



Wisconsin Department of  
Children and Families

# 2024 Child Care Market Survey Results



*July 2024*

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## Section 1: Introduction

The Wisconsin Department of Children and Families (DCF) is committed to ensuring that all Wisconsin families have access to quality, affordable early care and education. A key component of this ongoing work is the [Wisconsin Shares child care subsidy program](#), which helps make child care more affordable for working families.

Wisconsin Shares is funded through the federal Child Care Development Fund (CCDF). The CCDF funding provided to states, tribes, and territories is administered by the federal Administration for Children and Families (ACF) Office of Child Care (OCC) and is the primary public funding source for child care services across the state.

CCDF regulations require Lead Agencies to certify that their child care subsidy payment rates are sufficient to ensure equal access to care for children who are eligible for subsidy when compared to children in the private pay market. In addition, Lead Agencies must complete two analyses:

- A Market Rate Survey (MRS) to understand child care provider prices and the buying power of the child care subsidy, and
- A Narrow Cost Analysis to understand the true costs of providing quality child care.

This report meets these CCDF requirements and informs DCF and other child care stakeholders about the price of child care, the buying power of Wisconsin Shares, and the true cost of providing quality care.

Key findings include:

- Child care provider prices have increased between 2022 and 2023.
- Because of these price increases, the buying power of Wisconsin Shares has decreased. In 2022, the maximum Wisconsin Shares rate was at or above the price of 74% of slots. In 2023, it was at or above the price of 50% of slots.
- Provider prices do not always reflect the true cost of providing quality care. The true cost of providing quality care would include child care workforce salaries that reflect pay parity with kindergarten educators in K-12 settings.

## Section 2: Market Rate Survey

**Purpose:** The Market Rate Survey is intended to show:

- Full-time provider prices at various geographies, provider types, and age ranges; and
- The buying power of the Wisconsin Shares subsidy.

**Data Collection:** Provider prices for the Market Rate Survey are collected by Wisconsin’s [Child Care Resource and Referral Network](#) through the Business Information Form (BIF). The 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 BIF can be viewed [on the 4C website](#).

The following types of regulated child care providers were surveyed as part of the 2024 Market Rate Survey:

- Licensed family providers, which provide care for between 4 and 8 children. This care is usually in the provider's home.
- Licensed group providers, which 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.

As shown in Table 1, the response rate for the 2024 Market Rate Survey was 32%. Due to this low response rate, DCF conducted additional analyses to validate the results of this analysis.<sup>1</sup>

**Table 1 – 2024 Market Rate Survey Response Rate**

Total Sample Size	Total Surveys Received	Response Rate
3,683	1,178	32%

Data for this 2024 Market Rate Survey are current as of fall 2023.

**Data Analysis:** This analysis is focused on:

- Prices for full-time, year-round care, meaning that part-time prices and prices for care that is not year-round are excluded.

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<sup>1</sup> DCF validated that the sample was representative of Wisconsin child care providers, with no substantial under- or over-representation of providers by any provider attribute that DCF collects. DCF also evaluated price data from additional child care providers that are not included in the survey. The additional analysis considered all regulated providers, not just licensed providers, and considered more price data. Licensed, certified, and public schools were considered. Provider prices from Wisconsin Shares were used when prices were missing or outdated from the BIF. Hourly rates were converted to weekly using a 45-hour week (due to 40-hour work week and travel time to/from work). Providers with all or mostly all children with subsidy were included. Part-year or part-day programs were included, except for those not operating in the month of December 2023.

- Prices in the private market, meaning that prices for providers serving more than 75% of children receiving Wisconsin Shares are excluded.

The analysis is specific to county, provider type (licensed family provider or licensed group provider), and the child’s age for the slot.

To conduct the analysis, we compared each provider’s slot price to the [applicable](#) Wisconsin Shares maximum rate to determine whether the maximum Wisconsin Shares rate was at or above the price for the slot. When the applicable Wisconsin Shares maximum rate was at or above the price, that slot was considered affordable. We then divided the number of affordable slots by the number of total slots to get the percentage of affordable slots statewide.

It’s important to note that the term “affordable” has a specific definition for the purpose of this analysis. “Affordable” is used to describe a slot for which the maximum Wisconsin Shares rate is at or above the provider price for that slot. It is **not** a general measure of whether the price of child care is affordable for families. For example, most families who utilize Wisconsin Shares are authorized for less than the maximum Wisconsin Shares rate. Likewise, many families are not eligible for Wisconsin Shares and pay the full price out of pocket.

**Results:** According to this analysis, 50% of child care slots statewide are affordable, meaning that the price of the slot is at or below the applicable maximum Wisconsin Shares rate for that slot.

**Table 2 – Percentage of Affordable Slots, 2024**

Available Slot Data	MRS 2024
Affordable Slots	28,569
Available Slots	56,794
Percentage of Affordable Slots	50%

Fifty percent is well below the target for affordability. The affordability threshold set by both the federal [Administration for Children and Families](#) and [Wisconsin Statute](#) is that 75% of child care slots should be affordable.

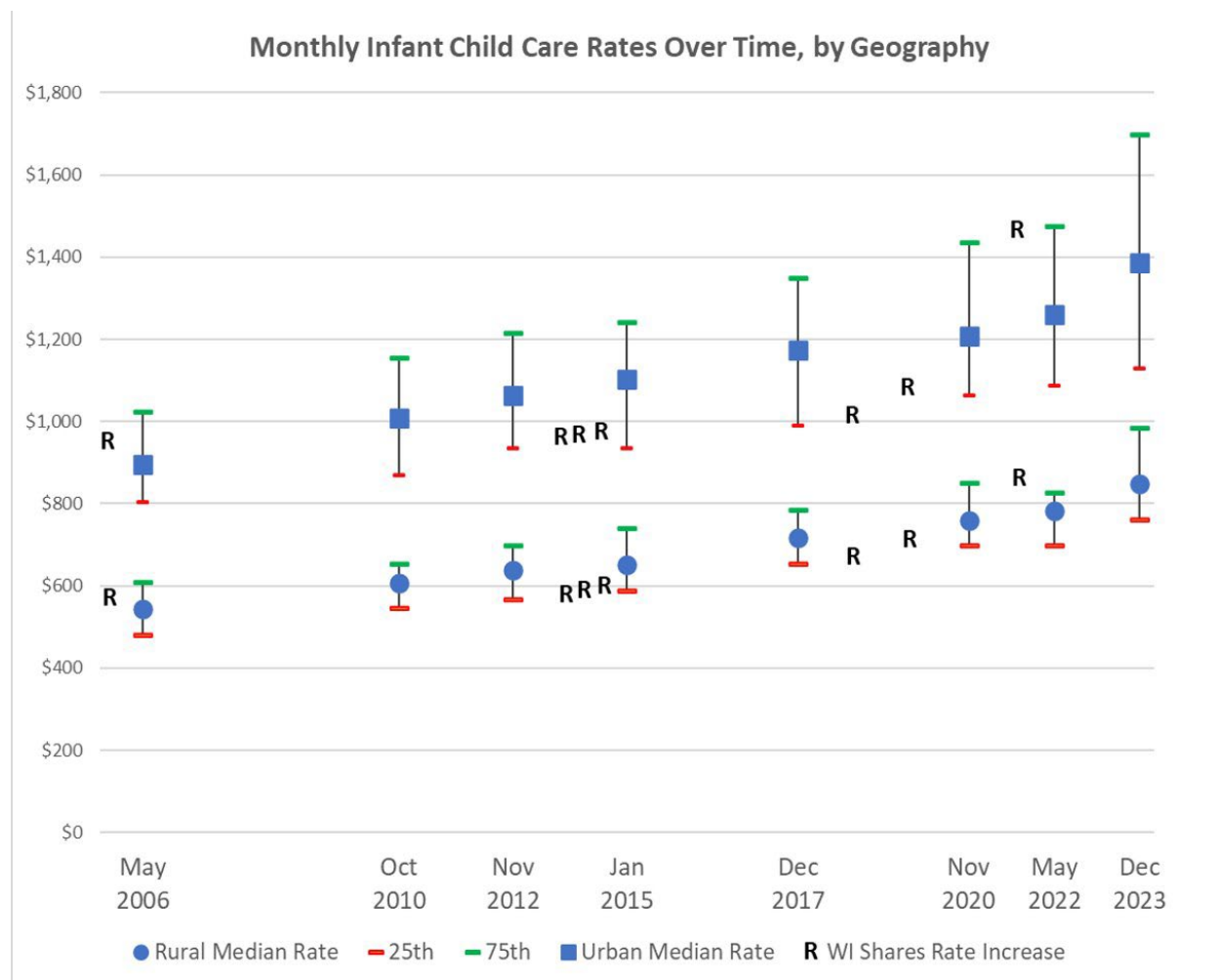
Fifty percent also represents a significant decline from the prior Market Rate Survey, which found that in 2022, 74% of child care slots were considered affordable.

The decline in the percentage of affordable slots between 2022 and 2023 corresponds with an increase in provider prices. While maximum Wisconsin Shares rates have stayed constant since 2022, their purchasing power has declined as a result of provider price increases.

To illustrate the change in provider prices over time, chart 1 shows prices for infant child care in rural and, separately, urban areas between 2006 and 2023. The round (rural) and square (urban) markers indicate the average price (i.e., 50<sup>th</sup> percentile or median) each time the Market Rate Survey was conducted. The lower (red) and upper (green) markers indicate the 25<sup>th</sup> and 75<sup>h</sup>

percentile of price, respectively. The chart also includes “R” markers whenever Wisconsin Shares maximum rates were raised. The “R” markers show the approximate buying power of the Wisconsin Shares maximum rate at that time.

**Chart 1 – Provider Prices Over Time**



As shown in chart 1, provider prices have increased over time, with increases between 2022 and 2023 that are larger than predicted by prior years’ trends.

It is important to note that [Child Care Counts](#) payments to providers were reduced by half in May 2023 in order to stay within the budget allocated for the program. According to [research conducted by the UW-Madison Institute for Research on Poverty](#), providers use *Child Care Counts* funds to cover core expenses such as payroll, materials, rent, and utilities, thereby avoiding passing those costs along to families. When *Child Care Counts* payments were reduced, providers were forced to pass some of these costs along to families in the form of increased prices.

For more information on the range of provider prices across the state, tables 3-6 show the 25<sup>th</sup>, 50<sup>th</sup>, and 75<sup>th</sup> percentile of weekly full-time prices in communities at different levels of urbanicity (0-24% urban, 25-49% urban, 51-74% urban, and 75-100% urban). Figure 1 provides a map showing which zone of urbanicity each county is in. The prices are specific to provider type and age group.

As an example for reading the following tables: In communities that are between 0 and 24% urban, 25% of slots for children aged 0-1 in licensed family child program are at or below \$150 per week, 50% of slots are at or below \$160 per week, and 75% of slots are at or below \$175 per week.

### Weekly Full-time Provider Prices by Percent of Urbanicity

Table 3 – Region A Provider Price Ranges

Region	Percent of Urban	Licensed Type	Age Group	25th Percentile	50th Percentile	75th Percentile
A	0-24%	Family	0 to 1	\$150.00	\$160.00	\$175.00
A	0-24%	Family	2 to 3	\$140.00	\$150.00	\$175.00
A	0-24%	Family	4 to 5	\$135.00	\$150.00	\$175.00
A	0-24%	Family	6+	\$130.00	\$150.00	\$170.00
A	0-24%	Group	0 to 1	\$185.00	\$200.00	\$230.50
A	0-24%	Group	2 to 3	\$170.00	\$195.00	\$215.00
A	0-24%	Group	4 to 5	\$157.00	\$180.00	\$197.50
A	0-24%	Group	6+	\$155.00	\$175.00	\$200.00

Table 4 – Region B Provider Price Ranges

Region	Percent of Urban	Licensed Type	Age Group	25th Percentile	50th Percentile	75th Percentile
B	25-49%	Family	0 to 1	\$150.00	\$165.00	\$185.00
B	25-49%	Family	2 to 3	\$140.00	\$150.00	\$175.00
B	25-49%	Family	4 to 5	\$140.00	\$150.00	\$170.00
B	25-49%	Family	6+	\$135.00	\$150.00	\$165.00
B	25-49%	Group	0 to 1	\$210.00	\$244.00	\$260.00
B	25-49%	Group	2 to 3	\$194.00	\$221.05	\$240.00
B	25-49%	Group	4 to 5	\$179.00	\$200.00	\$222.50
B	25-49%	Group	6+	\$160.00	\$185.00	\$200.00



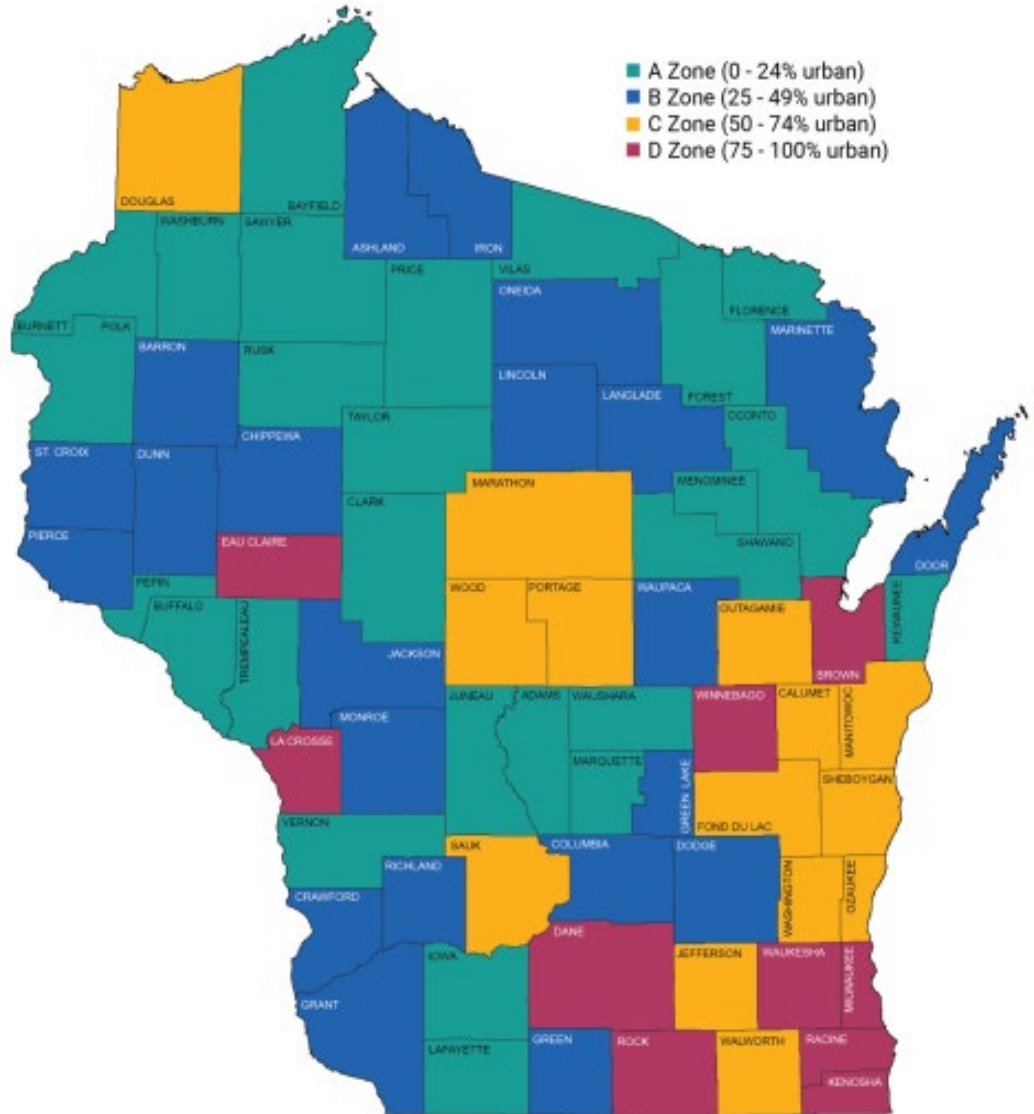
Table 5 – Region C Provider Price Ranges

Region	Percent of Urban	Licensed Type	Age Group	25th Percentile	50th Percentile	75th Percentile
C	50-74%	Family	0 to 1	\$175.00	\$200.00	\$225.00
C	50-74%	Family	2 to 3	\$170.00	\$180.00	\$200.00
C	50-74%	Family	4 to 5	\$165.00	\$180.00	\$200.00
C	50-74%	Family	6+	\$165.00	\$175.00	\$195.00
C	50-74%	Group	0 to 1	\$235.00	\$255.00	\$285.00
C	50-74%	Group	2 to 3	\$215.00	\$240.00	\$265.00
C	50-74%	Group	4 to 5	\$199.00	\$220.00	\$231.00
C	50-74%	Group	6+	\$185.00	\$200.00	\$220.00

Table 6 – Region D Provider Price Ranges

Region	Percent of Urban	Licensed Type	Age Group	25th Percentile	50th Percentile	75th Percentile
D	75-100%	Family	0 to 1	\$200.00	\$250.00	\$300.00
D	75-100%	Family	2 to 3	\$190.00	\$225.00	\$275.00
D	75-100%	Family	4 to 5	\$180.00	\$225.00	\$260.00
D	75-100%	Family	6+	\$175.00	\$200.00	\$250.00
D	75-100%	Group	0 to 1	\$265.00	\$325.00	\$390.00
D	75-100%	Group	2 to 3	\$240.00	\$282.00	\$346.13
D	75-100%	Group	4 to 5	\$207.00	\$250.00	\$299.00
D	75-100%	Group	6+	\$185.00	\$225.00	\$265.00

Figure 1 – Wisconsin Child Care Subsidy Program Subsidy Rate Zones



## Section 3: Narrow Cost Analysis

**Purpose:** Provider prices are constrained by what families are able to pay, meaning they do not always reflect the true cost of providing quality child care. The CCDF-required Narrow Cost Analysis is intended to show the true cost of care associated with meeting different levels on [YoungStar](#), Wisconsin’s child care Quality Rating Improvement System (QRIS).

**Data Collection:** Data collected for the Narrow Cost Analysis included the cost of meeting QRIS requirements, staff costs, facility expenses, professional development, and ensuring sufficient child-to-staff ratios. These data were collected through the ACF-OCC [Provider Cost of Quality Calculator \(PCQC\)](#) and publicly available data sources.

### Results: Per Child Cost of Care

Tables 7- 10 show annual per child costs based on YoungStar level, child age, and urbanicity.

Table 7 – Licensed Group Center in Region A (0-24% Urban)

Annual Per Child Cost	5 Star Rated Program	4 Star Rated Program	3 Star Rated Program	2 Star Rated/Baseline Regulation Program
1-24 Months	\$41,464	\$34,018	\$30,052	\$25,540
2 years old	\$29,804	\$24,437	\$21,150	\$17,894
Preschool 3 years old	\$22,603	\$18,519	\$15,652	\$13,171
Preschool 4 years old	\$19,159	\$15,689	\$13,022	\$10,913
School-Age	\$16,033	\$13,176	\$10,694	\$9,261

Table 8 - Licensed Group Center in Region B (24-49% Urban)

Annual Per Child Cost	5 Star Rated Program	4 Star Rated Program	3 Star Rated Program	2 Star Rated/Baseline Regulation Program
1-24 Months	\$43,280	\$35,396	\$31,239	\$26,501
2 years old	\$31,083	\$25,398	\$21,950	\$18,535
Preschool 3 years old	\$23,550	\$19,223	\$16,213	\$13,615
Preschool 4 years old	\$19,947	\$16,270	\$13,469	\$11,261
School-Age	\$16,666	\$13,639	\$11,031	\$9,541

Table 9 - Licensed Group Center in Region C (50-74% Urban)

Annual Per Child Cost	5 Star Rated Program	4 Star Rated Program	3 Star Rated Program	2 Star Rated/Baseline Regulation Program
<b>1 -24 Months</b>	\$42,069	\$34,477	\$30,448	\$25,860
<b>2 years old</b>	\$30,231	\$24,757	\$21,417	\$18,107
<b>Preschool 3 years old</b>	\$22,919	\$18,754	\$15,839	\$13,319
<b>Preschool 4 years old</b>	\$19,422	\$15,883	\$13,171	\$11,029
<b>School-Age</b>	\$16,244	\$13,331	\$10,806	\$9,354

Table 10 - Licensed Group Center in Region D (75-100% Urban)

Annual Per Child Cost	5 Star Rated Program	4 Star Rated Program	3 Star Rated Program	2 Star Rated/Baseline Regulation Program
<b>1-24 Months</b>	\$44,189	\$36,085	\$31,832	\$26,982
<b>2 years old</b>	\$31,723	\$25,879	\$22,350	\$18,855
<b>Preschool 3 years old</b>	\$24,024	\$19,575	\$16,494	\$13,836
<b>Preschool 4 years old</b>	\$20,342	\$16,561	\$13,693	\$11,436
<b>School-Age</b>	\$16,983	\$13,871	\$11,200	\$9,680

Table 11 - Specific to Licensed Family Home Providers

Licensed Family Provider – Annual Per Child Cost	5 Star Rated Program	4 Star Rated Program	3 Star Rated Program	2 Star Rated/Baseline Regulation Program
<b>Serves only infants up to 24 months</b>	\$32,707	\$26,636	\$20,917	\$19,815
<b>Serves only two years and older</b>	\$17,209	\$14,174	\$11,261	\$10,697

## Results: Non-Personnel Expenses

Tables 12 and 13 show non-personnel costs by YoungStar level and provider type.

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

Family Child Care Budget Breakdown – Non-Personnel Costs	YS Level 2	YS Level 3	YS Level 4	YS Level 5	Unit
Rent/Mortgage	\$15,793.20	\$15,793.20	\$15,793.20	\$15,793.20	per year
Utilities***	\$4,997.97	\$4,997.97	\$4,997.97	\$4,997.97	per year
Insurance (liability, accident, and home owners)	\$1,712.00	\$1,712.00	\$1,712.00	\$1,712.00	per year
Telephone/Internet	\$2,125.02	\$2,125.02	\$2,125.02	\$2,125.02	per year
Food	\$1,498.00	\$1,498.00	\$1,498.00	\$1,498.00	per child
Supplies	\$1,605.00	1,926.00	\$2,140.00	\$2,408.50	per site
Field Trips and Outings (with transportation)	\$80.25	\$107.00	\$214.00	\$214.00	per child
Vehicle Expenses***	\$3,663.68	\$3,663.68	\$3,663.68	\$3,663.68	per year
Maintenance and Repairs (including cleaning)	\$1,310.75	\$1,310.75	\$1,310.75	\$1,310.75	per year
Training and Professional Development	\$267.50	\$481.50	\$535.00	\$642.00	per staff
Professional Membership Dues, Subscriptions, Licenses, and Permits	\$235.40	\$235.40	\$235.40	\$235.40	per year
Accounting and Legal	\$706.20	\$706.20	\$706.20	\$706.20	per year
Pest Control	\$518.95	\$518.95	\$518.95	\$518.95	per year
Advertising	\$160.50	\$160.50	\$160.50	\$160.50	per year
Depreciation (equipment)	\$353.10	\$353.10	\$353.10	\$353.10	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)*	\$2,140.00	\$2,407.50	\$2,675.00	\$2,675.00	per child
Office Supplies and Equipment	\$107.00	\$107.00	\$107.00	\$107.00	per child
Education Supplies and Equipment	\$240.75	\$321.00	\$374.50	\$401.25	per child
Child Assessment	\$0.00	\$0.00	\$21.40	\$32.10	per child
Marketing, Printing, and Postage	\$48.15	\$64.20	\$85.60	\$107.00	per child
Rent/Lease	\$13.77	\$13.77	\$13.77	\$13.77	per sq foot
Utilities (gas, electric, etc.)	\$3.64	\$3.64	\$3.64	\$3.64	per sq foot
Maintenance/Repair/Cleaning	\$3.96	\$3.96	\$3.96	\$3.96	per sq foot
Fees/Permits/Licenses	\$535.00	\$535.00	\$535.00	\$535.00	per site annually
Background Checks	\$39.00	\$39.00	\$39.00	\$39.00	per staff
Accounting/Legal/Audits**	\$9,630.00	\$9,630.00	\$9,630.00	\$9,630.00	per site annually
Staff Training and Education	\$267.50	\$535.00	\$802.50	\$1,070.00	per staff
Consultation Services	\$0.00	\$0.00	\$0.00	\$0.00	per classroom
IT Support (per classroom)	\$0.00	\$535.00	\$1,070.00	\$1,605.00	per classroom
Insurance	\$117.70	\$117.70	\$117.70	\$117.70	per child
Telephone and Internet***	\$2,487.75	\$2,487.75	\$2,487.75	\$2,487.75	per site annually
Miscellaneous	\$26.75	\$26.75	\$26.75	\$26.75	per child
Grounds Maintenance	\$3.85	\$3.85	\$3.85	\$3.85	per sq foot
Medical Supplies	\$53.50	\$53.50	\$53.50	\$53.50	per child
Transportation	\$1,605.00	\$1,605.00	\$1,605.00	\$1,605.00	per site annually

\* CACFP guidelines

\*\* Adjusted to match national averages

\*\*\* Narrow cost analysis survey

## Results: Workforce Salaries

Tables 14 and 15 show an average “current state” of the child care workforce wages at different YoungStar level and provider types, and recommended child care workforce wages based on the median Wisconsin workforce wages at similar levels of educational attainment and including salary parity with kindergarten teachers in the K-12 system.

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	\$35,700	\$39,730	\$41,622	\$48,136
Lead Teacher	\$25,951	\$27,141	\$29,389	\$32,015
Teacher Assistant	\$23,012	\$23,703	\$24,671	\$26,251
<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	\$43,264	\$47,237	\$64,792	\$75,000
Lead Teacher	\$39,499	\$43,264	\$47,237	\$64,792
Teacher Assistant	\$35,648	\$37,524	\$39,499	\$41,474

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	\$22,895	\$25,553	\$30,705	\$30,973
Teacher Assistant	\$23,012	\$23,703	\$24,671	\$26,251
<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	\$39,499	\$43,264	\$45,427	\$47,237
Teacher Assistant	\$35,648	\$37,524	\$39,499	\$41,474

## Section 4: Conclusion

The Market Rate Survey and Narrow Cost Analysis demonstrate that:

- Child care provider prices have increased between 2022 and 2023.
- Because of these price increases, the buying power of Wisconsin Shares has decreased. In 2022, the maximum Wisconsin Shares rate was at or above the price of 74% of slots. In 2023, it was at or above the price of 50% of slots.

- Provider prices do not always reflect the true cost of providing quality care. The true cost of providing quality care would include pay parity with kindergarten educators in K-12 settings.

DCF remains committed to finding innovative solutions and long-term investments that support making child care more affordable for Wisconsin families and empower child care programs and educators in providing the quality care all Wisconsin kids deserve.

DCF will continue to conduct this Market Rate Analysis and a true cost of care analysis to inform these critical efforts.