen Training and Consulting to offer free help in applying.

TIP BANKS ARE OPENING UP FOR FORGIVENESS, SO ACT SOON.

→ Register [here](#)

Estimate your PPE needs

Personal Protective Equipment (PPE) is a fast growing expense in child care. This free tool from the state of New Jersey can help you estimate your PPE needs and start building a reserve in case of shortages.

→ Find the tool [here](#)

Be prepared for subsidy attendance starting February 1

Starting Feb. 1, 2021, attendance is back as the driver of your subsidy payments and other benefits. Ensure you have as many children as possible enrolled by Jan. 1 and have a clear policy and approach for subsidy family attendance call ins (for attendance starting Jan. 1).

TIP CCR&R AGENCIES MUST HAVE THE PHONE NUMBERS IN THE STATE SYSTEM IN ORDER FOR THE CALL-IN TO REGISTER CORRECTLY IN YOUR E-CHILD CARE PORTAL.

- Save money for the transition if you can
- Create a policy for family attendance call ins, share it with families, and enforce it
- Encourage them to check in during the morning from outside before they even enter the facility
- Monitor your portal daily basis and consider not accepting a child until the call in from the day before is recorded
- Make sure the CCR&R has each parent's cell phone, home phone, and an alternate number that the parent might use to call-in attendance

Prepare for PPP taxes

The details are being worked out, but PPP funds may be taxable.

→ Keep an eye out for guidance from Programs for Parents

Be prepared if you have an EIDL loan

Some providers received the EIDL advance (the “free” money) and others also received an EIDL loan. The loans are NOT forgivable so will need to be paid back.

TIP IF YOU RECEIVED A NOTICE FROM THE SBA ABOUT A LOAN IT IS LIKELY AN EIDL.

→ Reach out to the SBA to understand when you need to start paying and be prepared

Have an up-to-date parent handbook

Many of the policies suggested in this technical assistance effort can be disseminated through a parent handbook. Having a clear, updated document will help manage parent's expectations.

- Update your parent handbook (do you have one?). Include all parent payment requirements and other policies you create from other activities in it.
- Have all families sign that they received and read the handbook – highlight the most important changes with a coversheet – so there are no surprises later

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