



Wisconsin Department of  
Children and Families

# 2022 Child Care Market Survey Results



*August 2022*

Division of Early Care and Education  
Department of Children and Families  
201 West Washington Avenue  
Madison, WI 53703  
<https://dcf.wisconsin.gov/>

# Table of Contents

- Section 1: Executive Summary ..... 4
- Section 2: Methodology..... 5
  - Market Rate Analysis ..... 5
- Section 3: Market Rate Survey Results ..... 6
  - Response Rates ..... 6
  - Percentile of Affordable Slots..... 7
  - Provider Price Ranges by Percent of Urbanicity (weekly rates) ..... 8
- Section 4: Narrow Cost Analysis ..... 11
  - Per Child Annual Cost of Care..... 11
  - Non-Personnel Expenses ..... 13
  - Workforce ..... 15
    - Workforce Costs ..... 15
- Conclusion..... 16

## Section 1: Executive Summary

The Wisconsin Department of Children and Families (DCF), through the Division of Early Care and Education (DECE), strives to ensure that all children have access to high-quality early care and education. Through a variety of supports and key partnerships with federal, state, and local agencies, DCF works to ensure accessible and affordable quality child care across the state. A key component in this ongoing work is the Wisconsin Child Care Shares Subsidy program that is funded through Child Care Development Fund (CCDF). The CCDF funding provided to states, tribes, and territories is administered by the federal Administration of Children and Families (ACF), Office of Child Care (OCC), and is the primary funding source for child care services across the state.

Current CCDF regulations require Lead Agencies to certify that their payment rates are sufficient to ensure that equal access for children who are eligible for Wisconsin Child Care Shares subsidy supports are comparable to children in the private pay market. In addition, Lead Agencies are now required to complete a market rate survey (MRS) and a narrow cost analysis to better analyze the true costs of child care based on the following two areas:

- ✓ The costs of child care providers' implementation of health safety, quality, and staffing requirements; and
- ✓ The cost of higher-quality care, as defined by the Lead Agency's Quality Rating and Improvement System (QRIS), at each level of quality.

The purpose of this analysis is to enable the Lead Agency to target child care subsidy rates that provide subsidy-eligible households with access to the full scope of the market available to non-subsidized households, including access to providers that reach higher standards for quality of care. This report meets the CCDF requirements and informs DECE with current and critical market rate information across the state. Through the findings outlined in this report, parents, providers, stakeholders, and public officials can make better informed decisions about child care services.

The following sections of the report explain our methodological approach and compliance with federal regulations, report findings from administrative data and a complementary market rate survey, and present new analysis of access and affordability and the cost of providing high-quality care. Below are the following sections:

**Section 2: Methodology** describes the process of data collection and analysis. This section outlines details that satisfy the methodological provisions of the CCDF regulations regarding the collection of data and overall analysis.

**Section 3: Market Rate Survey Results** show the prices of regulated child care in the private market throughout the state and compares them to the child care rates that are available to subsidy-eligible children. These results inform the Lead Agency of the “buying power” of subsidy-eligible children for child care slots across the state.

**Section 4: Narrow Cost Analysis** uses data from the MRS and other public sources to assess the relationship between child care market rates and indicators of high-quality care.

## Section 2: Methodology

### Market Rate Analysis

The goal of the market rate analysis is to determine the variance of child care rates across the state based on the various provider types, age of children, and geographic location. This MRS data is current as of Spring 2022, and all analysis contained in this report was performed by policy and research staff from the following DCF program areas:

- ✓ Division of Early Care and Education
  - Bureau of Child Care Subsidy Administration (BCCSA)
  - Bureau of YoungStar (BOY)
  - Bureau of Operations and Planning (BOP)
  
- ✓ Division of Management Services
  - Bureau of Performance Management (BPM)
  - Bureau of Information Technology Services (BITS)

The MRS child care rates and provider practices were obtained through two provider-based surveys. The market rate survey data was obtained through Wisconsin’s Child Care Resource and Referral (CCR&R) network. The CCR&R network is made up of eight regional offices that assist parents in finding licensed, local child care. All data collected by the CCR&R agencies was

submitted to Supporting Families Together Association (SFTA) for submission directly to DCF. This annual survey, Business Information Form (BIF), is the source for estimates of monthly market rates for full-time child care by provider type, age group, and geographic location. An example of the tool used for the collection of this data can be viewed at [Business Information Form](#).

The provider practices data was obtained through a survey developed by DCF to capture additional costs related to child care, such as registration and other fee information and costs of high-quality care. This narrow cost-of-care survey instrument was developed in coordination with DCF, SFTA, and CCR&R staff to fully capture other costs of child care not identified through the more traditional MRS approach. An example of this survey instrument can be viewed at [Narrow Cost of Care](#) survey.

### Section 3: Market Rate Survey Results

The following types of regulated child care providers were surveyed as part of the 2022 MRS:

- ✓ **Licensed Family Providers** provide care for between 4 and 8 children. This care is usually in the provider's home.
- ✓ **Licensed Group Providers** provide care for 9 or more children. These centers are usually located somewhere other than a residence and may be small or large in size.

### Response Rates

Through the efforts of the eight regional CCR&R agencies and SFTA, the response rates for this MRS came in at 55 percent, which is comparable to previous MRS efforts. A breakdown of the response rate is available in Table 1.

Table 1 – MRS Response Rate

MRS Period	Total Sample Size	Total Surveys Received	Response Rate
Spring 2022	3,868	2,144	55%

## Percentile of Affordable Slots

Table 2 – Percentile of Affordable Slots

<b>Available Slot Data</b>	<b>MRS 2022</b>
<b>Survey Responses</b>	2,144
<b>Number of Licensed Providers</b>	3,868
<b>Affordable Slots</b>	79,381
<b>Available Slots</b>	107,538
<b>Subsidy County Ceiling Percentile</b>	74th
<b>Percentage of Affordable Slots</b>	74%

The federal Administration of Children and Families' Office of Child Care has used the 75<sup>th</sup> percentile as the recommended level of child care slots that should be available to those families participating in the Wisconsin Shares Subsidy program. In January of 2022, DCF, with the support of the Governor's Office, Joint Committee on Finance, and other stakeholders, allocated funding to raise subsidy rates from the 35<sup>th</sup> to the 80<sup>th</sup> percentile. This is the first time in state history that Wisconsin Shares subsidy rates exceeded the federal recommendation. As of the time of this report, the percentile of slots available has dipped slightly to the 74<sup>th</sup> percentile. This trend may be explained in part by providers increasing child care rates because of rising expenses. Expenses include increasing workforce costs due to declining employee pools, costs of reopening or maintaining child care facilities due to the COVID-19 pandemic, and increased costs due to inflation or scarcity of supplies.

The previous market rate surveys of 2017, 2018, and 2021 calculated the percentage of slots available at 15 percent, 15 percent, and 35 percent respectively. Through collaborative efforts, DCF and key stakeholders have successfully navigated the steps necessary to increase the amount of Wisconsin Shares subsidy rates to better serve the children and families across the state.

## Provider Price Ranges by Percent of Urbanicity (weekly rates)

Table 3 – Zone A Provider Price Ranges

Zone	Percent of Urban	Licensed Type	Age Group	25th Percentile	50th Percentile	75th Percentile	80th Percentile
A	0-24%	Family	0 to 1	\$130.00	\$150.00	\$160.00	\$165.00
A	0-24%	Family	2 to 3	\$125.00	\$142.50	\$150.00	\$160.00
A	0-24%	Family	4 to 5	\$125.00	\$140.00	\$150.00	\$150.00
A	0-24%	Family	6+	\$120.00	\$135.00	\$150.00	\$150.00
A	0-24%	Group	0 to 1	\$175.00	\$182.00	\$195.00	\$200.00
A	0-24%	Group	2 to 3	\$160.00	\$170.00	\$185.00	\$190.00
A	0-24%	Group	4 to 5	\$150.00	\$160.00	\$175.00	\$180.00
A	0-24%	Group	6+	\$140.00	\$153.00	\$175.00	\$175.50

Table 4 – Zone B Provider Price Ranges

Zone	Percent of Urban	Licensed Type	Age Group	25th Percentile	50th Percentile	75th Percentile	80th Percentile
B	25-49%	Family	0 to 1	\$140.00	\$155.00	\$175.00	\$180.00
B	25-49%	Family	2 to 3	\$135.00	\$150.00	\$160.00	\$165.00
B	25-49%	Family	4 to 5	\$135.00	\$145.00	\$155.00	\$160.00
B	25-49%	Family	6+	\$130.00	\$140.00	\$150.00	\$155.00
B	25-49%	Group	0 to 1	\$190.00	\$210.00	\$242.50	\$247.50
B	25-49%	Group	2 to 3	\$170.25	\$190.00	\$220.00	\$230.00
B	25-49%	Group	4 to 5	\$155.00	\$179.00	\$200.00	\$206.00
B	25-49%	Group	6+	\$150.00	\$164.00	\$185.00	\$188.75

Table 5 – Zone C Provider Price Ranges

Zone	Percent of Urban	Licensed Type	Age Group	25th Percentile	50th Percentile	75th Percentile	80th Percentile
C	50-74%	Family	0 to 1	\$160.00	\$175.00	\$200.00	\$200.00
C	50-74%	Family	2 to 3	\$150.00	\$170.00	\$180.00	\$185.00
C	50-74%	Family	4 to 5	\$150.00	\$165.00	\$180.00	\$185.00
C	50-74%	Family	6+	\$150.00	\$160.00	\$175.00	\$180.00
C	50-74%	Group	0 to 1	\$210.00	\$236.00	\$261.00	\$265.00
C	50-74%	Group	2 to 3	\$195.00	\$210.00	\$236.00	\$242.00
C	50-74%	Group	4 to 5	\$175.00	\$190.00	\$214.00	\$221.00
C	50-74%	Group	6+	\$165.00	\$185.00	\$197.00	\$200.00



Table 6 – Zone D Provider Price Ranges

<b>Zone</b>	<b>Percent of Urban</b>	<b>Licensed Type</b>	<b>Age Group</b>	<b>25th Percentile</b>	<b>50th Percentile</b>	<b>75th Percentile</b>	<b>80th Percentile</b>
D	75-100%	Family	0 to 1	\$190.00	\$220.00	\$257.50	\$275.00
D	75-100%	Family	2 to 3	\$175.00	\$200.00	\$245.00	\$250.00
D	75-100%	Family	4 to 5	\$165.00	\$195.00	\$225.00	\$240.00
D	75-100%	Family	6+	\$160.00	\$180.00	\$210.00	\$220.00
D	75-100%	Group	0 to 1	\$250.00	\$293.00	\$340.00	\$352.00
D	75-100%	Group	2 to 3	\$220.00	\$258.75	\$300.00	\$315.00
D	75-100%	Group	4 to 5	\$191.00	\$225.00	\$264.00	\$274.00
D	75-100%	Group	6+	\$176.00	\$205.00	\$244.36	\$250.00



## Section 4: Narrow Cost Analysis

To better understand the true cost of child care at various levels of quality and to comply with CCDF regulations, DCF also conducted a narrow cost analysis as part of the 2022 MRS. This analysis was designed to capture additional cost information necessary to successfully operate a high-quality child care program, including non-personnel costs that are included in Wisconsin’s Quality Rating and Improvement System at higher levels and compensation that is commensurate with education completed. The narrow cost analysis included data from a newly developed provider survey, the collection of publicly available data, and the use of the ACF-OCC Provider Cost of Quality Calculator (PCQC). Data collected through these processes included: cost of implementing high-quality care, staff costs, facility expenses, professional development, and ensuring sufficient child-to-staff ratios. The narrow cost analysis survey was created in collaboration with multiple DCF staff and was sent to regulated providers throughout the state.

### Per Child Annual Cost of Care

Based on survey results, the use of recommended salary and benefits scale<sup>1</sup>, and other publicly available data<sup>2</sup>, the department calculated the annual child care costs based on YoungStar level, child age, and urbanicity. The annual cost of care per child includes personnel and non-personnel costs combined:

Table 7 - Zone A (0-24% Urban)

Annual Per Child Cost	2 Star Rated/Baseline Regulation Program	3 Star Rated Program	4 Star Rated Program	5 Star Rated Program
<b>1 – 24 Months</b>	\$23,112	\$27,545	\$31,372	\$37,769
<b>2 years old</b>	\$16,240	\$19,426	\$22,532	\$27,266
<b>3 years old</b>	\$11,996	\$14,412	\$17,072	\$20,778
<b>4 years old</b>	\$9,966	\$12,013	\$14,461	\$17,676
<b>School Age</b>	\$8,482	\$9,884	\$12,135	\$14,866

Table 8 - Zone B (24-49% Urban)

<sup>1</sup> Recommended salaries are based on the average median wage for Wisconsin workers, by education attainment, 2020 Economic policy analysis of Current Population Survey Data, workingwi.org  
Children’s Funding Project provided recommended benefits, 2020

<sup>2</sup> WI DCF administrative data: 2022 WI Shares subsidy maximum reimbursement rates by region and age; and group size and ratio information from WI child care regulation statutes. Data included from 2022 Child and Adult Care Food Program (CACFP) reimbursement maximum amounts, by age. Non-personnel data from Children’s Funding Project (2020), the WI Child Care Resource & Referral child care cost database (updated 2022), and the ACF-OCC Provider Cost of Quality Calculator (PCQC).

Annual Per Child Cost	2 Star Rated/Baseline Regulation Program	3 Star Rated Program	4 Star Rated Program	5 Star Rated Program
1 – 24 Months	\$23,972	\$28,631	\$32,646	\$39,418
2 years old	\$16,815	\$20,160	\$23,419	\$28,432
3 years old	\$12,395	\$14,927	\$17,721	\$21,647
4 years old	\$10,281	\$12,425	\$14,995	\$18,402
School Age	\$8,735	\$10,195	\$12,559	\$15,454

Table 9 - Zone C (50-74% Urban)

Annual Per Child Cost	2 Star Rated/Baseline Regulation Program	3 Star Rated Program	4 Star Rated Program	5 Star Rated Program
1 – 24 Months	\$23,399	\$27,907	\$31,796	\$38,318
2 years old	\$16,432	\$19,671	\$22,828	\$27,655
3 years old	\$12,129	\$14,584	\$17,288	\$21,068
4 years old	\$10,071	\$12,151	\$14,639	\$17,918
School Age	\$8,566	\$9,988	\$12,276	\$15,062

Table 10 - Zone D (75-100% Urban)

Annual Per Child Cost	2 Star Rated/Baseline Regulation Program	3 Star Rated Program	4 Star Rated Program	5 Star Rated Program
1 – 24 Months	\$24,403	\$29,175	\$33,283	\$40,242
2 years old	\$17,103	\$20,526	\$23,863	\$29,016
3 years old	\$12,594	\$15,185	\$18,045	\$22,082
4 years old	\$10,438	\$12,630	\$15,262	\$18,766
School Age	\$8,861	\$10,351	\$12,771	\$15,748

Table 11 - Specific to Licensed Family Home Providers

Licensed Family Provider – Annual Per Child Cost	2 Star Rated/Baseline Regulation Program	3 Star Rated Program	4 Star Rated Program	5 Star Rated Program
Serves only infants up to 24 months	\$18,271	\$19,481	\$24,753	\$30,505
Serves only two years and older	\$9,873	\$10,491	\$13,176	\$16,053

## Non-Personnel Expenses

Through the narrow cost analysis survey results, program requirements at various levels of Wisconsin’s QRIS, and data provided by the 2020 collaboration between WECA, DCF and Children’s Funding Project, the non-personnel expense averages were developed and split out by YoungStar level.

Table 12 – Non-Personnel Expenses (Licensed Family Provider)

<b>Family Child Care Budget Breakdown – Non-Personnel Costs</b>	<b>YS Level 2</b>	<b>YS Level 3</b>	<b>YS Level 4</b>	<b>YS Level 5</b>	<b>Unit</b>
Rent/Mortgage	\$14,760	\$14,760	\$14,760	\$14,760	per year
Utilities***	\$4,671	\$4,671	\$4,671	\$4,671	per year
Insurance (liability, accident, and home owners)	\$1,600	\$1,600	\$1,600	\$1,600	per year
Telephone/Internet	\$1,986	\$1,986	\$1,986	\$1,986	per year
Food	\$1,400	\$1,400	\$1,400	\$1,400	per child
Supplies	\$1,500	\$1,800	\$2,000	\$2,250	per site
Field Trips and Outings (with transportation)	\$75	\$100	\$200	\$200	per child
Vehicle Expenses***	\$3,424	\$3,424	\$3,424	\$3,424	per year
Maintenance and Repairs (including cleaning)	\$1,225	\$1,225	\$1,225	\$1,225	per year
Training and Professional Development	\$250	\$450	\$500	\$600	per staff
Professional Membership Dues, Subscriptions, Licenses and Permits	\$220	\$220	\$220	\$220	per year
Accounting and Legal	\$660	\$660	\$660	\$660	per year
Pest Control	\$485	\$485	\$485	\$485	per year
Advertising	\$150	\$150	\$150	\$150	per year
Depreciation (equipment)	\$330	\$330	\$330	\$330	per year

\*\*\* Narrow cost analysis survey

Table 13 – Non-Personnel Expenses (Licensed Group Center)

<b>Group Child Care Budget Breakdown – Non-Personnel Costs</b>	<b>YS Level 2</b>	<b>YS Level 3</b>	<b>YS Level 4</b>	<b>YS Level 5</b>	<b>Unit</b>
Food (includes food and kitchen supplies)*	\$2,000	\$2,250	\$2,500	\$2,500	per child
Office Supplies and Equipment	\$100	\$100	\$100	\$100	per child
Education Supplies and Equipment	\$225	\$300	\$350	\$375	per child
Child Assessment	\$0	\$0	\$20	\$30	per child
Marketing, Printing and Postage	\$45	\$60	\$80	\$100	per child
Rent/Lease	\$13	\$13	\$13	\$13	per sq foot
Utilities (gas, electric, etc.)	\$3	\$3	\$3	\$3	per sq foot
Maintenance/Repair/Cleaning	\$4	\$4	\$4	\$4	per sq foot
Fees/Permits/Licenses	\$500	\$500	\$500	\$500	per site annually
Background Checks	\$35	\$35	\$35	\$35	per staff
Accounting/Legal/Audits**	\$9,000	\$9,000	\$9,000	\$9,000	per site annually
Staff Training and Education	\$250	\$500	\$750	\$1,000	per staff
IT Support (per classroom)	\$0	\$500	\$1,000	\$1,500	per classroom
Insurance	\$110	\$110	\$110	\$110	per child
Telephone and Internet***	\$2,325	\$2,325	\$2,325	\$2,325	per site annually
Miscellaneous	\$25	\$25	\$25	\$25	per child
Grounds Maintenance	\$4	\$4	\$4	\$4	per sq foot
Medical Supplies	\$50	\$50	\$50	\$50	per child
Transportation	\$1,500	\$1,500	\$1,500	\$1,500	per site annually

\* CACFP guidelines

\*\* Based national averages

\*\*\* Narrow cost analysis survey

## Workforce

DCF is committed to supporting the early childhood workforce to ensure the sustainability of high-quality care across the state. Through the use of the [T.E.A.C.H. Early Childhood Wisconsin](#) scholarship program, the [REWARD Wisconsin Stipend Program](#), the [Child Care Counts](#) program, and other Early Care and Education (ECE)-focused funding, DCF continues to invest in the present and future state of the child care professional workforce.

Several ECE workforce studies, recommendations, and regional snapshots have been completed and can be viewed via the following weblinks:

- ✓ Wisconsin’s Early Care and Education 2021 Workforce Study<sup>3</sup>
  - [Wisconsin's Early Care and Education Workforce at a Glance](#)
  - [Report on the Survey of Program Directors](#) (Report 1)
  - [Report on the Survey of Center-Based Teachers](#) (Report 2)
  - [Report on the Survey of Family Providers](#) (Report 3)
- ✓ [The State of Wisconsin’s Early Care and Education Workforce](#)<sup>4</sup>
- ✓ [A Snapshot of Early Care and Education Teachers in Milwaukee](#)<sup>5</sup>

## Workforce Costs

By averaging data from Wisconsin’s ECE workforce registry—the Wisconsin Registry—and the 2021 workforce studies listed above, DCF has developed an estimated “current state” of child care workforce salary costs for staff from both Licensed Group and Licensed Family Child Care Programs. DCF then created a ECE Workforce Salary Scale for Wisconsin, which includes recommended wages for various positions within the workforce based on the median Wisconsin workforce wages at similar levels of educational requirements. The Wisconsin Salary Scale includes salary parity with kindergarten teachers. Both current and aspirational wages based on the salary scale can be found in the tables below.

---

<sup>3</sup> Published by DCF, Center on Wisconsin Strategy, Institute for Research on Poverty, Wisconsin Early Childhood Association, and UW-Madison Survey Center (2021).

<sup>4</sup> Published by the Wisconsin Early Childhood Association (2021).

<sup>5</sup> Published by Milwaukee Succeeds (2021).

Table 14 - Licensed Group Center

<b>Current Workforce Salaries (Licensed Group Center)</b>				
<b>Position Title</b>	<b>Licensed 2 Star</b>	<b>3 Star</b>	<b>4 Star</b>	<b>5 Star</b>
Center Director	\$33,365	\$37,131	\$38,899	\$44,987
Lead Teacher	\$24,253	\$25,366	\$27,467	\$29,921
Teacher Assistant	\$21,507	\$22,152	\$23,057	\$24,534
<b>Recommended Workforce Salaries</b>				
<b>Position Title</b>	<b>Licensed 2 Star</b>	<b>3 Star</b>	<b>4 Star</b>	<b>5 Star</b>
Center Director	\$40,164	\$44,616	\$57,886	\$75,000
Lead Teacher	\$35,921	\$40,164	\$44,616	\$57,886
Teacher Assistant	\$31,200	\$33,571	\$35,921	\$38,043

Table 15 - Licensed Family Provider

<b>Current Workforce Salaries (Licensed Family Provider)</b>				
<b>Position Title</b>	<b>Licensed 2 Star</b>	<b>3 Star</b>	<b>4 Star</b>	<b>5 Star</b>
Teacher/Owner	\$21,397	\$23,882	\$28,696	\$28,947
Teacher Assistant	\$21,507	\$22,152	\$23,057	\$24,534
<b>Recommended Workforce Salaries</b>				
<b>Position Title</b>	<b>Licensed 2 Star</b>	<b>3 Star</b>	<b>4 Star</b>	<b>5 Star</b>
Teacher/Owner	\$35,921	\$40,164	\$42,390	\$44,616
Teacher Assistant	\$31,200	\$33,571	\$35,921	\$38,043

## Conclusion

At the completion of this new MRS and narrow cost analysis process, it is clear that there have been some significant improvements in the ECE landscape; however, there is much work yet to be done. As DCF continues to focus on the key factors of a strong workforce, accessible child care, affordable child care, and high-quality child care, it is clear that all four factors require constant focus and commitment. Specifically, the data shows that the current workforce salaries are significantly lower than similar positions within existing K-12 programs and positions that require the same educational attainment. The goal of achieving salary parity will require a multifaceted strategy to include new and increased sources of revenue, continued stakeholder advocacy, and pass through of funding directly into the hands of the child care workforce.



Through this enhanced MRS process, DCF will continue to evaluate all costs associated with high-quality child care to ensure access and affordability for children across the state.