



STATE OF WASHINGTON
DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES

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July 17, 2024

2024 DCYF Cost of Quality Child Care and Market Rate Study

Welcome to the Washington State Department of Children, Youth, and Families (DCYF) 2024 Cost of Quality Child Care and Market Rate Study report. This study contains economic survey data and analysis regarding the cost of quality licensed child care and the child care market in Washington state that will drive provider reimbursement for subsidized child care.

Key Takeaways

The study findings clearly show that child care providers of all types reported increases in the rates they charge families for their services in nearly every geographic area and child age category. Even with private pay and subsidy rate increases, we know that families cannot afford the true cost of quality care. While subsidized child care rates have increased substantially in recent years, they have in most cases fallen behind the increases providers report in the private market. Child care subsidy rates have slipped below the 85th percentile of the market rate benchmark in nearly every case.

In addition to studying market rates, this year's study also utilizes a Cost Estimation Model (CEM) to analyze the true cost for Licensed Child Care Centers and Licensed Family Homes to provide high quality child care in Washington. To support this, providers shared important data on their program characteristics and costs from personnel costs such as staffing to quality enhancements and rent and mortgage. This analysis also considers the recommendations of the Child Care Aware Early Educator Design Team that subsidy base rates be adequate to support, among other things, living wages and benefits for providers and their staff. Findings in this section indicate current subsidy rates are inadequate to support the cost of quality care in most regions and for most child age groups even assuming current low wages and are well below the level needed to support living wages and benefits for child care workers.

In 2021, the Fair Start for Kids Act established in law that subsidy reimbursement rates be set according to the 85th percentile of the market rate and directed DCYF to build a true cost of care model. In the 2023 budget, the Washington State Legislature funded subsidy rates at the 85th percentile of the market rate identified in what was at the time the latest report (2021). DCYF has neither the fiscal authority nor the funding to increase rates according to the 2024 report. The legislature would need to include funding in the enacted operating budget to increase rates based on the 2024 Market Rate Survey. In the meantime, DCYF will continue paying subsidy rates according to the market rate established in the 2021 report, per direction and funding level in the 2023-25 biennial budget. The Market Rate Survey and Cost of Quality Care model both show rate increases are necessary to support family access and child care providers in meeting the needs of the children they serve. This report outlines the investment necessary for increased access for families and living wages for providers and uses the Design Team's recommendations for rates based on the Cost of Quality Care as the frame.

Background

As a condition of receiving millions of dollars in funding, federal Child Care and Development Fund (CCDF) rules require states to conduct a statistically valid and reliable child care market rate survey or pre-approved alternative methodology every three years and to publish a report analyzing the findings of the study. States are then required to set CCDF child care subsidy payment rates in accordance with the study findings. DCYF has received federal pre-approval to conduct an alternative methodology, and this report meets the requirements for both a market rate survey and an alternative methodology. To meet these requirements, DCYF contracted with Western Washington University's Center for Economic and Business Research (CEBR) to survey Washington's licensed child care providers.

We hope you feel compelled to read all the material presented, but quick takeaways can be found in the Executive Summary near the beginning of the report and the Percentile Rate Charts in the Appendix.

In closing, we wish to thank the many child care providers whose dedicated work in this field supports strong Washington families and is a foundation of our economy. This report would not be possible without your participation in the survey.

Thank you,

A handwritten signature in black ink that reads "Nicole Rose". The signature is written in a cursive, flowing style.

Nicole Rose
Assistant Secretary of Early Learning



2024 WASHINGTON STATE COST OF QUALITY CHILD CARE AND MARKET RATE STUDY

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Executive Summary

Child Care Development Fund Requirements

To meet requirements set forth by the Administration for Children and Families (ACF) for receiving their Child Care and Development Fund (CCDF) grants, every three years states must conduct either a statistically valid and reliable child care market rate survey (MRS), or an alternative methodology, such as a cost estimation model (CEM). An MRS gathers data on rates families pay in the private market for licensed child care throughout the state, which can then be used to set provider reimbursement rates in the state's child care subsidy program. Alternatively, a CEM gathers data to estimate the per-child costs of operating a child care program, which can then be used to set reimbursement rates.

Survey Summary

The Washington State Department of Children, Youth, and Families (DCYF) contracted with Western Washington University's Center for Economic and Business Research (CEBR) to conduct a Cost of Quality Care study surveying Washington State's licensed child care providers. The study covered all topics and data required for an MRS or CEM to support DCYF providing recommendations to the legislature to transition from the former to the latter, as required in the 2021 Fair Start for Kids Act.

Of the 5,779 providers¹ in the state we reached out to, a total of 1,398 responded to the survey, giving us a 24.19% completion rate. This level of participation translates to a +/- 2 percent margin of error at a 95 percent confidence level – highly statistically significant. By provider type, 28% of Licensed Child Care Centers, 24% of Licensed Family Homes, and 14% of School Age Only Program providers responded to the survey. Margins for error per region and provider type can be found in the response rate section.

Findings on Market Rates

As illustrated in the section "Comparing Washington Subsidies and Private Pay Rates," Washington's current subsidy rates – which were set based on the 85th percentile of the 2021 Market Rate Survey – are, for the most part, far below the 85th percentile reported during this survey.

Exceptions to this finding are found at Licensed Child Care Centers. In Preschool Region 1, the subsidy matched the 85th percentile of the 2024 survey, and 2024 survey rates in Region 1 and Region 4 reported for school age children were below the subsidy rates. Explanations for rate differences for school age children are discussed later in this report, as we found the environment for this age group to be accommodating of a range of family circumstances.

Table 1 below provides a summary of current subsidy base rates (valid as of 7/1/23) and the 85th percentile of reported 2024 market rates by provider type, region, and child age group. Due to provider cost structures and the amount of supervision needed for younger children, Licensed Centers tend to have higher rates than Licensed Family Homes and rates steadily decreasing as children age. We found rates for Licensed Family Homes to be lower in all but Region 2, where rates were very similar.

¹ As of 12/03/2023. Obtained from DCYF supplied contact list.

Table 1: Licensed Child Care Provider Subsidy Rates and 2024 85th Percentile Private Pay Rates								
Licensed Family Homes		Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Spokane
Infant	Current Subsidy Rate	\$1,083.06	\$1,452.00	\$1,430.00	\$1,800.04	\$1,299.98	\$1,299.98	\$1,056.00
	85 th Percentile	\$1,320.00	\$1,760.00	\$1,804.00	\$2,124.00	\$2,000.00	\$2,000.00	\$1,232.22
Toddler	Current Subsidy Rate	\$1,035.98	\$1,299.98	\$1,299.98	\$1,650.00	\$1,299.98	\$1,210.00	\$1,056.00
	85 th Percentile	\$1,320.00	\$1,600.00	\$1,700.00	\$2,166.67	\$1,540.00	\$1,516.67	\$1,210.00
Preschool	Current Subsidy Rate	\$880.00	\$1,056.00	\$1,191.96	\$1,516.90	\$1,083.06	\$1,166.00	\$990.00
	85 th Percentile	\$1,125.00	\$1,400.00	\$1,540.00	\$1,980.00	\$1,430.00	\$1,400.00	\$1,100.00
School Age	Current Subsidy Rate	\$804.98	\$880.00	\$1,083.06	\$1,320.00	\$975.04	\$990.00	\$990.99
	85 th Percentile	\$1,320.00	\$1,100.00	\$1,650.00	\$1,733.33	\$1,083.33	\$1,516.67	\$1,100.00
Licensed Child Care Center		Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Spokane
Infant	Current Subsidy Rate	\$1,365.10	\$1,299.98	\$1,948.76	\$2,500.08	\$1,596.32	\$1,694.00	\$1,507.88
	85 th Percentile	\$2,100.00	\$1,674.00	\$2,320.00	\$2,975.00	\$1,910.00	\$1,930.00	\$1,720.00
Toddler	Current Subsidy Rate	\$1,235.08	\$1,079.98	\$1,767.92	\$2,234.98	\$1,408.00	\$1,485.00	\$1,244.98
	85 th Percentile	\$1,510.00	\$1,510.00	\$2,160.00	\$2,660.00	\$1,795.00	\$1,768.00	\$1,430.00
Preschool	Current Subsidy Rate	\$1,169.96	\$984.94	\$1,595.00	\$1,884.96	\$1,226.94	\$1,270.06	\$1,147.08
	85 th Percentile	\$1,169.96	\$1,340.00	\$1,910.00	\$2,350.00	\$1,645.00	\$1,605.00	\$1,380.00
School Age	Current Subsidy Rate	\$1,173.92	\$720.06	\$1,439.90	\$1,994.08	\$1,191.96	\$1,105.06	\$1,078.00
	Current Subsidy Rate	\$1,365.10	\$1,299.98	\$1,948.76	\$2,500.08	\$1,596.32	\$1,694.00	\$1,507.88

Findings on Cost of Quality Care

The cost estimation model (CEM) and this report’s calculations of the cost of quality care rely on a calculator developed by the Child Care Collaborative Task Force through its vendor, Prenatal to Five Fiscal Strategies (P5FS), and detailed in its 2021 report. This excel-based tool models the cost for Licensed Child Care Centers and Licensed Family Homes to provide child care within our state context, accounting for differences in program size, location, and service model. Costs include fixed operating costs like rent/mortgage and additional variables that drive cost.

The results demonstrate patterns between region, provider type and quality level. The table below, discussed further in the Comparison: Current Subsidy Rates to Cost of Quality Care and Design Team Rates section, indicates the difference between current monthly subsidy reimbursement rates, and the monthly provider cost of quality care at Early Achievers levels 3/3+ assuming current provider and staff wage levels. That section further examines the gap between those subsidy rates and rates necessary to support program characteristics recommended by the Early Educator Design Team, including that providers and their staff receive a living wage and benefits.

Table 2: Monthly Gap Between Subsidy and Cost of Quality Care for Licensed Family Homes and Centers – Level 3/3+				
Licensed Family Homes	Infant	Toddler	Preschool	School Age
Region 1	(\$735.94)	(\$355.02)	(\$255.00)	(\$159.02)
Region 2	(\$310.00)	(\$49.02)	(\$45.00)	(\$55.00)
Region 3	(\$264.00)	\$2.98	\$131.96	\$182.06
Region 4	(\$186.96)	\$139.00	\$286.90	\$276.00
Region 5	(\$392.02)	\$3.98	\$24.06	\$75.04
Region 6	(\$516.02)	(\$179.00)	\$33.00	\$28.00
Spokane	(\$623.00)	(\$230.00)	(\$60.00)	\$97.00
Licensed Child Care Center	Infant	Toddler	Preschool	School Age
Region 1	(\$930.90)	(\$480.92)	(\$314.04)	\$144.92
Region 2	(\$972.02)	(\$622.02)	(\$717.06)	(\$306.94)
Region 3	(\$458.24)	(\$29.08)	\$42.00	\$364.90
Region 4	(\$80.92)	\$308.98	\$221.96	\$844.08
Region 5	(\$814.68)	(\$388.00)	(\$323.06)	\$120.96
Region 6	(\$638.00)	(\$257.00)	(\$235.94)	\$61.06
Spokane	(\$801.12)	(\$477.02)	(\$339.92)	\$49.00

Summary of Gap Analysis

The CEM demonstrates that Cost of Quality Care monthly rates, whether calculated using current wages at different Early Achievers levels, or using Design Team recommendations, differ substantially from current subsidy base rates. Generally, there is an observable pattern of decreasing cost of care as children age, likely due to the increased staff to child ratios necessary, and required by licensing regulations, for care of younger children.

Current subsidy base rates sometimes exceed cost of care at Levels 2 and 3/3+ of Early Achievers assuming current wages. Current school age rates in particular are competitive, with Region 4 rates exceeding cost of care by \$908 at Licensed/Level 2 in centers. The subsidy rate for the same child in a family home of the same Early Achievers level exceeds cost of care by \$609. There are notable exceptions, however. Region 2 school age rates lag behind cost of care for either provider type except at Licensed/Level 2 in family homes. School age rates for family homes in Region 1 are also weak compared to cost starting at Level 3.

On the other end of the spectrum, subsidy base rates for infants are lower than the cost of care for all but Licensed/Level 2 family homes, and even then only exceed cost in a few Regions. Conversely, the infant rate in Region 1 for family homes is \$1,459 below cost of care at Level 5, and in most regions the cost of care exceeds the subsidy rate for an infant by over \$1,000 at levels 4 and 5.

Levels 3 and above are considered “at quality” in Early Achievers. For both centers and family homes, most regional subsidy base rates are below cost at this Level. This indicates that subsidy base rates are usually insufficient to support quality even with wages constrained to their current standard. Base rates alone are insufficient to support the cost of care at the highest levels of quality, and far too low to support a living wage for workers.

Introduction and Background

In Washington and across the nation, communities face a crisis of inadequate child care supply. Many families cannot afford to pay the cost of high quality child care, and many providers and their staff do not earn a living wage with benefits. Like many states, Washington historically set reimbursement rates paid to providers who serve families receiving child care subsidies according to the rates families pay in the private market using a market rate survey (MRS). By design, a rate based on a broken market reinforces low wages and lack of provider supply across the system. The COVID-19 pandemic only highlighted these preexisting market and system fractures.

In 2018, the state legislature created a Child Care Collaborative Task Force to begin addressing these issues. In 2020, the Task Force issued a report recommending adoption of a cost estimation model (CEM) instead of an MRS to address the inadequacy of child care subsidy provider reimbursement rates by basing them on what it costs providers to care for children. Then in 2021, the legislature enacted the landmark Fair Start for Kids Act to improve affordability and accessibility of child care, and to support child care providers. The Act further directed DCYF to “build upon the work of the child care collaborative task force to develop and implement a child care cost estimate model and use the completed child care cost model to recommend subsidy rates at levels that are sufficient to compensate... child care providers for the full costs of providing high quality child care.” The Task Force later in 2021 produced a report² fully detailing the CEM and recommending its adoption as the basis for setting subsidy rates. The CEM and report were based on data gathered from providers statewide on their personnel costs, fixed costs like rent/mortgage and utilities, and program quality related costs such as curriculum, materials, and professional development.

This study therefore comes at a pivotal time for child care. The intent is to support the transition from MRS to CEM by evaluating both current market rates, the cost of quality child care for providers, and then comparing the gap between the two. It also updates the data supporting the CEM recommended by the Task Force report and supports compliance with federal requirements for both an MRS or alternative methodology.

Child Care Market Rates

When a state opts to use an MRS, the Administration for Children and Families (ACF) requires them to conduct a statistically valid and reliable survey of child care market rates prior to submitting their Child Care and Development Fund (CCDF) plan every three years.³

² <https://deptofcommerce.box.com/shared/static/1rq4ld3dnqxbxn22bmpucrb3l25lnol.pdf>

³ National Center on Subsidy Innovation and Accountability. “Ensuring a Statistically Valid and Reliable Market Rate Survey: A Checklist.” *Early Childhood National Centers*, February 2020.

ACF identifies the following five benchmarks within 1 45 CFR §98.45 2 CCDF Final Rule, Statistical Validity, page 67509 3 CCDF Final Rule §98.45(f)(1):

1. The survey includes child care providers of all types within the priced market (i.e., providers that charge parents a price established through an arm’s length transaction). In an arm’s length transaction, the parent and the provider do not have a prior relationship that is likely to affect the price charged.
2. The survey provides complete and current data that captures fully the universe of providers in the priced child care market. The survey should use data from multiple sources to identify relevant and up- to-date information for a specific time period.
3. The survey represents geographic variation. This includes providers from all geographic parts of the state, territory, or tribal service area, if applicable. Data should also be collected and analyzed in a manner that links prices to local geographic areas.
4. The survey uses a rigorous data collection procedure. This includes a response from a high percentage of providers (generally 65% or higher is desirable and below 50% is suspect). Lead Agencies should consider surveying in multiple languages in addition to other strategies to ensure adequate responses from key populations.
5. The survey examines the price per child care slot, recognizing that all child care facilities should not be weighted equally.

For MRS aspects of this study, we collected rate information from providers in Washington state. We collected tuition information for both Licensed Centers and Licensed Family Homes. While School Age-Only Center providers participated, we did not collect rate information from them, though we did collect rate information as to school age children from providers who serve this age category, among others. CEBR surveyed licensed child care providers and disaggregated the resulting data by geography and regional rate groups depicted in Figure 1 shown below.

Figure 1: Child Care Subsidy Rate Regions



Federal Requirements

When a state opts to use an alternative methodology such as a CEM, federal rules require them to analyze the estimated cost of care (including any relevant variation by geographic location, category of provider, or age of child), in two areas:

1. The cost of child care providers' implementation of health safety, quality, and staffing requirements (i.e., applicable licensing and regulatory requirements, health and safety standards, training and professional development standards, and appropriate child-to-staff ratio, group size limits, and caregiver qualification requirements).
2. The cost of higher-quality care, as defined by the state using a quality rating and improvement system, or other system of quality indicators, at each level of quality.

Regardless of which approach is used, the state must also ensure the MRS or CEM reflects variations by geographic location, category of provider, and age of child. It must also track information on the extent to which child care providers participate in the subsidy program and any barriers to participation, including barriers related to payment rates and practices.

Child Care Landscape in Washington State

Under the leadership of Governor Jay Inslee, DCYF was created in 2017 to bring together Early Care and Education, Child Welfare, and Juvenile Rehabilitation programs previously administered by separate state agencies. DCYF now fully administers the Child Care and Development Fund (CCDF) program, including child care subsidy programs, eligibility and payment, child care licensing and background checks, the quality recognition and improvement system Early Achievers, and provider professional development and related supports.

DCYF has seven focused priorities as to its scope of work, with targets to guide agency strategic initiatives:

- Safely reduce the need for child abuse and neglect intakes. Reduce entries and re-entries into child welfare and juvenile rehabilitation.
- Safely reduce the number of children in out-of-home care by 50%.
- 80% of Washington children will be ready for kindergarten.
- High quality child care is available and affordable to all in Washington.
- Youth exiting DCYF systems will graduate from high school at the same rate as all Washington youth.
- Youth exiting DCYF systems will be employed and/or enrolled in post-secondary at the same rate as all Washington youth.
- Reduce by half the number of youth who experience homelessness within one year of exiting a DCYF system.

The child care subsidy program affects these priorities and directly drives outcomes as to kindergarten readiness for Washington children and availability and affordability of high quality child care. Transition from a market rate survey (MRS) to a cost estimation model (CEM) to improve Washington's subsidy reimbursement rate approach is a critical step toward achieving these priorities and outcomes.

The child care discussion is complicated by not only the variety of care that a household may select, but also in how that care is counted. The analysis in this report focuses on select types of care only. As of early 2024 there are approximately 1,187,285 children birth through age 12 in Washington. It is estimated that 783,604 (66%) of them are within households where all caregivers in the household work outside the home.⁴ This could include dual-income or single-income households but would essentially indicate that some form of child care is likely needed for 66% of households, whether that is formal or informal.

The actual number requiring care is likely less given that each household may have unique needs. For example, many school-age children may be in school for all hours that primary caregivers are unavailable to provide care and therefore, do not need child care.

Within this child care population, according to DCYF data, the subsidy program currently serves 45,220 children per month in licensed child care facilities accepting child care subsidy payment – approximately 31.5% of the estimated total enrollment. The state-funded preschool Early Childhood Education Assistance Program (ECEAP) serves 16,351 more, while Head Start (preschool-age) and Early Head Start (infants and toddlers) serves 13,491. While the scope of this report is confined to licensed providers, we note about 4,000 more are served by license-exempt Family, Friends, and Neighbors providers receiving subsidy payment.

Licensed child care, the subject of this report, consists of two categories of providers: Licensed Centers, of which there are 2,353 statewide, and Licensed Family Homes, of which there are 3,545 statewide. Combined, these providers have licensed capacity to serve 198,660 children of different ages amounting to about 42% of the population under age 5.⁵

During the COVID-19 pandemic, many providers across the nation closed their doors permanently or temporarily and only recently have their numbers returned to pre-pandemic levels. The nation lost 88,300 child care jobs, the child care workforce's August 2022 level falling 8.4% below February 2020 levels. In Washington state, while closures were often temporary, new licenses decreased substantially during the pandemic. And while provider numbers in Washington have begun to notch above pre-pandemic levels recently, both before, during, and after the pandemic, providers and their staff earned wages well below half a living wage standard, many close to minimum wage. Relatedly, a 2021 Washington industry assessment indicated 63% of children lived in areas with inadequate supplies of licensed child care.⁶

Transition from an MRS to a CEM as the method for setting subsidy reimbursement rates is a critical step toward supporting providers' financial stability and addressing the unmet need for Early Care and Education statewide.

Study Methodology

A survey was built in Qualtrics using 2021 survey questions and feedback from DCYF to capture the current state of child care. The survey was distributed via a contact list provided by DCYF of current licensed providers in Washington.

⁴ Early Learning Data Store. 2.0. DCYF: Office of Innovation, Alignment, and Accountability. [updated 12-15-2023, accessed 3-27-2024]

⁵ DCYF Licensing Dashboard, as of March 19, 2024

⁶ Task Force report, p. 11: CommerceReports_2022_DO_Child Care Collaborative Task Force_12-21-2022 (7).pdf

The contact list consisted of 5,779 providers and was last updated Dec. 3, 2023. The instrument included questions asking about business operations costs of staff salaries and benefits, rent/mortgage, utilities, transportation, field trips, and other operation activities. CEBR also gathered program data such as type, location, enrollment, licensed capacity, vacancies, and rates by age group. The survey question format varied between multiple choice, check-all-that-apply, and fill-in-the-blank.

CEBR allowed respondents to follow up via phone call or email with any questions. We collected demographics for equitable participation in the survey to ensure the full range of provider experiences were captured. The cost model excluded responses from public-school based programming, Head Start, Early Head Start, or ECEAP-only programs (except if there was partial participation for school-age programs).

If respondents had multiple locations, they were given the option to complete the survey in a spreadsheet and submit their response via email. However, not all providers took advantage of this and filled out the survey, including all their locations, in one single response.

A full description of methodologies for both market rate and cost of quality care aspects of this study can be found in the Appendix of this report.

Results

This section provides an overview of the survey data by provider type and question to represent the current child care landscape. There are different survey respondents per question, listed in the table descriptions below.

Child Care Surveyed Population

Table 3 displays the percentages of respondent enrollment by age group for full-time and part-time enrollment and for licensed child care centers and licensed family homes. Percentages were calculated using headcounts of enrolled children as reported by respondents. For both full- and part-time enrollment in licensed child care centers, the preschool-age group made up the largest share of children enrolled, with 55% of total children in this category. For licensed family homes, preschoolers accounted for the highest full-time enrollment at 44%, and school-age children made up the largest percentage of part-time enrollment at 38%.

Licensed Child Care Centers	Full Time Enrollment	Part Time Enrollment	Total Children
Infant	8%	4%	7%
Toddler	26%	19%	25%
Preschool	56%	50%	55%
School Age	10%	28%	13%
Total Enrollment	24,570	4,221	28,791

Licensed Child Care Centers	Full Time Enrollment	Part Time Enrollment	Total Children
Infant	17%	15%	16%
Toddler	29%	19%	27%
Preschool	44%	28%	40%
School Age	11%	38%	25%
Total Enrollment	5,339	1,527	6,866
All Providers	29,909	5,748	35,657

Figure 2 shows a headcount of the respondent child enrollment by facility type and child age for both full-time and part-time enrollment at licensed child care centers and licensed family homes. For both full-time and part-time enrollment, licensed child care centers accounted for a majority of enrolled children. Total enrollment showed 81% of children were in a licensed child care center and 19% of children were in a licensed family home. Both licensed child care centers and licensed family homes reported higher enrollment headcounts for full-time enrollment than part-time enrollment, with 84% of enrollment coming from full-time and 16% of enrollment coming from part-time.

Figure 2: Respondent Enrollment by Facility Type

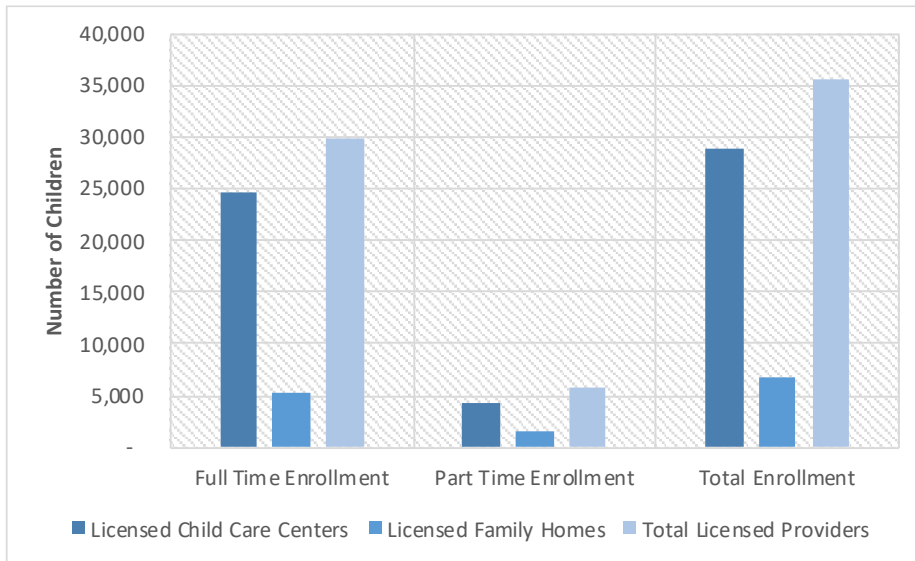


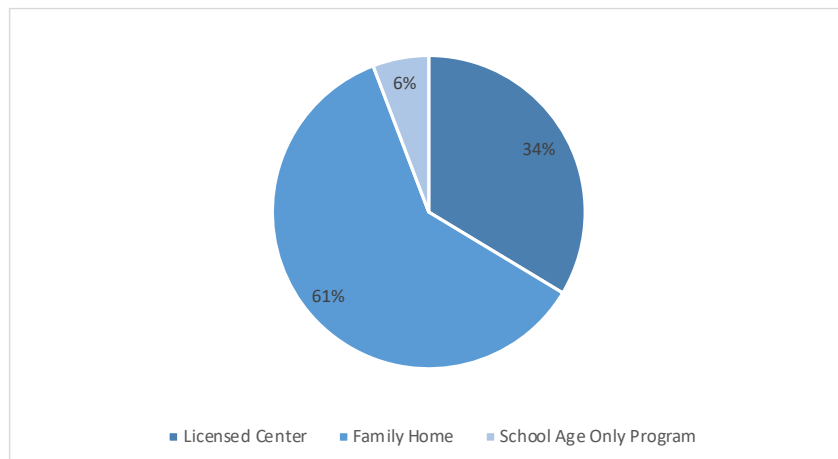
Table 4 displays the number of respondents by subsidy region and provider type. We totaled school-age only programs with licensed child care centers to examine the ratio between licensed family homes and all licensed centers. The ratio of licensed family homes to licensed centers was calculated by dividing the number of licensed family homes by the total number of licensed child care centers for each region. When looking at the comparison of total licensed family homes to licensed centers, it can be seen that on average, across all regions and provider types, there are more licensed family homes serving children than licensed centers, with about 1.43 Licensed Family Homes for every one licensed center.

Table 4: Ratio of Licensed Family Homes to Licensed Child Care Centers					
Region	School Age Only Programs	Licensed Child Care Centers	Total Child Care Centers	Licensed Family Homes	Ratio of Homes to Centers
1	0	21	21	79	3.76
2	9	57	66	79	1.20
3	11	60	71	161	2.27
4	19	159	178	309	1.74
5	19	56	75	33	0.44
6	5	74	79	74	0.94
Spokane	2	41	43	28	0.65
Total	65	468	533	763	1.43

Provider Detail and Specialization

Figure 3 illustrates that of the 1,398 respondents, the majority were licensed family homes at 61%, followed by licensed child care centers at 34%, and school-age only programs at 6%.

Figure 3. Percent of Respondents by Provider Type



Licensed Capacity

Figure 4 illustrates the distribution of providers and FTE enrollment in licensed family homes based on licensed capacity. FTE enrollment was calculated by multiplying the sum of part-time enrollments by 0.5 and adding it to the sum of full-time enrollments. From this graph, we can see that nearly all licensed family home providers (96%) have a capacity of 6 to 12 children. The high percentage of family home

providers within this category is likely the reason for the high percentage of children enrolled within this category (94.5%), as there are far more providers available.

Figure 4: Percent of Licensed Family Homes and Enrollment by Provider Capacity

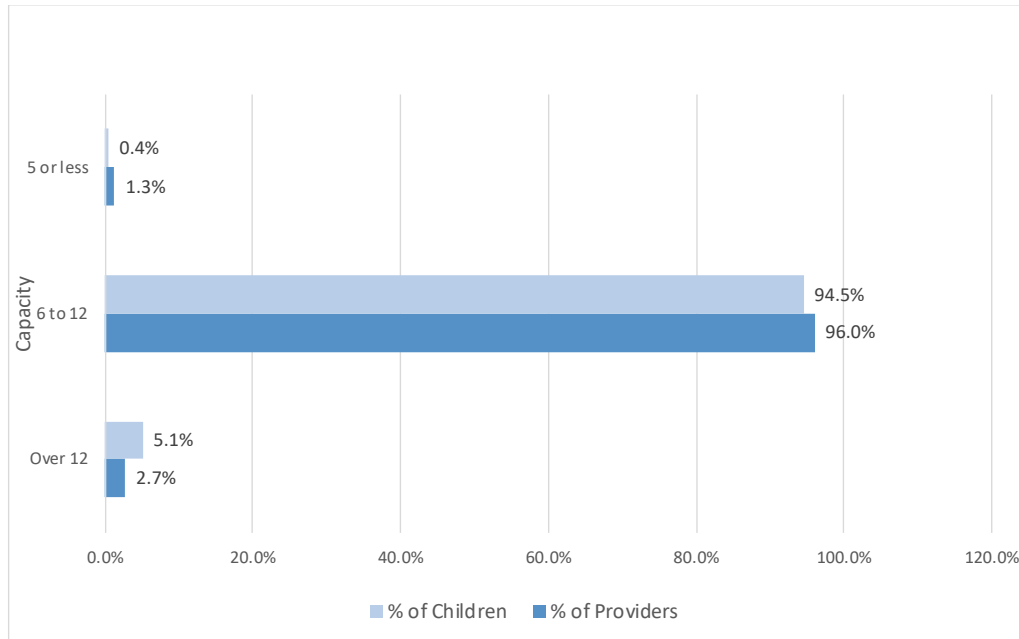
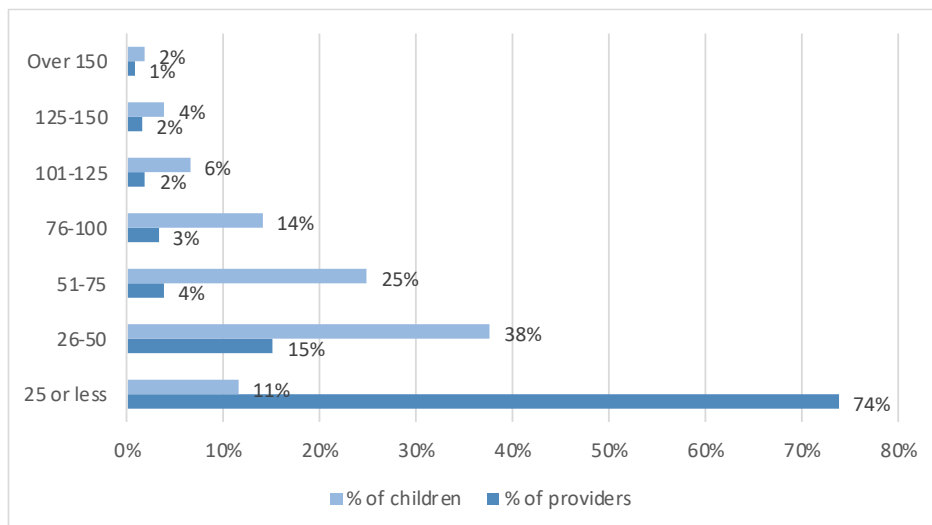


Figure 5 illustrates the percentage of licensed centers and enrollment by provider capacity. Total enrollment for children and providers was calculated using FTE, with part-time positions being multiplied by 0.5 before being summed with full-time positions. It can be seen from the graph that a majority of centers have 25 or fewer providers employed, with 74% falling into this category. In addition, the most common range of enrolled children for centers was 26-50, with 38% of centers in this category.

Figure 5: Percent of Licensed Child Care Centers and Enrollment by Provider Capacity



Vacancy Rates

Table 5 shows the capacity and vacancies by provider type. Total vacancies were calculated as full-time equivalents (FTE), with part-time vacancies counted as 0.5 of full time vacancies. Reported vacancy percentages were calculated by dividing reported vacancies by total capacity (based on stated license capacity, not records). For licensed family homes, the percent of vacancy reported was 21%, while reported vacancy for licensed child care centers was 18%.

	Reported Vacancies (FTE)	Percent of Vacancy (Reported)	Total Capacity
Licensed Centers			
Full Time	5,706		
Part Time	578		
Total	6,284	18%	35,133
Licensed Family Homes			
Full Time	1,993		
Part Time	511		
Total	2,504	21%	12,114
All Providers	8,787		47,247

The instrument captured reasons for vacancies to understand better the vacancy numbers. This question was displayed as multiple choice where a provider could only select one answer. An “other” option was also available where the provider could enter text to describe their reason. In future surveys, we recommend updating this to select “all that apply” and adding additional items, at minimum, “families cannot afford it”, “new center, new classrooms, or expanding.”

Table 6 shows the percentage of licensed family home providers that selected each multiple-choice option that best explains why they have vacancies. A plurality of providers, 42%, said they have vacancies for a reason not listed, or “other.” Table 7 provides other reasons cited by providers for their vacancies. All items included in this table were mentioned multiple times.

The second most cited reason for vacancies was “staffing issues and lack of staff capacity” at 27%. It makes sense this follows “other” since family home providers are less likely to need staff. However, in discussions with providers, and in additional notes left by providers, we found providers often wanted to employ staff, but cannot afford to.

Multiple Choice Options	Count	Percent
Other	167	42%
Staffing issues and lack of staff capacity	107	27%
Licensed capacity is greater than target program enrollment	68	17%
Due to COVID-19	58	15%
Not Applicable	0	0%

Table 7: Licensed Family Homes: Other Reasons for Vacancies	
Other Options Listed for Licensed Family Homes	
Personal Reasons	
Work Life Balance / prefer lower ratios	
Retiring soon	
Hard to find children	
Children aging up	
Parental factors	
Parents still working from home / flexible work schedules	
Parents getting laid off	
Changing needs of clients	
Parent scheduled don't work with my hours	
Kids have left and I have not replaced them yet	
Competition from free or subsidized programs	
Preschool Program	
TK Programs	
Special needs or high maintenance children need more care	
Don't know why	
Licensing Issues	
Age group licensed capacity reducing enrollment potential	
Only take a certain age group	
Too many staff requirements	
Financial Barriers	
Income table does not keep up with the wage increases so families are losing subsidies	
Most families don't qualify for subsidy	
Using relatives for care due to cost	
Families using non-licensed providers	
Co-payments are too high	
Families can't afford care	
New business	
Trouble advertising: too expensive, don't know how	

Table 8 shows the percentage of licensed child care providers that selected each multiple-choice option that best explains why they have vacancies. Nearly 50% of providers said they have vacancies because of staffing issues. The second most cited reason for vacancies was "other" at 30%. The high rate of "other" could indicate a changing and complex child care environment, in which providers experience diverse situations, or simply that our response options did not encompass the breadth of vacancy reasons.

Table 8: Licensed Child Care Centers: Reasons for Vacancies		
Multiple Choice Options	Count	Percent
Staffing issues and lack of staff capacity	181	49%
Other	110	30%
Licensed capacity is greater than target program enrollment	61	17%
Due to COVID-19	14	4%
Not Applicable	0	0%

Table 9 looks at additional reasons licensed child care centers providers have vacancies. Comments in this table were consolidated into most common mentions. Several providers selected "other" but cited a more specific "licensed capacity is greater than target program enrollment" reasons for vacancies, such as complex needs of students, ECEAP ratios intentionally lower than license capacity, NAEYC accreditation requires lower ratios, reduction in grants, lower enrollment due to transitional kindergarten, and teacher retention. Several providers listed "no teen parents" as a reason for vacancies, but we are unsure what this means.

Table 9: Licensed Child Care Centers: Other Reasons for Vacancies

Other Options Listed for Licensed Child Care Centers
Not enough children / applicants
Lack of interest in certain age groups
No teen parents
Competition from free or subsidized care: Promise K, Family Homes, public programs & elementary schools, ECEAP
Children aging up
Pre-book (reserved for unborn child)
Washington paid leave for parents until infants are more than 7 months old
Temporary Vacancies
Moving locations
Construction closures
Classroom expansions or transitions
New center
Financial Barriers
Families can't afford care
Families losing subsidies / new state income level
High operating costs: rent, payroll & fees
Conflicts with scheduling
Parent work schedule
Part time accommodation – AM is easier to fill. Split weeks.
Too many staff requirements
Mid year withdrawal of child
Quality of care is better below licensing guidelines
Trouble advertising

Staffing and Compensation

Licensed Family Homes

We asked respondents if they employed staff. Of the licensed family homes, 355 respondents, or 41.91%, reported that they employed staff. Providers that employ staff were then asked to provide a count for each position. The positions include provider owner, lead teacher, assistant, substitute, floater, and other. Table 10 below shows the number of respondents that employ 1, 2, or 3+, in each position, and the percentage relative to the total number of family homes that employ staff.

Table 10: Number of Staff Per Position in Licensed Family Homes

	Percentage of Staff per Position			Total
	1	2	3+	
Provider Owner	94.9%	5.1%	0.0%	157
Lead Teacher	79.5%	12.0%	8.5%	200
Assistant	74.4%	18.5%	7.1%	238
Substitute	81.3%	6.3%	12.5%	32
Floater	83.3%	11.1%	5.6%	18
Other	90.0%	0.0%	10.0%	10

Table 11 below shows average hourly wages and annual salaries by position. There were 157 respondents that answered this question. From this table, provider/owners have the highest wage and salary, followed by substitutes and lead teachers.

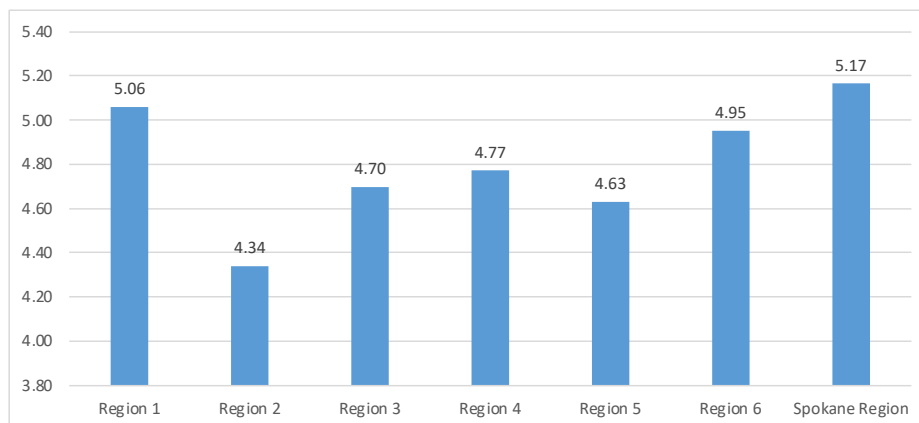
Table 11: Wages for Licensed Family Homes					
	Lead Teacher	Assistant Teacher	Substitute	Floater	Provider/ Owner
Wage	\$20.23	\$18.36	\$25.45	\$19.23	\$24.32
Salary	\$42,074	\$38,193	\$52,928	\$40,005	\$50,582

Respondents were asked to provide a 0 to 10 rating in response to the question, "How well do your current salaries and pay attract and keep the staff you need to provide a high-quality program?" Table 12 below shows the distribution of responses. A response of "0" signifies that salaries and pay do not attract and keep staff, and a response of "10" signifies that salaries and pay are enough to attract and keep staff. Across the 315 respondents from licensed family homes, the average rating was 4.71, suggesting that salaries and pay are moderately effective in attracting and keeping staff.

Table 12: Salary and Pay Effectiveness Ratings for Licensed Family Homes												
Rating	0	1	2	3	4	5	6	7	8	9	10	Average
Frequency	25	16	23	44	33	63	33	30	20	14	15	4.71

Figure 6 shows the average salary and pay-effectiveness ratings reported by respondents from licensed family homes by region. Respondents from licensed family homes in the Spokane region rated their salary effectiveness the highest at 4.71, whereas respondents from Region 2 rated their salary effectiveness the lowest at 4.34.

Figure 6: Average Salary and Pay Effectiveness Ratings for Licensed Family Homes by Region



Licensed family home respondents were asked, "What is your annual income from your child care business?" Table 13 summarizes the responses by region. Two negative responses and four responses above 40 million were omitted as outliers. We consider the two negatives valid responses, but they skew the data, while 40 million is considered an invalid response.

Table 13: Licensed Child Care Centers: Reasons for Vacancies			
Region	Minimum excluding 0	Maximum	Average excluding 0
1	\$16.00	\$195,000.00	\$32,959.91
2	\$150.00	\$241,000.00	\$47,786.53
3	\$50.00	\$160,000.00	\$42,120.26
4	\$80.00	\$240,000.00	\$47,739.21
5	\$500.00	\$290,000.00	\$48,426.58
6	\$1,570.00	\$114,000.00	\$36,998.98
Spokane	\$6,000.00	\$110,000.00	\$38,027.43

Figure 7 serves as a visualization of the average annual income for licensed family homes by region. Region 5 had the highest reported average annual income of \$48,426.58, drawn from 59 responses. Region 1 had the lowest reported average of \$32,959.91, drawn from 64 responses. When asked what their target income was, respondents reported that, on average, they would like to be making \$44,641.49 more than they currently do in their child care business.

Figure 7: Average Annual Income for Licensed Family Homes by Region

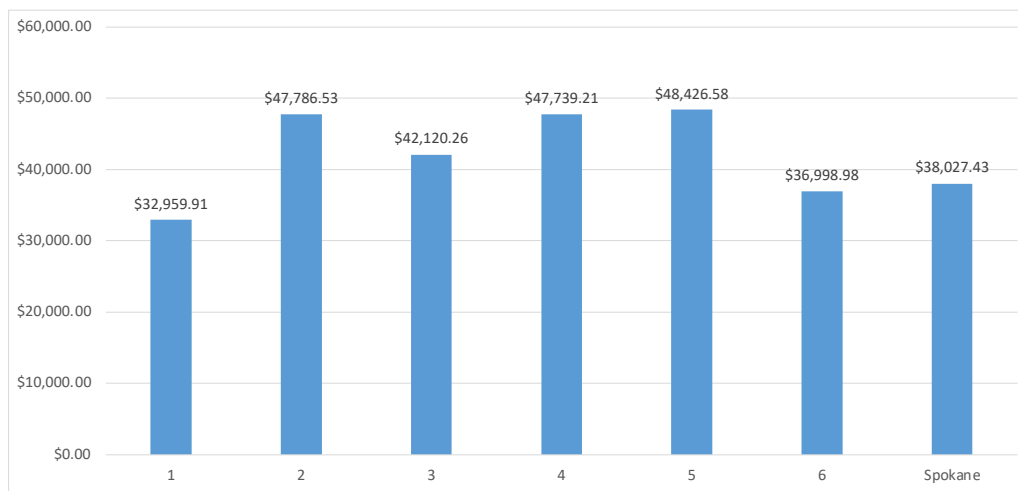
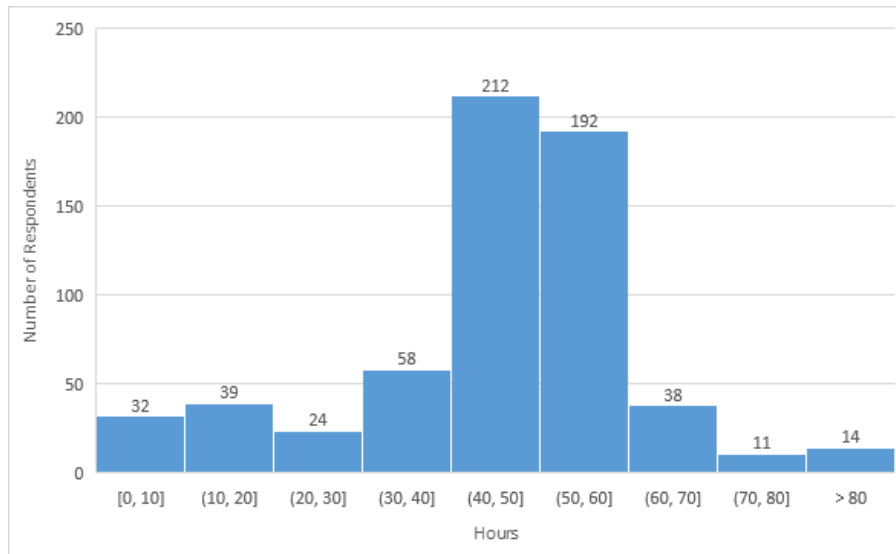


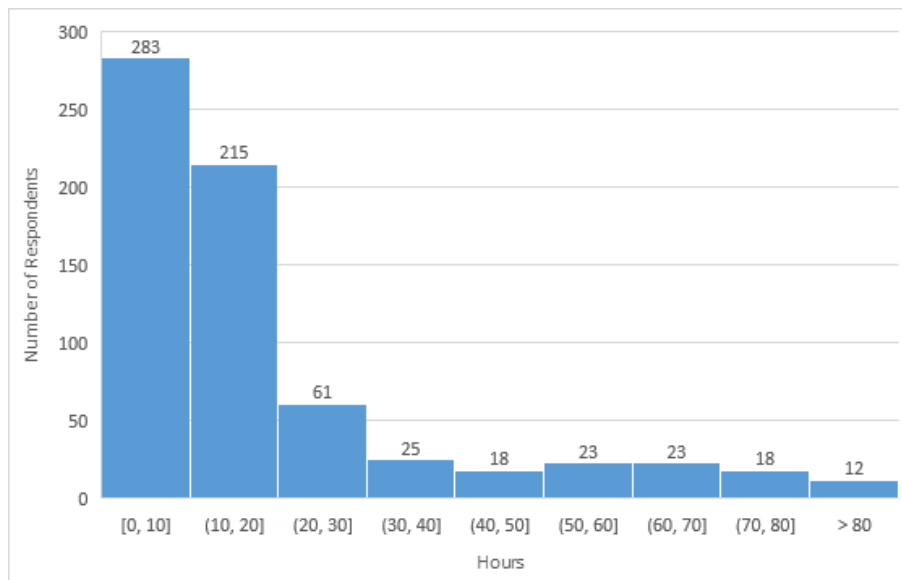
Figure 8 shows the distribution of the 620 usable responses provided for how many hours per week family home providers provide child care. Two-hundred and twelve respondents reported they provide between 40 and 50 hours, and 192 reported they provide between 50 and 60 hours of child care per week. The average of the responses is 48 hours of child care per week.

Figure 8: Average Hours Spent on Direct Care to Children in Licensed Family Homes



There were 678 usable licensed family home provider answers to the question, “How many hours per week do you spend on your child care business beyond the hours providing direct care to children?” Figure 9 shows the distribution of these responses, with 283 respondents reporting they spend between 0 and 10 hours, and 215 reporting they spent between 10 and 20 hours on their business beyond the hours providing direct care to children. The average number of hours spent is 22.

Figure 9: Average Hours Spent on Child Care Beyond Direct Care to Children in Licensed Family Homes



Licensed Child Care Centers

Table 14 below shows average hourly wages by position and age group served. This includes lead teacher, teacher, assistant, aide, and floater positions for the age groups of infants, toddlers, preschool, ECEAP, and school-age children. According to this survey, lead teachers for preschoolers had the highest hourly wages, followed by teachers in ECEAP, lead teachers for toddlers, and lead teachers in other age groups.

	Lead Teacher	Teacher	Assistant Teacher	Aide	Floater
Infant	\$20.68	\$19.19	\$18.21	\$17.23	\$18.11
Toddler	\$20.98	\$19.51	\$18.48	\$17.95	\$18.29
Preschool	\$22.52	\$19.78	\$18.51	\$18.04	\$18.43
ECEAP	\$21.68	\$21.54	\$19.27	\$17.88	\$17.22
School Age	\$20.36	\$18.97	\$18.01	\$17.29	\$17.45

Table 15 displays average hourly wages and annual salaries for Directors, Supervisors, and Assistant Directors. These calculations assume a 40-hour work week and a 52-week year, as explained in the Data Cleaning section of this report.

	Director	Supervisor	Assistant Director
Wage	\$32.91	\$23.01	\$24.84
Salary	\$68,453	\$47,869	\$51,670

Table 16 displays the maximum and average staff counts. An average, excluding responses with zero for staff count of the specified position, is also displayed to show the average for only the centers that hire the staff type. The minimum values for staff counts were 0 for each position, and 14 was the lowest total staff count. The largest total staff count was 160 and average staff count was 19.

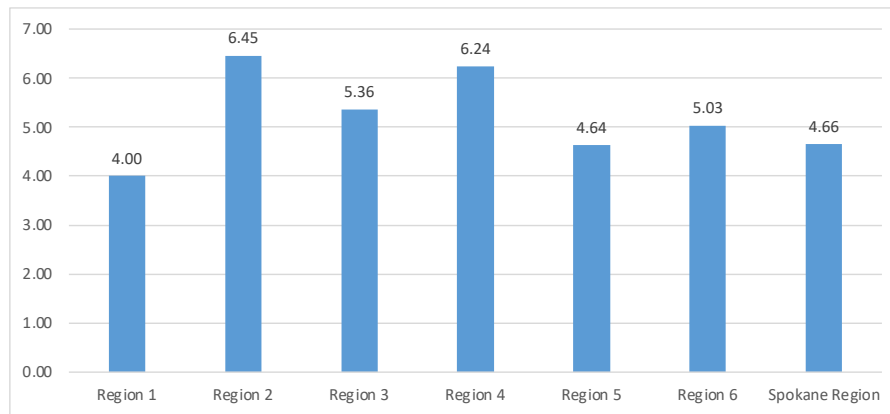
	Lead Teacher	Teacher	Assistant Teacher	Aide	Floater	Total Classroom Staff Count
Maximum	105	35	40	20	18	160
Average	5.75	2.17	3.21	0.72	1.42	17.84
Average excluding 0	6.19	5.19	4.58	2.75	3.11	19.05

Table 17 shows the distribution of responses to the question, "How well do your current salaries and pay attract and keep the staff you need to provide a high-quality program?" A response of 0 signifies that salaries and pay do not attract and keep staff, and a response of 10 signifies that salaries and pay are enough to attract and keep staff. Across the 368 respondents from licensed child care centers, the average rating was 5.48, suggesting that salaries and pay are moderately effective in attracting and keeping staff.

Table 17: Salary and Pay Effectiveness Ratings for Licensed Child Care Centers												
Rating	0	1	2	3	4	5	6	7	8	9	10	Average
Frequency	18	16	30	27	28	58	38	57	50	29	17	5.48

Figure 10 shows the average salary and pay effectiveness ratings reported by respondents from licensed child care centers by region. Respondents from licensed centers in Region 2 rated their salary effectiveness the highest at 6.45, whereas respondents from Region 1 rated their salary effectiveness the lowest at 4.00.

Figure 10: Average Salary and Pay Effectiveness Ratings for Licensed Centers by Region



School-Age Programs

Table 18 displays average hourly wages and annual salaries for lead teacher, teacher, assistant, and floater positions. This is based on 28 responses.

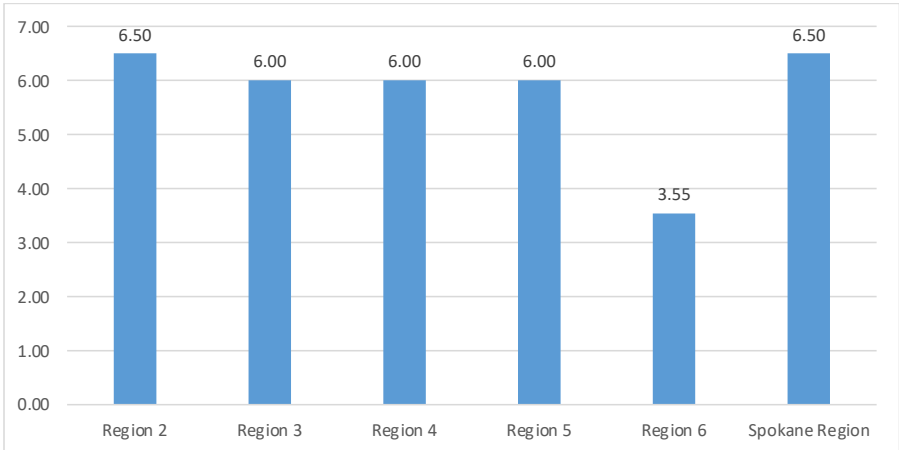
Table 18: Wages of School Age Teachers				
	Lead Teacher	Teacher	Assistant Teacher	Floater
Wage	\$20.34	\$18.92	\$17.92	\$16.56
Salary	\$42,298	\$39,362	\$37,267	\$34,436

Table 19 displays average hourly wages and annual salaries for directors, supervisors, and assistant directors. There were 52 respondents that entered salaries for director, 54 for supervisor and 10 for assistant director.

Table 19: Wages of School Age Directors			
	Director	Supervisor	Assistant Director
Wage	\$37.26	\$24.97	\$28.10
Salary	\$77,504	\$51,937	\$58,449

Figure 11 shows the average salary and pay effectiveness ratings reported by respondents from school-age only programs by region. Respondents from school-age only programs in the Spokane region and Region 2 rated their salary effectiveness the highest at 6.5 each, whereas respondents from Region 6 rated their salary effectiveness the lowest at 3.55. No school-age only programs from Region 1 responded to this question.

Figure 11: Average Salary and Pay Effectiveness Ratings for School Age Only Programs by Region



Respondents from school-age only programs were asked, “Which of the following sources of revenue does your program receive?” They were then asked, “Which of the following is your *primary* source of revenue in the most recent fiscal year?” Table 20 summarizes the results. The most widely received sources of revenue were private parent tuition and Working Connections child care subsidies and fundraising was the least common source of revenue. A majority of respondents reported that private parent tuition was their primary revenue source.

	Receives this Revenue Source	Primary Revenue Source
Private Pay Tuition	94%	86%
Additional Parent Fees	56%	0%
Child Care Subsidy (Working Connections Child Care)	92%	6%
USDA Food Program (CACFP)	74%	0%
Fundraising	26%	3%
Other	53%	1%

Overhead Costs

Facility Landscape and Costs for Licensed Family Homes

Table 21 uses the size of family homes and the costs of monthly mortgage payments to calculate the cost of the section of the home used for child care. Region 4 pays the highest mortgages for operating out of

their home at \$1,375.55 per month. Homes in Region 2 pay the lowest at \$730.11 per month. This differs from the provider’s cost per square foot of their child care business. Cost per square foot is the lowest in Spokane, followed by Region 1. Region 4 has the highest square-foot costs.

Table 21: Licensed Family Homes Rent/Mortgage Costs							
	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Spokane
Average total square footage for Child Care	1559	1036	1214	1166	1352	1356	1554
Average total square footage for home	2681	2132	2450	2479	2324	2129	2513
Average percentage used for Child Care	58%	49%	50%	47%	58%	64%	62%
Average mortgage payment/month	\$1,457.17	\$1,502.21	\$2,463.07	\$2,924.36	\$2,091.52	\$1,926.27	\$1,244.44
Cost of section of home for Child Care	\$847.34	\$730.11	\$1,220.56	\$1,375.55	\$1,216.82	\$1,226.61	\$769.63
Average cost per square food of Child Care area	\$0.54	\$0.70	\$1.01	\$1.18	\$0.90	\$0.90	\$0.50

Facility Landscape and Costs for School Age and Child Care Centers

Child care centers and school-age only programs were asked, "Do you own your space or do you rent/lease?" Figure 12 shows the responses from 429 child care centers and 63 school-age only programs. According to these responses, 33.8% of child care center respondents own their space compared to 12.5% of school-age only respondents. The remainder of the respondents who answered this question indicated that they rent or lease their space.

Figure 12: Percentage of Respondents Renting vs. Owning their Space

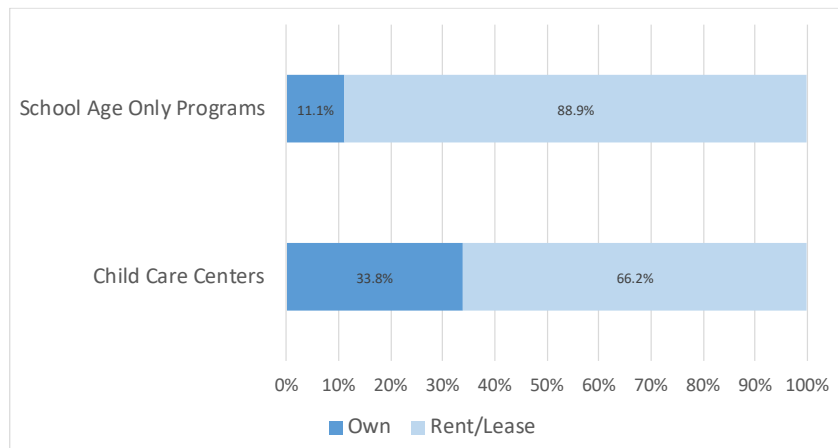


Table 22 looks at child care center providers that own their space. It shows the average mortgage child care centers pay per month. Region 4 pays the highest average monthly rent at \$11,950 and Region 1 has the lowest mortgage payments at \$1,627 per month.

Table 22: Average Mortgage Costs for Child Care Centers

Region	Average Spent on Mortgage
1	\$1,627
2	\$2,301
3	\$3,377
4	\$11,905
5	\$6,086
6	\$4,466
Spokane	\$4,588

Table 23 shows the percentage of child care centers that receive free or reduced rent. The question asked, “Do you receive free or reduced rent for your space?” Multiple choice answers were: Yes, No, or Unsure. The table looks at the percentage of respondents for each answer with the total count of respondents in the last column. Most regions had significantly higher “No” responses, except for Region 1. Region 1 had 50% of respondents answer “Yes.” They receive free or reduced rent, but also had the lowest frequency of overall answers by region. It is important to note, responses indicating a provider pays no rent or mortgage are not factored into Cost of Quality Care calculations.

Table 23: Child Care Centers Free / Reduced Rent Evaluation

Region	Yes	No	Unsure	Count
1	50%	25%	25%	8
2	22%	74%	4%	27
3	15%	76%	9%	34
4	13%	81%	6%	108
5	10%	85%	5%	39
6	30%	62%	9%	47
Spokane	12%	88%	0%	26

Table 24 shows the percentages of school-age only programs that selected each response to the question, “Do you receive free or reduced rent for your space?” Out of 71 total responses, 36 answered “Yes,” 26 answered “No,” and 9 answered “Unsure” across all regions.

Table 24: School Age Only Programs Free/Reduced Rent Evaluation

Region	Yes	No	Unsure
1	NA	NA	NA
2	29%	0%	71%
3	0%	89%	11%
4	76%	18%	6%
5	18%	76%	6%
6	90%	10%	0%
Spokane	0%	0%	100%

Table 25 shows the average amount that school-age only programs pay per month on mortgage. There were only 7 responses given the low participation of this segment and the low percentage of school-age Only programs that own their space, as seen in Figure 12. Region 4 has the highest mortgage payments at \$11,950 per month while Region 5 pays \$400 per month. The minimum mortgage payments are in Regions 2, 3 and Spokane at \$0 per month. Presumably, these providers have already paid off their

mortgages or operate within another business or service organization, like a church.

Table 25: School Age Only Programs Mortgage Costs

Region	Average Spent on Mortgage
1	NA
2	\$0
3	\$0
4	\$11,950
5	\$400
6	NA
Spokane	\$0

Utilities for Licensed Family Homes

Respondents from licensed family homes were asked, "How much do you spend on utilities a month on average?" They were then prompted to enter their utility costs for gas, water, and electricity. Of the 316 respondents from licensed family homes, 312 entered a non-zero number for their total monthly utility cost. Table 26 depicts the minimum (excluding those who reported zero), maximum, average, and average (again, excluding zero) response values. Not including values of zero, the average respondent reported \$603.49 as their monthly expense for utilities. The responses suggest that electricity was the largest utility expense, on average.

Table 26: Utility Costs for Licensed Family Homes

	Gas	Water	Electric	All Utilities
Minimum excluding 0	\$10.00	\$15.00	\$18.00	\$40.00
Maximum	\$5,000.00	\$3,720.00	\$2,650.00	\$8,290.00
Average	\$157.55	\$192.25	\$246.55	\$595.85
Average excluding 0	\$216.72	\$199.19	\$254.60	\$603.49

Utilities for Licensed Child Care Centers

Respondents from child care centers were asked, "How much do you spend on utilities a month on average?" They were then prompted to enter their utility costs for gas, water, and electricity. Out of 470 respondents from child care centers, 365 entered non-zero answers for their total monthly utility cost. Table 27 shows the results. Not including values of zero, the average respondent reported \$1,397.59 as their monthly expense for utilities. The responses suggest that electricity was the largest utility expense, on average.

Table 27: Utility Costs for Licensed Child Care Centers

	Gas	Water	Electric	All Utilities
Minimum excluding 0	\$27.36	\$30.00	\$47.00	\$50.00
Maximum	\$4,650.00	\$7,200.00	\$6,000.00	\$12,800.00
Average	\$181.11	\$302.16	\$467.52	\$1,085.36
Average excluding 0	\$436.14	\$457.79	\$662.79	\$1,397.59

Utilities for School Age Only Programs

Respondents from school-age only programs were asked, "For school aged services, what is the cost of the following expenses?" They were then prompted to enter their utility costs. Out of 62 respondents, 8 entered non-zero answers, and an outlier of \$300,000 was omitted. Table 28 shows the results. Not including values of zero, the average respondent reported \$3,378.29 as their monthly expense for utilities.

	All Utilities
Minimum excluding 0	\$250.00
Maximum	\$7,050.00
Average	\$387.67
Average excluding 0	\$3,378.29

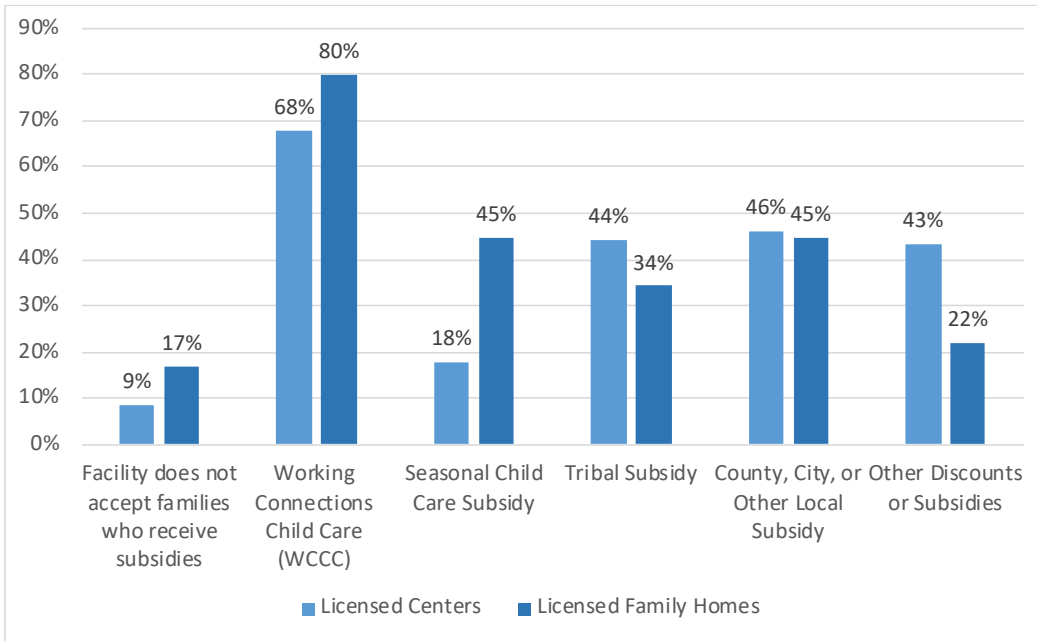
Subsidy Saturation: Provider Participation in Child Care Subsidy and Barriers

Provider Participation in Child Care Subsidies

The most accepted subsidy is Washington's Working Connections Child Care (WCCC), accepted by 80% of licensed family homes and 68% of licensed centers, as seen in Figure 13. Reported acceptance of other subsidies varied, but only 17% of licensed family homes and 9% of licensed centers reported that their facilities do not accept families who receive subsidies. Other discounts reported included:

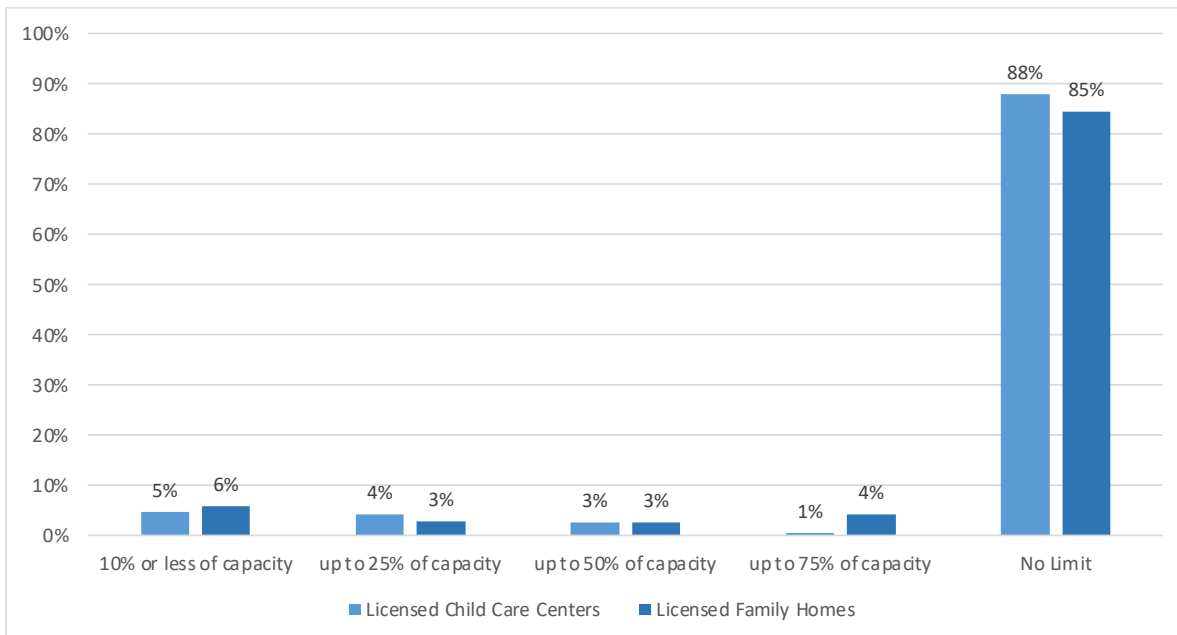
- Staff and Staff Discounts
- State Foster Child Subsidy
- DCYF
- Child Care Aware
- DEEL CCAP - City of Seattle
- DSHS
- Day Care Scholarships from Schools
- CPS Care
- University of Washington Subsidy
- Child Care Resources / Bright Spark
- Best Starts for Kids
- MCCYN / Military / Navy / Airforce Subsidies
- Community Action Agency
- Employer Subsidies and Discounts: Microsoft, University of Washington
- People for People

Figure 13: Types of Subsidies Frequently Accepted



For those facilities accepting subsidies, only 16% of licensed family homes and 13% of licensed centers reported that they limit the portion of subsidized enrollment slots offered. The majority of responding facilities reported no limit.

Figure 14: Subsidy Acceptance by Provider Type

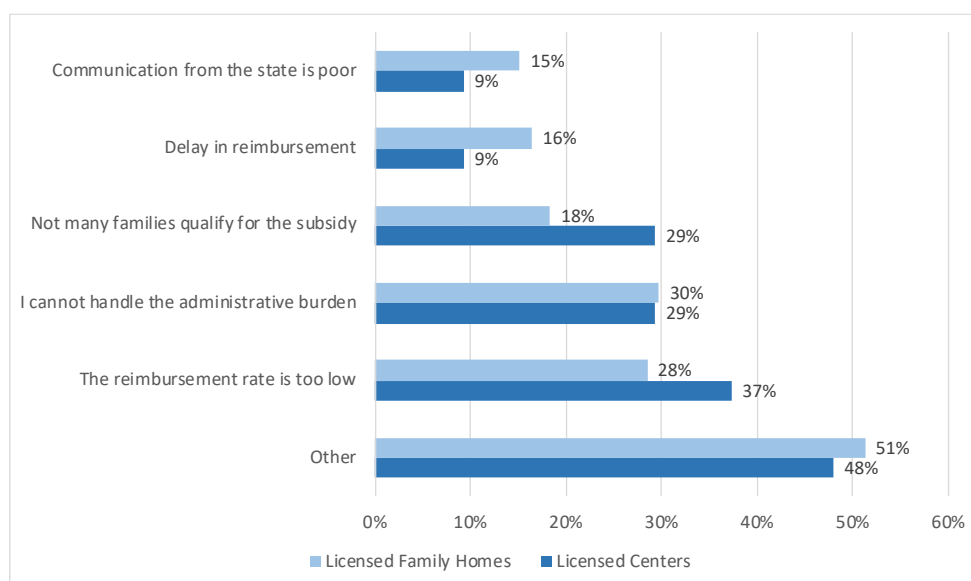


Barriers to Accepting Subsidies

Among the facilities that reported they do not accept families receiving subsidies, the most common explanation for the decision was that the reimbursement rate was inadequate. The large administrative burden associated with accepting subsidized families was also reported to discourage participation. For those who chose *Other*, common reasons include:

- Unwilling or unable to participate in Early Achievers (21%)
- Few requests for subsidized care (20%)
- Unaware of the program or lack of specific information (12%)

Figure 15: Reasons for Not Accepting Subsidies



Overhead Cost of Quality Care

The cost estimation model (CEM) and this report's calculations of the cost of quality care rely on a calculator developed by the Child Care Collaborative Task Force through its vendor, Prenatal to Five Fiscal Strategies (P5FS), and detailed in its 2021 report. This excel-based tool models the cost for licensed child care centers and family homes to provide child care within our state context, and considers differences in program size, location, and service model. These costs are based on data gathered from providers during the 2022 Cost of Quality Care Survey by P5FS and from ACF's Provider Cost of Quality Calculator (PCQC), and now updated with this Cost of Quality Care Study and recent updates to the PCQC. Costs include fixed operating costs like rent/mortgage and additional variables that drive cost. These variable drivers include:

- Staff salaries and benefits
- Family engagement practices
- Professional development supports
- Education materials and curriculum

- Planning release time

Within each cost driver category, the calculator includes cost projections for different options, called “selection points.”

To calculate the Cost of Quality Care at each level of quality, by child age and subsidy region, we developed separate scenarios for child care centers and licensed family homes. While the model can run multiple scenarios, these example scenarios use a default program size to show the impact of different variables on the cost of care. We used the same center scenario as P5FS used based on their analysis of data from their survey and input from a provider workgroup. P5FS’ family home scenario, however, produced costs that were the same across infant, toddler, and preschool-child age categories, so we developed scenarios to support calculation of different costs for a child of each age group.

The scenarios were:

- Child care center: a program serving 72 children, birth through school age, with one classroom of each age group (infant, toddler, preschooler, school-age).
- Family home programs:
 - To determine cost of care for infants, we assume two infants, two toddlers, and two preschool-age children.
 - To determine cost of care for toddlers, we assume eight toddlers.
 - To determine cost of care for preschoolers we assume 10 preschoolers.

In each scenario, the default program included \$6,000 per employee in discretionary benefits and a 6% contribution to retirement, as well as 10 days paid sick leave and 10 days paid vacation.

We further refine these scenarios by considering Early Achievers quality levels and cost at each. Costs associated with operating a program recognized at various levels within Early Achievers are calculated by choosing selection points consistent with programs of each level. Note that our analysis groups levels 3 and 3+ together, as there are various means of increasing from one to the other without incurring additional cost.

Because federal rules require an estimate of the cost of care necessary to support implementation of health, safety, quality, and staffing requirements and at each level of quality, we created one set of scenarios using current wage data obtained in the survey, with tables detailing cost at various levels in Early Achievers. However, as discussed in the “Response to Stakeholder Views” section, the design team recommended the legislature adopt subsidy reimbursement rates that assume the Massachusetts Institute of Technology (MIT) Living Wage standard and several other selection points. We therefore also include tables on cost of care assuming the design team’s recommendations. This can be seen in Tables 37 and 38, after provider-type and age-group tables.

The cost per child data presented in Tables 29-36 below are full-day, monthly rates for a program that pays applicable taxes and makes a 5% contribution to an operating reserve. The calculations also assume the program operates at 85% of licensed capacity and collects 97% of expected revenue.

Table 29: Cost of Quality Care for Licensed Family Home - Infant

	Level 2/Licensing	Level 3/3+	Level 4	Level 5
Region 1	\$1,159	\$1,819	\$2,541	\$2,543
Region 2	\$1,161	\$1,762	\$2,426	\$2,428
Region 3	\$1,069	\$1,694	\$2,372	\$2,374
Region 4	\$1,323	\$1,987	\$2,714	\$2,716
Region 5	\$1,074	\$1,692	\$2,364	\$2,366
Region 6	\$1,181	\$1,816	\$2,517	\$2,519
Spokane	\$1,101	\$1,679	\$2,313	\$2,315

Table 30: Cost of Quality Care for Licensed Family Home - Toddler

	Level 2/Licensing	Level 3/3+	Level 4	Level 5
Region 1	\$894	\$1,391	\$1,955	\$1,957
Region 2	\$892	\$1,349	\$1,869	\$1,871
Region 3	\$827	\$1,297	\$1,826	\$1,828
Region 4	\$1,017	\$1,511	\$2,089	\$2,091
Region 5	\$830	\$1,296	\$1,820	\$1,822
Region 6	\$911	\$1,389	\$1,938	\$1,940
Spokane	\$848	\$1,284	\$1,780	\$1,782

Table 31: Cost of Quality Care for Licensed Family Home - Preschool

	Level 2/Licensing	Level 3/3+	Level 4	Level 5
Region 1	\$735	\$1,135	\$1,604	\$1,606
Region 2	\$736	\$1,101	\$1,535	\$1,537
Region 3	\$681	\$1,060	\$1,498	\$1,501
Region 4	\$833	\$1,230	\$1,714	\$1,717
Region 5	\$684	\$1,059	\$1,494	\$1,496
Region 6	\$748	\$1,133	\$1,590	\$1,592
Spokane	\$700	\$1,050	\$1,464	\$1,466

Table 32: Cost of Quality Care for Licensed Family Home – School Age

	Level 2/Licensing	Level 3/3+	Level 4	Level 5
Region 1	\$629	\$964	\$1,369	\$1,372
Region 2	\$630	\$935	\$1,312	\$1,314
Region 3	\$584	\$901	\$1,280	\$1,282
Region 4	\$711	\$1,044	\$1,464	\$1,467
Region 5	\$586	\$900	\$1,276	\$1,278
Region 6	\$640	\$962	\$1,358	\$1,361
Spokane	\$600	\$893	\$1,252	\$1,252

Table 33: Cost of Quality Care for Licensed Child Care Center - Infant

	Level 2/Licensing	Level 3/3+	Level 4	Level 5
Region 1	\$2,221	\$2,296	\$2,356	\$2,398
Region 2	\$2,201	\$2,272	\$2,330	\$2,369
Region 3	\$2,329	\$2,407	\$2,471	\$2,515
Region 4	\$2,499	\$2,581	\$2,650	\$2,698
Region 5	\$2,332	\$2,411	\$2,476	\$2,522
Region 6	\$2,257	\$2,332	\$2,394	\$2,437
Spokane	\$2,233	\$2,309	\$2,371	\$2,414

Table 34: Cost of Quality Care for Licensed Child Care Center - Toddler

	Level 2/Licensing	Level 3/3+	Level 4	Level 5
Region 1	\$1,641	\$1,716	\$1,777	\$1,818
Region 2	\$1,631	\$1,702	\$1,760	\$1,799
Region 3	\$1,917	\$1,797	\$1,860	\$1,905
Region 4	\$1,843	\$1,926	\$1,994	\$2,043
Region 5	\$1,717	\$1,796	\$1,861	\$1,907
Region 6	\$1,666	\$1,742	\$1,804	\$1,847
Spokane	\$1,646	\$1,722	\$1,784	\$1,827

Table 35: Cost of Quality Care for Licensed Child Care Center - Preschool

	Level 2/Licensing	Level 3/3+	Level 4	Level 5
Region 1	\$1,409	\$1,484	\$1,545	\$1,586
Region 2	\$1,403	\$1,702	\$1,532	\$1,571
Region 3	\$1,474	\$1,553	\$1,616	\$1,661
Region 4	\$1,580	\$1,663	\$1,732	\$1,780
Region 5	\$1,471	\$1,550	\$1,615	\$1,661
Region 6	\$1,430	\$1,506	\$1,568	\$1,611
Spokane	\$1,411	\$1,487	\$1,549	\$1,592

Table 36: Cost of Quality Care for Licensed Child Care Center – School Age

	Level 2/Licensing	Level 3/3+	Level 4	Level 5
Region 1	\$971	\$1,029	\$1,077	\$1,111
Region 2	\$972	\$1,027	\$1,072	\$1,105
Region 3	\$1,014	\$1,075	\$1,125	\$1,162
Region 4	\$1,086	\$1,150	\$1,203	\$1,243
Region 5	\$1,010	\$1,071	\$1,122	\$1,160
Region 6	\$985	\$1,044	\$1,092	\$1,127
Spokane	\$970	\$1,029	\$1,077	\$1,113

Table 37: Cost of Quality Care for Licensed Family Home – Design Team Recommendations

	Infant	Toddler	Preschool	School Age
Region 1	\$2,878	\$2,224	\$1,831	\$1,569
Region 2	\$2,990	\$2,310	\$1,901	\$1,629
Region 3	\$3,648	\$2,814	\$2,313	\$1,979
Region 4	\$3,957	\$3,050	\$2,506	\$2,143
Region 5	\$3,328	\$2,568	\$2,113	\$1,809
Region 6	\$3,219	\$993	\$1,393	\$1,395
Spokane	\$2,812	\$894	\$1,250	\$1,252

Table 38: Cost of Quality Care for Licensed Child Care Center – Design Team Recommendations

	Infant	Toddler	Preschool	School Age
Region 1	\$3,048	\$2,284	\$1,979	\$1,345
Region 2	\$3,147	\$2,355	\$2,038	\$1,382
Region 3	\$3,726	\$2,766	\$2,382	\$1,600
Region 4	\$3,997	\$2,959	\$2,544	\$1,702
Region 5	\$3,444	\$2,566	\$2,214	\$1,494
Region 6	\$3,348	\$2,498	\$2,157	\$1,458
Spokane	\$2,990	\$2,243	\$1,944	\$1,323

Market Rates

Full vs. Part Time Rate Analysis

The part-time versus full-time comparison is not as straight forward as assuming part-time is equal to half of full-time. For this reason, as noted above, we did not include part-time enrollment in our evaluation of subsidy rates, as in years past. This section evaluates the relationship between part-time and full-time to provide a better understanding of how the part-time/full-time relationship works. The variations demonstrate providers' ability to adapt and configure to meet community needs.

To evaluate part-time and full-time rates, we looked at the ratio of part-time to full-time within various categories. What constitutes full- and part-time made this analysis challenging. Some providers view part-time as half a day (4 hours, after lunch, after school, before parents work, etc.), while others view it as half a week, meaning non-school days, two days, three days, or four days. As discussed in the "Recommendations for Future Survey's" section, we recommend asking providers to specify what part-time means to them. The data provides some background into how providers view the full- and part-time relationship. This is discussed in more detail below.

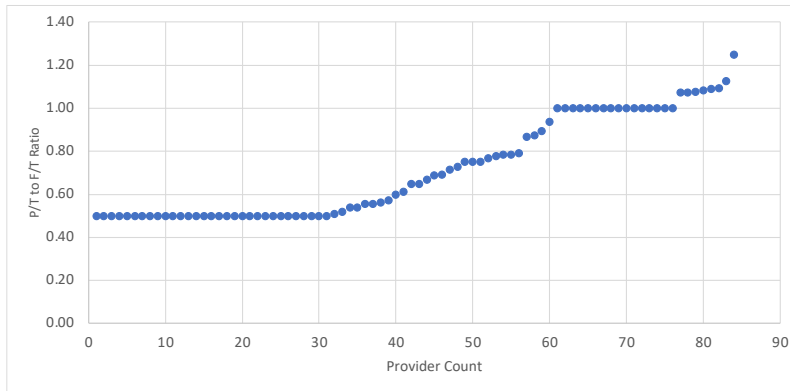
To evaluate this data, we needed both part-time and full-time rates from the same provider. Additionally, we looked at only providers that used the same metric for part-time and full-time. Meaning, if a provider charges in months for full-time but in hours for part-time, we did not use their data because there is no way to determine what method of conversion the provider used to determine the part-time rate.

Table 39 looks at the full- to part-time rate ratio for daily toddler rates in licensed family homes. We grouped the ratios to evaluate percentiles and made it easier to see patterns. Figure 16 displays every ratio for daily toddler rates reported in licensed family homes.

Those that charge the same for full- and part-time, or more for part-time, at a 1.00 or greater ratio, most likely consider part-time as fewer days in a week. Charging more could indicate a provider's approach to economies of scale — the higher rates for part-time make up for inefficiencies associated with part-time care. Lower ratios could indicate a provider considers part-time as less hours in a day. While 37% consider part-time half of full-time, as indicated by the .5 ratio, 35% charge between half- and full-time rate.

P/T to F/T Ratio	Providers	Percentage of Providers
0.50	31	37%
0.51-0.75	20	24%
0.76-0.99	9	11%
1.00	16	19%
>1.00	8	10%
Total	84	100%

Figure 16: Licensed Family Home Toddler Ratio of Full to Part Time Daily Rates



For toddler monthly ratios at family homes in Table 40, most providers charge over half of full-time for their services at 73%. This could mean most part-time is three days a week, but could also relate to providers accommodating for lack of efficiencies with part-time care, as noted above.

P/T to F/T Ratio	Providers	Percentage of Providers
0.50	10	26%
0.51-0.75	18	47%
0.76-1.00	10	26%
Total	38	100%

Table 41 provides ratios for daily preschool rates at child care centers. Similar patterns can be seen here, where the highest percentage of providers charge over half of full-time for part-time care with 43% of providers falling within the .51 and .99 range.

P/T to F/T Ratio	Providers	Percentage of Providers
<0.5	1	2%
0.50	14	26%
0.51-0.75	18	34%
0.76-0.99	5	9%
1.00	7	13%
>1.00	8	15%
Total	53	100%

Figure 17: Child Care Centers Preschool Daily Ratio of Part to Full Time Daily Rates

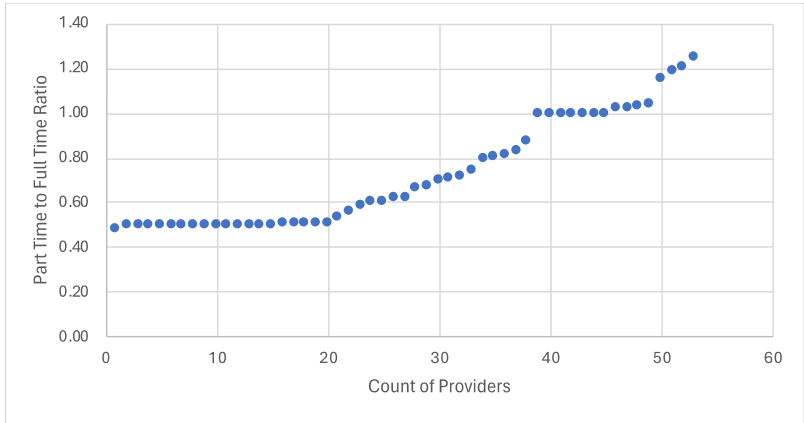
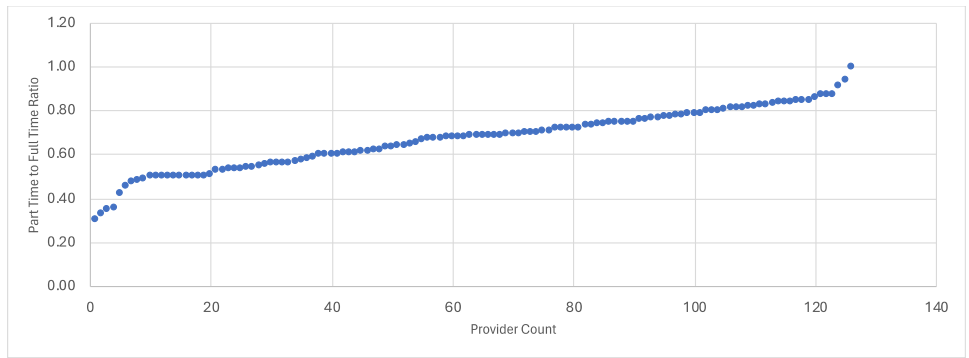


Table 42 provides ratios for monthly preschool rates at child care centers. Again, we see similar patterns, where the highest percentage charge over half of full-time for part-time care. And, unlike other categories, this range also represents a majority of providers with 84% falling within the .51 and .99 range.

Table 42: Child Care Centers Preschool Daily Ratio of Part to Full Time Monthly Rates		
P/T to F/T Ratio	Providers	Percentage of Providers
<0.5	9	7%
0.50	10	8%
0.51-0.75	71	56%
0.76-0.99	35	28%
1.00	1	1%
Total	126	100%

Figure 18: Child Care Centers Preschool Daily Ratio of Part to Full Time Monthly Rates



Comparison: Current Subsidies to Private Pay Rates

For this comparison, we use survey data on private-pay rates and the most recent Working Connections Child Care (WCCC) subsidy rates, which are based on the 85th percentile of private-pay rates from the 2021 Market Rate Survey. Please see the “Market Rate Methodology” section for process on percentile distribution.

The subsidy percentile was determined by comparing the WCCC subsidy rate to the private pay percentile tables presented later in this report. Subsidy percentiles are displayed in 5 percentage point increments and rounded down. For instance, if the subsidy falls between the 60th and 65th percentile of private-pay rates, the subsidy would be reported as the 60th percentile.

We removed outliers above \$5,000 per month to represent better the majority pay rates. These outliers would otherwise skew the data toward higher rates not representative of the majority.

Outliers removed were:

- Licensed child care center: Full-time infant - \$9,100 / month in Region 4
- Licensed child care center: Full-time preschool - \$8,666.67 / month in Region 4 - Seventeen enrolled children
- Licensed family home: Full-time infant - \$7,366.67 / month in Region 3 - Three enrolled children
- Licensed family home: Full-time toddler - \$6,933.33 / month in Region 3 - Four enrolled children

School-age rates must be viewed carefully. The instrument was not able to capture various circumstances. Reasons for vacancies, large fluctuations in pricing, and notes in the survey instrument from providers, led us to this conclusion. This demonstrates the constantly changing child care landscape and providers’ ability and willingness to adapt to community needs. We note several observations:

- Providers often take school-age children on non-school days. Providers consider this full-time possibly, because it is the full day, but this enrollment fluctuates.
- As more parents work full- or part-time from home, the need for this sector declines.
- As child care prices increase, the care of school-age children by family members and neighbors, and work-from-home parents, becomes a more viable care option, when compared to other age groups.

We included recommendations and potential solutions to future instruments to try and capture these changes in the “Recommendations for Future Surveys” section below.

Tables 43 and 44 display summaries of the current 85th percentile of private-pay rates, compared to current subsidies. The data in these tables is taken from percentile Tables 55-62.

Table 43: Licensed Family Home Subsidy Rates and 85th Percentile Private Pay Rates Summary Table

		Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Spokane	Age Group Averages
Infant	Current Subsidy Rate	\$1,083.06	\$1,452.00	\$1,430.00	\$1,800.04	\$1,299.98	\$1,299.98	\$1,056.00	
	Subsidy Percentile	30%	45%	40%	65%	<0%	<0%	10-15%	
	85 th Percentile	\$1,320.00	\$1,760.00	\$1,804.00	\$2,124.00	\$2,000.00	\$2,000.00	\$1,232.00	
	Difference – Current Subsidy and 85 th	\$236.94	\$308.00	\$374.00	\$323.96	\$700.02	\$700.02	\$176.00	\$402.71
	% Increase	22%	21%	26%	18%	54%	54%	17%	30%
Toddler	Current Subsidy Rate	\$1,035.98	\$1,299.98	\$1,299.98	\$1,650.00	\$1,299.98	\$1,210.00	\$1,056.00	
	Subsidy Percentile	35%	35%	20%	25%	25%	50%	55-60%	
	85 th Percentile	\$1,320.00	\$1,600.00	\$1,700.00	\$2,166.67	\$1,540	\$1,516.67	\$1,210.00	
	Difference – Current Subsidy and 85 th	\$284.02	\$300.02	\$400.02	\$516.67	\$240.02	\$306.67	\$154.00	\$314.49
	% Increase	27%	23%	31%	31%	18%	25%	15%	24%
Preschool	Current Subsidy Rate	\$880.00	\$1,056.00	\$1,191.96	\$1,516.90	\$1,083.06	\$1,160.00	\$990.00	
	Subsidy Percentile	25-40%	45%	15%	25%	20%	50%	60%	
	85 th Percentile	\$1,125.00	\$1,400.00	\$1,540.00	\$1,980.00	\$1,430.00	\$1,400.00	\$1,100.00	
	Difference – Current Subsidy and 85 th	\$245.00	\$344.00	\$348.04	\$463.10	\$346.94	\$234.00	\$110.00	\$298.73
	% Increase	28%	33%	29%	31%	32%	20%	11%	26%
School Age	Current Subsidy Rate	\$804.98	\$880.00	\$1,083.06	\$1,320.00	\$975.04	\$990.00	\$990.00	
	Subsidy Percentile	35%	40%	40%	10-15%	70-75%	55-60%	60-65%	
	85 th Percentile	\$1,320.00	\$1,100.00	\$1,650.00	\$1,733.33	\$1,083.33	\$1,516.67	\$1,100.00	
	Difference – Current Subsidy and 85 th	\$515.02	\$220.00	\$566.94	\$413.33	\$108.29	\$526.67	\$110.00	\$351.46
	% Increase	64%	25%	52%	31%	\$11%	53%	11%	35%
Regional Averages	Difference – Current Subsidy and 85 th	\$320.25	\$293.01	\$422.25	\$429.26	\$348.82	\$441.81	\$137.50	\$341.85
	% Increase	35%	25%	35%	28%	29%	38%	13%	29%

For licensed family homes, the subsidy rate was less than the 85th percentile for all age groups and regions. The minimum increase, at 11%, from current subsidy to 85th percentile can be seen in Spokane's preschool- and school-age groups, and Region 5's school-age group. The maximum rate increase is 64% in Region 1 for school-age children. As noted above, school-age rates had the most inconsistencies, potential changes in environment, and collection hurdles, which explains their position in the extremities. Overall, Region 6 saw the greatest increase between the current subsidy and the 85th percentile at 38%, while Spokane saw the lowest at 13%. This can be seen in the lower “Regional Averages” section.

School-age rates saw the greatest age group increase, despite the low rates, in part due to the 64% increase in rates for school-age children in Region 1. However, for licensed child care centers, infant and toddler rates saw the largest increase.

The bottom right-hand corner of both Table 43 and Table 44 shows the average increase of both age groups and across regions at 29% (which equals \$341.85) for license family homes and 22% (which equals \$295.90) for child care centers. It makes sense family homes saw a larger increase due to a direct correlation between increases in cost of living and operational costs. While the overall averages do not consider regional nuisances, or size, or changing environment, in each age group. It provides a point of comparison for all increases and demonstrates the overall increase in cost of child care in Washington state. This was calculated by finding the average of age group averages and state averages.

Table 44: Licensed Child Care Center Subsidy Rates and 85th Percentile Private Pay Rates Summary Table

		Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Spokane	Age Group Averages
Infant	Current Subsidy Rate	\$1,365.10	\$1,299.98	\$1,948.76	\$2,500.08	\$1,596.32	\$1,694.00	\$1,507.88	
	Subsidy Percentile	70-75%	10-15%	35-40%	45-50%	15-20%	45-50%	25-30%	
	85 th Percentile	\$2,100.00	\$1,674.00	\$2,320.00	\$2,975.00	\$1,910.00	\$1,930.00	\$1,720.00	
	Difference – Current Subsidy and 85 th	\$734.90	\$374.02	\$371.24	\$474.92	\$313.68	\$236.00	\$212.12	\$388.13
% Increase	54%	29%	19%	19%	20%	14%	14%	24%	
Toddler	Current Subsidy Rate	\$1,235.08	\$1,079.98	\$1,767.92	\$2,234.98	\$1,408.00	\$1,485.00	\$1,244.98	
	Subsidy Percentile	30-35%	10-15%	25-30%	20-25%	35-40%	35-40%	10%	
	85 th Percentile	\$1,510.00	\$1,510.00	\$2,160.00	\$2,666.00	\$1,795.00	\$1,768.00	\$1,430.00	
	Difference – Current Subsidy and 85 th	\$274.92	\$430.02	\$392.08	\$425.02	\$387.00	\$283.00	\$185.02	\$339.58
% Increase	22%	40%	22%	19%	27%	19%	15%	24%	
Preschool	Current Subsidy Rate	\$1,169.96	\$984.94	\$1,595.00	\$1,884.96	\$1,226.94	\$1,270.06	\$1,147.08	
	Subsidy Percentile	85%	25-30%	45%	45-50%	15-20%	30-35%	30-35%	
	85 th Percentile	\$1,169.96	\$1,340.00	\$1,910.00	\$2,350.00	\$1,645.00	\$1,605.00	\$1,380.00	
	Difference – Current Subsidy and 85 th	\$ -	\$355.06	\$315.00	\$465.02	\$418.06	\$334.94	\$232.92	\$303.00
% Increase	0%	36%	20%	25%	34%	26%	20%	23	
School Age	Current Subsidy Rate	\$1,173.92	\$720.06	\$1,439.90	\$1,994.08	\$1,191.96	\$1,105.06	\$1,078.00	
	Subsidy Percentile	100%	<0%	60-65%	90-95%	60-65%	45-50%	85-90%	
	85 th Percentile	\$1,025.00	\$1,245.00	\$1,745.00	\$1,733.33	\$1,470.00	\$1,455.00	\$1,100.00	
	Difference – Current Subsidy and 85 th	\$ (148.92)	\$524.94	\$305.10	\$(260.75)	\$278.04	\$349.94	\$22.00	\$152.91
% Increase	-13%	73%	\$21%	-13%	23%	32%	2%	18%	
Regional Averages	Difference – Current Subsidy and 85 th	\$215.23	\$421.01	\$345.86	\$276.06	\$349.20	\$300.97	\$163.02	\$295.90
	% Increase	16%	44%	21%	12%	26%	23%	13%	22%

For child care centers, the greatest increase in rates took place in Region 2 at 44%. We saw the lowest increase in Region 4 at 12%. Overall, the data for school-age centers was more inconsistent than other age groups. As noted, 85th percentile for school-age rates at child care centers in Region 1 and 4 are calculated as being below subsidy rate. In looking at the data collection, Region 1 school-age child care data has 145 enrolled students at six centers, 88 are enrolled at a center costing \$877.20 / month, which is below the subsidy rate, and this is one of the least represented categories. For Region 4, while there were 159 child care centers in Region 4 that responded to the survey, only 23 of them provide care for full time school-age children. There were 384 enrolled children in this data, averaging 11 children per center. The larger – centers appear to offer lower rates, potentially capitalizing on economies of scale, especially with an age group that requires less immediate attention and requires lower student-teacher ratio.

Comparison: Current Subsidy Rates to Cost of Quality Care and Design Team Rates

The CEM demonstrates that Cost of Quality Care monthly rates, whether calculated using current wages at different Early Achievers levels, or using Design Team recommendations, differ substantially from current subsidy base rates. Generally, there is an observable pattern decreasing cost of care as children age.

Current subsidy base rates sometimes exceed cost of care at levels 2 and 3/3+ of Early Achievers assuming current wages. Current school-age rates in particular are competitive, with Region 4 rates

exceeding cost of care by \$908 at Licensed/Level 2 in centers. The subsidy rate for the same child in a family home of the same Early Achievers level exceeds cost of care by \$609. There are notable exceptions, however. Region 2 school-age rates lag behind cost of care for either provider type except at Licensed/Level 2 in family homes. School-age rates for family homes in Region 1 are also weak compared to cost starting at Level 3.

On the other end of the spectrum, subsidy base rates for infants are lower than the cost of care for all but Licensed/Level 2 family homes, and even then only exceed cost in a few Regions. Conversely, the infant rate in Region 1 for family homes is \$1,459 below cost of care at Level 5, and in most regions the cost of care exceeds the subsidy rate for an infant by over \$1,000 at levels 4 and 5.

Levels 3 and above are considered “at quality” in Early Achievers. For both centers and family homes, most regional subsidy base rates are below cost at this level. This indicates that subsidy base rates are usually insufficient to support quality even with wages constrained to their current standard. Base rates alone are insufficient to support the cost of care at the highest levels of quality, and far too low to support a living wage for workers.

Table 45: Monthly Gap Between Subsidy and Cost of Quality Care for Licensed Family Home – Licensed/Level 2

	Infant	Toddler	Preschool	School Age
Region 1	(\$75.94)	\$141.98	\$145.00	\$175.98
Region 2	\$291.00	\$407.98	\$320.00	\$250.00
Region 3	\$361.00	\$472.98	\$510.96	\$499.06
Region 4	\$477.04	\$633.00	\$683.90	\$609.00
Region 5	\$225.98	\$469.98	\$399.06	\$389.04
Region 6	\$118.98	\$299.00	\$418.00	\$350.00
Spokane	(\$45.00)	\$205.00	\$290.00	\$390.00

Table 46: Monthly Gap Between Subsidy and Cost of Quality Care for Licensed Family Home – Level 3/3+

	Infant	Toddler	Preschool	School Age
Region 1	(\$735.94)	(\$355.02)	(\$255.00)	(\$159.02)
Region 2	(\$310.00)	(\$49.02)	(\$45.00)	(\$55.00)
Region 3	(\$264.00)	\$2.98	\$131.96	\$182.06
Region 4	(\$186.96)	\$139.00	\$286.90	\$276.00
Region 5	(\$392.02)	\$3.98	\$24.06	\$75.04
Region 6	(\$516.02)	(\$179.00)	\$33.00	\$28.00
Spokane	(\$623.00)	(\$230.00)	(\$60.00)	\$97.00

Table 47: Monthly Gap Between Subsidy and Cost of Quality Care for Licensed Family Home – Level 4

	Infant	Toddler	Preschool	School Age
Region 1	(\$1,457.94)	(\$919.02)	(\$724.00)	(\$567.02)
Region 2	(\$974.00)	(\$569.02)	(\$479.00)	(\$434.00)
Region 3	(\$942.00)	(\$526.02)	(\$306.04)	(\$198.94)
Region 4	(\$913.96)	(\$439.00)	(\$197.10)	(\$147.00)
Region 5	(\$1,064.02)	(\$520.02)	(\$410.94)	(\$302.96)
Region 6	(\$1,217.02)	(\$728.00)	(\$424.00)	(\$371.00)
Spokane	(\$1,257.00)	(\$726.00)	(\$474.00)	(\$262.00)

Table 48: Monthly Gap Between Subsidy and Cost of Quality Care for Licensed Family Home – Level 5

	Infant	Toddler	Preschool	School Age
Region 1	(\$1,459.94)	(\$921.02)	(\$726.00)	(\$567.02)
Region 2	(\$976.00)	(\$571.02)	(\$481.00)	(\$434.00)
Region 3	(\$944.00)	(\$528.02)	(\$309.04)	(\$198.94)
Region 4	(\$915.96)	(\$441.00)	(\$200.10)	(\$147.00)
Region 5	(\$1,066.02)	(\$522.02)	(\$412.94)	(\$302.96)
Region 6	(\$1,219.02)	(\$730.00)	(\$426.00)	(\$371.00)
Spokane	(\$1,259.00)	(\$729.00)	(\$476.00)	(\$262.00)

Table 49: Monthly Gap Between Subsidy and Cost of Quality Care for Child Care Center – Licensed/Level 2

	Infant	Toddler	Preschool	School Age
Region 1	(\$855.90)	(\$405.92)	(\$239.04)	\$202.92
Region 2	(\$901.02)	(\$551.02)	(\$418.06)	(\$251.94)
Region 3	(\$380.24)	(\$149.08)	\$121.00	\$425.90
Region 4	\$1.08	\$391.98	\$304.96	\$908.08
Region 5	(\$735.68)	(\$309.00)	(\$244.06)	\$181.96
Region 6	(\$563.00)	(\$181.00)	(\$159.94)	\$120.06
Spokane	(\$725.12)	(\$401.02)	(\$263.92)	\$108.00

Table 50: Monthly Gap Between Subsidy and Cost of Quality Care for Child Care Center – Level 3/3+

	Infant	Toddler	Preschool	School Age
Region 1	(\$930.90)	(\$480.92)	(\$314.04)	\$144.92
Region 2	(\$972.02)	(\$622.02)	(\$717.06)	(\$306.94)
Region 3	(\$458.24)	(\$29.08)	\$42.00	\$364.90
Region 4	(\$80.92)	\$308.98	\$221.96	\$844.08
Region 5	(\$814.68)	(\$388.00)	(\$323.06)	\$120.96
Region 6	(\$638.00)	(\$257.00)	(\$235.94)	\$61.06
Spokane	(\$801.12)	(\$477.02)	(\$339.92)	\$49.00

Table 51: Monthly Gap Between Subsidy and Cost of Quality Care for Child Care Center – Level 4

	Infant	Toddler	Preschool	School Age
Region 1	(\$990.90)	(\$541.92)	(\$375.04)	\$96.92
Region 2	(\$1,030.02)	(\$680.02)	(\$547.06)	(\$351.94)
Region 3	(\$522.24)	(\$92.08)	(\$21.00)	\$314.90
Region 4	(\$149.92)	\$240.98	\$152.96	\$791.08
Region 5	(\$879.68)	(\$453.00)	(\$388.06)	\$69.96
Region 6	(\$700.00)	(\$319.00)	(\$297.94)	\$13.06
Spokane	(\$863.12)	(\$539.02)	(\$401.92)	\$1.00

Table 52: Monthly Gap Between Subsidy and Cost of Quality Care for Child Care Center – Level 5

	Infant	Toddler	Preschool	School Age
Region 1	(\$1,032.90)	(\$582.92)	(\$416.04)	\$62.92
Region 2	(\$1,069.02)	(\$719.02)	(\$586.06)	(\$384.94)
Region 3	(\$566.24)	(\$137.08)	(\$66.00)	\$277.90
Region 4	(\$197.92)	\$191.98	\$104.96	\$751.08
Region 5	(\$925.68)	(\$499.00)	(\$434.06)	\$31.96
Region 6	(\$743.00)	(\$362.00)	(\$340.94)	(\$21.94)
Spokane	(\$906.12)	(\$582.02)	(\$444.92)	(\$35.00)

Comparing current subsidy base rates to cost of care assuming the Design Team’s recommendations reveals even wider gaps. Current subsidy base rates are much lower than the cost of care for almost every child age group and geographical region. For example, marked gaps appear as to infant care in Region 3 where cost of care exceeds current rates by \$2,218. School-age rates are much more competitive but are consistently lower than cost of care by hundreds of dollars.

Table 53: Monthly Gap Between Subsidy and Cost of Quality Care for Licensed Family Home – Design Team Recommendations

	Infant	Toddler	Preschool	School Age
Region 1	(\$1,794.94)	(\$1,188.02)	(\$951.00)	(\$764.02)
Region 2	(\$1,538.00)	(\$1,010.02)	(\$845.00)	(\$749.00)
Region 3	(\$2,218.00)	(\$1,514.02)	(\$1,121.04)	(\$895.94)
Region 4	(\$2,156.96)	(\$1,400.00)	(\$989.10)	(\$823.00)
Region 5	(\$2,028.02)	(\$1,268.02)	(\$1,029.94)	(\$833.96)
Region 6	(\$1,919.02)	(\$1,275.00)	(\$879.00)	(\$761.00)
Spokane	(\$1,756.00)	(\$1,117.00)	(\$800.00)	(\$544.00)

Table 54: Monthly Gap Between Subsidy and Cost of Quality Care for Licensed Child Care Center – Design Team Recommendations

	Infant	Toddler	Preschool	School Age
Region 1	(\$1,682.90)	(\$1,048.92)	(\$809.04)	(\$171.08)
Region 2	(\$1,847.02)	(\$1,275.02)	(\$1,053.06)	(\$661.94)
Region 3	(\$1,777.24)	(\$998.08)	(\$787.00)	(\$160.10)
Region 4	(\$1,496.92)	(\$724.02)	(\$659.04)	\$292.08
Region 5	(\$1,847.68)	(\$1,158.00)	(\$987.06)	(\$302.04)
Region 6	(\$1,654.00)	(\$1,013.00)	(\$886.94)	(\$352.94)
Spokane	(\$1,482.12)	(\$998.02)	(\$796.92)	(\$245.00)

Response to Partner, Stakeholder, and Tribal Government Views

In the months preceding data collection, DCYF sought advice from stakeholders and Tribal nations as to engaging a diverse, industry-representative group of providers on their vision for the CEM. The Early Learning Advisory Council, the Provider Supports subcommittee of that group, the Indian Policy Early Learning Committee, and the union representing licensed family home providers, all recommended the Early Educator Design Team as that group.

With facilitation provided by Child Care Aware of Washington using a Liberatory Design approach, and DCYF acting in a support and informational role, the Early Educator Design Team provided recommendations on calculator cost selection points the legislature should assume in building subsidy reimbursement rates. They recommended that rates should be sufficient to support:

- Living wage using the MIT living wage scale
- 40 days per year of combined sick and vacation leave
- Employer retirement contribution of 6% of salary
- \$9,000 per employee for discretionary benefits per year
- Family engagement of three conferences per year and a family engagement specialist staff position

- Salary and benefits for a part-time assistant in family child care/16 hours per week per classroom in centers for planning release time
- Education materials including \$100 for child assessments, plus curriculum support
- 20 hours of professional development per year

These selection points differ from those in the scenarios used to calculate the Cost of Quality Care for this report. They constitute the Design Team’s policy recommendation for subsidy reimbursement rate increases that support, e.g., a living wage, rather than a description of the current cost of care at each Early Achievers level given current low wages. Nonetheless, the group’s recommendations are a crucial framework for future policy discussions and constitute significant engagement with providers on the broader use of the CEM. We have therefore included cost of care calculations based on the Design Team’s recommendations.

The Design Team also recommended restructuring geographic subsidy rate regions. The current structure this report discusses consists of seven historical and mostly contiguous groupings with several exceptions to account for economic variation by county. The Design Team recommended restructuring these by grouping counties by their cost of living index into six regions. While it is beyond the scope of this report to examine market rates and cost of quality care based on this proposal, it represents an important possible next direction for the subsidy program.

Finally, the Design Team, and stakeholders mentioned above, offered appreciated guidance, and troubleshooting advice on supporting providers to complete the survey and further circulated the survey among their provider networks. In response to the group’s advice, the Center and DCYF engaged in additional communications reminding providers about the survey and made changes to messaging to bolster provider trust in the partnership and survey itself.

About the Authors

The Center for Economic and Business Research (CEBR) is an outreach center at Western Washington University located within the College of Business and Economics. In addition to publishing the Puget Sound Economic Forecaster, CEBR connects the resources found throughout the university to assist for-profit, nonprofit, government agencies, quasi-government entities, and tribal communities in gathering and analyzing useful data to respond to specific questions. We use several collaborative approaches to help inform our clients so that they are better able to hold policy discussions and craft decisions.

CEBR employs students, staff and faculty from across the university as well as outside resources to meet the individual needs of those we work with. Our work is based on academic approaches and rigor that not only provides a neutral analytical perspective but also provides applied learning opportunities. We focus on developing collaborative relationships with our clients and not simply delivering an end product.

The approaches we utilize are insightful, useful, and are all a part of the debate surrounding the topics we explore; however, none are absolutely fail-safe. Data, by nature, is challenged by how it is collected and how it is leveraged with other data sources. Following only one approach without deviation is ill-

advised. We provide a variety of insights within our work – not only on the topic at hand but also the resources (data) that inform that topic.

We are always seeking opportunities to bring the strengths of Western Washington University to fruition within our region. If you have a need for analysis work or comments on this report, we encourage you to contact us at 360-650-3909, or by email at cebr@wwu.edu

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The Center for Economic and Business Research is directed by Hart Hodges, Ph.D., and James McCafferty.

Appendix 1: Percentile Rate Charts

The following tables highlight the distribution of private-pay rates by region, provider type, and child age. Subsidy rates are also provided and compared to the 85th percentile rates.

Child Care Center Rates

Percentile	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Spokane
Max	\$2,100.00	\$1,980.00	\$2,530.00	\$3,680.00	\$2,107.00	\$2,083.00	\$1,822.00
95%	\$2,100.00	\$1,855.00	\$2,368.00	\$3,282.17	\$2,020.00	\$2,050.00	\$1,730.00
90%	\$2,100.00	\$1,760.00	\$2,355.00	\$3,124.00	\$1,965.00	\$1,960.00	\$1,720.00
85%	\$2,100.00	\$1,674.00	\$2,320.00	\$2,975.00	\$1,910.00	\$1,930.00	\$1,720.00
80%	\$2,100.00	\$1,674.00	\$2,245.00	\$2,945.00	\$1,910.00	\$1,892.00	\$1,695.00
75%	\$2,100.00	\$1,674.00	\$2,245.00	\$2,805.00	\$1,890.00	\$1,892.00	\$1,695.00
70%	\$1,305.00	\$1,610.00	\$2,235.00	\$2,795.00	\$1,890.00	\$1,892.00	\$1,675.00
65%	\$1,305.00	\$1,610.00	\$2,200.00	\$2,735.00	\$1,890.00	\$1,865.00	\$1,625.00
60%	\$1,305.00	\$1,550.00	\$2,120.00	\$2,625.00	\$1,833.00	\$1,845.00	\$1,625.00
55%	\$1,205.00	\$1,515.50	\$2,101.67	\$2,560.00	\$1,795.00	\$1,820.00	\$1,600.00
50%	\$1,205.00	\$1,500.00	\$2,090.00	\$2,540.00	\$1,776.67	\$1,776.67	\$1,600.00
45%	\$1,205.00	\$1,477.00	\$2,045.00	\$2,490.00	\$1,776.67	\$1,690.00	\$1,600.00
40%	\$979.33	\$1,476.86	\$1,980.00	\$2,275.00	\$1,775.00	\$1,581.67	\$1,595.00
35%	\$979.33	\$1,464.00	\$1,885.00	\$2,170.00	\$1,735.00	\$1,581.67	\$1,570.00
30%	\$979.33	\$1,430.00	\$1,863.00	\$2,145.00	\$1,677.00	\$1,581.67	\$1,508.00
25%	\$979.33	\$1,400.00	\$1,862.00	\$2,080.00	\$1,625.00	\$1,581.67	\$1,475.00
20%	\$979.33	\$1,350.00	\$1,850.00	\$2,005.00	\$1,600.00	\$1,581.67	\$1,465.88
15%	\$979.33	\$1,300.00	\$1,850.00	\$1,915.00	\$1,581.67	\$1,581.67	\$1,350.00
10%	\$860.00	\$1,238.00	\$1,850.00	\$1,910.00	\$1,581.67	\$1,490.00	\$1,338.92
5%	\$860.00	\$1,100.00	\$1,840.00	\$1,760.00	\$1,386.00	\$1,364.00	\$1,300.00
Min	\$860.00	\$902.00	\$1,600.00	\$1,430.00	\$1,150.00	\$1,122.00	\$1,300.00
Current Subsidy	\$1,365.10	\$1,299.98	\$1,948.76	\$2,500.08	\$1,596.32	\$1,694.00	\$1,507.88
Difference	\$734.90	\$374.02	\$371.24	\$474.92	\$313.68	\$236.00	\$212.12

Table 56: Weighted Monthly Rate Percentiles by Region: Licensed Child Care Centers: Full-Time Toddler

Percentile	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Spokane
Max	\$1,980.00	\$1,980.00	\$2,315.00	\$3,372.50	\$1,900.00	\$2,750.00	\$1,733.33
95%	\$1,740.00	\$1,740.00	\$2,285.00	\$2,850.00	\$1,855.00	\$2,750.00	\$1,680.00
90%	\$1,460.00	\$1,510.00	\$2,210.00	\$2,765.00	\$1,835.00	\$1,805.00	\$1,430.00
85%	\$1,510.00	\$1,510.00	\$2,160.00	\$2,660.00	\$1,795.00	\$1,768.00	\$1,430.00
80%	\$1,450.00	\$1,450.00	\$2,130.00	\$2,625.00	\$1,793.00	\$1,742.00	\$1,400.00
75%	\$1,440.00	\$1,440.00	\$2,100.00	\$2,555.00	\$1,785.00	\$1,742.00	\$1,390.00
70%	\$1,440.00	\$1,440.00	\$2,100.00	\$2,450.00	\$1,775.00	\$1,716.00	\$1,390.00
65%	\$1,402.00	\$1,402.00	\$2,000.00	\$2,405.00	\$1,775.00	\$1,710.00	\$1,390.00
60%	\$1,345.00	\$1,364.00	\$1,910.00	\$2,375.00	\$1,670.00	\$1,681.33	\$1,350.00
55%	\$1,345.00	\$1,354.00	\$1,892.00	\$2,347.00	\$1,670.00	\$1,677.00	\$1,350.00
50%	\$1,353.88	\$1,353.88	\$1,870.00	\$2,270.00	\$1,630.00	\$1,664.00	\$1,350.00
45%	\$1,250.00	\$1,250.00	\$1,835.00	\$2,175.00	\$1,610.00	\$1,635.00	\$1,350.00
40%	\$1,250.00	\$1,250.00	\$1,820.00	\$2,062.00	\$1,560.00	\$1,538.33	\$1,350.00
35%	\$1,250.00	\$1,250.00	\$1,778.00	\$2,015.00	\$1,560.00	\$1,475.00	\$1,300.00
30%	\$1,191.67	\$1,191.67	\$1,770.00	\$1,965.00	\$1,500.00	\$1,330.00	\$1,300.00
25%	\$1,191.67	\$1,191.67	\$1,735.00	\$1,950.00	\$1,425.00	\$1,300.00	\$1,300.00
20%	\$1,188.00	\$1,188.00	\$1,644.50	\$1,910.00	\$1,379.00	\$1,255.00	\$1,278.33
15%	\$1,100.00	\$1,100.00	\$1,600.00	\$1,900.00	\$1,350.00	\$1,232.00	\$1,254.00
10%	\$990.00	\$990.00	\$1,562.00	\$1,860.00	\$1,300.00	\$1,178.00	\$1,224.00
5%	\$924.00	\$924.00	\$1,516.67	\$1,700.00	\$1,210.00	\$1,150.00	\$1,150.00
Min	\$726.00	\$726.00	\$1,000.00	\$1,100.00	\$1,144.00	\$1,075.00	\$1,150.00
Current Subsidy	\$1,235.08	\$1,079.98	\$1,767.92	\$2,234.98	\$1,408.00	\$1,485.00	\$1,244.98
Difference	\$274.92	\$430.02	\$392.08	\$425.02	\$387.00	\$283.00	\$185.02

Table 57: Weighted Rate Percentiles by Region: Licensed Child Care Centers: Full-Time Preschool

Percentile	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Spokane
Max	\$1,731.60	\$1,550.00	\$2,130.00	\$3,250.00	\$1,678.00	\$1,723.00	\$1,628.00
95%	\$1,695.00	\$1,520.00	\$2,025.00	\$2,507.50	\$1,655.00	\$1,645.00	\$1,400.00
90%	\$1,577.33	\$1,360.00	\$1,950.00	\$2,435.00	\$1,655.00	\$1,630.00	\$1,380.00
85%	\$1,169.96	\$1,340.00	\$1,910.00	\$2,350.00	\$1,645.00	\$1,605.00	\$1,380.00
80%	\$1,166.00	\$1,320.00	\$1,910.00	\$2,256.00	\$1,580.00	\$1,580.00	\$1,355.00
75%	\$1,160.00	\$1,268.00	\$1,841.67	\$2,200.00	\$1,565.00	\$1,551.33	\$1,355.00
70%	\$1,120.00	\$1,250.00	\$1,800.00	\$2,135.00	\$1,516.67	\$1,540.00	\$1,315.00
65%	\$1,120.00	\$1,229.80	\$1,725.00	\$2,090.40	\$1,450.00	\$1,510.00	\$1,275.00
60%	\$1,120.00	\$1,225.00	\$1,707.00	\$2,020.00	\$1,440.00	\$1,508.00	\$1,268.00
55%	\$1,118.00	\$1,144.00	\$1,670.00	\$2,000.00	\$1,440.00	\$1,475.00	\$1,250.00
50%	\$1,118.00	\$1,100.00	\$1,600.00	\$1,980.00	\$1,430.00	\$1,451.67	\$1,232.00
45%	\$1,118.00	\$1,100.00	\$1,595.00	\$1,860.00	\$1,415.00	\$1,430.00	\$1,230.00
40%	\$1,000.00	\$1,083.33	\$1,584.00	\$1,810.00	\$1,400.00	\$1,408.33	\$1,200.00
35%	\$1,000.00	\$1,078.00	\$1,568.67	\$1,775.00	\$1,365.00	\$1,299.00	\$1,150.00
30%	\$923.00	\$990.00	\$1,510.00	\$1,716.00	\$1,360.67	\$1,199.44	\$1,144.00
25%	\$923.00	\$924.00	\$1,474.00	\$1,675.00	\$1,320.00	\$1,175.00	\$1,122.00
20%	\$775.00	\$880.00	\$1,445.00	\$1,645.00	\$1,250.00	\$1,144.00	\$1,100.00
15%	\$732.00	\$880.00	\$1,365.00	\$1,590.00	\$1,200.00	\$1,093.00	\$1,100.00
10%	\$732.00	\$880.00	\$1,320.00	\$1,400.00	\$1,100.00	\$1,025.00	\$1,100.00
5%	\$680.00	\$800.00	\$1,016.00	\$1,150.00	\$1,085.00	\$945.83	\$995.00
Min	\$398.03	\$500.00	\$775.00	\$675.00	\$924.00	\$742.50	\$817.78
Current Subsidy	\$1,169.96	\$984.94	\$1,595.00	\$1,884.96	\$1,226.94	\$1,270.06	\$1,147.08
Difference	\$0.00	\$355.06	\$315.00	\$465.04	\$418.06	\$334.94	\$232.92

Table 58: Weighted Rate Percentiles by Region: Licensed Child Care Centers: Full-Time School Age

Percentile	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Spokane
Max	\$1,173.92	\$1,290.00	\$1,770.00	\$3,055.56	\$1,470.00	\$1,575.00	\$1,500.00
95%	\$1,173.92	\$1,290.00	\$1,770.00	\$2,300.00	\$1,470.00	\$1,550.00	\$1,285.00
90%	\$1,025.00	\$1,245.00	\$1,770.00	\$1,770.00	\$1,470.00	\$1,475.00	\$1,150.00
85%	\$1,025.00	\$1,245.00	\$1,745.00	\$1,733.33	\$1,470.00	\$1,455.00	\$1,100.00
80%	\$877.20	\$1,200.00	\$1,740.00	\$1,694.00	\$1,360.67	\$1,455.00	\$1,100.00
75%	\$877.20	\$1,200.00	\$1,540.00	\$1,580.00	\$1,360.67	\$1,455.00	\$1,000.00
70%	\$877.20	\$1,200.00	\$1,540.00	\$1,560.00	\$1,360.67	\$1,395.00	\$995.00
65%	\$877.20	\$1,100.00	\$1,480.00	\$1,445.00	\$1,360.67	\$1,395.00	\$900.00
60%	\$877.20	\$1,100.00	\$1,280.00	\$1,408.33	\$924.00	\$1,390.00	\$900.00
55%	\$877.20	\$880.00	\$1,185.00	\$1,408.33	\$880.00	\$1,299.00	\$800.00
50%	\$877.20	\$866.67	\$1,115.00	\$1,305.00	\$880.00	\$1,193.50	\$748.00
45%	\$877.20	\$866.00	\$1,115.00	\$1,105.00	\$850.00	\$931.67	\$748.00
40%	\$877.20	\$866.00	\$945.00	\$990.00	\$850.00	\$910.00	\$748.00
35%	\$877.20	\$836.00	\$945.00	\$865.00	\$836.00	\$900.00	\$698.00
30%	\$877.20	\$836.00	\$945.00	\$865.00	\$836.00	\$867.00	\$650.00
25%	\$877.20	\$823.71	\$792.00	\$830.00	\$770.00	\$866.67	\$617.00
20%	\$593.00	\$823.71	\$792.00	\$830.00	\$770.00	\$866.67	\$550.00
15%	\$593.00	\$823.71	\$635.00	\$830.00	\$770.00	\$860.00	\$550.00
10%	\$440.00	\$800.00	\$606.67	\$650.00	\$750.00	\$660.00	\$550.00
5%	\$435.00	\$780.00	\$521.00	\$650.00	\$700.00	\$525.00	\$550.00
Min	\$435.00	\$780.00	\$521.00	\$650.00	\$700.00	\$525.00	\$362.00
Current Subsidy	\$1,173.92	\$720.06	\$1,439.90	\$1,994.08	\$1,191.96	\$1,105.06	\$1,078.00
Difference	\$ (148.92)	\$524.94	\$305.10	\$ (260.75)	\$278.04	\$349.94	\$22.00

Licensed Family Home Rates

Table 59: Weighted Monthly Rate Percentiles by Region: Licensed Family Home: Full-Time Infant

Percentile	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Spokane
Max	\$1,760.00	\$2,200.00	\$1,980.00	\$3,400.00	\$2,000.00	\$2,000.00	\$1,650.00
95%	\$1,540.00	\$1,826.00	\$1,900.00	\$2,200.00	\$2,000.00	\$2,000.00	\$1,650.00
90%	\$1,450.00	\$1,760.00	\$1,804.00	\$2,200.00	\$2,000.00	\$2,000.00	\$1,650.00
85%	\$1,320.00	\$1,760.00	\$1,804.00	\$2,124.00	\$2,000.00	\$2,000.00	\$1,232.00
80%	\$1,320.00	\$1,720.00	\$1,800.00	\$1,980.00	\$2,000.00	\$2,000.00	\$1,232.00
75%	\$1,300.00	\$1,672.00	\$1,800.00	\$1,900.00	\$2,000.00	\$1,800.00	\$1,232.00
70%	\$1,300.00	\$1,650.00	\$1,800.00	\$1,850.00	\$2,000.00	\$1,800.00	\$1,232.00
65%	\$1,232.00	\$1,600.00	\$1,733.33	\$1,800.04	\$1,516.67	\$1,800.00	\$1,232.00
60%	\$1,200.00	\$1,540.00	\$1,700.00	\$1,800.00	\$1,516.67	\$1,800.00	\$1,232.00
55%	\$1,200.00	\$1,540.00	\$1,540.00	\$1,800.00	\$1,516.67	\$1,700.00	\$1,232.00
50%	\$1,200.00	\$1,500.00	\$1,516.67	\$1,800.00	\$1,500.00	\$1,700.00	\$1,232.00
45%	\$1,125.00	\$1,452.00	\$1,450.00	\$1,800.00	\$1,500.00	\$1,700.00	\$1,232.00
40%	\$1,100.00	\$1,350.00	\$1,430.00	\$1,760.00	\$1,500.00	\$1,700.00	\$1,166.00
35%	\$1,100.00	\$1,342.00	\$1,400.00	\$1,750.00	\$1,500.00	\$1,700.00	\$1,166.00
30%	\$1,083.06	\$1,320.00	\$1,320.00	\$1,700.00	\$1,500.00	\$1,540.00	\$1,100.00
25%	\$1,078.00	\$1,250.00	\$1,300.00	\$1,650.00	\$1,500.00	\$1,540.00	\$1,100.00
20%	\$990.00	\$1,108.80	\$1,200.00	\$1,650.00	\$1,400.00	\$1,540.00	\$1,083.33
15%	\$990.00	\$1,100.00	\$1,100.00	\$1,650.00	\$1,300.00	\$1,516.67	\$1,083.33
10%	\$770.00	\$1,012.00	\$1,100.00	\$1,562.00	\$1,300.00	\$1,516.67	\$946.00
5%	\$770.00	\$990.00	\$1,100.00	\$1,500.00	\$1,300.00	\$1,516.67	\$850.00
Min	\$770.00	\$695.00	\$600.00	\$990.00	\$1,300.00	\$1,516.67	\$850.00
Current Subsidy	\$1,083.06	\$1,452.00	\$1,430.00	\$1,800.04	\$1,299.98	\$1,299.98	\$1,056.00
Difference	\$236.94	\$308.00	\$374.00	\$323.96	\$700.02	\$700.02	\$176.00

Table 60: Weighted Monthly Rate Percentiles by Region: Licensed Family Home: Full-Time Toddler

Percentile	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Spokane
Max	\$1,760.00	\$2,200.00	\$1,950.00	\$3,850.00	\$2,816.67	\$2,200.00	\$1,300.00
95%	\$1,450.00	\$1,760.00	\$1,950.00	\$2,296.67	\$1,711.67	\$1,733.33	\$1,300.00
90%	\$1,430.00	\$1,650.00	\$1,800.00	\$2,200.00	\$1,650.00	\$1,516.67	\$1,210.00
85%	\$1,320.00	\$1,600.00	\$1,700.00	\$2,166.67	\$1,540.00	\$1,516.67	\$1,210.00
80%	\$1,300.00	\$1,540.00	\$1,700.00	\$2,100.00	\$1,500.00	\$1,496.00	\$1,210.00
75%	\$1,210.00	\$1,540.00	\$1,650.00	\$2,058.33	\$1,496.00	\$1,400.00	\$1,210.00
70%	\$1,200.00	\$1,540.00	\$1,644.50	\$2,000.00	\$1,450.00	\$1,400.00	\$1,166.00
65%	\$1,200.00	\$1,500.00	\$1,600.00	\$1,980.00	\$1,408.33	\$1,320.00	\$1,166.00
60%	\$1,100.00	\$1,452.00	\$1,600.00	\$1,900.00	\$1,408.33	\$1,300.00	\$1,056.00
55%	\$1,100.00	\$1,430.00	\$1,540.00	\$1,900.00	\$1,404.70	\$1,300.00	\$1,056.00
50%	\$1,100.00	\$1,350.00	\$1,516.67	\$1,848.00	\$1,390.40	\$1,210.00	\$1,034.00
45%	\$1,056.66	\$1,320.00	\$1,500.00	\$1,800.00	\$1,380.00	\$1,191.67	\$1,034.00
40%	\$1,040.00	\$1,320.00	\$1,452.00	\$1,750.00	\$1,320.00	\$1,100.00	\$990.00
35%	\$1,035.98	\$1,299.00	\$1,430.00	\$1,716.00	\$1,300.00	\$1,100.00	\$970.00
30%	\$1,034.00	\$1,210.00	\$1,400.00	\$1,700.00	\$1,300.00	\$1,080.00	\$953.33
25%	\$990.00	\$1,108.80	\$1,350.00	\$1,650.00	\$1,299.98	\$1,000.00	\$946.00
20%	\$950.00	\$1,075.00	\$1,300.00	\$1,600.00	\$1,250.00	\$880.00	\$900.00
15%	\$880.00	\$990.00	\$1,200.00	\$1,600.00	\$1,200.00	\$880.00	\$900.00
10%	\$880.00	\$933.68	\$1,166.00	\$1,516.67	\$1,100.00	\$800.00	\$900.00
5%	\$780.00	\$880.00	\$1,100.00	\$1,408.00	\$1,083.33	\$770.00	\$880.00
Min	\$770.00	\$660.00	\$781.00	\$953.33	\$975.00	\$736.67	\$845.00
Current Subsidy	\$1,035.98	\$1,299.98	\$1,299.98	\$1,650.00	\$1,299.98	\$1,210.00	\$1,056.00
Difference	\$284.02	\$300.02	\$400.02	\$516.67	\$240.02	\$306.67	\$154.00

Table 61: Weighted Monthly Rate Percentiles by Region: Licensed Family Home: Full-Time Preschool

Percentile	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Spokane
Max	\$1,540.00	\$1,980.00	\$2,100.00	\$3,850.00	\$2,383.33	\$1,980.00	\$1,400.00
95%	\$1,430.00	\$1,700.00	\$1,733.33	\$2,166.67	\$1,625.00	\$1,516.67	\$1,320.00
90%	\$1,320.00	\$1,430.00	\$1,650.00	\$2,058.33	\$1,516.67	\$1,430.00	\$1,210.00
85%	\$1,125.00	\$1,400.00	\$1,540.00	\$1,980.00	\$1,430.00	\$1,400.00	\$1,100.00
80%	\$1,100.00	\$1,320.00	\$1,500.00	\$1,950.00	\$1,408.33	\$1,340.90	\$1,100.00
75%	\$1,100.00	\$1,300.00	\$1,494.90	\$1,895.00	\$1,400.00	\$1,320.00	\$1,100.00
70%	\$1,100.00	\$1,210.00	\$1,430.00	\$1,850.00	\$1,350.00	\$1,254.00	\$1,056.00
65%	\$1,000.00	\$1,188.00	\$1,408.33	\$1,798.33	\$1,320.00	\$1,210.00	\$1,023.00
60%	\$990.00	\$1,104.00	\$1,400.00	\$1,733.33	\$1,300.00	\$1,200.00	\$990.00
55%	\$940.00	\$1,100.00	\$1,350.00	\$1,700.00	\$1,300.00	\$1,200.00	\$953.33
50%	\$900.00	\$1,083.33	\$1,334.96	\$1,650.00	\$1,265.00	\$1,166.00	\$953.33
45%	\$900.00	\$1,056.00	\$1,320.00	\$1,650.00	\$1,210.00	\$1,100.00	\$900.00
40%	\$880.00	\$1,050.00	\$1,300.00	\$1,625.00	\$1,191.67	\$1,100.00	\$880.00
35%	\$880.00	\$990.00	\$1,275.00	\$1,600.00	\$1,100.00	\$1,000.00	\$880.00
30%	\$880.00	\$975.00	\$1,210.00	\$1,550.00	\$1,100.00	\$1,000.00	\$845.00
25%	\$880.00	\$880.00	\$1,200.00	\$1,516.90	\$1,100.00	\$900.00	\$800.00
20%	\$836.00	\$880.00	\$1,200.00	\$1,500.00	\$1,083.33	\$880.00	\$770.00
15%	\$800.00	\$790.00	\$1,191.67	\$1,430.00	\$1,078.00	\$866.67	\$770.00
10%	\$780.00	\$770.00	\$1,100.00	\$1,299.98	\$975.00	\$800.00	\$750.00
5%	\$770.00	\$695.00	\$1,100.00	\$1,166.00	\$953.33	\$770.00	\$700.00
Min	\$660.00	\$495.00	\$781.00	\$880.00	\$850.00	\$660.00	\$700.00
Current Subsidy	\$880.00	\$1,056.00	\$1,191.96	\$1,516.90	\$1,083.06	\$1,166.00	\$990.00
Difference	\$245.00	\$344.00	\$348.04	\$463.10	\$346.94	\$234.00	\$110.00

Percentile	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Spokane
Max	\$1,430.00	\$1,760.00	\$1,650.00	\$1,733.33	\$1,408.33	\$1,650.00	\$3,358.33
95%	\$1,430.00	\$1,350.00	\$1,650.00	\$1,733.33	\$1,150.00	\$1,650.00	\$1,100.00
90%	\$1,320.00	\$1,350.00	\$1,650.00	\$1,733.33	\$1,083.33	\$1,516.67	\$1,100.00
85%	\$1,320.00	\$1,100.00	\$1,650.00	\$1,733.33	\$1,083.33	\$1,516.67	\$1,100.00
80%	\$1,100.00	\$1,100.00	\$1,350.00	\$1,733.33	\$1,045.00	\$1,430.00	\$1,100.00
75%	\$990.00	\$1,100.00	\$1,300.00	\$1,733.33	\$1,045.00	\$1,320.00	\$1,012.00
70%	\$990.00	\$1,056.00	\$1,210.00	\$1,733.33	\$880.00	\$1,138.50	\$1,012.00
65%	\$990.00	\$1,056.00	\$1,210.00	\$1,733.33	\$880.00	\$1,138.50	\$990.00
60%	\$900.00	\$990.00	\$1,210.00	\$1,733.33	\$880.00	\$1,100.00	\$990.00
55%	\$880.00	\$900.00	\$1,210.00	\$1,733.33	\$850.00	\$950.00	\$880.00
50%	\$880.00	\$900.00	\$1,100.00	\$1,733.33	\$850.00	\$924.00	\$880.00
45%	\$880.00	\$900.00	\$1,100.00	\$1,516.67	\$800.00	\$880.00	\$880.00
40%	\$880.00	\$880.00	\$1,083.06	\$1,516.67	\$800.00	\$880.00	\$836.00
35%	\$804.98	\$862.40	\$990.00	\$1,516.67	\$800.00	\$880.00	\$836.00
30%	\$800.00	\$800.00	\$866.67	\$1,516.67	\$758.33	\$825.90	\$836.00
25%	\$792.00	\$770.00	\$866.67	\$1,516.67	\$650.00	\$770.00	\$836.00
20%	\$780.00	\$704.00	\$814.00	\$1,516.67	\$650.00	\$750.00	\$836.00
15%	\$770.00	\$700.00	\$660.00	\$1,516.67	\$650.00	\$736.67	\$836.00
10%	\$758.33	\$660.00	\$375.00	\$1,083.33	\$650.00	\$700.00	\$836.00
5%	\$696.00	\$540.00	\$375.00	\$845.00	\$550.00	\$660.00	\$780.00
Min	\$433.33	\$433.33	\$375.00	\$845.00	\$550.00	\$650.00	\$780.00
Current Subsidy	\$804.98	\$880.00	\$1,083.06	\$1,320.00	\$975.04	\$990.00	\$990.00
Difference	\$515.02	\$220.00	\$566.94	\$413.33	\$108.29	\$526.67	\$110.00

Appendix 2: Study Methodology and Reliability

Market Rate Methodology

The methodology of the 2024 Market Rate Survey is consistent with the 2021 report:

- Reported rates are weighted by full time enrollment to determine percentiles.
- Percentiles use subsidy regions rather than licensing regions for centers.
- In comparing subsidy base rates to market rate percentiles, tiered reimbursement for participation in Early Achievers is excluded.

The 85th percentile shown in this report indicates that the private-pay rates of 85% of child care slots in a region are less than or equal to that rate. In other words, a rate listed as the 85th percentile for center-based toddler care in Spokane means that an estimated 85 percent of families with toddlers in Spokane licensed centers pay the amount listed for the 85th percentile, or less.

The weighting is based on full-time enrollment, not on full-time equivalent (FTE). Full-time equivalent is the sum of full-time and part-time representing part-time as the ratio to full-time. This is different from the 2021 report, where we used enrollment FTE.

We updated this due to findings on the relationship between full-time and part-time rates that have potentially changed since 2021. We found providers typically charge more than half of a full-time rate for part-time care and it is unknown from our survey what is the part-time ratio. This is consistent with provider feedback that it is harder to fill part-time spaces due to differences in schedules, and because of these differences, providers allow a variety of part-time equivalents. We view this as providers building in economies of scale to ensure they can cover their costs. Including part-time enrollment in evaluating cost of care would underestimate the current cost of care. The full evaluation of full-time vs part-time

rates can be seen in the “Market Rates” section under the sub-heading, “Full- vs. Part-Time Rate Analysis.”

Cost of Quality Care Methodology

The methodology of Cost of Quality Care aspects of this survey is largely consistent with the methodology used for the Child Care Collaborative Task Force Cost of Quality Care Report and Cost Estimation Model (CEM), with these exceptions:

The original CEM methodology produced the same cost of care for infants, toddlers, and preschool-age children for licensed family homes. For this study, we used the following scenarios to determine costs specific to each age group:

- To determine cost of care for infants, we assume two infants, two toddlers, and two preschool age children
- To determine cost of care for toddlers, we assume eight toddlers.
- To determine cost of care for preschoolers we assume 10 preschoolers

The original CEM further accounts for the part-time/seasonal nature of school-age care by reducing costs by 40% for these children, annually. This is unsuitable for comparison to full-day subsidy base rates that characterize Washington’s subsidy program, and the half-day rates it derives from them. To account for this and produce more meaningful and comparable costs for these children, we use separate school-age scenarios for both provider types to model 100% of their costs.

As in the original CEM methodology, for non-personnel costs we used most categories from the Provider Cost of Quality Calculator (PCQC). However, whereas the original CEM methodology used PCQC data and values supplied by provider focus groups for critical pieces like mortgage, rent, and utilities costs, we used data gathered from this survey.

Statistical Validity of the Study Survey

The statistical validity of the survey results is expected to be high due to the provider's recognized need for a reevaluation of the child care subsidy rates and environment. High completion rate out of response rate indicates providers recognized the importance of this study. This is discussed in more depth in the “Survey Response” section.

The Center offered \$100 Amazon gift cards to participants in appreciation of their time at the conclusion of the study. This incentive could be viewed as potentially creating the opportunity for response bias in survey result collection, as the child care facilities with the highest need for cash/rewards are more likely to fill out the survey. This would require the belief that child care facilities with high operating profits are less likely to have filled out the survey. While there may be some bias, it is also likely offset by child care facilities that are overrun (and could have low profits) being unlikely to fill out the survey because of lack of time. During reminder calls from the Center, this was frequently a reason listed for not participating. Based on this, we do not believe the risk of bias is significant for this study.

CEBR worked diligently to ensure accessible and equitable access to this survey, by offering the survey in English, Spanish, and Somali. However, it is still possible that some child care center operators were unable to participate in the survey due to unforeseen language or accessibility barriers.

Provider Data Collection

Outreach Efforts

The survey was distributed in English, Somali, and Spanish. Data collection occurred from Jan. 7 through March 1, 2024. Outreach included emails, mailings, DCYF efforts, and phone calls.

Outline of CEBR Outreach:

1. Emailed invite Jan. 1, 2024.
2. Letters mailed Jan. 5, 2024.
3. Reminder email sent to non-response at 7:30 a.m., Jan. 18, 2024
4. CEBR student employees began calling Jan. 24, 2024. Calling continued till the end of the survey.
5. Reminder email sent to non-response at 7 a.m., Feb. 2, 2024.
6. Second postcard mailing week of Feb. 2, 2024.
7. Reminder email sent to non-response at 1:30 p.m., March 8, 2024.
8. Survey closed March 15, 2024.

Due to the \$100 gift card incentive, there was a high level of responses in survey collection. The Center screened for fraudulent and duplicated responses to ensure survey accuracy.

DCYF efforts included a survey reminder via email to all providers in the scope of the survey through its GovDelivery system on Jan. 26, 2024. DCYF also met with Child Care Aware’s Early Educator Design Team on Jan. 9 and Jan. 17 to support the assembled providers to share and spread word of the survey to colleague providers and receive advice on outreach. Finally, DCYF met with the Early Learning Advisory Council to update them on survey progress, to encourage members to spread word to providers, and to receive advice on survey outreach efforts. DCYF also provided written updates to the Provider Supports subcommittee of ELAC, encouraging providers to participate in the survey.

Survey collection length was shorter than past surveys. Despite this, we were able to gather sufficient responses to assess the current child care environment. Our low margin for error with a 95% confidence level, high completion rate, and diversity of participants, verifies the validity of our data. This is discussed in more detail throughout our report.

Sampling Protocols

The provider contacts were provided by DCYF and last updated Dec. 3, 2023. DCYF provided contact information for all licensed child care providers in Washington state. Using this data, CEBR took a census approach and conducted outreach to all providers regularly to encourage a higher response rate. As providers completed the survey, they were removed from the contact list.

Survey Instrument

The instrument was built and delivered in Qualtrics. It included questions pertaining to business operations costs of staff salaries and benefits, rent/mortgage, utilities, transportation, field trips, and other operation activities. The facility type, location, enrollment, licensed capacity, vacancies, and rates by age-group were also gathered. The survey question format varied between multiple choice, check-all-that-apply, and fill-in-the-blank.

The survey instrument sectioned questions into discrete subject defined blocks with some blocks only appearing based on how a respondent entered information. Question 5 posed all respondents with “which of these best describes your program,” with the options of child care center, licensed family home child care, school-age only child care center, public school-based program, Head Start / Early Head Start, or ECEAP-only program. Public school-based programs, Head Start/Early Head Start, and ECEAP-only programs were forwarded to the end of the study, as we were not collecting data from them because they do not serve private-paying families, or do not have certain fixed costs that are the subject of the survey. The remaining respondents were shown blocks of questions that pertained to their specific type of programs offered.

Data Cleaning Process

The data was cleaned by removing duplicates and responses that did not have usable data, as defined below.

For the respondents’ convenience, private-pay rates and salaries could be entered as hourly, daily, weekly, or monthly rates based on their billing structure. To compare, we had to convert to like units. We assumed: 12 months in a year, 52 weeks in a year, 4.33 weeks in a month, 22 days in a month⁷, 40 hours in a week.

- Weekly: $(\text{weekly rate} * 52 \text{ weeks/year}) / (12 \text{ months/year}) = \text{monthly rate}$
- Daily: $(\text{daily rate} * 22 \text{ days/month}) = \text{monthly rate}$
- Hourly: $(\text{hourly rate} * 40 \text{ hours/week} * 52 \text{ weeks/year}) / (12 \text{ months/year}) = \text{monthly rate}$

For employee pay information, we converted all data to hourly rates with the formulas below based on the above assumptions.

For private-pay families, we converted all data to monthly. This was the most common rate metric. There were a few infrequently used metrics for calculating rates. The conversions for these went as follows: academic year/ nine months, biweekly * 2. If a provider has multiple rates for one age group, we averaged the rates.

⁷ WCCC monthly rates are expressed as the daily rate multiplied by 22.

Responses and Rates Diversity

Of the 5,779 providers contacted, 1,398 surveys were submitted by child care providers and considered respondents based on the qualifications within our two-month survey period. This is an overall 24.19% response rate.

The response numbers reported here may not reveal fully the level of participation for several reasons. First, some providers with multiple locations used one survey response to refer to their multiple program locations. This causes the reported response rate to appear lower than it is. Second, while public school-based program, Head Start / early Head Start, or ECEAP-only program were not eligible to participate, several sites were included within the contact list received from DCYF. This would overstate the total possible valid responses, thus further reducing the mathematical response rate. This issue is discussed in more detail in the “Sampling Protocols” section under “Study Methodology.”

It is important to note, while the respondent rate was lower than the 2021 survey, we are still able to achieve a high level of statistical significance due to the low margin of error and high level of completed surveys. With our sample size, our data has a 2% margin of sampling error at a 95% confidence level.

The following challenges have been noted within data collection:

1. Child care providers are experiencing additional strain with increased cost of living and inability to fill positions.
2. Provider frustration with current child care environment.
3. Survey length was two months shorter than the 2021 survey. The 2021 survey was open for four months, from Feb. 8, 2021 - June 8, 2021, while our survey was open Jan. 7, 2024 - March 15, 2024.
4. Length of survey was disclosed in emails and distribution materials. We estimated the survey to take 20 minutes, which could have discouraged participation.
5. For each provider type, the first or second question was a table. For some, this could be daunting. We found a high rate of survey respondents dropping out at this point.
6. Our survey did not include Head Start/early Head Start, ECEAP-only, or public school-based programs. These were included in the original contact list. Some of our survey efforts were directed toward ineligible participants.

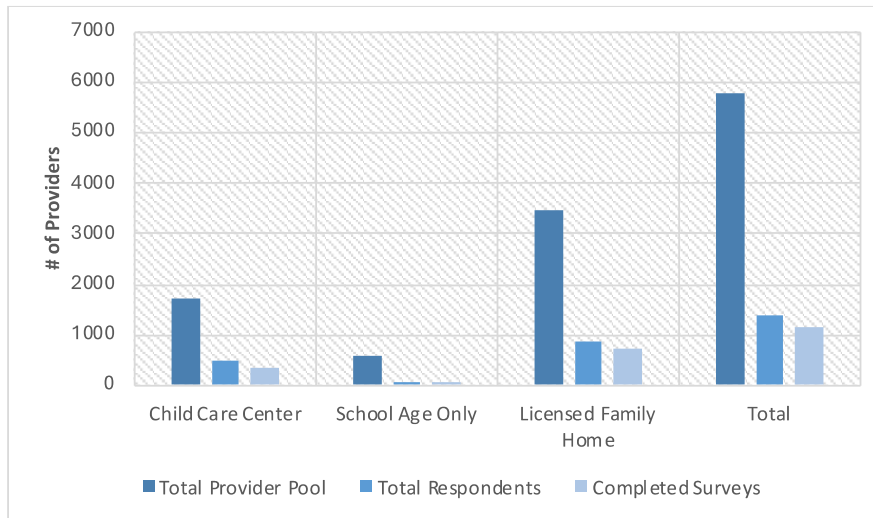
Of respondents, this survey had a high level of fully completed responses, which contributes to validity of our data collection. We looked at completion rates to gauge completeness of data and participation enthusiasm. Our total completion rate was 82%, meaning most questions in the survey have even participation. Completion is considered a survey with a complete data set, in which a respondent answered every question. A complete data set provides more correlated data across a range of topics and ensures more equitable data across all topics. As our survey covers a wider range of topics, this was a valuable attribute to evaluate.

The completion percentages in Figure 19 and Table 63 show that while school-age programs were the least likely to fill out the survey, they were the most likely to stay with the survey through to the end. Licensed child care centers were the least likely to finish the survey. This is consistent with qualitative feedback that the survey was hard to cater to their situations, especially with multiple locations. While licensed family homes had higher completion rates, they were the most likely to drop out of the survey without completing any viable data at an 18% dropout rate. Licensed child care centers had a dropout

rate of 5%. To calculate dropout rate, we divided surveys that only supplied provider type and license capacity, a known statistic, by total providers.

Table 63 also breaks down respondent percentages by provider type and the margin of error for each sample group. We saw the lowest level of participation from school-age only programs at 13.5%. Licensed child care centers had the highest level of participation at 27.70% followed by licensed family homes at a 24.44% respondent rate.

Figure 19: Provider Population Compared to Respondents and Completed Surveys



	Respondents	Total Providers	Percentage Respondents	Margin of Error at 95% Confidence	Completed Surveys	Percent Completed
Licensed Child Care Center	470	1,697	27.70%	+/- 3.4%	353	75%
School Age Only Program	81	600	13.50%	+/- 6.9%	76	94%
Licensed Family Home	847	3,466	24.44%	+/- 2.5%	711	84%
Total	1,398	5,779	24.19%	+/-2.0%	1,140	82%

Figures 20 and 21 display the number of respondents from licensed family homes and child care centers in Washington state. As discussed in the “Methodology” and “Outreach” of the report, survey efforts were thorough to ensure centers in all regions of the state were being contacted and taking the survey. The percentages display the number of recorded responses in a county divided by the number of identified licensed homes/centers in the county.

Figure 20 displays that Region 2, Region 3, and Spokane had a high response rate per region. Asotin, Garfield, and Ferry counties had no identified licensed family child care homes. Pend Oreille County shows a 100% response rate, because there was only one listed family home, and they participated in the survey.

Figure 21 displays that Region 2, Region 3, and Region 6 had high response rates per region. No responses were collected from Pend Oreille, Adams, Douglas, Lincoln, Skamania, or Klickitat counties. Columbia, Garfield, and Ferry counties had no identified child care centers.

Figure 20: Percentage of Respondents from Licensed Family Homes

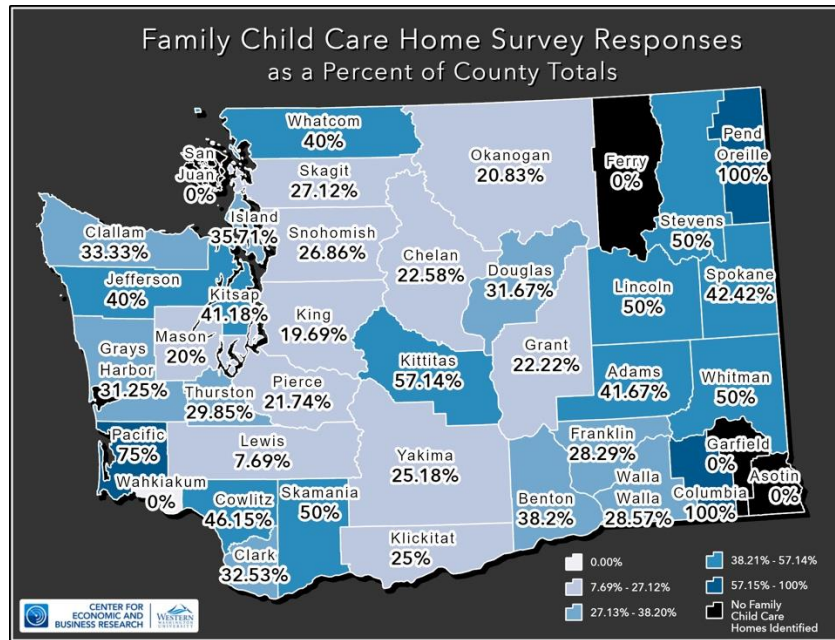


Figure 21: Percentage of Respondents from Licensed Child Care Centers

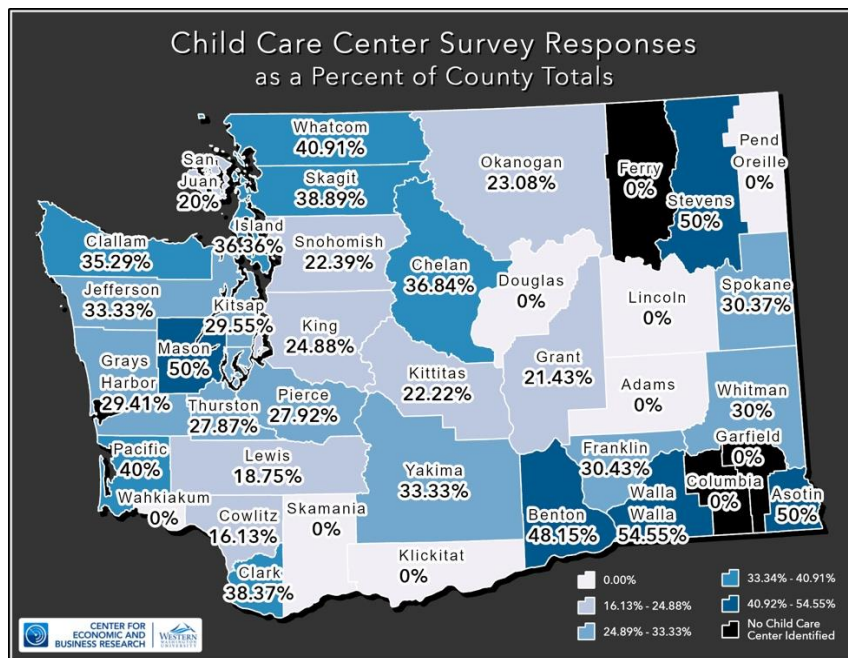


Table 64 looks at DCYF subsidy regions, survey response rate for each region. While the margin of error for the whole study was 2% at a 95% confidence, this changes for each unique category of data. Tables 65 through 69 breaks down survey response rates for each provider type and region along with the margin for error at 95% confidence. Regions in these tables are ranked from highest completion region to lowest. It is important to consider the margin of error in conjunction with percentage completion, because a smaller sample size can result in a higher margin of error even if the response rate is higher. We saw fairly even regional participation for licensed child care centers and licensed family homes, while school-age only programs had the lowest participation rate.

Table 64: Percentage of Respondents from Licensed Child Care Centers

Region	Respondents Licensed Child Care Center	Providers Licensed Child Care Center	Percentage	Margin of Error at 95% Confidence
1	21	71	30%	+/- 16.6%
2	57	156	37%	+/- 10.0%
3	60	191	31%	+/- 9.7%
4	159	644	25%	+/- 5.8%
5	56	195	29%	+/- 10.1%
6	76	243	31%	+/- 8.6%
Spokane	41	135	30%	+/- 11.7%
Unidentifiable	-	62	-	-
Out of State	-	14	-	-

“Unidentifiable” means that provider region was not on our contact list. “Out of State” indicates two things: larger, corporate, or chain providers based in another state, and facilities on the state border that cater to Washington state families. The latter was primarily providers in the Oregon communities of Hood River and Lake Oswego. We have not found evidence that any of these providers participated in the survey.

Table 65: Percentage of Respondents from Licensed Family Homes Ranked

	Region	Licensed Family Home Percent	Percentage
1	Spokane	42%	+/- 14.0%
2	3	33%	+/- 7.0%
3	2	29%	+/- 5.9%
4	1	27%	+/- 7.9%
5	5	26%	+/- 8.8%
6	6	26%	+/- 8.6%
7	4	19%	+/- 3.6%

Table 66: Percentage of Respondents from Licensed Family Homes				
	Respondents Licensed Child Care Center	Providers Licensed Child Care Center	Percentage	Margin of Error at 95% Confidence
1	89	335	27%	+/- 7.9%
2	160	550	29%	+/- 5.9%
3	116	348	33%	+/- 7.0%
4	309	1679	19%	+/- 3.6%
5	71	276	26%	+/- 8.8%
6	74	288	26%	+/- 8.6%
Spokane	28	66	42%	+/- 14.0%
Unidentifiable	-	44	-	-
Out of State	-	-	-	-

Table 67: Percentage of Respondents from Licensed Child Care Centers Ranked			
	Region	Licensed Family Home Percent	Percentage
1	2	37%	+/- 10.0%
2	3	31%	+/- 9.7%
3	6	31%	+/- 8.6%
4	1	30%	+/- 16.6%
5	Spokane	30%	+/- 11.7%
6	5	29%	+/- 10.1%
7	4	25%	+/- 5.8%

Table 68: Percentage of Respondents from School Age Programs				
	Respondents Licensed Child Care Center	Providers Licensed Child Care Center	Percentage	Margin of Error at 95% Confidence
1	0	7	0%	-
2	9	38	24%	+/- 24.7%
3	12	72	17%	+/- 19.5%
4	19	139	14%	+/- 14.5%
5	19	65	29%	+/- 17.3%
6	20	52	38%	+/- 16.8%
Spokane	2	29	7%	+/- 34.7%
Unidentifiable	-	198	-	-
Out of State	-	160	-	-

Table 69: Percentage of Respondents from School Age Programs Ranked			
	Region	Licensed Family Home Percent	Percentage
1	6	38%	+/- 16.8%
2	5	29%	+/- 17.3%
3	2	24%	+/- 24.7%
4	3	17%	+/- 19.5%
5	4	14%	+/- 14.5%
6	Spokane	7%	+/- 34.7%
7	1	0%	-

Table 70 illustrates the diversity of survey participants. It should be viewed selectively as there were several difficulties we encountered collecting this information.

1. We pose demographic questions at the end, because the earlier data is of higher priority and research has shown asking personal information early decreases total completion rates. Thus, this question was only completed by participants that completed the survey.
2. The question was voluntary.
3. It only indicates ethnicity of the person filling out the survey, not the child care landscape of the participating center.
4. We did not have this information in our contact list so we could not indicate the percentage of each ethnicity participating in relationship to all providers.

Table 70: Response Rate by Ethnicity

	Alaska Native / Native American	Asian	Black / African American	Hispanic / Latino / Latinx	Native Hawaiian or Pacific Islander	North African / Middle Eastern	Two or more races	White	Other	Don't know or Prefer Not to Say
# of Responses	9	86	122	268	5	8	36	439	18	53
Child Care Center	2	18	23	46	2	0	18	18	2	22
Licensed Family Home	6	67	99	216	3	8	17	17	16	28
School Age	1	1	0	6	0	0	1	1	0	3

Table 71 shows the language of respondents who took the survey. It is important to note that response rate by language is an estimation, we found many Spanish speakers and other languages represented during our calls, including Arabic and Ukrainian. Language data does not include bulk-entry surveys. Providing the survey in multiple languages helps provide equitable participation. This can be seen in the number of Spanish speakers that took advantage of this offering.

Table 71: Respondent by Survey Language

	English	Spanish	Somali
# of Providers	5097	508	174
# of Responses	1101	157	3
Child Care Center	380	13	1
Licensed Family Home	686	144	2
School Age	35	0	0
Percentage of Providers	22%	31%	2%
Percentage of Respondents	87%	12%	0.24