Covid-19 – Tracking costs and lost revenue in your business

At Early Learning New Hampshire we fully appreciate that you are working diligently to maintain business operations or manage a temporary closure through this unprecedented time. We also know that you are working to make the best decisions you can in present circumstances for yourselves, your staff and families until we have greater clarity about the future.

In the meantime, we are offering guidance to help you track extraordinary costs and lost revenue related to the impacts of the Covid-19 pandemic on your business operation.

Please keep these considerations in mind as you work to manage through this crisis. In the event of any state/federal funding relief that could become available to child care and early education businesses, having this information at your fingertips will be important. Give some thought to the many ways in which your business has been financially impacted by Covid-19. Think about setting up separate coding in your accounting software as needed to track expenses and foregone revenue.

Operating Costs

Keep track of all extraordinary operating costs from the month of March 2020 forward.

Track extraordinary costs and lost revenue from the date of the Governor’s Executive Order that closed public schools on 3/16/20 and transitioned to remote learning, directly impacting enrollment in early childhood programs. (Governor’s Emergency Order # 1 (March 15, 2020) - Pursuant to Executive Order 2020-04, March 13, 2020).


What staffing and operations expenses are above and beyond your routine business expenses, and what documentation do you have to detail those expenses?

Whether you do this through your accounting or child care software system, think
about how to track these expenses separately. Track costs related to the following:

- Extraordinary staffing costs
- Extraordinary payroll costs
- Unemployment and health care costs
- Service contracts
- Cleaning supplies/materials
- IT/Technology to support remote working capabilities
- Communications
- Food waste
- Travel
- Other

Let us know where you are seeing specific impacts on your operations.

**Lost/foregone Revenue**

Capture related revenue items that have been impacted. The sudden drop in tuition income is significant, along with other revenue sources that may have been impacted, such as:

- Lost revenue related to reduced student enrollment (track tuition revenue before and then after 3/16/20)
  - Lost tuition from private pay clients; client co-pays
  - Lost tuition reimbursement from DHHS and other sources, if applicable
  - Lost registration and other fees
- Loss or delay of anticipated fundraised or grant income (i.e. committed funds that may have been delayed, rescinded or pulled back)
- Lost United Way revenue (if applicable)
- Lost USDA food reimbursement (if applicable)
- Lost income from fundraising events/activities/sales of goods (candle sales, etc.)