

2020 MARKET RATE SURVEY

OFFICE OF EARLY CHILDHOOD OPERATIONS

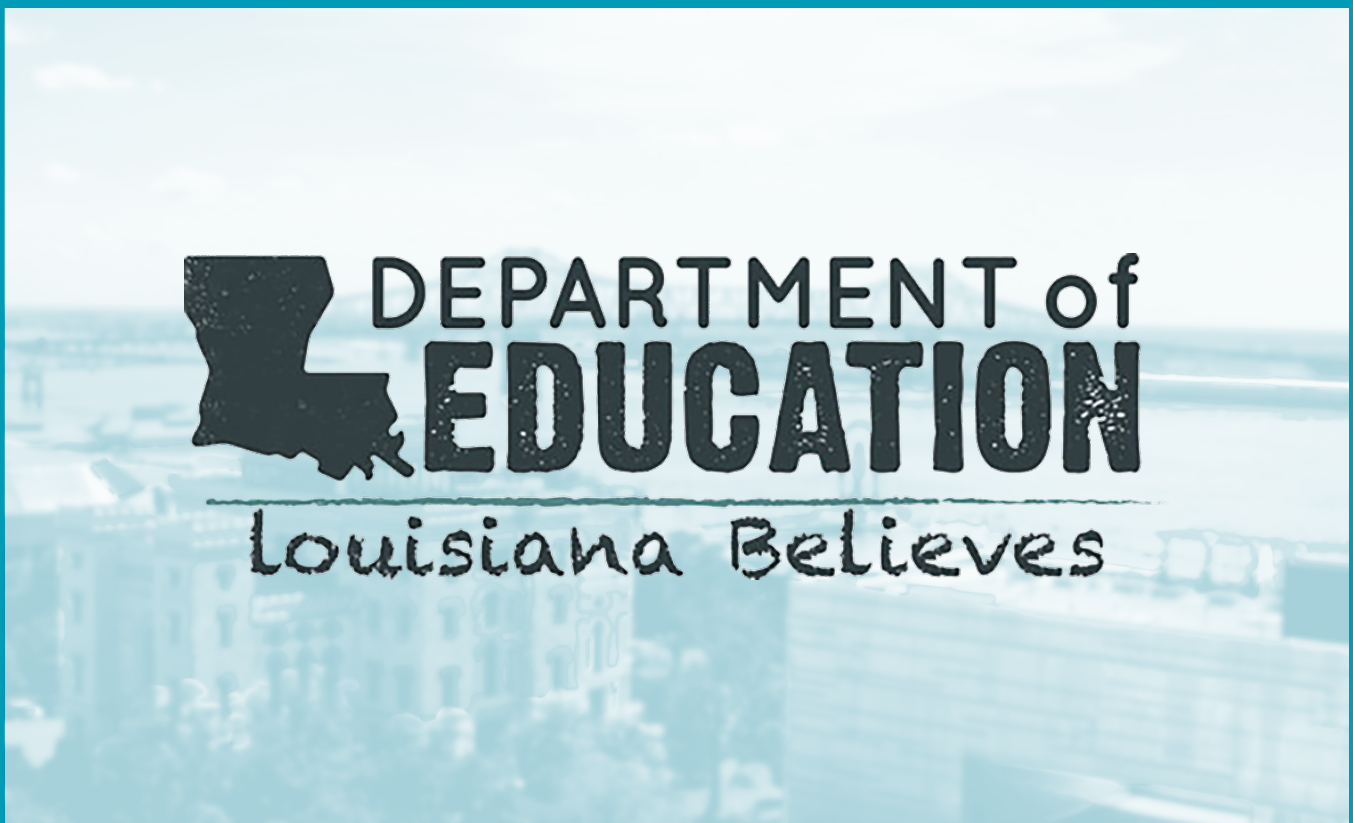




TABLE OF CONTENTS

ACKNOWLEDGEMENTS.....	3
GLOSSARY	4
EXECUTIVE SUMMARY.....	5
INTRODUCTION	7
METHODOLOGY	8
SURVEY RESULTS.....	9
NARROW COST ANALYSIS.....	28
SUBSIDY RATES	32
APPENDIX A: MARKET RATE SURVEY INSTRUMENT.....	36
APPENDIX B: SURVEY FIELDING INFORMATION	48
APPENDIX C: RESPONSES BY PARISH, REGION, AND ZONE.....	54
APPENDIX D: FOCUS GROUP WORKSHEET.....	57



ACKNOWLEDGEMENTS

A special and important note of appreciation goes to the child care providers across the state who participated in the survey, as well as those who participated in the six virtual focus groups. This report would not have been possible without their participation in this process.



GLOSSARY

CCAP: Child Care Assistance Program, which provides subsidized child care to low-income families who are working, looking for employment, in training, and/or in school

Family Child Care Provider: License-exempt providers who provide child care services for six or fewer children in a private residence

In-home Child Care Provider: License-exempt providers who provide child care for children in the children's home

Military Child Care Center: Child care center that is located on military base and serves *only* children from military families

School-based Center: Child care centers located on school campuses that provide only before-school and after-school care

Type I Center: Early learning centers owned or operated by a tax-exempt, faith-based organization that receive no state or federal funds directly or indirectly from any source

Type II Center: Early learning centers not accepting public funding, unless they are nonprofit and therefore eligible for the Child and Adult Care Food Program (CACFP)

Type III Center: Early learning centers authorized to accept some form of public funding to serve in-need children (Child Care Assistance or CCAP, Head Start funds, or NSECD monies)



EXECUTIVE SUMMARY

The Louisiana Department of Education contracted with Emergent Method, a Louisiana-based management consulting firm to conduct the 2020 Market Rate Survey of child care providers. This survey was conducted to identify both the typical rates charged by child providers across the state, as well as to better understand the cost to those providers of providing quality child care.

In total, over 800 child care professionals (810), or 57.37 percent of active providers statewide, participated in the survey, providing a significant number of responses from which to identify the baseline costs and operating practices.

Among notable findings are the following:

- Type III providers were best-represented among respondents, though on average, Type II centers charge the highest rates for care, excluding infant and toddler care.
- The average differential between 2020 average costs per age group and the current maximum Child Care Assistance Program (CCAP) rate associated with each age group exceeds \$4.00 (\$4.18), representing a significant gap in access for lower-income families who do not have the ability to pay out-of-pocket for rates that exceed the CCAP maximum payment
- When rates are compared regionally, for every age group except for five-year-old and older, Baton Rouge, Covington, and New Orleans charge the highest average daily rates.
- The average cost differential between urban/suburban and rural providers is \$4.87 across age groups, indicating significant differences across areas of the state.
- Just under one-fifth of providers charge different rates for summer care (18 percent, 146 respondents), while only 3.5 percent charge different rates for weekend care. However, weekend care is significantly higher than regular weekday rates, while summer care rates are only slightly higher than regular weekday rates.
- Sixty percent of respondents anticipate increasing rates in the next 12 months by an average of \$2.65 per day, or \$13.27 per week.
- Respondents report an 18.5 percent decline in enrollment since March. However, reported daily attendance is just 70.8 percent of pre-COVID enrollment numbers, indicating that both enrollment and regular attendance have been drastically impacted by COVID-19 and the related policy and safety guidelines put into place.

In addition to questions about rates, providers were asked to provide insight into common challenges related to operating their centers. Repeatedly, problems related to staffing, budgeting, and enrollment were identified as significant pain points. Particularly in light of the economic challenges brought about by COVID-19, many centers report struggling to balance the added costs related to operating in COVID environment while also realizing the requisite revenue to continue operating.

Further, this report includes information gathered through focus groups, which were conducted following the completion of the Market Rate Survey, as well as a subsequent budget worksheet. Though not statistically representative due to the small sample size, on average, providers report spending over 90 percent of their total monthly operating expenses on operational costs, such as salary, rent, or related hard costs; just under 10 percent of the remaining revenue is allocated to quality-boosting measures that impact the quality of care provided. Taking into account the narrow to sometimes non-existent profit margins within which these businesses operated even prior to COVID-19, the added operating costs related to safely caring for children while adhering to state safety guidelines have grave implications for many providers' long-term ability to continue operations.



Based on the findings gathered through this research, the LDOE recommends increasing the current CCAP subsidy rates, with the intention of expanding access to quality child care for low-income families across the state, as well as better supporting and enabling investments in quality by the providers who serve these children.



INTRODUCTION

The Louisiana Child Care Assistance Program (CCAP) is administered by the Louisiana Department of Education (LDOE) Office of Early Childhood Operations. Through the program, low-income families receive a financial subsidy for child care costs while they work or attend school or training.

In 2020, 18,442 families participated in CCAP, and 30,785 children received child care through the program.

CCAP funds are provided to the State of Louisiana through the Child Care and Development Fund (CCDF), a federal fund created to ensure that all families have equal access to child care services. As the Lead Agency of CCDF funds, LDOE is required to conduct a market rate survey every three years to analyze the prices and fees charged by child care providers for services in the priced market; these results are then used to inform their CCDF plan.

In 2019, LDOE hired Emergent Method, a Louisiana-based consulting firm, to conduct its 2020 Market Rate Survey. This survey was utilized as an opportunity to better understand both the price consumers pay for child care and the cost to providers of providing quality child care, as well as to identify ways that LDOE could better support child care providers as they continue operations during the ongoing COVID-19 pandemic.

While initially launched in spring 2020, the survey was prematurely closed after the emergence of the COVID-19 virus and the resulting statewide stay-at-home order, which caused many providers to pause or discontinue operating. In the interim, the survey was updated to include COVID-19-related questions and distributed to all active providers between August and October 2020. During the fall fielding, a record number of hurricanes and tropical depressions made landfall in Louisiana, causing additional disruptions to providers' operations on top of ongoing COVID-related challenges. In spite of these challenges, 57.37 percent of providers participated in the survey, providing significant data about current market rates and operating practices of providers across the state.

LDOE Office of Early Childhood Operations used the information gathered through the 2020 Market Rate Survey to evaluate the current CCAP subsidy rates and to ultimately present the recommended CCAP rate increases included within this report.



METHODOLOGY

SURVEY FIELDING

The 2020 Market Rate Survey was initially distributed to all active child care providers (Type I, Type II, Type III, School-based Child Care, Family Child Care Providers, and In-home Child Care) by email on February 17, 2020. The survey was redistributed by email weekly, and providers who did not complete the online survey received a paper survey by mail, allowing them to complete and return the survey offline.

This survey fielding loosely coincided with the emergence of COVID-19 in Louisiana. While the number of survey responses gathered during the first six weeks of fielding (February 17 – March 22) increased steadily, responses abruptly stopped after the week of March 22 when the statewide stay-at-home order in response to COVID-19 went into effect. Based on guidance from CCDF, the survey was closed on April 27 with the intention of re-fielding it later in 2020.

In the interim, the survey instrument was updated to include questions about child care providers' rates, enrollment, attendance, and general operations pre- and post-March 2020. The updated survey (Appendix A) was fielded between August 30 and October 30 to all active child care providers (Type I, Type II, Type III, School-based Child Care, Family Child Care, and In-home Child Care). More information about the fall survey fielding is provided in Appendix B.



SURVEY RESULTS

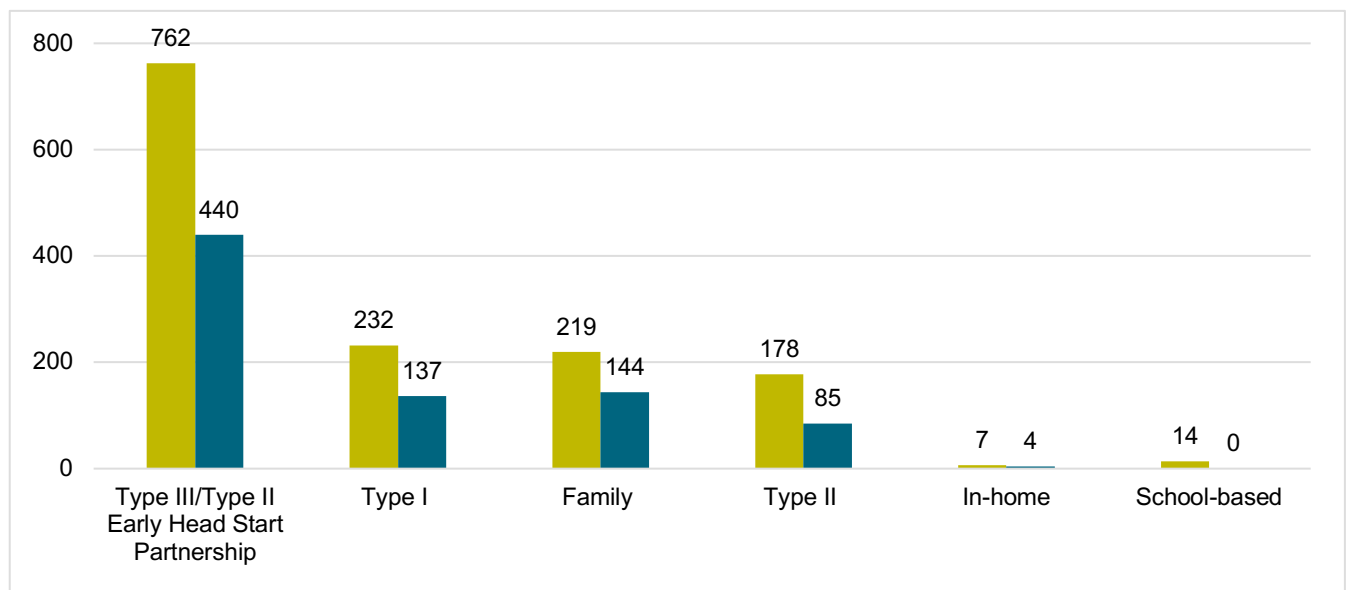
In total, 888 survey responses were received, representing a 62.89 percent response rate. After removing responses from Head Start programs, which do not charge for care, and from providers who had closed since the launch of the survey in August, there were 810 responses that matched back to an active provider, a 57.37 percent matched response rate.

SURVEY DEMOGRAPHICS

The universe of licensed child care providers was provided by LDOE. The table below contains the breakdown of providers by category, along with the total number of responses received and the calculated response rate.

	Total Sample	Responses Received	Response Rate
Type I	232	137	59.05%
Type II	178	85	47.75%
Type III	762	440	57.74%
School-based Center	14	0	0.00%
Family Child Care	219	144	65.75%
In-home Child Care	7	4	57.14%
TOTAL:	1,412	810	57.37%

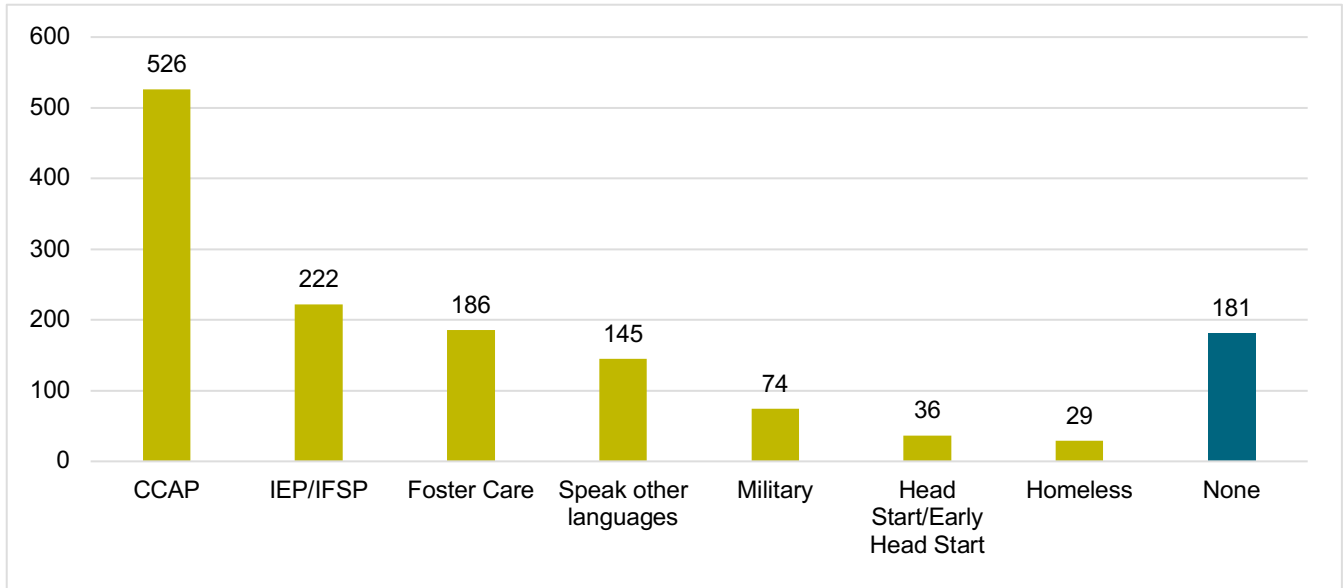
RESPONSE BY CHILD CARE CENTER TYPE





When asked to indicate the type of children they served, the majority of respondents (64.9 percent) indicated that they serve children who receive CCAP benefits, followed by 27.4 percent who serve children with an Individualized Education Program (IEP) or Individualized Family Service Plan (IFSP). Just under one-quarter of respondents (23.0 percent) serve children in foster care, 17.9 percent serve children who speak a language other than English at home, and 9.1 percent indicate serving children from military families. Notably, 3.6 percent of respondents (29 responses) serve children who are homeless.

PROVIDERS BY TYPES OF CHILDREN SERVED



To better understand geographic variations in the cost of care across Louisiana, respondents were grouped by their region within the state and by whether they are urban/suburban or rural. Complete lists of response rates by parish, parishes by region, and urban/suburban and rural classifications, by parish, are included in Appendix C.

RATES

Respondents were given the option of providing their rates charged as hourly, daily, weekly, or monthly, and were asked to provide the days per week they provided services. The combined average daily rate was calculated by combining and averaging hourly (assumes 10 hour/day unless otherwise stated), daily, weekly (assumes 5 days/week unless otherwise stated), and monthly (assumes 20 days/month unless otherwise stated) rates.

The average full-time daily rates statewide for all providers exceeds the daily maximum CCAP rate by between \$1.78 – \$5.50, depending on the child's age. While this amount may seem small or insignificant, for a CCAP family with one three-year-old, this equates to over \$1,300 in out-of-pocket expenses over the course of a year (assumes 20 days/month). This cost is further multiplied for families with more than one child or those who use a provider that charges above-average rates.

Generally speaking, rates charged decrease as the age of the child increased. The one outlier to this trend is the rates charged for infant care, though this is likely due to the fact that significantly fewer providers offer care for this age group, compared to other age groups.



STATEWIDE AVERAGE DAILY RATES COMPARED TO MAXIMUM CCAP RATES

	Combined Average Daily Rate	2019 Daily Maximum LA CCAP Rates	Average Rate & Daily LA CCAP Rate Differential
Infant (N = 484)	\$28.62	\$25.00	-\$3.62
Toddler (N = 678)	\$28.82	\$23.75	-\$5.07
Three-Year-Old (N = 654)	\$27.50	\$22.00	-\$5.50
Four-Year-Old (N = 624)	\$26.94	\$22.00	-\$4.94
Five-Year-Old and Older (N = 497)	\$23.78	\$22.00	-\$1.78

RATES BY PROVIDER TYPE

Rates also vary significantly by type of provider. For all but two age groups, Type II centers, which receive public funds only for food and nutrition programs, charge the highest average daily rates. These rates are significantly higher than other provider types, in some cases in excess of \$5.00 (e.g., Type II daily toddler rates compared to Type III daily toddler rates).

Type III centers report charging the highest average daily rates for infant care, though they notably have the least amount of variation (\$0.12 – \$0.45) in the average rates charged among typed providers. This indicates that there is a general consensus among providers on the cost of infant care or, at a minimum, a consensus regarding the maximum rate tolerated by the child care market.

The slight disparity among Type I and Type II centers, in which the daily rates for toddler care exceed the daily rates for infant care, further demonstrates this point. While the cost of caring for an infant is objectively expensive than cost of caring for older children, this cost differential is not readily evident in the pricing. Anecdotally during follow-up focus groups, many respondents stated that they offered infant care despite its status as a loss leader; instead, infant care is offered as a means of building a pipeline of clients, with the lost revenue recouped when children age into the three-year-old and above age groups.

Type I centers, which are affiliated with faith-based organizations, charge the highest average daily rates for five-year or older care. Anecdotally, given the high number of Type I centers affiliated with parochial schools, this high daily average could be due to the center aligning costs with the tuition charged for primary students at affiliated schools. In-home child care providers charge the lowest average daily rates for all age groups, followed by family child care providers.

STATEWIDE AVERAGE DAILY RATES, BY CHILD'S AGE AND CENTER TYPE

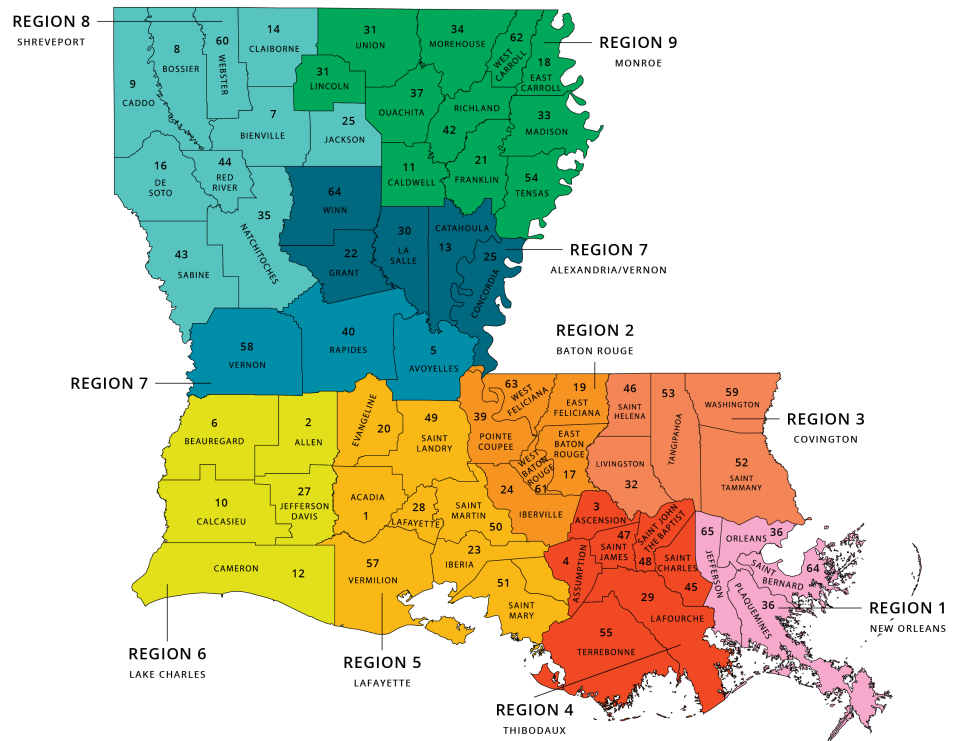
	Type I (N=137)	Type II (N=85)	Type III (N=440)	Family (N=144)	In-home (N=2)
Infant	\$29.23	\$29.56	\$29.68	\$24.03	\$22.33
Toddler	\$29.93	\$33.94	\$28.85	\$23.52	\$21.00
Three-Year-Old	\$28.55	\$30.72	\$27.45	\$24.06	\$17.00
Four-Year-Old	\$27.92	\$29.09	\$27.13	\$23.37	\$17.00
Five-Year-Old and Older	\$25.28	\$22.66	\$24.19	\$22.11	\$23.00



RATES BY REGION

In addition to variation among center types, there are also significant differences in the rates charged for care among regions.

For all age groups except five-year-old and older, the Baton Rouge, Covington, and New Orleans regions charge the highest average daily rates. The highest regional averages, by age, range from \$5.19 (infant) to \$11.14 (three-year-old), representing significant differences in market context and price norms across regions.



AVERAGE DAILY COST BY CHILD'S AGE AND REGION

		Rate
Infant	Maximum CCAP Rate	\$25.00
	Statewide	\$28.61
	New Orleans	\$30.19
	Baton Rouge	\$32.14
	Covington	\$31.55
	Thibodaux	\$29.46
	Lafayette	\$24.88
	Lake Charles	\$27.07
	Alexandria	\$24.76
	Shreveport	\$25.37
	Monroe	\$25.47

		Rate
Two-Year-Old	Maximum CCAP Rate	\$23.75
	Statewide	\$28.82
	New Orleans	\$33.01
	Baton Rouge	\$31.83
	Covington	\$30.25
	Thibodaux	\$27.74
	Lafayette	\$25.36
	Lake Charles	\$26.65
	Alexandria	\$24.38
	Shreveport	\$25.88
	Monroe	\$24.76



Three-Year-Old		Rate
	Maximum CCAP Rate	\$22.00
	Statewide	\$27.50
	New Orleans	\$31.14
	Baton Rouge	\$30.74
	Covington	\$29.13
	Thibodaux	\$26.84
	Lafayette	\$24.45
	Lake Charles	\$26.37
	Alexandria	\$23.70
	Shreveport	\$23.22
	Monroe	\$24.12

Four-Year-Old		Rate
	Maximum CCAP Rate	\$22.00
	Statewide	\$26.94
	New Orleans	\$30.13
	Baton Rouge	\$30.40
	Covington	\$28.53
	Thibodaux	\$26.42
	Lafayette	\$24.33
	Lake Charles	\$26.37
	Alexandria	\$23.37
	Shreveport	\$22.92
	Monroe	\$23.73

Five-Year-Old and Older		Rate
	Maximum CCAP Rate	\$22.00
	Statewide	\$23.78
	New Orleans	\$29.72
	Baton Rouge	\$26.91
	Covington	\$23.74
	Thibodaux	\$22.59
	Lafayette	\$21.48
	Lake Charles	\$24.69
	Alexandria	\$19.20
	Shreveport	\$20.40
	Monroe	\$20.85

URBAN VERSUS RURAL DIFFERENCES

Even within a single region, there can be significant variation in the market characteristics, based on proximity to an urban area, parish population density, and income characteristics. To consider these variations, parishes were divided into one of two categories (rural or urban/suburban) using existing LDOE criteria for identifying rural school districts. A complete listing of the zones by region is provided in Appendix C.

Across all age categories, care is more expensive in urban and suburban parishes than in rural parishes. Additionally, a provider's location (whether in urban and suburban areas) appears to be the driving force behind the pricing inconsistencies between infant and toddler age groups, while the cost of care consistently decreases as the age of the child increases among providers in rural parishes.



AVERAGE DAILY RATES BY CHILD'S AGE AND RURAL-URBAN/SUBURBAN CLASSIFICATION

	Rural	Urban/Suburban
Infant	\$23.76	\$29.38
Toddler	\$23.65	\$29.57
Three-Year-Old	\$23.23	\$28.16
Four-Year-Old	\$23.02	\$27.56
Five-Year-Old and Older	\$20.95	\$24.31

PERCENTILES

While averages can be useful in gaining a broad snapshot of cost, percentiles provide a more granular understanding of rates charged relative to peer providers.

The following table provides the statewide quartiles for all **provider types** based on daily rates charged.

STATEWIDE QUARTILES FOR DAILY RATES BY CHILD'S AGE

	Infant	Toddler	Three-Year-Old	Four-Year-Old	Five-Year-Old and Older
25 th	\$14.28	\$24.00	\$23.88	\$23.00	\$19.00
50 th	\$25.00	\$27.00	\$26.00	\$26.00	\$24.00
75 th	\$32.00	\$32.00	\$30.00	\$30.00	\$28.00
2019 Maximum LA CCAP Rates	\$25.00	\$23.75	\$22.00	\$22.00	\$22.00

To take into account the significant variation in rates charged by provider types, percentiles by provider type and child age illustrate two major trends: first, that care from typed centers disproportionately drives the higher averages and 50th percentiles for care seen in the tables above, and second, that while rates generally decrease when the age of the child increases, this is not universally the case with infant care given the aforementioned challenges associated with fewer providers offering this care.



TYPE I STATEWIDE PERCENTILES FOR DAILY RATES BY CHILD'S AGE

	Infant	Toddler	Three-Year-Old	Four-Year-Old	Five-Year-Old and Older
25 th	\$26.00	\$24.69	\$23.25	\$22.63	\$15.75
50 th	\$28.00	\$28.40	\$27.10	\$26.00	\$25.00
75 th	\$33.00	\$34.00	\$32.35	\$31.75	\$29.25
80 th	\$33.20	\$36.00	\$33.65	\$33.10	\$32.90
85 th	\$34.00	\$38.66	\$36.07	\$36.00	\$34.00
90 th	\$35.88	\$42.50	\$41.48	\$41.92	\$35.90
95 th	\$36.30	\$46.64	\$45.78	\$46.75	\$50.71
100 th	\$46.60	\$57.50	\$60.00	\$60.00	\$68.00

TYPE II STATEWIDE PERCENTILES FOR DAILY RATES BY CHILD'S AGE

	Infant	Toddler	Three-Year-Old	Four-Year-Old	Five-Year-Old and Older
25 th	\$25.00	\$25.00	\$24.25	\$24.00	\$16.00
50 th	\$30.00	\$30.00	\$28.00	\$28.00	\$22.00
75 th	\$32.00	\$37.13	\$33.60	\$31.70	\$28.00
80 th	\$33.00	\$44.00	\$35.00	\$33.84	\$28.80
85 th	\$35.25	\$46.01	\$40.31	\$34.99	\$30.00
90 th	\$37.50	\$52.50	\$43.05	\$39.01	\$33.90
95 th	\$39.75	\$58.13	\$51.57	\$47.48	\$35.00
100 th	\$45.00	\$75.25	\$72.50	\$52.85	\$52.85

TYPE III STATEWIDE PERCENTILES FOR DAILY RATES BY CHILD'S AGE

	Infant	Toddler	Three-Year-Old	Four-Year-Old	Five-Year-Old and Older
25 th	\$25.00	\$25.00	\$24.00	\$24.00	\$16.00
50 th	\$28.00	\$27.40	\$26.00	\$26.00	\$22.00
75 th	\$33.00	\$31.05	\$30.00	\$30.00	\$28.00
80 th	\$35.00	\$33.00	\$30.00	\$30.00	\$28.76
85 th	\$35.44	\$34.00	\$32.00	\$32.00	\$30.00
90 th	\$37.20	\$37.00	\$35.00	\$35.00	\$32.00
95 th	\$41.10	\$40.00	\$37.85	\$37.00	\$35.93
100 th	\$64.00	\$64.00	\$58.00	\$63.40	\$63.40



FAMILY STATEWIDE PERCENTILES FOR DAILY RATES BY CHILD'S AGE

	Infant	Toddler	Three-Year-Old	Four-Year-Old	Five-Year-Old and Older
25 th	\$20.00	\$20.00	\$20.00	\$20.00	\$18.00
50 th	\$24.00	\$24.00	\$23.50	\$22.00	\$20.83
75 th	\$26.25	\$25.00	\$25.00	\$25.00	\$25.00
80 th	\$27.00	\$27.00	\$26.20	\$26.00	\$25.00
85 th	\$30.00	\$29.20	\$29.30	\$27.55	\$27.00
90 th	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00
95 th	\$34.85	\$33.40	\$30.55	\$30.00	\$30.00
100 th	\$40.00	\$73.75	\$73.75	\$73.75	\$73.75

Percentiles for in-home providers should not be considered representative due to the very small number of responses (4) received from this provider type.

IN-HOME STATEWIDE PERCENTILES FOR DAILY RATES BY CHILD'S AGE

	Infant	Toddler	Three-Year-Old	Four-Year-Old	Five-Year-Old and Older
25 th	\$18.50	\$19.00	N/A*	N/A*	\$22.00
50 th	\$20.00	\$21.00			\$24.00
75 th	\$25.00	\$23.00			\$24.50
80 th	\$26.00	\$23.40			\$24.60
85 th	\$27.00	\$23.80			\$24.70
90 th	\$28.00	\$24.20			\$24.80
95 th	\$29.00	\$24.60			\$24.90
100 th	\$30.00	\$25.00			\$25.00

* Percentiles are unavailable for this age group as only one in-home provider reported serving this age groups.

Many of the same divides found between rural and urban/suburban areas through an examination of average rates are also seen when examining the 50th percentiles, by age. In every single category, care is more expensive in urban and suburban parishes than in rural parishes, though there is far more movement across pricing for Type III centers, regardless of classification, than for family child care providers.



TYPE III CENTERS' 50TH PERCENTILES BY RURAL VERSUS URBAN/SUBURBAN

The complete listing of the zones by region is provided in Appendix C.

Type III		Rural 50 th Percentile	Urban/Suburban 50 th Percentile	Statewide 50 th Percentile
	Infant	\$25.00	\$29.00	\$28.00
	Toddler	\$25.00	\$28.00	\$27.40
	Three-Year-Old	\$24.75	\$27.00	\$26.00
	Four-Year-Old	\$24.87	\$27.00	\$26.00
	Five-Year-Old	\$23.00	\$25.00	\$25.00

TYPE III CENTERS' 75TH PERCENTILES BY RURAL VERSUS URBAN/SUBURBAN

Type III		Rural 75 th Percentile	Urban/Suburban 75 th Percentile	Statewide 75 th Percentile
	Infant	\$26.00	\$34.00	\$33.00
	Toddler	\$26.70	\$32.00	\$31.00
	Three-Year-Old	\$26.00	\$30.00	\$30.00
	Four-Year-Old	\$26.00	\$30.00	\$30.00
	Five-Year-Old	\$25.00	\$28.00	\$28.00

FAMILY PROVIDERS' 50TH PERCENTILES BY RURAL VERSUS URBAN/SUBURBAN

Family		Rural 50 th Percentile	Urban/Suburban 50 th Percentile	Statewide 50 th Percentile
	Infant	\$20.00	\$25.00	\$24.00
	Toddler	\$20.00	\$25.00	\$24.00
	Three-Year-Old	\$20.00	\$25.00	\$23.50
	Four-Year-Old	\$20.00	\$25.00	\$22.00
	Five-Year-Old	\$20.00	\$22.00	\$20.83

FAMILY PROVIDERS' 75TH PERCENTILES BY RURAL VERSUS URBAN/SUBURBAN

Family		Rural 75 th Percentile	Urban/Suburban 75 th Percentile	Statewide 75 th Percentile
	Infant	\$22.50	\$27.00	\$26.25
	Toddler	\$21.42	\$27.00	\$25.00
	Three-Year-Old	\$22.00	\$26.00	\$25.00
	Four-Year-Old	\$20.62	\$25.75	\$25.00
	Five-Year-Old	\$20.42	\$25.00	\$25.00



While in-home providers also offer care, percentiles by rural versus suburban/urban classification are unavailable due to the minimal number of responses received from this provider type.

Providers were also asked to indicate whether they charge different rates for either weekend or summer care. Just 3.5 percent of respondents (28 providers) charge an alternate rate for weekend care, while 18 percent (146 respondents) charge different rates for summer care.

Just as with full-time regular rates, the prices of care decrease as the age of the child increases, though the average rates for weekend and summer care are both significantly higher than the average daily. While average weekend rates are the highest of the three rate types, daily summer rates more closely align with typical average rates charged.

While the higher weekend care rates serve as a barrier to families, the more significant barrier is the general lack of available weekend care options, given the small number of providers who offer any type of weekend care (50 total providers, 14 of which are Type III).

AVERAGE ALTERNATE DAILY RATES BY CHILD'S AGE

	Weekend Average Daily Rate	Summer Average Daily Rate	Regular Average Daily Rate	2019 Daily Maximum LA CCAP Rates
Infant	\$35.50	\$31.73	\$28.62	\$25.00
Toddler	\$35.50	\$30.54	\$28.82	\$23.75
Three-Year-Old	\$34.70	\$28.33	\$27.50	\$22.00
Four-Year-Old	\$34.70	\$27.45	\$26.94	\$22.00
Five-Year-Old and Older	\$34.20	\$25.51	\$23.78	\$22.00

The majority, or 60.6 percent (451 respondents), of participants said they anticipate increasing their charged rates in the next 12 months. When asked previously, during the curtailed spring 2020 fielding, just 37.4 percent of respondents had expected to raise rates. This indicates that the financial implications of closures, reduced enrollment, and limited attendance are driving more providers to raise rates in order to mitigate revenue losses.

However, the anticipated amount of the rate increases—\$2.65 per day, or \$13.27 per week—is not drastically higher than the anticipated increases identified in spring 2020—\$2.45 per day, or \$12.23 per week. Taking this into account, recommended increases to CCAP rates should take into account this anticipated increase in charged rates to ensure that increases to subsidy rates are not moderated or zeroed out by increased rates.

In addition to rates charged, respondents were asked to provide a comprehensive list of additional fees charged. Registration fees, charged by just under 80 percent of respondents, are the most common fee type, followed by supply fees (charged by 35.3 percent), and field trip fees (14.3 percent). Notably, many respondents stated that field trip costs were either included in tuition fees or passed on as direct costs to families rather than being included as a stand-alone fee. Similarly, most centers appear to bundle food and snack costs into the tuition and care costs rather than charging a separate fee. 49 (6.0 percent) of respondents charged some type of additional fee not captured here, averaging \$87.33; these fees ranged from additional cleaning and safety fees, to fees associate with uniforms or t-shirts.



FEES CHARGED BY TYPE

	Number of Respondents	Average Fee Amount
Registration (Per year)	646 (79.8%)	\$112.23
Supply (Per year)	286 (35.3%)	\$110.31
Field Trip (Average per trip)	116 (14.3%)	\$59.88
Food/Meals (Monthly)	64 (7.9%)	\$117.50
Technology (Per year)	44 (5.4%)	\$350.66
Transportation (Per month)	34 (4.2%)	\$207.94

ENROLLMENT AND ATTENDANCE

Respondents were asked to provide information about their pre-COVID-19 enrollment numbers, current enrollment, and daily attendance numbers. Statewide, enrollment across provider types has dropped 18.5 percent between February 2020 and fall 2020. More notably, while daily attendance is at 86.8 percent of current enrollment, providers have experienced a significant decrease in their daily attendance (29.2 percent) compared to their pre-COVID-19 enrollment. This represents a significant decline in revenue for most providers and could indicate the possibility of potential longer-term revenue issues that could affect providers' abilities to continue operating, should these trends continue.

STATEWIDE ENROLLMENT AND ATTENDANCE

	February 2020 Enrollment	Current Enrollment	Daily Attendance to Current Enrollment	Daily attendance to Feb. 2020 Enrollment
Infant	4,325	3,493	3,181 (91.1%)	3,181 (73.5%)
Toddler	13,363	11,388	9,476 (83.2%)	9,476 (70.9%)
Three-Year-Old	8,497	6,728	5,929 (88.1%)	5,929 (69.8%)
Four-Year-Old	6,341	4,826	4,403 (91.2%)	4,403 (69.4%)
Five-Year-Old and Older	6,492	5,355	4,617 (86.2%)	4,617 (71.1%)
TOTAL:	39,018	31,790 (-18.5%)	27,606 (86.8%)	27,606 (70.8%)

All areas of the state outside of the Lake Charles region are experiencing significant decreases in both enrollment and in attendance. The current reported daily attendance proportionate to February 2020 enrollment is particularly low in the Covington (66.60 percent), Alexandria (65.86 percent), Shreveport (64.66 percent), and New Orleans (63.52 percent) regions.

Notably, respondents in the Lake Charles region report that their daily attendance is virtually identical to their pre-COVID-19 enrollment numbers. However, given that many providers in the greater region have paused operations or closed their businesses as a result of Hurricane Laura, which made landfall in Calcasieu Parish the same week the 2020 Market Rate Survey was launched, these numbers could mean that providers who have continued operating have ultimately absorbed the families who previously used now-closed or unavailable providers.



REGIONAL ENROLLMENT AND ATTENDANCE

	February 2020 Enrollment	Current Enrollment	Daily Attendance to Current Enrollment	Daily attendance to Feb. 2020 Enrollment
New Orleans	7,992	5,575	4,988 (89.47%)	4,988 (62.41%)
Baton Rouge	5,792	5,090	4,410 (86.64%)	4,410 (76.14%)
Covington	5,374	4,366	3,579 (81.97%)	3,579 (66.60%)
Thibodaux	4,274	3,951	3,504 (88.69%)	3,504 (81.98%)
Lafayette	4,691	3,963	3,558 (89.78%)	3,558 (75.85%)
Lake Charles	1,006	916	1,005 (109.72%)	1,005 (99.90%)
Alexandria	2,144	1,840	1,412 (76.74%)	1,412 (65.86%)
Shreveport	5,005	3,933	3,236 (82.28%)	3,236 (64.66%)
Monroe	2,740	2,156	1,914 (88.78%)	1,914 (69.85%)
TOTAL:	39,018	31,790 (-18.5%)	27,606 (86.8%)	27,606 (70.8%)

The self-reported enrollment and capacity numbers from each center type offer several trends. First, all types of centers would like to enroll a higher number of children than are currently enrolled, though this could be exacerbated due to the smaller class sizes required due to COVID-19 and the overall decrease in enrollment. All provider types except for in-home have robust waitlists that represent between 11.1 percent (Type II) to 31.47 percent (family child care provider) of their total enrollment. In spite of this, though, each provider type reports that their numbers of current vacancies exceed their current center waitlists. Even with the closure of centers due to storms and/or COVID-19, there is still ample capacity state-wide. This indicates that while some centers may have the ability to serve additional children, these are not a one-to-one match to centers that families want to utilize.



CURRENT ENROLLMENT BY CENTER TYPE

		Current Enrollment	Desired Enrollment	Current Center Waitlist	Current Vacancies
Type I	Infant	769	1,111	575	251
	Toddler	3,236	3,772	568	596
	3-Year-Old	1,829	2,146	219	468
	4-Year-Old	1,323	1,643	57	382
	5-Year-Old and Older	1,019	1,327	54	272
	TOTAL:	8,176	9,999	1,473	1,969
Type II	Infant	416	549	186	127
	Toddler	1,377	1,617	119	337
	3-Year-Old	882	1,098	69	220
	4-Year-Old	634	865	29	256
	5-Year-Old and Older	895	1,029	64	185
	TOTAL:	4,204	5,158	467	1,125
Type III	Infant	2,156	3,342	841	1,160
	Toddler	6,609	8,605	799	2,494
	3-Year-Old	3,929	5,981	414	2,127
	4-Year-Old	2,815	4,876	258	1,966
	5-Year-Old and Older	3,257	4,333	127	1,346
	TOTAL:	18,766	27,137	2,439	9,093
Family	Infant	153	222	81	70
	Toddler	163	231	55	79
	3-Year-Old	87	170	33	53
	4-Year-Old	51	111	8	38
	5-Year-Old and Older	172	174	20	51
	TOTAL:	626	908	197	291
In-Home	Infant	0	0	0	0
	Toddler	3	2	0	2
	3-Year-Old	1	1	0	1
	4-Year-Old	3	3	0	3
	5-Year-Old and Older	12	12	0	0
	TOTAL:	19	18	0	6



STAFF INVESTMENTS AND COSTS

To better understand not only the price charged for child care but also the cost to providers of providing care, the survey also included questions about staffing, salaries, and associated human resources investments.

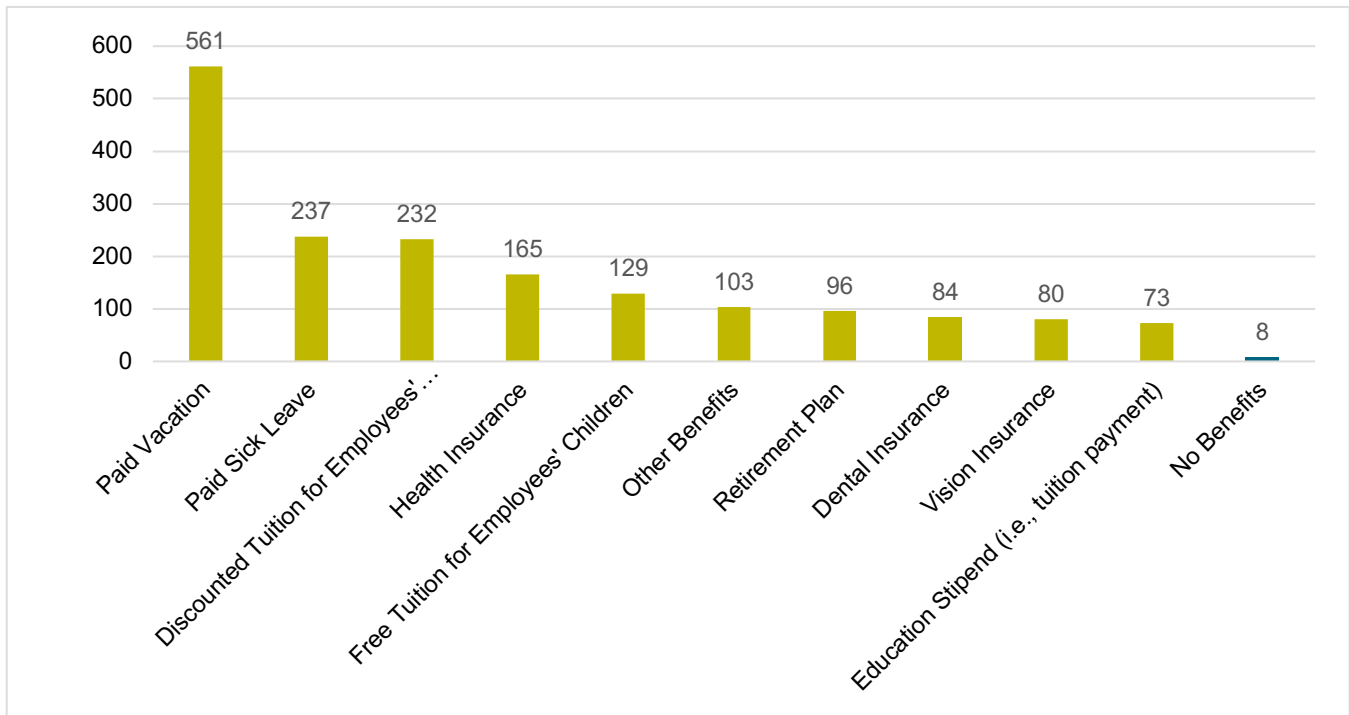
Respondents were asked to provide information about the number of positions they have staffed in their centers, as well as the average wages. They could provide wages either in hourly rates or in average salaries. Overall, centers employ the highest number of lead teachers, followed by assistant teachers and other staff. Directors are the top paid employees, followed by assistant directors and lead teachers. One anomaly within this data is the relatively high salaries for all other staff, but this category likely includes skilled employees, such as bookkeeping or accounting, which could explain the higher salaries.

Position	Average Number of Individuals in Position	Average Hourly Wage	Average Annual Salary
Director	1.1	\$14.11	\$36,390.33
Assistant Director (Director Designee)	1.1	\$12.57	\$30,627.48
Administrative Assistant	1.3	\$11.45	\$22,637.83
Lead Teacher (Full-time)	5.1	\$10.50	\$25,775.13
Assistant Teacher (Full-time)	3.4	\$9.26	\$18,521.29
Teacher (Part-time)	1.9	\$9.20	\$12,056.15
All Other Staff (Full-time)	2.1	\$9.20	\$18,738.62
All Other Staff (Part-time)	2.5	\$9.07	\$13,931.79

The vast majority, 68.6 percent, of respondents said they have either an annual organization-wide or employee-specific training budget. On average, the annual company-wide investment in staff training is \$2,254.41, while the per-person average is \$173.42. When broken down by center type, over 90 percent of Type I and Type II centers make some type of yearly investment in staff training.

Type III center respondents are far more varied in their responses. While 48.1 percent (152 respondents) state that they have an organization-wide training budget and another 20.6 percent (65 respondents) report having employee-specific training budgets, just under one-third (31.3 percent, 99 respondents) of this group said they do not make any investments in training. However, during follow-up focus group conversations, many Type III participants clarified that they use the free or subsidized training opportunities provided by regional and state-level partners in order to fulfill their staffs' continuing professional development requirements. While many of these trainings are lower in cost or free, child care centers are required by state law to pay their employees' wages for the full time that they are in job-related training; much of the employee-specific training budgets identified by Type III centers appear to be directed toward those wages.

Another significant investment in human capital comes in the form of employee benefits. The most frequently reported employee benefit is paid vacation. While paid vacations are a common, many providers report that they have continued to pay employees, as they are able, during classroom or center-wide quarantines due to COVID-19, as well as during the many inclement weather closures throughout the 2020 hurricane season. Although these technically do not align with traditional paid vacation, by definition, they are instances in which employees are paid while not at work. As a comparison, just 38 percent of respondents reported offering paid vacation during the spring survey fielding, compared to the 69.3 percent represented in this chart. As such, caution should be applied to interpreting this graph, as these results are likely specific to 2020 and not representative of other years.



EFFECTS OF COVID-19

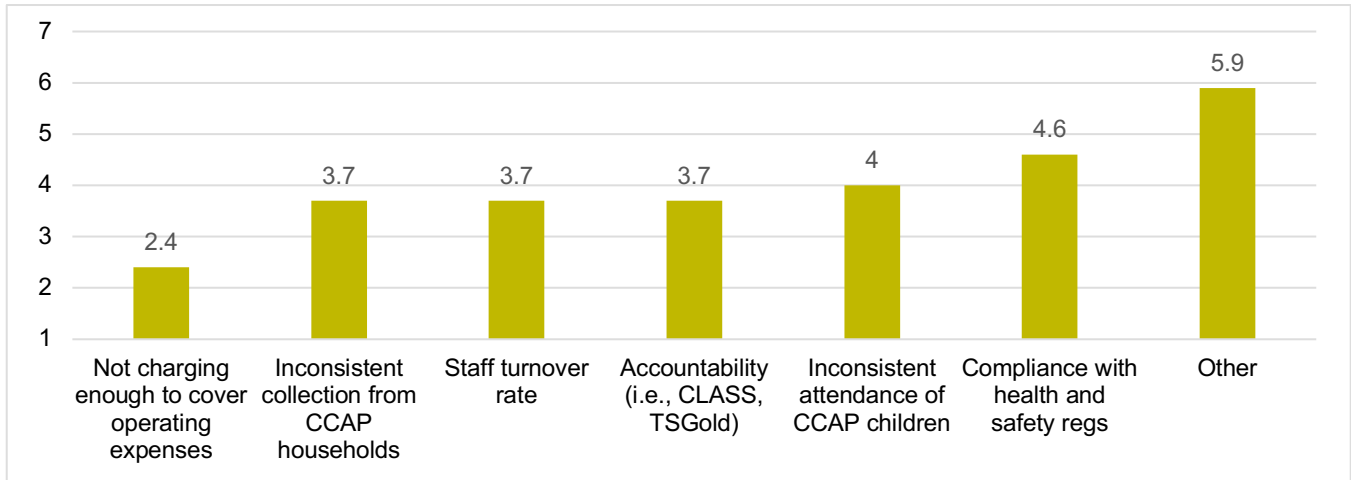
When the spring survey fielding was cut short, the survey was updated to include additional questions aimed at identifying challenges related to continuing to operate post-COVID-19. These questions were drafted with an eye toward understanding operational pain points, as well as identifying specific areas where LDOE could better support providers.

Type III centers were asked to rank obstacles related to operating as a Type III center in order of most challenging (1) to least challenging (7). Overwhelmingly, Type III respondents indicated their primary challenge was in not charging high enough rates to cover operating expenses. This serves as a tacit acknowledgement of the gap between rates charged and the true cost of providing quality child care, a theme that is echoed both in subsequent questions regarding challenges and anecdotally during follow-up focus groups and one-on-one conversations with providers.

Other particularly difficult obstacles were the inconsistent collection of co-payment amounts from CCAP households, challenges related to staff turnover, and completion of accountability measures such as CLASS, which are required of all publicly funded centers.

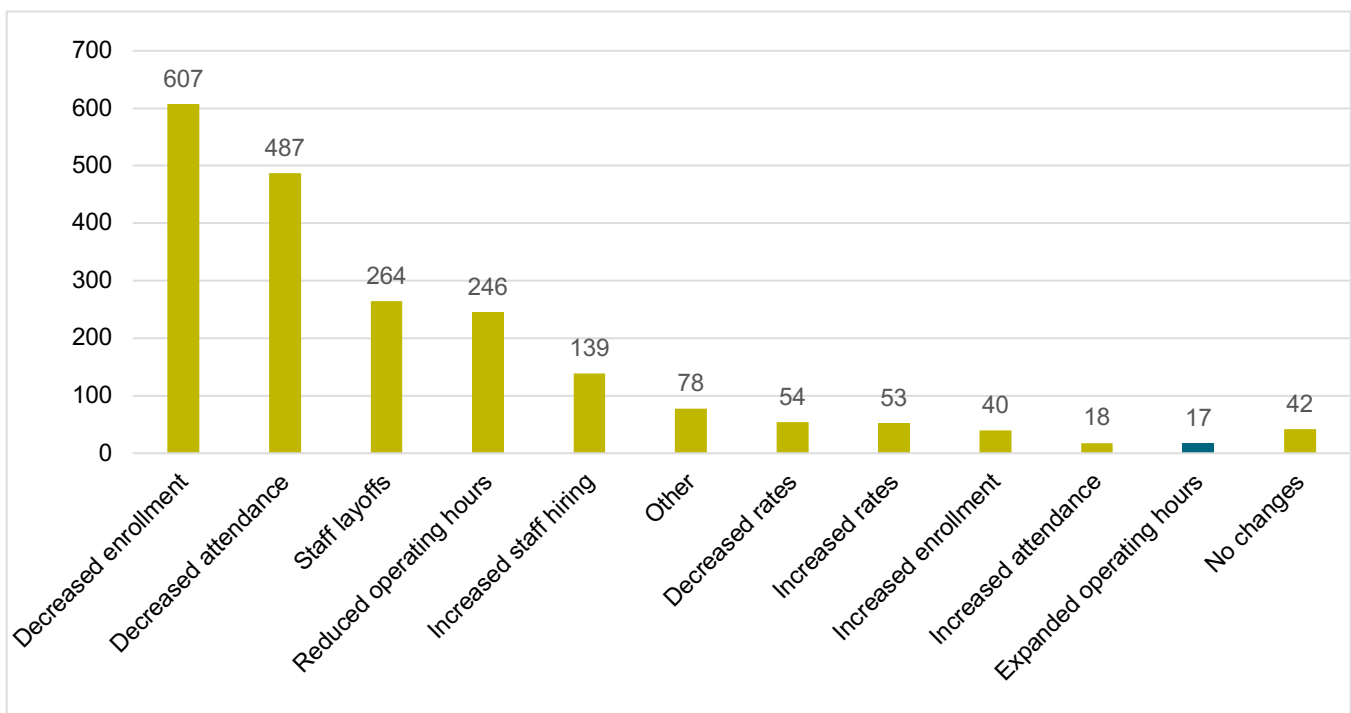


CHALLENGES ASSOCIATED WITH OPERATING AS A TYPE III CENTER



All respondents were asked to identify the types of changes their businesses experienced since March due to the COVID-19 pandemic. Overwhelmingly, the most widely experienced change was a decrease in overall enrollment (607 responses, 74.9 percent), followed by decreased attendance (487 responses, 60.1 percent). Just under one-third of respondents experienced staff layoffs (264 respondents, 32.6 percent) and/or reduced operating hours (246 respondents, 30.4 percent). In addition, 6.7 percent decreased rates (54 responses), while roughly the same amount increased rates (53 responses, 6.5 percent). Just under 5 percent of respondents have experienced increased enrollment (40 responses, 4.9 percent), increased attendance (18, 2.2 percent), or expanded operating hours (17, 2.1 percent). These experiences are far from the norm for the majority of centers across the state.

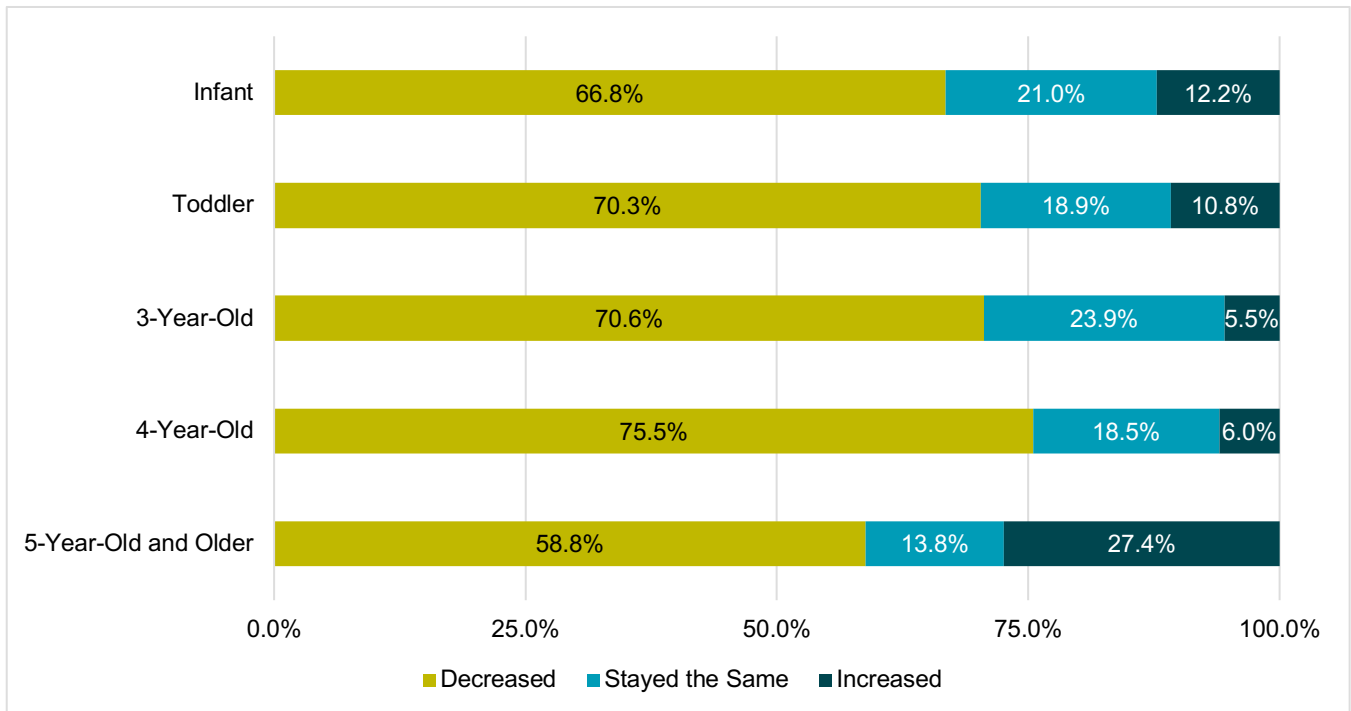
CHANGES TO BUSINESS OPERATIONS EXPERIENCED DUE TO COVID-19





Roughly half of providers (375 respondents, 48.9 percent) have experienced some type of change in their attendance since March 2020. For the vast majority, this has been in the form of decreased attendance across all age groups. This is in line with the self-reported decreases in both enrollment and attendance between March and the fall of 2020 that were previously reported. The five-year-old and older age group reported the largest increases in enrollment across any age group, with 27.4 percent of respondents who experienced a change saying enrollment increased for this age group. This is likely due to COVID-19-related shifts to remote learning spurring higher attendance rates for this age group in some areas.

POST-COVID-19 CHANGES TO ENROLLMENT

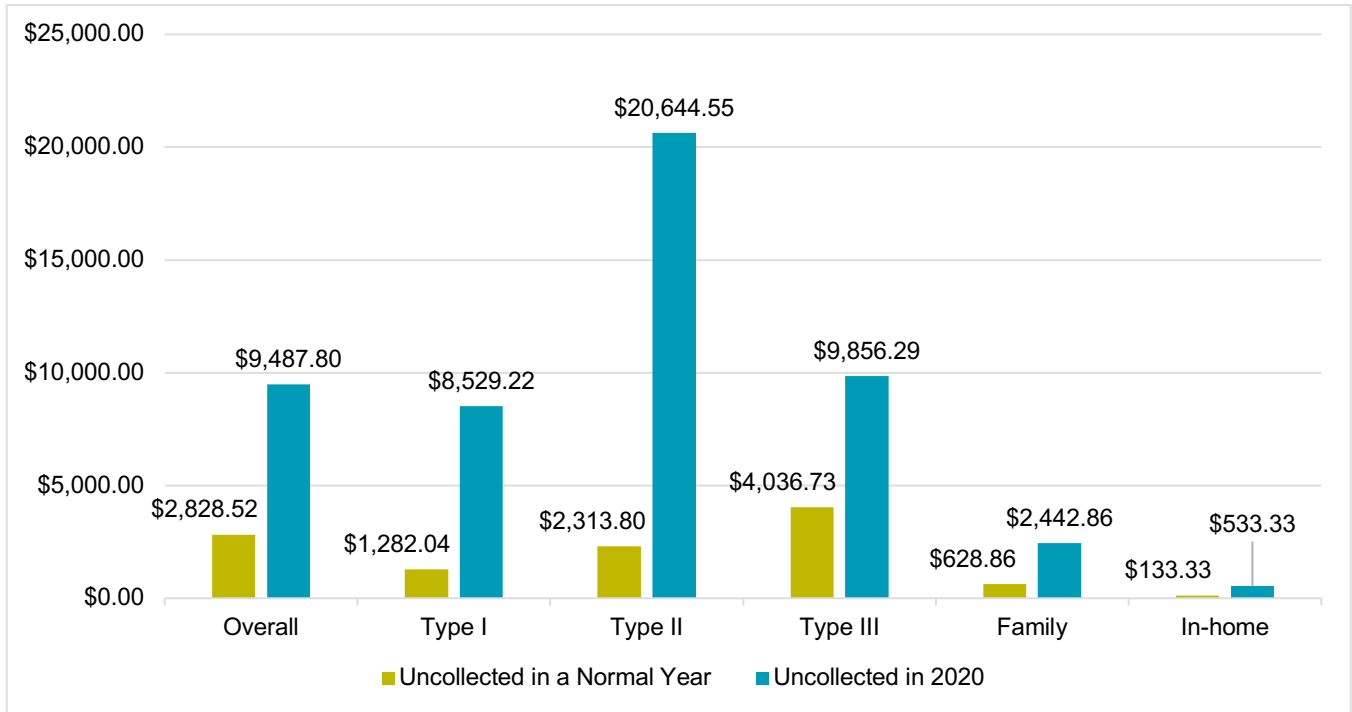


Respondents were asked to identify the amount of uncollected parent fees during normal years, as well as the anticipated amount of parent fees that would be uncollected in 2020. The average anticipated amount of uncollected parent fees in 2020 is \$8,401.25, or over five times the uncollected amount in normal years, representing a significant and unexpected burden for many providers. However, this burden is not distributed equally among types of providers.

Type II providers, in particular, report a drastic increase in anticipated uncollected funds (\$18,330.75 on average), followed by Type I centers (\$7,247.18) and Type III centers (\$5,819.56). Family and in-home child care providers reported the lowest average amounts of uncollected fees—\$1,814.00 anticipated for family child care providers and \$400 for in-home child care providers—though these averages equate to roughly four times their typical uncollected amounts in other years.

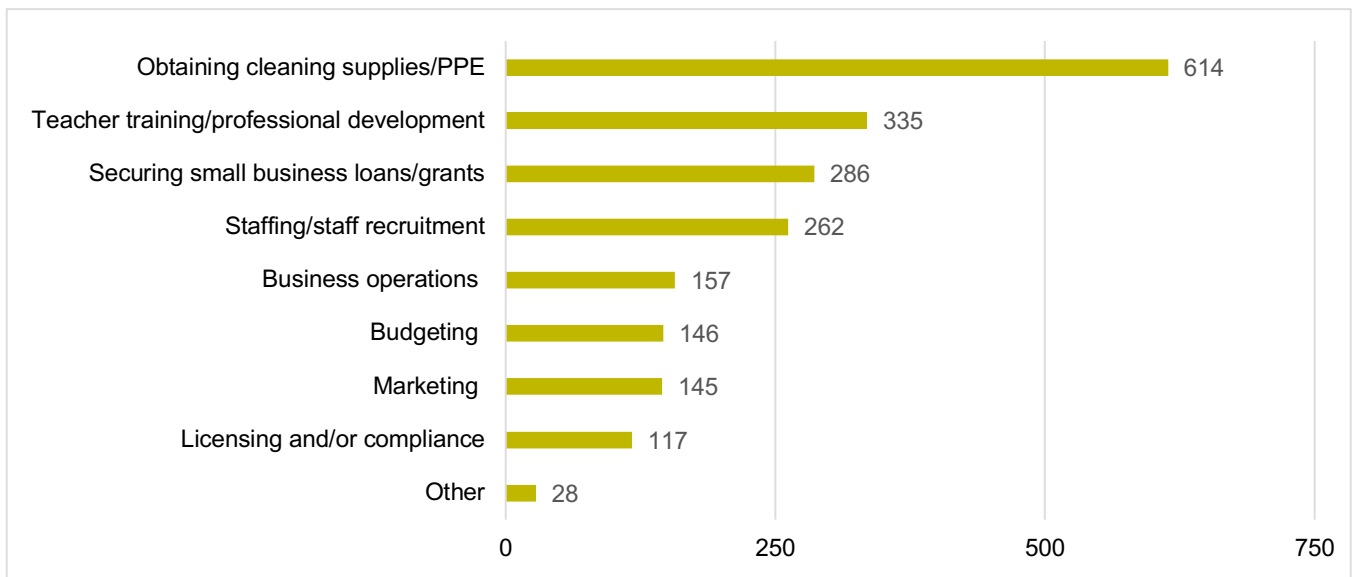


UNCOLLECTED FEES BY YEAR



When asked which resources would be most helpful during the ongoing COVID-19 pandemic, respondents overwhelmingly identified the need for assistance obtaining cleaning supplies and personal protective equipment, or PPE (614 responses). To a lesser extent, providers would also like assistance with teacher training and additional professional development opportunities (335 responses), help securing small business loans and grants (286 responses), and resources for staffing and/or staff recruitment (262 responses).

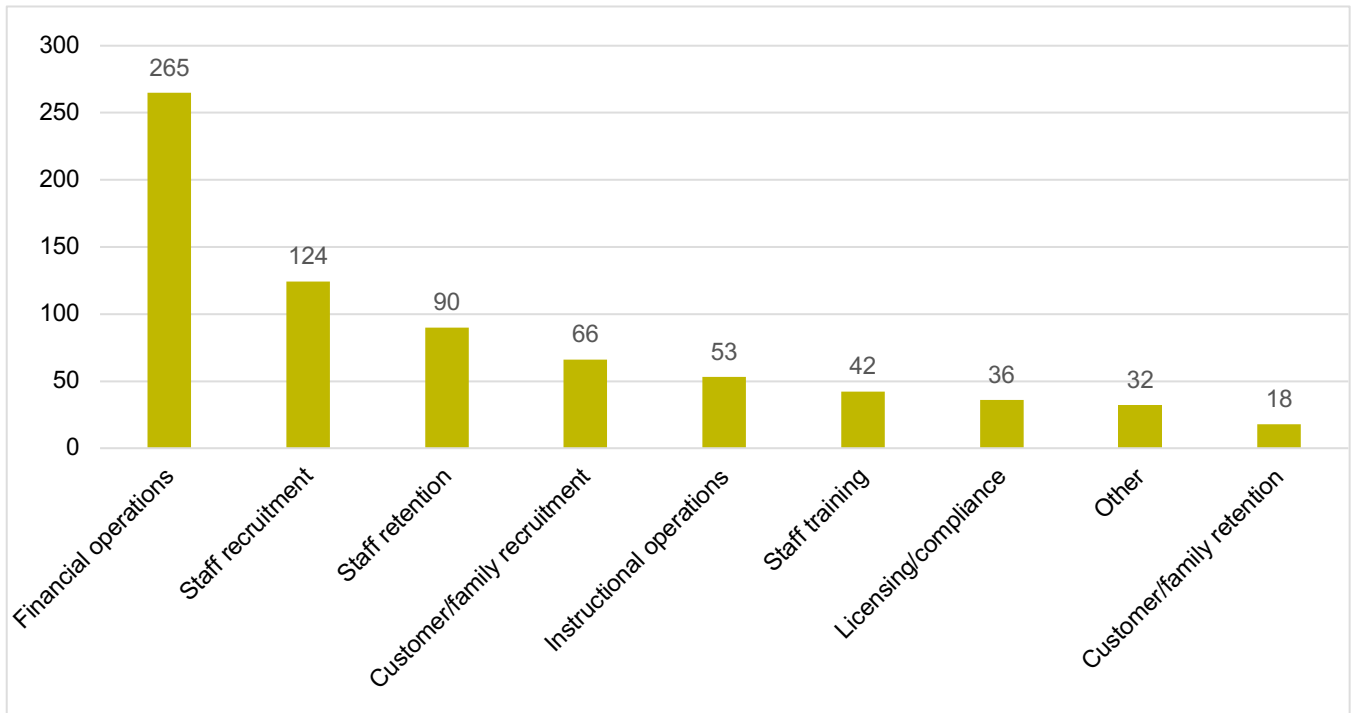
IDENTIFIED HELPFUL RESOURCES





As a final question, respondents were asked to identify the single greatest challenge they experience when running their centers. The two major challenges identified, financial operations (265 responses) and staff recruitment (124 responses), are in line with the challenges identified by Type III centers, as well as changes experienced since March by all providers.

IDENTIFIED SIGNIFICANT OPERATING CHALLENGES





NARROW COST ANALYSIS

In addition to the Market Rate Survey, and to better understand the costs related to child care, providers were offered the option of participating in a focus group to share their experiences related to budgeting and the operational costs related to running a child care business.

Six virtual focus groups were conducted, with 28 participants clustered by their geographic area (Alexandria, Baton Rouge, Lake Charles/Lafayette, New Orleans, Ruston-Monroe, and Shreveport/Bossier) in order to identify any regional differences in experiences. Following the focus groups, participants were asked to complete a short budget worksheet providing the amounts allocated to specific operating costs in their monthly budgets. A complete version of the worksheet is provided in Appendix D. Ultimately, eighteen providers completed budget worksheets, providing useful, if not representative, information about the operating practices of providers; the numbers of respondents was not large enough to produce statistically significant results by region or provider type. This information also mirrors the anecdotal information gathered through focus group conversations, as well as through the Market Rate Survey.

OPERATING COSTS

Based on the data gathered through this limited cost survey and corresponding focus groups, centers on average spend over 90 percent of their monthly expenditures on costs related to basic center operations. By far, the single greatest cost are salaries (53.91 percent). When added to the amounts paid for benefits, the total allocation for human capital expenses exceeds 55 percent, representing well over half of the monthly operating budgets. Comparatively, even costs related to facilities (either mortgage or rent) and utilities (8.68 percent) are dwarfed.

Required taxes and food are the next largest budget line items (8.15 percent and 7.51 percent, respectively). Centers that participate in the Child and Adult Care Food Program (CACFP), though, are able to receive reimbursements for the majority of their food costs. Business supplies (3.84 percent), insurance costs (3.44 percent), and transportation (2.33 percent) account for the remaining operating costs, though just over two-fifths of respondents do not offer transportation and thus do not have associated transportation costs.



AVERAGE LINE ITEM EXPENDITURES*

	Line Item	Percentage of Monthly Budget	Percentage of Total Monthly Budget (Aggregated)
Operating Costs	Salary	53.91%	90.74%
	Facility	8.68%	
	Taxes	8.15%	
	Food	7.51%	
	Business Supplies	3.84%	
	Insurance	3.44%	
	Benefits	2.88%	
	Transportation	2.33%	
Quality-Related Costs	Materials and Curriculum	4.70%	9.26%
	Professional Development	2.02%	
	Other	1.42%	
	Background Checks	1.08%	
	Enrichment	0.03%	

* These numbers were gathered through a limited cost survey of focus group participants, 83 percent of which were Type III centers.

While there are distinct differences in the cost of living across regions, as one provider stated during the focus groups, “the cost of quality doesn’t change significantly.” Ultimately while the costs of hard goods and salaries can fluctuate based on region of the state and urban/suburban or rural designation, the cost of quality-related costs is stable across regions.

The greater challenge is not a fluctuation in the price of goods, but instead the availability of funds that can be spent on quality-boosting measures. Centers, on average, spend less than ten percent of their total expenditures on costs related to quality-boosting in their centers, such as materials or curriculum, professional development opportunities or staff, background checks, or enrichment. Instead, anecdotally, providers focus on first paying their bills and associated costs (i.e., operating costs), before considering broader investments in quality-boosting measurements with the remaining funds. In some cases, these investments in quality boosting measures are passed on as direct costs to families.

For example, many providers reported passing costs for enrichment-related activities directly to families with little to no mark up, allowing families to utilize the services that most interested them without building in additional costs for their centers.

ADDITIONAL FINANCIAL CHALLENGES

Universally, providers pointed to specific pain points that have been exacerbated by the COVID-19 pandemic.



BUDGET CHALLENGES

Almost all providers had significant difficulty answering specific budget questions, even when provided the budget questions in advance. Providers were asked to provide either the raw numbers spent for each budget line item or the amount as a percentage of the total monthly operating budget. However, most providers with the available financial resources outsource accounting and budgetary tasks to external support staff such as accountants or bookkeepers, resulting in a lack of understanding of day-to-day budgetary operations. While there was an acknowledgement of general shifts in funding and/or allocations in resources due to COVID-19, these experiences were couched in more general terms versus in specific numbers. This ultimately makes it more difficult for providers to make nimble, data-based operating decisions.

STAFFING

Staffing, in the form of both identifying and hiring quality staff members, as well as retaining quality staff members, is an ongoing challenge. General recruitment of high quality, qualified employees posed a challenge even prior to COVID. Providers universally agree it is difficult to find employees with the requisite characteristics, excluding prior experience, who are willing to work in child care. This issue is compounded by many centers' inability to offer peripheral benefits, even prior to COVID, such as insurance or retirement funds that could otherwise be used as a recruitment tool.

More broadly, some providers expressed a belief that their centers directly compete with other publicly funded programs with more sustainable funding structures, which makes it difficult to retain quality staff. Respondents pointed to numerous examples in which inexperienced employees joined a center for a few years, earned their required qualifications, and then left the private center to work for a public program that offered a higher salary and more robust benefits package.

REDUCTIONS IN REVENUE

Focus group participants pointed to decreased enrollment and attendance since March across all regions. Roughly two-thirds of participants closed their centers for at least a short amount of time in the spring in response to the governor's statewide stay-at-home order, though several centers closed for multiple consecutive weeks.

In an effort to retain quality staff who might otherwise feel leery of returning to work, centers with the resources to do so offered one-time incentives or permanent pay raises to entice their staff to return or continue working. As a result, respondents have shifted significant portions of their operating budgets toward salary and human capital investments with the understanding that, without staff, their centers would be unable to operate.

Intermingled with this staffing challenge is the understanding that while both enrollment and attendance have decreased, reduced enrollment presents a more significant barrier to continuing operations. Enrollment numbers are seen as a cap for the maximum revenue a center can generate. However, when considering classroom or center-wide quarantine closures, centers fall significantly short of collecting these full amounts monthly. Compounded with the restricted group sizes, which result in lower teacher-child ratios, as well as the costs related to additional cleaning supplies and personal protective equipment, providers face unprecedented financial challenges.



An unintended but positive outcome of the restricted group sizes is the related reduction in the child-to-teacher ratio. Reduced ratios have repeatedly been shown to be related to increased quality of care.¹ However, these lower ratios come with additional costs, including the additional need for costly personal protective equipment (PPE) and cleaning supplies, as well as the associated staff salaries that are required in order to comply with the reduced ratios.

Pre-COVID, the average cost of providing quality care was estimated to range from \$11,071.72 (infant) to \$8,337.83 (four-year-old) per child.² As such, many centers operated either at a loss, or by barely breaking even. In some cases, the CCAP fees covered less than three-fifths of the total cost of providing care (infant).

	Cost of Quality Child Care	Maximum CCAP Reimbursement	Percent of Cost covered by Maximum CCAP Rate
Infant	\$11,071.72	\$6,500	58.7%
Toddler	\$9,510.20	\$6,175	64.9%
Three-Year-Old	\$8,346.22	\$5,720	69.0%
Four-Year-Old	\$8,337.83	\$5,720	68.6%

For centers who use funds that are “leftover” after paying bills for non-mandatory quality-boosting costs, this ultimately means that when enrollment decreases or when revenue otherwise falls, quality-boosting costs are the first to be eliminated, negatively impacting the quality of care for children in those centers.

CCAP PAYMENTS

In April 2020, the Office of Early Childhood Operations began paying out CCAP subsidies based on the number of children enrolled with a provider rather than on daily attendance rates. This shift in policy, initially instituted in response to COVID-19, has helped bolster providers who serve CCAP families, and providers expressed thanks for this change in policy. However, taking into account the additional costs and reduced ratios, the current CCAP rates are estimated to cover only roughly 40 to 55 percent of the total costs per child.³

For centers who do not serve CCAP families, these challenges are only exacerbated, as they rely solely on private funding, based largely on enrollment, which has universally decreased. All focus group participants, regardless of provider type, were hesitant to make statements about their abilities to financially continue operating in the long-term, a troubling indication of the thin margins on which these businesses operate.

An increase in maximum CCAP funds would serve two functions: first, it would allow providers to cover operational costs, which make up roughly 90 percent of their monthly expenditures, ensuring that providers can continue operating and serving their communities, something that is not currently guaranteed. As a byproduct, this would also free up revenue previously earmarked for operating costs that providers could then use to pay for quality-boosting measures within their centers, ultimately resulting in more availability of high-quality child care.

¹ “Caring for Our Children: National Health and Safety Performance Standards Guidelines for early Care and Education Programs, Fourth Edition.” 2019. National Resources Center for Health and Safety in Child Care and Early Education (NRC).

² “Modeling Child Care Center Costs and Revenues in Louisiana.” 2020. Louisiana Policy Institute for Children.

³ “Modeling Child Care Center Costs and Revenues in Louisiana.” 2020. Louisiana Policy Institute for Children.



SUBSIDY RATES

The current maximum subsidy rates, as of October 14, 2019, are set at the state level and vary by child age and provider type.

CURRENT MAXIMUM CCAP RATES

	Type III	School-based	Family	In-home	Military
Infant	\$25.00	\$16.50	\$18.00	\$17.50	\$25.00
Toddler	\$23.75	\$16.50	\$18.00	\$17.50	\$23.75
Three-Year-Old	\$22.00	\$16.50	\$17.00	\$17.50	\$22.00
Four-Year-Old	\$22.00	\$16.50	\$17.00	\$17.50	\$22.00
Five-Year-Old and Older	\$22.00	\$16.50	\$17.00	\$17.50	\$22.00

These rates were initially set using data from the 2017 Market Rate Survey. While the current rates paid out at the 25th percentile or above based on 2017 Type III numbers, these same rates are now the equivalent of the 13th – 35th percentiles when compared to the Type III 2020 rates charged.

CCAP RATES BY PERCENTILE

	Current Type III Subsidy	2017 Type III Percentile	2020 Type III Percentile
Infant	\$25.00	40 th	25 th
Toddler	\$23.75	31 st	13 th
Three-Year-Old	\$22.00	25 th	14 th
Four-Year-Old	\$22.00	25 th	15 th
Five-Year-Old and Older	\$22.00	25 th	35 th

In the three years since the previous Market Rate Survey, all but one of the maximum subsidy payout levels have decreased in their percentile of rates charged for daily care as the average rates charged for child care have increased. The most significant change was for toddlers, which previously paid at the 31st percentile but now pays out at the 13th percentile, a difference of 18 percentile points. The subsidy percentiles for the infant, three-year-old, and four-year-old age groups have also decreased and now pay out at the 25th, 14th, and 15th percentiles, respectively, based on the 2020 Market Rate Survey Type III daily rates.

Comparatively, this means that a family that is unable to contribute additional funds on top of their maximum CCAP rate for an infant would be able to utilize only one out of four providers (25th percentile), as three out of four providers' rates would exceed the maximum CCAP rate. In 2017, that same family would have had access to four out of 10 providers (40th percentile).



The only age group that has not experienced a decline in the percentile at which it pays between 2017 and 2020 is the five-year-old category, which increased its payout rate from the 25th percentile (2017) to the 35th percentile (2020).

Based on the information gathered through the 2020 Market Rate Survey and follow-up focus groups, the Office of Early Childhood Operations proposes increases to the current maximum rates for each provider type. These increases are intended not only to account for the increases in the cost of care, which are represented in the rate increases since the 2017 Market Rate Survey, but also to account for the noted gap between the rates charged and the known provider costs associated with offering high-quality child care.

Additionally, these proposed rate increases also take into account the anticipated average rate increases (\$2.65 on average) noted by providers in the Market Rate Survey, which ensures that increases to the CCAP subsidy rates will more closely reflect market rates for a longer amount of time, rather than the percentile rates decreasing significantly within a single year.

PROPOSED RATE INCREASES

		Current Maximum Subsidy	Proposed Increase	Proposed Maximum Subsidy
Type III	Infant	\$25.00	\$10.65	\$35.65
	Toddler	\$23.75	\$7.30	\$31.05
	3-Year-Old	\$22.00	\$8.00	\$30.00
	4-Year-Old	\$22.00	\$8.00	\$30.00
	5-Year-Old and Older	\$22.00	\$8.00	\$30.00
Family	Infant	\$18.00	\$11.65	\$29.65
	Toddler	\$18.00	\$7.75	\$25.75
	3-Year-Old	\$17.00	\$8.00	\$25.00
	4-Year-Old	\$17.00	\$8.00	\$25.00
	5-Year-Old and Older	\$17.00	\$8.00	\$25.00
In-Home	Infant	\$17.50	\$9.15	\$26.65
	Toddler	\$17.50	\$8.25	\$25.75
	3-Year-Old	\$17.50	\$7.50	\$25.00
	4-Year-Old	\$17.50	\$7.50	\$25.00
	5-Year-Old and Older	\$17.50	\$7.50	\$25.00
School	Infant	\$16.50	\$7.50	\$24.00
	Toddler	\$16.50	\$7.50	\$24.00
	3-Year-Old	\$16.50	\$7.50	\$24.00
	4-Year-Old	\$16.50	\$7.50	\$24.00
	5-Year-Old and Older	\$16.50	\$7.50	\$24.00
Military	Infant	\$25.00	\$10.65	\$35.65
	Toddler	\$23.75	\$7.30	\$31.05
	3-Year-Old	\$22.00	\$8.00	\$30.00
	4-Year-Old	\$22.00	\$8.00	\$30.00
	5-Year-Old and Older	\$22.00	\$8.00	\$30.00



These proposed increases would expand access significantly for all ages. For example, at Type III centers, the payout increases from the 20th percentile, averaged across all age groups, to the 82nd percentile.

COMPARATIVE RATES BY PERCENTILES

	Current Type III Subsidy			Proposed Type III Subsidy	
	Current Rate	2017 Percentile	2020 Percentile	New Rate	2020 Percentile
Infant	\$25.00	40 th	25 th	\$35.65	86 th
Toddler	\$23.75	31 st	13 th	\$31.05	75 th
Three-Year-Old	\$22.00	25 th	14 th	\$30.00	80 th
Four-Year-Old	\$22.00	25 th	15 th	\$30.00	82 nd
Five-Year-Old and Older	\$22.00	25 th	35 th	\$30.00	88 th

This means that the family with one infant who currently has access to only one out of four providers (25th percentile) would be able to choose between four out of five providers (86th percentile) under the new subsidy rate. This will allow families to

make the objective best choices for their children instead of being constrained by the budgetary limitations of their CCAP subsidy rates, even once the anticipated provider rate increases go into effect.

Additionally, increases are also proposed for children who require special needs care to ensure that these families also have access to quality child care and choice in their provider selection.



PROPOSED SPECIAL NEEDS RATES

Just as in the case of the non-special needs rates, the following proposed rate increases take into account the anticipated average rate increases (\$2.65 on average) noted by providers in the Market Rate Survey, ensuring that the increased CCAP subsidy rates will more closely reflect market rates for a longer amount of time.

		Current Maximum Subsidy	Proposed Increase	Proposed Maximum Subsidy
Type III	Infant	\$31.50	\$13.42	\$44.92
	Toddler	\$29.93	\$9.19	\$39.12
	3-Year-Old	\$27.72	\$10.08	\$37.80
	4-Year-Old	\$27.72	\$10.08	\$37.80
	5-Year-Old and Older	\$27.72	\$10.08	\$37.80
Family	Infant	\$22.68	\$14.68	\$37.36
	Toddler	\$22.68	\$9.77	\$32.45
	3-Year-Old	\$21.42	\$10.08	\$31.50
	4-Year-Old	\$21.42	\$10.08	\$31.50
	5-Year-Old and Older	\$21.42	\$10.08	\$31.50
In-Home	Infant	\$22.05	\$11.53	\$33.58
	Toddler	\$22.05	\$9.77	\$31.82
	3-Year-Old	\$22.05	\$9.45	\$31.50
	4-Year-Old	\$22.05	\$9.45	\$31.50
	5-Year-Old and Older	\$22.05	\$9.45	\$31.50
School	Infant	\$20.79	\$9.45	\$30.24
	Toddler	\$20.79	\$9.45	\$30.24
	3-Year-Old	\$20.79	\$9.45	\$30.24
	4-Year-Old	\$20.79	\$9.45	\$30.24
	5-Year-Old and Older	\$20.79	\$9.45	\$30.24
Military	Infant	\$31.50	\$13.42	\$44.92
	Toddler	\$29.93	\$9.19	\$39.12
	3-Year-Old	\$27.72	\$10.08	\$37.80
	4-Year-Old	\$27.72	\$10.08	\$37.80
	5-Year-Old and Older	\$27.72	\$10.08	\$37.80



APPENDIX A: MARKET RATE SURVEY INSTRUMENT



POST-COVID MARKET RATE SURVEY

Please note that this survey should be completed by the director or assistant director (early learning centers), or by the individual providing child care in a family child care facility.

Thank you for agreeing to participate in this survey on behalf of the Louisiana Department of Education (LDOE). This survey is being conducted to collect information on the cost of child care in Louisiana. Your responses are confidential and will be used to help inform the child care subsidy rate set by the LDOE for the Child Care Assistance Program (CCAP). Public reporting of results will only include information combined from all providers.

While you may have previously completed this survey during spring 2020, we strongly encourage you to complete it one more time and provide the most up-to-date information and rates, with the understanding that your rates and/or enrollment may have changed due to COVID-19.

If you have any additional feedback, questions, or concerns about the survey, please contact Robyn Stiles at robyn.stiles@emergentmethod.com. Thank you, again, for your thoughts and participation in this important effort.

1. Please provide your license or provider certification number: _____

2. Please provide your center name and address. Note: This information is confidential and will not be provided to LDOE.

Center Name: _____

Center Street Address: _____

Center City: _____

Center Zip Code: _____

3. What type of child care provider are you? (select one)

- Type I Type II Type III Type III Early Head Start Child Care Partnership
- Military Child Care Center (located on a military base and serves *only* military children)
- School-based Center (provides only before and after school care for school age children)
- Family Child Care (License-exempt providers who provide child care services for six or fewer children in a private residence)
- In-Home Child Care (License-exempt providers who provide child care for children in the children's home)





4. In the table below, please provide the days and times your program is typically open. If you are not open on a specific day, please leave that row blank.

	OPEN TIME		CLOSE TIME	
Monday	_____ A.M.	_____ P.M.	_____ A.M.	_____ P.M.
Tuesday	_____ A.M.	_____ P.M.	_____ A.M.	_____ P.M.
Wednesday	_____ A.M.	_____ P.M.	_____ A.M.	_____ P.M.
Thursday	_____ A.M.	_____ P.M.	_____ A.M.	_____ P.M.
Friday	_____ A.M.	_____ P.M.	_____ A.M.	_____ P.M.
Saturday	_____ A.M.	_____ P.M.	_____ A.M.	_____ P.M.
Sunday	_____ A.M.	_____ P.M.	_____ A.M.	_____ P.M.

Note for Early Head Start Child Care Partnerships: Do not include children participating in your Head Start Child Care program in any of your answers below.

5. In the table below, please provide the number of children you currently serve, the number of children you prefer to serve, the number of children currently on your center waitlist, your current number of vacancies, and the average number of children who attend your center on a daily basis.

Age Group	Enrollment as of February 2020 Number of children enrolled prior to COVID restrictions	Current Enrollment Number of children currently enrolled	Desired Enrollment Maximum number of children you prefer to serve	Current Center Waitlist Number of children currently on your center or provider waitlist	Current Vacancies Number of current full- or part-time openings	Average Daily Attendance Average number of children who attend your center
Infant (6 weeks – 12 months)	_____	_____	_____	_____	_____	_____
Toddler (13 – 36 months)	_____	_____	_____	_____	_____	_____
3 Year Old	_____	_____	_____	_____	_____	_____
4 Year Old	_____	_____	_____	_____	_____	_____
5 Year Old and Older (school age children)	_____	_____	_____	_____	_____	_____





6. Do you currently serve any children who meet the following characteristics? (select all that apply)

- Funded by Head Start or Early Head Start
- Funded by CCAP
- In foster care
- Homeless (children or youth who lack a fixed, regular, and adequate nighttime residence)
- Children with disabilities (i.e., children with an IEP or IFSP)
- Speak a language other than English at home
- Military
- None of the above

CHILD CARE RATES

Important Instructions – Please Read: The next few questions ask about the maximum rate your program charges to provide care for children of different ages.

As a reminder, your responses are confidential and will be used to help inform the child care subsidy rate set by the LDOE for the Child Care Assistance Program (CCAP).

DO provide your usual, published rates for part-time and full-time care. **DO NOT** include sliding scale rates, discounted rates, or extra fees for special services. If you have more than one full-time rate, please use the one that applies to the most children.

7. In the table below, please provide the most typical rate you charge for part-time and full-time child care, including increased rates due to COVID-19. For each age group, please indicate the number of days per week your center operates, the number of hours per day to be considered part-time and/or full-time, select the method of billing (hourly, daily, weekly, or monthly), and provide the associated maximum part-time and/or full-time rates.

Standard Child Care Rates

Infant (6 weeks – 12 months)

Number of Days Per Week Your Center is Open:

Part-time Billing Method:

- Hourly
- Daily
- Weekly
- Monthly

Number of Hours Per Day Considered Part-time: _____

Max Part-time Rate: \$ _____

Full-time Billing Method:

- Hourly
- Daily
- Weekly
- Monthly

Number of Hours Per Day Considered Full-time: _____

Max Full-time Rate: \$ _____





Standard Child Care Rates (Continued)

Toddler (13 – 36 months)	
Number of Days Per Week Your Center is Open: _____	
Part-time Billing Method: <input type="checkbox"/> Hourly <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly	Number of Hours Per Day Considered Part-time: _____ Max Part-time Rate: \$ _____
Full-time Billing Method: <input type="checkbox"/> Hourly <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly	Number of Hours Per Day Considered Full-time: _____ Max Full-time Rate: \$ _____
3 Year Old	
Number of Days Per Week Your Center is Open: _____	
Part-time Billing Method: <input type="checkbox"/> Hourly <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly	Number of Hours Per Day Considered Part-time: _____ Max Part-time Rate: \$ _____
Full-time Billing Method: <input type="checkbox"/> Hourly <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly	Number of Hours Per Day Considered Full-time: _____ Max Full-time Rate: \$ _____
4 Year Old	
Number of Days Per Week Your Center is Open: _____	
Part-time Billing Method: <input type="checkbox"/> Hourly <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly	Number of Hours Per Day Considered Part-time: _____ Max Part-time Rate: \$ _____
Full-time Billing Method: <input type="checkbox"/> Hourly <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly	Number of Hours Per Day Considered Full-time: _____ Max Full-time Rate: \$ _____
5 Year Old and Older (school age children)	
Number of Days Per Week Your Center is Open: _____	
Part-time Billing Method: <input type="checkbox"/> Hourly <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly	Number of Hours Per Day Considered Part-time: _____ Max Part-time Rate: \$ _____
Full-time Billing Method: <input type="checkbox"/> Hourly <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly	Number of Hours Per Day Considered Full-time: _____ Max Full-time Rate: \$ _____

Do you charge different rates for weekend or summer care? (Select all that apply. If you do not charge different rates for weekend or summer care, proceed to question 7.)

- Weekend Care
- Summer Care
- I do not charge different rates for weekend or summer care





In the table below, please provide the most typical rate you charge for part-time and full-time weekend child care, including increased rates due to COVID-19. For each age group, please indicate the number of weekend days your center operates, the number of hours per day to be considered part-time and/or full-time, select the method of billing (hourly, daily, weekly, or monthly), and provide the associated maximum part-time and/or full-time rates.

Weekend Child Care Rate

Infant (6 weeks - 12 months)	
Number of Days Per Week Your Center is Open: _____	
Part-time Billing Method: <input type="checkbox"/> Hourly <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly	Number of Hours Per Day Considered Part-time: _____ Max Part-time Rate: \$ _____
Full-time Billing Method: <input type="checkbox"/> Hourly <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly	Number of Hours Per Day Considered Full-time: _____ Max Full-time Rate: \$ _____
Toddler (13 - 36 months)	
Number of Days Per Week Your Center is Open: _____	
Part-time Billing Method: <input type="checkbox"/> Hourly <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly	Number of Hours Per Day Considered Part-time: _____ Max Part-time Rate: \$ _____
Full-time Billing Method: <input type="checkbox"/> Hourly <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly	Number of Hours Per Day Considered Full-time: _____ Max Full-time Rate: \$ _____
3 Year Old	
Number of Days Per Week Your Center is Open: _____	
Part-time Billing Method: <input type="checkbox"/> Hourly <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly	Number of Hours Per Day Considered Part-time: _____ Max Part-time Rate: \$ _____
Full-time Billing Method: <input type="checkbox"/> Hourly <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly	Number of Hours Per Day Considered Full-time: _____ Max Full-time Rate: \$ _____
4 Year Old	
Number of Days Per Week Your Center is Open: _____	
Part-time Billing Method: <input type="checkbox"/> Hourly <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly	Number of Hours Per Day Considered Part-time: _____ Max Part-time Rate: \$ _____
Full-time Billing Method: <input type="checkbox"/> Hourly <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly	Number of Hours Per Day Considered Full-time: _____ Max Full-time Rate: \$ _____





Weekend Child Care Rates (Continued)

5 Year Old and Older (school age children)

Number of Days Per Week Your Center is Open:

Part-time Billing Method: <input type="checkbox"/> Hourly <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly	Number of Hours Per Day Considered Part-time: _____ Max Part-time Rate: \$ _____
Full-time Billing Method: <input type="checkbox"/> Hourly <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly	Number of Hours Per Day Considered Full-time: _____ Max Full-time Rate: \$ _____

In the table below, please provide the most typical rate you charge for part-time and full-time summer child care, including increased rates due to COVID-19. For each age group, please indicate the number of days per week your center operates in the summer, the number of hours per day to be considered part-time and/or full-time, select the method of billing (hourly, daily, weekly, or monthly) from the dropdown menu, and provide the associated maximum part-time and/or full-time rates.

Summer Child Care Rate

Infant (6 weeks – 12 months)

Number of Days Per Week Your Center is Open:

Part-time Billing Method: <input type="checkbox"/> Hourly <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly	Number of Hours Per Day Considered Part-time: _____ Max Part-time Rate: \$ _____
Full-time Billing Method: <input type="checkbox"/> Hourly <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly	Number of Hours Per Day Considered Full-time: _____ Max Full-time Rate: \$ _____

Toddler (13 – 36 months)

Number of Days Per Week Your Center is Open:

Part-time Billing Method: <input type="checkbox"/> Hourly <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly	Number of Hours Per Day Considered Part-time: _____ Max Part-time Rate: \$ _____
Full-time Billing Method: <input type="checkbox"/> Hourly <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly	Number of Hours Per Day Considered Full-time: _____ Max Full-time Rate: \$ _____

3 Year Old

Number of Days Per Week Your Center is Open:

Part-time Billing Method: <input type="checkbox"/> Hourly <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly	Number of Hours Per Day Considered Part-time: _____ Max Part-time Rate: \$ _____
Full-time Billing Method: <input type="checkbox"/> Hourly <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly	Number of Hours Per Day Considered Full-time: _____ Max Full-time Rate: \$ _____





Summer Child Care Rates (Continued)

4 Year Old

Number of Days Per Week Your Center is Open:

Part-time Billing Method:

Hourly Daily Weekly Monthly

Number of Hours Per Day Considered Part-time: _____

Max Part-time Rate: \$ _____

Full-time Billing Method:

Hourly Daily Weekly Monthly

Number of Hours Per Day Considered Full-time: _____

Max Full-time Rate: \$ _____

5 Year Old and Older (school age children)

Number of Days Per Week Your Center is Open:

Part-time Billing Method:

Hourly Daily Weekly Monthly

Number of Hours Per Day Considered Part-time: _____

Max Part-time Rate: \$ _____

Full-time Billing Method:

Hourly Daily Weekly Monthly

Number of Hours Per Day Considered Full-time: _____

Max Full-time Rate: \$ _____

8. In a typical year, what total dollar amount of parent fees owed to your center for provided services do you estimate goes uncollected?

\$ _____

9. This year, due to the COVID-19 pandemic, what total dollar amount of parent fees owed to your center for provided services do you estimate will go uncollected?

\$ _____

10. If you plan to increase your rates in the next 12 months, please indicate how much your rates will increase **per week** (e.g., I anticipate my rates increasing by \$20 per week).

I anticipate my weekly rates increasing by _____

I do not anticipate my weekly rates increasing in the next 12 months





11. In addition to your regular rate, which of the following fees do you charge? (Provide the relevant fee amount. If you do not charge a specific fee, please enter "0".)

	Fee Amount (Per Child)
Registration (per year)	\$ _____
Supply (per year)	\$ _____
Field Trip (average per trip)	\$ _____
Technology (per year)	\$ _____
Transportation (per month)	\$ _____
Food/Meals (per month)	\$ _____

If you charge any other fees not included in table above, please list them here, providing the fee amount and frequency at which they are charged (i.e., weekly, monthly, yearly).





KEY CHILD CARE COST DRIVERS

The next questions are being asked in order to collect information that will provide LDOE with a better understanding of the true cost of providing child care in Louisiana. All information will remain confidential and will be used only to inform the child care subsidy rate for the Child Care Assistance Program (CCAP).

12. In the table below, please provide the information requested for staff in your program. If you employ only one employee in that capacity, please enter their salary into the "Highest Annual Salary or Hourly Wage" column. If you do not employ a specific staff position, please enter "0".

Staff Position	Number of Individuals in the Position	Wage Type	Lowest Annual Salary or Hourly Wage	Highest Annual Salary or Hourly Wage
Director	_____	<input type="checkbox"/> Annual Salary <input type="checkbox"/> Hourly Wage	\$ _____	\$ _____
Assistant Director (Director Designee)	_____	<input type="checkbox"/> Annual Salary <input type="checkbox"/> Hourly Wage	\$ _____	\$ _____
Administrative Assistant	_____	<input type="checkbox"/> Annual Salary <input type="checkbox"/> Hourly Wage	\$ _____	\$ _____
Lead Teacher (Full-time)	_____	<input type="checkbox"/> Annual Salary <input type="checkbox"/> Hourly Wage	\$ _____	\$ _____
Assistant Teacher (Full-time)	_____	<input type="checkbox"/> Annual Salary <input type="checkbox"/> Hourly Wage	\$ _____	\$ _____
Teacher (Part-time)	_____	<input type="checkbox"/> Annual Salary <input type="checkbox"/> Hourly Wage	\$ _____	\$ _____
All Other Staff (Full-time)	_____	<input type="checkbox"/> Annual Salary <input type="checkbox"/> Hourly Wage	\$ _____	\$ _____
All Other Staff (Part-time)	_____	<input type="checkbox"/> Annual Salary <input type="checkbox"/> Hourly Wage	\$ _____	\$ _____

13. If your program pays for staff training and/or development, please provide your annual budget for ALL staff training. (select only one)

- Annual training budget of \$ _____
- Per person training budget of \$ _____
- My program does not pay for staff training and/or development





14. Do you currently offer your full-time employees any of the following benefits? (select all that apply)

- Paid sick leave Paid vacation Health insurance Dental insurance Vision insurance
- Retirement plan Education stipend (i.e., tuition payments)
- Free tuition for employees' children Discount tuition for employees' children
- My program does not offer any of these benefits Other benefits _____

The following question should be answered only by Type III centers: Rank the following obstacles related to operating as a Type III center in order of difficulty, with 1 being most difficult, and 7 being least difficult.

- _____ Not charging enough to cover operating expenses
- _____ Inconsistent attendance of CCAP children
- _____ Inconsistent co-payments from CCAP households
- _____ Compliance with health and safety requirements
- _____ Staff turnover rate
- _____ Accountability (i.e., CLASS, TSGold)
- _____ Other: _____

15. What changes has your business experienced between March 15 - present due to the COVID-19 pandemic? (select all that apply)

- Decreased enrollment Increased enrollment Decreased attendance Increased attendance
- Staff layoffs Increased staff hiring Decreased rates Increased rates Reduced operating hours
- Expanded operating hours My business has not experienced any of these changes
- Other: _____

16. Have you experienced changes in the ages of children attending your center between March 15 - present due to the COVID-19 pandemic?

- Yes No

If yes, please indicate how the ages of children attending your center, as a percentage of total enrollment, have changed between March 15 - present.

Children Age	Type of Change
Infant (6 weeks-12 months)	<input type="checkbox"/> Increased <input type="checkbox"/> Stayed the Same <input type="checkbox"/> Decreased
Toddler (13-36 months)	<input type="checkbox"/> Increased <input type="checkbox"/> Stayed the Same <input type="checkbox"/> Decreased
3 Year Old	<input type="checkbox"/> Increased <input type="checkbox"/> Stayed the Same <input type="checkbox"/> Decreased
4 Year Old	<input type="checkbox"/> Increased <input type="checkbox"/> Stayed the Same <input type="checkbox"/> Decreased
5 Year Old and Older (school age children)	<input type="checkbox"/> Increased <input type="checkbox"/> Stayed the Same <input type="checkbox"/> Decreased





17. Which of the following resources would be most helpful to you/your business during the current COVID-19 pandemic?
(select all that apply)

- Obtaining cleaning supplies and personal protective equipment (PPE)
- Budgeting assistance
- Business operations assistance
- Guidance/assistance on how to secure small business loans and/or grants
- Staffing/staff recruitment assistance
- Marketing assistance
- Licensing and/or compliance assistance
- Teacher training and/or professional development opportunities
- Other: _____

18. What do you believe is your most significant challenge in running a child care business? (select one)

- Finance operations (i.e., billing, budgets, payroll)
- Instructional operations (i.e., the day-to-day of providing child care)
- Staff recruitment
- Staff training
- Staff retention
- Licensing and/or compliance
- Customer/family recruitment
- Customer/family retention
- Other: _____

OPTIONAL: We will be holding focus groups throughout the state to learn more about the true associated costs of running a quality child care center. If you are willing to participate in a focus group, please provide your name and email address below. This is in no way mandatory and your name will NOT be identified with your survey response.

Alternatively, if you would like to participate in a focus group but do not want to provide your information via this survey, please send an email stating your interest in participating to Robyn Stiles at robyn.stiles@emergentmethod.com.

Name: _____

Email: _____





APPENDIX B: SURVEY FIELDING INFORMATION

FIELDING TIMELINE

The link to the online survey was distributed to all active child care providers on August 30, 2020 by email. All providers also received a postcard notifying them of the survey launch, which also provided a link to the survey. Beginning the next week, all providers who had not yet completed the survey were sent a reminder email with the survey link. These weekly emails were sent until the survey closed on October 30, 2020.

On September 15, two weeks after the survey launch, all providers who had not yet completed the survey were sent a letter with a paper copy of the survey instrument, allowing them to complete and return the survey offline. This mailing was conducted to ensure that all providers, regardless of their level of digital literacy, had an opportunity to participate in the survey. A second letter and paper copy of the survey was sent to providers on October 14, 2020, providing an additional reminder and opportunity to participate.

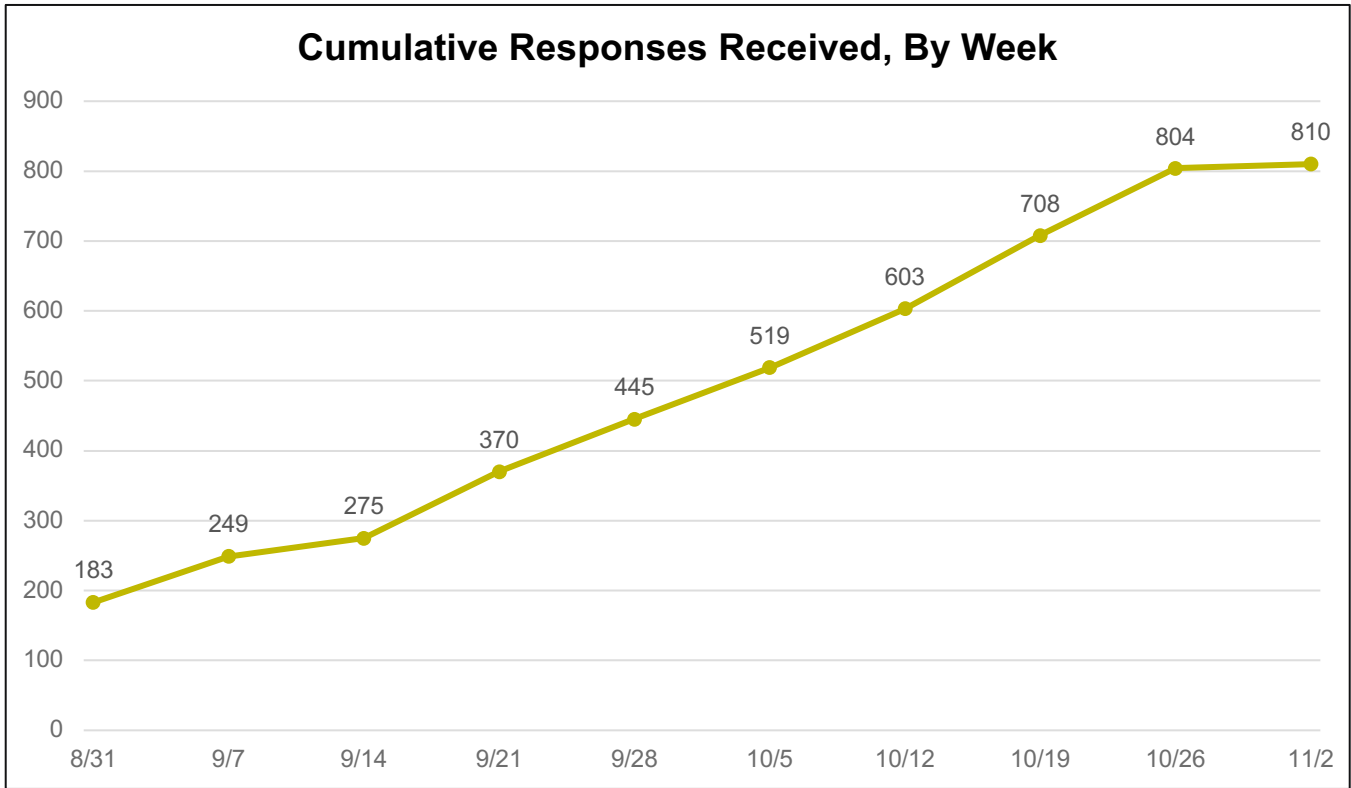
In addition to the email and mail reminders, LDOE included a short reminder blurb about the Market Rate Survey in their Early Childhood Newsletter, which was distributed bimonthly. During the month of October, LDOE employees conducted call-out campaigns to providers who had not yet completed the survey to encourage them to complete the survey.

A summary of the outreach methods is provided in the table below.

Date	Action
Aug. 30	Survey is live
Aug. 31	Initial Email is sent
Aug. 31	Postcard is sent
Sept. 1	Reminder Email Sent out
Sept. 9	Reminder Email is sent
Sept. 15	Reminder Email is sent
Sept 10.	Newsletter notice is sent
Sept. 15	Letter is sent
Sept. 22	Reminder Letter is sent
Sept. 29	Reminder Email is sent
Sept. 30	Newsletter notice is sent
Oct. 1	Reminder phone calls through October 30
Oct. 6	Reminder Email is sent
Oct. 13	Letter is sent
Oct. 13	Reminder Email is sent
Oct. 15	Newsletter is sent
Oct. 20	Reminder Email is sent
Oct. 27	Final Reminder Email is sent
Oct. 30	Survey closes



Cumulative Responses Received, By Week





INITIAL EMAIL

Dear Representatives of Child Care Providers,

The Louisiana Department of Education is surveying providers to gather information for the 2020 Louisiana Child Care Market Rate Survey.

While you may have previously completed this survey during spring 2020, **we strongly encourage you to complete it** one more time and provide the most up-to-date information and rates, with the understanding that your rates and/or enrollment may have changed due to COVID-19. We have also added new survey questions to better understand how COVID-19 has impacted your enrollment and overall business operations.

The purpose of the survey is to collect 2020 information on the cost of child care and various institutional characteristics such as classroom size, hours, as well as to understand the provider costs associated with offering high-quality child care, as part of our Child Care and Development Fund State Plan development. This survey is being sent to Type I, Type II, Type III, family care, in-home, and CCAP school providers by Emergent Method, a Baton Rouge-based consulting firm that has been hired to help us in these efforts.

It is critical the Department receive feedback from all provider types.

The information you provide will help us compile a comprehensive profile of early care and education in Louisiana, the cost of child care, and the availability of services in specific regions.

Please complete the survey as soon as possible for the child care and/or early education services you provide. The survey will close October 30, 2020.

To complete the survey online, click on this link: <https://bit.ly/ldoe2020survey>.

The survey is confidential and individual answers will not be reported publicly. Public reporting of results will only include information combined from all providers by type and by region, (e.g., “50% of Type I providers serve 3 year olds”). Additionally, you may refuse to answer any questions or end the survey at any time.

In addition to the survey, Emergent Method will also be holding focus groups across the state to better understand the costs to providers of providing high-quality child care. If you are interested in participating in an upcoming focus group, please contact Robyn Stiles at (225) 372-5102 or by email at robyn.stiles@emergentmethod.com. She can also answer any questions you have about the survey process.

Thank you in advance for your participation in this important survey.

Jenna Chiasson, Ph.D.
Assistant State Superintendent
Louisiana Department of Education
1201 N. 3rd Street
Baton Rouge, LA 70802



POSTCARD

Louisiana Department of Education
1201 N. 3rd Street
Baton Rouge, LA 70802



Early Childhood



Dear Representatives of Child Care Providers,

We need your help. LDOE is partnering with Emergent Method, a Baton Rouge-based management consulting firm, to collect information about the cost of child care in Louisiana. These data will be used to assist us in setting our child care assistance program (CCAP) rates and to better understand provider costs associated with offering quality early child care.

It is critical for the Department to receive feedback from all provider types. While you may have previously completed this survey during spring 2020, we strongly encourage you to complete it one more time and provide the most up-to-date information and rates, with the understanding that your rates and/or enrollment may have changed due to COVID-19.

The survey is confidential, and public reporting of results will only include information combined from all providers (e.g., "50% of Type 1 providers serve 3 year olds"). Additionally, you may refuse to answer any questions or end the survey at any time.

You may fill out the survey online at <https://bit.ly/ldoe2020survey>. Please make sure to complete the survey before October 30, 2020.

Thank you in advance for your participation in this important survey.

Sincerely,

Jenna Chiasson, Ph.D.
Assistant State Superintendent



REMINDER EMAIL

Dear Representatives of Child Care Providers,

Recently, you received a postcard announcing the Louisiana Department of Education's 2020 Market Rate Survey, which is being conducted to collect current data about the cost of child care in Louisiana. These data are critical to better understand provider costs associated with offering quality early child care and education in Louisiana.

While you may have previously completed this survey during spring 2020, **we strongly encourage you to complete it one more time**. Because the previous survey was conducted pre-COVID-19, we are gathering all new responses with the understanding that your rates and/or enrollment may have changed due to the pandemic. We have also added new questions to learn how COVID-19 has impacted your enrollment and overall business operations. Previous responses from the spring will not be included – in order to have your voice heard, you **must** complete the new survey.

If you have not already done so this fall, please complete the survey as soon as possible for the child care and/or early education services you provide. The survey will close October 30, 2020.

To complete the survey online, click on this link: <https://bit.ly/ldoe2020survey>.

The survey is confidential and individual answers will not be reported publicly. Public reporting of results will only include information combined from all providers by type and by region, (e.g., "50% of Type I providers serve 3 year olds"). Additionally, you may refuse to answer any questions or end the survey at any time.

In addition to the survey, Emergent Method will also be holding focus groups across the state to better understand the costs to providers of providing high-quality child care. If you are interested in participating in an upcoming focus group, please contact Robyn Stiles at (225) 372-5102 or by email at robyn.stiles@emergentmethod.com. She can also answer any questions you have about the survey process.

Thank you in advance for your participation in this important survey.

Jenna Chiasson, Ph.D.
Assistant State Superintendent
Louisiana Department of Education
1201 N. 3rd Street
Baton Rouge, LA 70802



COVER LETTER

Dear Representatives of Early Learning Centers, Family Child Care, In-Home Child Care, and Child Care Assistance Program (CCAP) School Providers,

The Louisiana Department of Education is surveying providers to gather information for the 2020 Louisiana Child Care Market Rate Survey. The purpose of the survey is to collect 2020 information on the cost of child care and various institutional characteristics such as classroom size, hours, as well as to understand the cost to centers and providers of offering high-quality child care, as part of our Child Care and Development Fund State Plan development. This survey is being sent to Type I, Type II, Type III, family care, in-home, and CCAP school providers by Emergent Method, a Baton Rouge-based consulting firm that has been hired to help us in these efforts.

While you may have previously completed this survey during spring 2020, **we strongly encourage you to complete it one more time**. Because the previous survey was conducted pre-COVID-19, we are gathering all new responses with the understanding that your rates and/or enrollment may have changed due to the pandemic. We have also added new questions to learn how COVID-19 has impacted your enrollment and overall business operations. Previous responses from the spring will not be included – in order to have your voice heard, you **must** complete the new survey.

The information you provide will help us compile a comprehensive profile of early care and education in Louisiana, the cost of child care, and the availability of services in specific regions. The survey will close on October 30, 2020. You may complete the survey online or on the enclosed survey form.

To complete the survey online, type this link into your browser's address bar: <https://bit.ly/ldoe2020survey>.

If you complete the survey online, there is no need to return a paper survey form. However, if you prefer to complete the attached survey form, please return the completed form to Emergent Method using the pre-addressed, postage-paid envelope included with this letter.

The survey is confidential and individual answers will not be reported publicly. Public reporting of results will only include information combined from all providers by type and by region, (e.g., "50% of Type I providers serve 3 year olds"). Additionally, you may refuse to answer any questions or end the survey at any time.

In addition to the survey, Emergent Method will also be holding focus groups across the state in the upcoming months to better understand the costs to providers of providing high-quality child care. If you are interested in participating or learning more about a focus group in your area, please contact Robyn Stiles at (225) 372-5102 or by email at robyn.stiles@emergentmethod.com. She can also answer any questions you have about the survey process.

Thank you in advance for your participation in this important survey.

Jenna Chiasson, Ph.D.
Assistant State Superintendent
Louisiana Department of Education
1201 N. 3rd Street
Baton Rouge, LA 70802

Enclosures:
2020 LDOE Market Rate Survey
Pre-addressed, postage-paid envelope



APPENDIX C: RESPONSES BY PARISH, REGION, AND ZONE

RESPONSES BY PARISH

Parish	Number of Responses	Percent
Acadia	14	1.73
Allen	2	0.25
Ascension	23	2.84
Assumption	1	0.12
Avoyelles	11	1.36
Beauregard	3	0.37
Bienville	2	0.25
Bossier	17	2.10
Caddo	45	5.56
Calcasieu	12	1.48
Catahoula	2	0.25
Claiborne	1	0.12
Concordia	3	0.37
DeSoto	1	0.12
East Baton Rouge	107	13.21
East Carroll	7	0.86
East Feliciana	2	0.25
Evangeline	3	0.37
Franklin	4	0.49
Grant	1	0.12
Iberia	14	1.73
Iberville	8	0.99
Jackson	1	0.12
Jefferson	66	8.15
Jefferson Davis	2	0.25
Lafayette	46	5.68



Lafourche	13	1.61
Lincoln	20	2.47
Livingston	15	1.85
Madison	3	0.37
Morehouse	6	0.74
Natchitoches	13	1.60
Orleans	78	9.63
Ouachita	31	3.82
Plaquemines	6	0.74
Pointe Coupee	4	0.49
Rapides	25	3.09
Richland	2	0.25
Sabine	1	0.12
St. Bernard	10	1.23
St. Charles	11	1.36
St. James	3	0.37
St. John the Baptist	7	0.86
St. Landry	15	1.85
St. Martin	6	0.74
St. Mary	4	0.49
St. Tammany	38	4.69
Tangipahoa	32	3.95
Terrebonne	20	2.47
Union	2	0.25
Vermilion	19	2.35
Vernon	1	0.12
Washington	7	0.86
Webster	6	0.74
West Baton Rouge	5	0.62
West Carroll	1	0.12
West Feliciana	5	0.62
Winn	3	0.37
TOTAL:	810	100.00



RESPONSES BY REGION

Using the LDOE regional map as a guide, parishes were divided into general regions of the state, clustered around metropolitan areas.

Region	Parishes	Number of Responses	Percentage
1 – New Orleans	Jefferson, Orleans, Plaquemines, St. Bernard	160	19.75%
2 – Baton Rouge	East Baton Rouge, East Feliciana, Iberville, Point Coupee, West Baton Rouge, West Feliciana	131	16.17%
3 – Covington	Livingston, St. Helena, St. Tammany, Tangipahoa, Washington	92	11.36%
4 – Thibodaux	Ascension, Assumption, Lafourche, St. Charles, St. James, St. John the Baptist, Terrebonne	78	9.63%
5 – Lafayette	Acadia, Evangeline, Iberia, Lafayette, St. Landry, St. Martin, St. Mary, Vermillion	118	14.57%
6 – Lake Charles	Allen, Beauregard, Calcasieu, Cameron, Jefferson Davis	20	2.47%
7 – Alexandria	Avoyelles, Catahoula, Concordia, Grant, LaSalle, Rapides, Vernon, Winn	45	5.56%
8 – Shreveport	Bienville, Bossier, Claiborne, Caddo, DeSoto, Jackson, Natchitoches, Red River, Sabine, Webster	88	10.86%
9 – Monroe	Caldwell, East Carroll, Franklin, Lincoln, Madison, Morehouse, Ouachita, Richland, Tensas, Union, West Carroll	78	9.63%

RESPONSES BY RURAL AND URBAN/SUBURBAN CLASSIFICATION

LDOE uses a school district's inclusion in the federal Rural Education Achievement Program (REAP) as the basis for classifying that system, district, and/or area as rural, if included, or urban/suburban, if not included. The classifications, by parish, are included in the table below.

Type	Parishes	Number of Responses	Percentage
Rural (31)	Allen, Avoyelles, Beauregard, Bienville, Caldwell, Catahoula, Claiborne, Concordia, East Carroll, East Feliciana, Evangeline, Franklin, Grant, Jackson, Madison, Morehouse, Pointe Coupee, Red River, Richland, Sabine, St. Helena, St. Landry, St. Mary, Tensas, Union, Vermillion, Vernon, Washington, Webster, West Carroll, Winn	116	14.32%
Suburban or Urban (33)	Acadia, Ascension, Assumption, Bossier, Caddo, Calcasieu, Cameron, DeSoto, East Baton Rouge, Iberia, Iberville, Jefferson, Jefferson Davis, Lafayette, Lafourche, LaSalle, Lincoln, Livingston, Natchitoches, Orleans, Ouachita, Plaquemines, Rapides, St. Bernard, St. Charles, St. James, St. John the Baptist, St. Martin, St. Tammany, Tangipahoa, Terrebonne, West Baton Rouge, West Feliciana	694	85.68%



APPENDIX D: FOCUS GROUP WORKSHEET



THANK YOU FOR AGREEING TO PARTICIPATE IN AN UPCOMING FOCUS GROUP ABOUT YOUR CENTER'S OPERATIONAL COSTS ASSOCIATED WITH PROVIDING QUALITY CHILD CARE.

In order to get an idea of what you spend your resources on, we have broken down operational cost into several areas of potential expenses. Please fill out one or both of the columns indicating the associated percentage and/or amount. You do not need to be exact in your breakdown – ballpark figures are fine.

Total Yearly Operating Costs: \$ _____	Number of staff (full-time & part-time): _____	Number of classrooms: _____
Amount paid per month in either: <i>(check one)</i> <input type="checkbox"/> Rent <input type="checkbox"/> Mortgage Payment: \$ _____	Do you receive any of following financial benefits outside of those provided by the LDOE? (select all that apply) <input type="checkbox"/> Grant <input type="checkbox"/> Tax Incentives <input type="checkbox"/> Tax Write-off	Would you like to learn more about how to receive non-LDOE grants, tax incentives, or tax write-offs? <input type="checkbox"/> Yes <input type="checkbox"/> No

Please list any type of business automation tools your center uses. Examples include child care management systems (CCMS) for record keeping, attendance, licensing compliance, tuition tracking, or enrollment management.

CATEGORY	DESCRIPTION	PERCENT*	AMOUNT
Salary	All full-time and part-time staff wages	_____ %	\$ _____
Benefits	All mandatory and additional benefits for full-time and part-time staff <i>Examples: disability benefits, unemployment benefits, paid leave, health insurance, dental insurance, vision insurance, retirement plans, education stipends, free/discounted tuition for employees' children, and any other offered benefit</i>	_____ %	\$ _____
Professional Development	Training and professional development for new and existing staff <i>Examples: training materials, conference registration/fees, CPR and First Aid training, professional certifications (NAC, CLASS, etc.)</i>	_____ %	\$ _____
Transportation	All costs related to providing transportation for children <i>Examples: vehicle notes, gas, vehicle insurance, maintenance</i>	_____ %	\$ _____
Materials & Curricula	Books, toys, supplies, cribs, nap mats, curricula, and any other materials used for education or in classrooms	_____ %	\$ _____
Enrichment Activities	Contracted educational or physical services <i>Examples: tumble bus, soccer shots, etc.</i>	_____ %	\$ _____
Food	Snacks, meals, food preparation supplies	_____ %	\$ _____
Facility Costs	Rent or mortgage, building insurance, utilities, building maintenance, cleaning fees	_____ %	\$ _____
Insurance	Liability and accident insurance	_____ %	\$ _____
Business Supplies & Equipment	Telephone and internet, fees, permits, office equipment, audit, accounting, postage, advertising, software	_____ %	\$ _____
Child Care Criminal Background Checks	All costs related to child care criminal background checks (CCCBCs)	_____ %	\$ _____
Taxes	Payroll and income taxes	_____ %	\$ _____
Other Expenses (Optional)	Any other expenses not captured in one of the categories above. Please provide a description of these expenses: _____	_____ %	\$ _____
	TOTAL:	100%	

*ALL PERCENTAGES SHOULD ADD UP TO 100%.

the \mathbb{R}^n is a linear space over \mathbb{R} with the usual addition and scalar multiplication. The inner product is defined by

$$\langle x, y \rangle = x_1 y_1 + \dots + x_n y_n \quad (1)$$

where $x = (x_1, \dots, x_n)$ and $y = (y_1, \dots, y_n)$ are vectors in \mathbb{R}^n .

The norm of a vector x is defined by $\|x\| = \sqrt{\langle x, x \rangle}$. The distance between two vectors x and y is defined by $\|x - y\|$.

The set of all vectors x such that $\|x\| = 1$ is called the unit sphere. The set of all vectors x such that $\|x\| \leq 1$ is called the unit ball.

The set of all vectors x such that $\|x\| = r$ is called the sphere of radius r . The set of all vectors x such that $\|x\| \leq r$ is called the ball of radius r .

The set of all vectors x such that $\|x\| = 0$ is called the origin. The set of all vectors x such that $\|x\| = \infty$ is called the infinity norm.

The set of all vectors x such that $\|x\| = 1$ is called the unit sphere. The set of all vectors x such that $\|x\| \leq 1$ is called the unit ball.

The set of all vectors x such that $\|x\| = r$ is called the sphere of radius r . The set of all vectors x such that $\|x\| \leq r$ is called the ball of radius r .

The set of all vectors x such that $\|x\| = 0$ is called the origin. The set of all vectors x such that $\|x\| = \infty$ is called the infinity norm.

The set of all vectors x such that $\|x\| = 1$ is called the unit sphere. The set of all vectors x such that $\|x\| \leq 1$ is called the unit ball.

The set of all vectors x such that $\|x\| = r$ is called the sphere of radius r . The set of all vectors x such that $\|x\| \leq r$ is called the ball of radius r .

The set of all vectors x such that $\|x\| = 0$ is called the origin. The set of all vectors x such that $\|x\| = \infty$ is called the infinity norm.

The set of all vectors x such that $\|x\| = 1$ is called the unit sphere. The set of all vectors x such that $\|x\| \leq 1$ is called the unit ball.

The set of all vectors x such that $\|x\| = r$ is called the sphere of radius r . The set of all vectors x such that $\|x\| \leq r$ is called the ball of radius r .

The set of all vectors x such that $\|x\| = 0$ is called the origin. The set of all vectors x such that $\|x\| = \infty$ is called the infinity norm.

The set of all vectors x such that $\|x\| = 1$ is called the unit sphere. The set of all vectors x such that $\|x\| \leq 1$ is called the unit ball.

The set of all vectors x such that $\|x\| = r$ is called the sphere of radius r . The set of all vectors x such that $\|x\| \leq r$ is called the ball of radius r .

The set of all vectors x such that $\|x\| = 0$ is called the origin. The set of all vectors x such that $\|x\| = \infty$ is called the infinity norm.

The set of all vectors x such that $\|x\| = 1$ is called the unit sphere. The set of all vectors x such that $\|x\| \leq 1$ is called the unit ball.

The set of all vectors x such that $\|x\| = r$ is called the sphere of radius r . The set of all vectors x such that $\|x\| \leq r$ is called the ball of radius r .