

2006 Utah Child Care Market Rate Study

Utah Department of Workforce Services
Office of Child Care
&
Workforce Information Services

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I. INTRODUCTION

Federal regulations require states to conduct a market rate study or survey every two years. The data is used to establish the child care subsidy for the Payment-to-Parent Child Care Assistance Program.

The Payment-to-Parent Child Care Assistance Program provides funding for child care to parents who are employed or employed and attending school or training. The program serves single parent and two-parent families. Parents must meet minimum work requirements and be within income limits. Other eligibility requirements such as cooperation to obtain child support may also apply. For more information about the Payment-to-Parent Child Care Assistance Program, call 1.866.375.KIDS (5437) or email, KIDS@utah.gov.

This study is intended to provide an analysis of the child care subsidy with respect to current market conditions. The child care subsidy is based on many factors and is not intended to cover the entire cost of care.

The last market rate study produced by the Department of Workforce Services was released in September 2004.

II. METHODOLOGY

The Department of Health is charged with regulating child care providers in Utah. Each regulated category of child care has its own set of training, health and safety requirements. To obtain information about licensing rules and regulations, contact the Department of Health, Bureau of Child Care Licensing, at 801.538.9084.

Only regulated or licensed child care provider rate data was studied. During the study period, the Office of Child Care Licensing website (<http://health.utah.gov/licensing/cc.htm>) identified more than 2,400 regulated providers delivering care throughout Utah.

Child care provider rate data is collected by Utah's six Child Care Resource and Referral (CCR&R) agencies. The CCR&Rs are contracted by the Department of Workforce Services to provide community based child care information and referral services throughout Utah. The CCR&Rs serve both parents and child care providers. Parents call a locally based CCR&R to receive information to assist them in their search for child care.

**TABLE 1
2006 Utah Child Care Monthly Market Rate Study
Child Care Resource and Referral (CCR&R) Agencies Serving Utah**

Agency	Contract Agent	Counties Served
CCR&R, Bridgerland	Utah State University	Box Elder, Cache, Rich
CCR&R, Eastern	College of Eastern Utah	Carbon, Daggett, Duchesne, Emery, Grand, San Juan, Uintah
CCR&R, Metro	Children's Services Society of Utah	Salt Lake, Tooele
CCR&R, Mountainland	Utah Valley State College	Summit, Utah, Wasatch
CCR&R, Northern	Weber State University	Davis, Morgan, Weber
CCR&R, Western	Five County Association of Governments	Beaver, Garfield, Iron, Kane, Millard, Piute, Sanpete, Sevier, Washington, Wayne

Source: Department of Workforce Services, Office of Child Care

A critical component of the CCR&Rs' work is their contact with child care providers. The CCR&Rs track regulated child care providers serving their area. Inclusion on the CCR&R databases is voluntary and some child care providers opt out. Child care providers on the CCR&R databases voluntarily report their rates, slots and vacancies, and other information to the CCR&Rs. Rate data obtained by the CCR&Rs from child care providers is featured in this report.

After accounting for providers not included on the CCR&R databases and providers with rate data that was unreliable, e.g., zero or blank, an estimated 86% of regulated providers were studied.

TABLE 2
2006 Utah Child Care Monthly Market Rate Study
Child Care Providers Studied

License Type	All child care providers reported by Office of Child Care Licensing	Child care providers on CCR&R database (study group)	% of child care providers studied
Center	272*	299*	100
Family	776	608	78
Family Group	250	216	86
Residential Certificate	1112	944	85
TOTAL	2410	2067	86

* Apparent discrepancy due to slight timing differences in obtaining the data

III. DATA

The CCR&R databases contain information about licensed or regulated child care providers. Some CCR&Rs include license exempt providers on their databases. While license exempt provider data is available, the numbers are small and are limited to providers willing to report to the CCR&Rs. Unregulated or license exempt child care providers are not included in this study.

Each CCR&R is required to update regulated child care provider information annually. It is in the interest of the CCR&Rs to continually update their provider databases to give parents the most current information available on child care providers in their area. The CCR&Rs update vacancy, rate and other information. Provider updates are done by phone and are time consuming. Some CCR&Rs are able to update their entire database in a matter of months, while others, because of the high number of providers in their region, work year round to keep their database current.

For this study the following table describes each CCR&R provider database in terms of number of providers, when data was updated and the percentage of database updated:

**TABLE 3
2006 Utah Child Care Monthly Market Rate Study
CCR&R Database Update Information**

CCR&R	Update Information
Bridgerland	100% Updated as of June/July 2006
Eastern	100% Updated as of June/July 2006
Metro	100% Updated as of June/July 2006
Mountainland	100% Updated as of June/July 2006
Northern	100% Updated as of June/July 2006
Western	100% Updated as of June/July 2006

Source: Utah's Child Care Resource and Referral Agencies

Child care rate data was obtained by DWS from each of the six CCR&Rs in June and July 2006. A uniform database was constructed to store and compile the data. The Economic Data Collection and Analysis Unit analyzed the compiled data.

Data analyzed:

- provider license type
- provider rates
- service by age of child
 - infants
 - 0-12 months & 12-24 months
 - preschool
 - 2 year olds & 3 year olds
 - 4 year olds & 5 year olds (not in kindergarten)
 - kindergarten
 - age 5 until 1st grade
 - school-age
 - grades 1-6

A. Provider License Type

At the time the study was conducted, the CCR&Rs had over 1,300 licensed or regulated child care providers on their databases. Each regulated category has its own set of training, health and safety requirements. The following briefly describes the number of children allowed by type of care:

- * Licensed Center Care (GP) depends on the children's age and the ratio of children to caregivers
- * Licensed Family Group (FG) up to 16 children, depending on age of the children
- * Licensed Family Home (FP) up to 8 children, depending on age of the children
- * Residential Certificate (RC) up to 8 children

B. Provider Rates

The CCR&Rs collect child care provider rate data by four time units: hourly, daily, weekly and monthly. Only monthly rates were analyzed. Provider rate data was excluded when the rate was zero or blank.

C. Service by Age of Child

Rates were categorized by the age range of the children served. The following describes the age ranges studied:

- | | |
|--------------|--|
| infant | 0-12 months & 12-24 months |
| preschool | 2 year olds & 3 year olds
4 year olds & 5 year olds (not in kindergarten) |
| kindergarten | age 5 until 1 st grade |
| school-age | grades 1-6 |

IV. UTAH CHILD CARE MARKET RATES

The following tables present 2006 Utah Child Care Market Rates. Provider rates are reported by child care providers to the Child Care Resource and Referral Agencies. Rates are expressed by age group, by provider type and by percentile rate (monthly).

**Table 4
2006 Utah Child Care Monthly Market Rate Study
Monthly Percentile Rates by Age and
License Group Infants**

Provider Type	# of rate units	Percentiles					High 90 th
		Low 10 th	Median	65 th	70 th	75 th	
Center	208	\$400.00	\$533.00	\$557.50	\$564.00	\$564.00	\$682.00
Family	705	\$336.00	\$420.00	\$433.00	\$433.00	\$450.00	\$525.00
Family Group	239	\$323.70	\$420.00	\$431.60	\$433.00	\$433.50	\$519.12
Residential Certificate	594	\$315.00	\$400.00	\$431.60	\$433.00	\$433.00	\$539.75
	1746						

Source: Utah Department of Workforce Services, Child Care Market Rate Study, September 2006

**Table 5
2006 Utah Child Care Monthly Market Rate Study
Monthly Percentile Rates by Age and
License Group Preschool**

Provider Type	# of rate units	Percentiles					High 90 th
		Low 10 th	Median	65 th	70 th	75 th	
Center	248	\$327.86	\$426.00	\$462.00	\$480.00	\$495.00	\$563.00
Family	654	\$315.00	\$374.00	\$400.00	\$411.68	\$430.00	\$450.00
Family Group	202	\$320.00	\$376.00	\$399.00	\$400.00	\$420.00	\$470.00
Residential Certificate	612	\$258.96	\$347.00	\$390.00	\$404.40	\$420.00	\$433.00
	1716						

Source: Utah Department of Workforce Services, Child Care Market Rate Study, September 2006

Table 6
2006 Utah Child Care Monthly Market Rate Study
Monthly Percentile Rates by Age and
License Group Preschool
 4 year olds & 5 year olds (not in kindergarten)

Provider Type	# of rate units	Low	Percentiles				High
		10 th	Median	65 th	70 th	75 th	90 th
Center	278	\$320.00	\$400.00	\$425.00	\$433.00	\$450.00	\$524.60
Family	733	\$301.90	\$360.00	\$388.44	\$400.00	\$420.00	\$433.00
Family Group	242	\$302.12	\$365.50	\$388.44	\$390.00	\$400.00	\$433.00
Residential Certificate	612	\$250.00	\$345.28	\$378.00	\$389.79	\$420.00	\$433.00

1865

Source: Utah Department of Workforce Services, Child Care Market Rate Study, September 2006

Table 7
2006 Utah Child Care Monthly Market Rate Study
Monthly Percentile Rates by Age and
License Group Kindergarten
 Age 5 until 1st grade

Provider Type	# of rate units	Low	Percentiles				High
		10 th	Median	65 th	70 th	75 th	90 th
Center	257	\$301.00	\$377.00	\$412.00	\$424.00	\$434.00	\$499.00
Family	669	\$261.00	\$345.00	\$360.00	\$388.00	\$400.00	\$433.00
Family Group	235	\$300.00	\$350.00	\$378.00	\$388.00	\$395.00	\$431.00
Residential Certificate	628	\$217.00	\$344.00	\$358.00	\$378.00	\$400.00	\$433.00

1789

Source: Utah Department of Workforce Services, Child Care Market Rate Study, September 2006

**Table 8
2006 Utah Child Care Monthly Market Rate Study
Monthly Percentile Rates by Age and
License Group School Age
Grades 1-6**

Provider Type	# of rate units	Low					High	
		10 th	Median	65 th	70 th	75 th	90 th	
Center	240	\$230.00	\$350.00	\$372.00	\$386.40	\$396.22	\$479.70	
Family	613	\$244.00	\$345.28	\$367.05	\$387.00	\$400.00	\$433.00	
Family Group	219	\$250.00	\$346.00	\$375.00	\$387.00	\$389.70	\$431.60	
Residential Certificate	583	\$216.50	\$325.00	\$346.40	\$367.43	\$389.70	\$433.00	
1655								

Source: Utah Department of Workforce Services, Child Care Market Rate Study, September 2006

TERMS

Median: the middle value in a distribution, above and below which lie an equal number of values.

Percentile: a value on a scale of one hundred that indicates whether a distribution is above or below it. For example, a monthly rate in the 75th percentile indicates that the rate a child care provider charges is higher than 75% of all the child care provider rates studied.

Source: www.dictionary.msn.com , Encarta World English Dictionary [North American Edition]
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