

STATEWIDE SURVEY OF CHILDCARE
COSTS IN RHODE ISLAND

Sponsored by

Rhode Island Department of Labor and Training

and

Rhode Island Department of Human Services

Conducted by

Charles T. Schmidt, Jr. Labor Research Center
University of Rhode Island
2002

Section I. Introduction

This study is sponsored by the Rhode Island Department of Labor and Training (DLT) on behalf of the Rhode Island Department of Human Services (DHS), pursuant to section 40-6.2-1.1 of the General Laws of State of Rhode Island, as amended. The survey was conducted between March 15 and June 30, 2002 by the Schmidt Labor Research Center (SLRC) of the University of Rhode Island (URI). The questionnaire used in the survey was prepared jointly by SLRC researchers and employees of DLT and DHS with input from childcare providers.

This study was undertaken to determine childcare rates charged throughout Rhode Island and, particularly, to establish the 75th percentile rate. The 75th percentile rate indicates the rate at or below which 75% of respondents charge. For example, the 75th percentile weekly rate for toddler care in Family or Group Family Childcare Homes is \$150.00, which means that 75% of respondents who provide such care charge \$150.00 per week or less; or put another way, only 25% charge more than \$150.00.

The ultimate purpose of this study is to assist DHS in determining the appropriate reimbursement rates for childcare services provided to families participating in the DHS Child Care Assistance Program (CCAP). However, the questionnaire also included items to aid in the interpretation of the data and to allow us to learn more about the concerns of providers. For example, questions concerning the types of care provided, age groups cared for, number of children subsidized, and hours of operation were included. Also, providers were given the opportunity to include written comments. A copy of the questionnaire is appended to this report.

It should be noted that the data reported here indicate the cost to consumers—that is, the rates (or prices) that providers charge for childcare—not the cost of providing the care. And, indeed, in narrative comments, many providers state that rates they charge do not adequately reflect the true costs of providing care.

Section II. Methodology

The survey

This research was conducted with a mail survey using a questionnaire modeled after the one used by URI's Research Center in Business and Economics (RCBE) for a similar study in 2000. A number of items were eliminated from the 2000 questionnaire and others reworded or reformatted. Most of the changes were made following a meeting on January 31, 2002 with childcare providers.

Questionnaires were sent to all Family or Group Family Childcare Homes (hereinafter, homes) and Childcare Centers (hereinafter, centers) certified or licensed by the Rhode Island Department of Children, Youth, and Families (DCYF). A "home" refers to a provider who is certified to care for up to 12 children in a family home setting. A

"center" is a facility licensed to care for children in a group setting. The largest center in our study is licensed to care for 505 children.

A postcard was sent several weeks before the survey informing providers that they would be receiving a questionnaire and urging them to participate in the study. A cover letter in English and Spanish was included in the survey packet. The letter contained information about the study and instructions for returning the questionnaire in a self-addressed stamped envelope. A contact phone number was included for individuals with questions. Spanish-speaking participants were directed to return an enclosed post card if they preferred a Spanish questionnaire. There were 133 requests for Spanish questionnaires. Translation services were provided by Progreso Latino, a community-based organization located in Central Falls, RI.

Providers were given approximately 7 weeks to respond to the survey before follow-up calls were made. All non-respondents received at least 1 follow-up call.

Terms used

The letter "N" used in tables in this report indicates the number of cases or responses to a particular item. The term "mean" refers to the mathematical average. "Standard deviation" is a measure of dispersion about the mean. The "median" is the middle occurring value—that is, the 50th percentile. The "range" is the distance between the lowest and highest value.

Response rate and response bias

Two separate mailing lists were provided by DCYF. The list of homes contained 1109 providers, while the list of centers contained 421. Hence, a total of 1530 questionnaires were sent. By June 30, 2002, 783 questionnaires were returned: 507 from homes and 276 from centers. The overall response rate, therefore, is 51%, with 48% of homes and 58% of centers responding. Of the 133 Spanish questionnaires sent, 62 (47%) were returned.

Compared to the 2000 survey, the number of responses increased by 198 or 34%. Controlling for the increase in the number of providers, total response rate increased by about 13%. However, the number of Spanish-language responses increased dramatically, from 21 in 2000 to 62 in 2002, a jump of 195%.

Since questionnaires were sent to *all* homes and centers certified by DCYF, there is no concern with sampling error. But since a 100% response rate was not achieved, there remains the possibility of response bias—that is, the possibility that non-respondents *would have* replied differently than respondents. Although our ability to estimate response bias is limited, we can compare the respondent pool with the total population on at least two variables.

First, as Chart 1 shows, the overall response rate is higher for centers than for homes. (Although on an item-by-item basis, the response rate varies). Therefore, most aggregate statistics are likely to be biased toward centers. To address this issue, all data are presented in three ways: all respondents, homes only, and centers only. By separating the responses, the separate contributions of homes and centers to aggregate totals can be examined.

Chart 1. Homes and centers as percentages of the population and respondents.

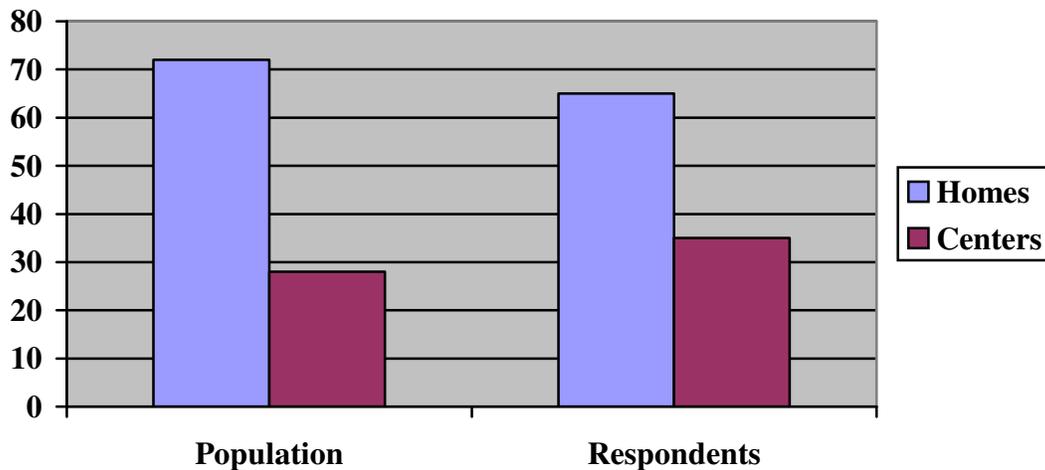


Table 1 compares the geographic dispersion of respondents with the childcare provider population. Most communities are represented in the pool of respondents in relatively close relation to their presence in the population. Negatively signed numbers in the right-hand column indicate the percent point value of under-representation, while positive values show the degree of over-representation.

Concern over geographical bias should be linked to hypotheses concerning the effects of geography. Would urban providers respond differently from suburban or rural providers, for example? Would providers in Northern RI respond differently from those in Southern RI?

The response rates do indicate a degree of difference between cities and towns. Of the 8 cities in RI, 5 are under-represented among respondents, while only 6 of 31 towns are under-represented.

By county, we see that Providence County has the most under-represented communities with 6. Three of Washington County's 9 communities are under-represented, as is 1 of Newport County's 6 communities. All of the cities and towns of Kent and Bristol counties are over-represented. Again, while these variances are noted, none are so severe as to compromise the integrity of the study. For the most part, communities are represented in the respondent pool in relation to their presence in the population.

Table 1. Geographic dispersion of the childcare provider population and respondents.

	Percent of Population	Percent of Respondents	Percentage Point Difference
Providence	40.85	33.08	-7.78
Pawtucket	7.05	6.51	-.53
Warwick	6.57	7.41	.84
East Providence	4.13	5.62	1.49
Woonsocket	3.12	4.34	1.23
Cranston	3.12	2.43	-.69
Smithfield	2.98	3.07	.08
Coventry	2.57	3.07	.49
Cumberland	2.57	3.32	.75
South Kingstown	2.37	3.45	1.08
Johnston	2.30	2.43	.12
Central Falls	2.24	1.66	-.58
North Kingstown	1.63	1.92	.29
West Warwick	1.63	1.79	.16
Lincoln	1.42	1.66	.24
Bristol	1.29	1.53	.25
Newport	1.29	1.15	-.14
East Greenwich	1.22	.166	.44
Barrington	1.08	1.66	.58
Burrilville	.95	.77	-.18
Westerly	.95	1.28	.33
Middletown	.88	1.15	.27
Warren	.88	1.15	.27
North Providence	.88	.77	-.11
Portsmouth	.81	1.15	.34
Tiverton	.81	.89	.08
Glocester	.68	.77	.09
North Smithfield	.68	.64	-.04
Hopkinton	.54	.64	.10
Richmond	.54	.64	.10
Narragansett	.54	.51	-.03
Charlestown	.27	.26	-.01
Exeter	.27	.26	-.01
Scituate	.27	.38	.11
Foster	.20	.26	.05
Jamestown	.20	.38	.18
West Greenwich	.14	.26	.12
Little Compton	.07	.13	.06
New Shoreham	.00	.00	.00

Part III. Characteristics of respondents

Corporate status and affiliation

Nearly all homes are for-profit, independent (i.e. not part of a chain or multi-site organization) and not affiliated with a church or school (Table 2). In contrast, approximately two-thirds of centers are non-profit, nearly half are part of a chain or multi-site organization, and approximately 30% are affiliated with a church or school.

Table 2. Homes and centers, selected characteristics.						
	All		Homes		Centers	
	N	%	N	%	N	%
For-profit	499	69.69	408	91.28	91	33.83
Non-profit	217	30.31	39	8.72	178	66.17
Independent	631	84.13	479	99.38	152	56.72
Part of a chain	119	15.87	4	.62	115	43.28
Church-affiliated	22	2.89	1	.20	21	7.81
School-affiliated	63	8.27	3	.61	60	22.30
Not-affiliated	677	88.85	489	99.19	188	69.89

Table 3. Types of programs						
	All		Homes		Centers	
	N	%	N	%	N	%
Infant	495	64.71	412	84.08	83	30.18
Toddler	572	74.87	449	91.63	122	44.89
Pre-school	607	79.45	433	88.37	174	63.50
Before/after kindergarten	476	62.22	331	67.55	145	52.73
School-age	417	54.72	269	54.90	148	54.41
Youth	53	6.94	28	5.71	25	9.12
Nursery school	69	9.04	3	.61	66	24.18
Kindergarten	57	7.46	1	.20	56	20.44
Headstart	13	1.70	4	.82	9	3.30
Other	16	2.09	6	1.22	10	3.68

Types of programs offered

Homes are more likely than centers to provide programs for very young children (Table 3). Nearly all homes provide programs for infants (birth to 18 months), toddlers (18 to 36 months), and preschoolers (3 to 5 years). However, centers are much more likely than homes to provide nursery school and kindergarten programs. Homes and centers provide programs for school-age children (6 to 12 years) in close proportion.

Age groups

Table 4 also shows that homes provide care for very young children at a higher rate than centers. While Table 3 indicated that very few homes have

kindergarten programs, Table 4 shows that approximately two-thirds of homes provide care for kindergarten-age children.

	All		Homes		Centers	
	N	%	N	%	N	%
Infants	484	63.43	402	81.83	82	30.48
Toddlers	581	75.95	459	92.91	122	45.02
Preschoolers	627	81.75	456	92.31	171	62.64
Kindergarteners	491	64.10	323	65.38	168	61.76
School-age children	426	55.76	276	55.98	150	55.35

Providers' schedules and hours

According to Table 5, there are significant similarities in scheduled care between homes and centers. Homes and centers provide half-day, partial week, before school, after school, summer vacation, school year vacation, and single day out-of-school care in approximately the same proportion. There is more deviation on full-day care, which nearly all homes, but only two-thirds of centers provide. The largest differences are for weekend and evening care, which are offered by approximately 10 to 20% of homes, but are rarely offered by centers.

	All		Homes		Centers	
	N	%	N	%	N	%
Full-day	611	85.96	476	96.36	185	67.27
Half-day	435	56.71	293	59.31	142	52.01
Partial week	391	50.85	263	53.24	128	46.55
Before school	487	63.49	318	64.37	169	61.90
After school	536	69.88	344	69.64	192	70.33
Weekend care	49	6.37	49	9.92	0	0.00
Evening	98	12.74	95	19.23	3	1.09
School age only						
Summer vacation	402	52.28	270	54.66	132	48.00
School year vacation	384	50.00	246	49.80	138	50.36
Single day, school out-of-session	332	43.17	211	42.71	121	44.00
Other	24	3.12	17	3.44	7	2.55

Table 6 displays hours of operation for homes and centers that care for school-age children (6 to 12 years) and youth (12 to 15 years). The figures presented are the most frequently reported begin/end times and the range of reported times. In a few cases, two times were reported with nearly the same frequency and are displayed in the table as 8:30 am/9:00 am, for example. The most frequently reported beginning and end times for before school care for both homes and centers is 7:00 am to 8:30 am/9:00 am. After school care runs from 3:00 pm to 5:30 pm for most homes and 2:00 pm/2:30 pm to 6:00

pm for centers. The most frequently reported start time for vacation care is 7:00 am, while the most frequently reported end time is 5:30 pm for homes and 6:00 pm for centers. It should be noted that the ranges for start and end times are rather broad, particularly for homes; at the extremes, however, there are usually only one or two cases.

Table 6. Hours of operation, school-age or youth care, most frequently reported times and ranges.				
	Homes		Centers	
	From (Range)	To (Range)	From (Range)	To (Range)
Before school	7:00 am (4:45 am-8:00 am)	8:30 am/9:00 am (6:00 am-12:00 pm)	7:00 am (6:00-8:00 a.m.)	8:30 am/9:00 am (8:00 am-1:00 pm)
After school	3:00 pm (11:50 am-4:30 pm)	5:30 pm (3:30 pm-11:30 pm)	2:00 pm/2:30 pm (11:00 am-3:30 pm)	6:00 pm (4:00 pm-6:30 pm)
Vacations	7:00 a.m. (4:45 am-3:00 pm)	5:30 pm (3:30 pm-11:30 pm)	7:00 am (6:00 am-8:15 am)	6:00 pm (5:00 pm-6:30 pm)

The single largest group of respondents indicates that 8 hours is considered a full day of care. The range is from 2 to 13 hours (Table 7a). The statistics also show that a greater

Table 7a. Hours for full day of care, frequency distribution.						
	All		Homes		Centers	
Hours	N	%	N	%	N	%
2-4	77	10.94	35	7.64	42	17.07
5-7	186	26.42	103	22.49	85	34.55
8	220	31.25	156	34.06	64	26.02
9	120	17.05	87	18.20	33	13.42
10-13	98	13.92	77	16.81	22	8.94

percentage of homes than centers consider more than 8 hours a full day of care, while centers are much more likely to consider less than 8 hours a full day of care.

Table 7b. Hours for full day of care, descriptive statistics.			
	All	Homes	Centers
Mean	7.39	7.75	6.73
Standard Deviation	2.07	1.92	2.17
Median	8	8	7
Range	2-13	3-13	2-11

Table 8a. Weeks per year in operation, frequency distribution.

Weeks	All		Homes		Centers	
	N	%	N	%	N	%
0-50	134	18.23	84	18.67	50	19.01
50	178	24.96	154	34.22	24	9.13
51	76	10.66	49	10.89	27	10.27
52	329	46.14	167	37.10	162	61.60

Tables 8a and 8b provide statistics for the number of weeks in operation per year. Table 8a shows that nearly half of all providers operate

for 52 weeks per year. However, approximately two-thirds of home providers operate for less than 52 weeks, while over 60% of centers are open year-round.

Table 8b. Weeks per year in operation, descriptive statistics.

	All	Homes	Centers
Mean	49.24	49.17	49.35
Standard Deviation	7.16	7.75	6.04
Median	51	50	52
Range	4-52	4-52	5-52

Number of children

Centers, of course, generally care for more children than do homes. Among respondents, the average (or mean) number of children permitted by their license is 6.63 for homes and 73.02 for centers.

Table 9a. Number of children permitted by certificate or license, frequency distribution.

	All		Homes		Centers	
1-5	63	8.39	63	12.96	0	0.00
6-12	424	57.84	422	86.83	2	.81
13-49	101	13.78	1	0.21	100	40.49
50+	145	19.78	0	0.00	145	58.70

The frequency distribution shows that a majority of homes are certified for between 6 and 12 children, while most centers may accommodate more than 50 children.

Table 9b. Number of children permitted by certificate or license, descriptive statistics.

	All	Homes	Centers
Mean	30.34	6.63	73.02
Standard deviation	45.53	1.56	55.71
Median	8.00	6	56
Range	0-505	0-24	6-505

While Tables 9a and 9b concern the number of children homes and centers are certified or licensed for, the following tables (10a and 10b) display statistics concerning the number of children for which providers

are willing to care.

Table 10a. Number of children for which providers are willing to care, frequency distribution.

	All		Homes		Centers	
	N	%	N	%	N	%
1-5	79	10.87	78	16.60	1	0.39
6-12	380	45.39	378	80.43	2	0.78
13-49	113	22.42	14	2.98	99	38.52
50-	155	21.32	0	0.00	155	60.31

We see that the average number of children homes are willing to care for is approximately 8, while the centers are willing to accept, on average, 72 children.

Table 10b. Number of children for which providers are willing to care, descriptive statistics.

	All	Homes	Centers
Mean	30.34	7.57	71.97
Standard deviation	45.53	2.70	56.34
Median	8	6	56
Range	1-500	1-24	3-500

Since homes, by definition, are certified to care for up to 12 children, it is not surprising that nearly all indicate caring for 12 children or fewer (Table 11a and 11b).

Table 11a. Number of children for which providers are currently caring, frequency distribution.

Number	All		Homes		Centers	
	N	%	N	%	N	%
1-5	211	33.60	209	56.03	2	.78
6-12	161	25.64	154	41.29	7	2.75
13-49	126	20.06	10	2.68	116	45.49
50-	130	20.70	0	0.00	130	50.98

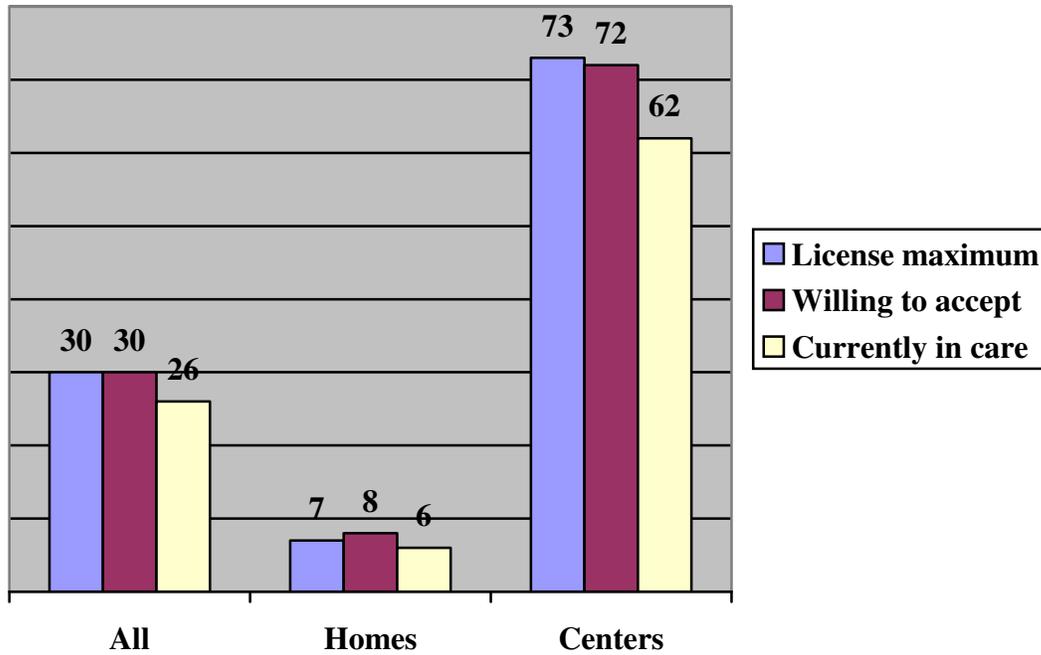
Several of the 10 homes that care for more than 12 children included a marginal comment in the questionnaire indicating that the figure represented more than one session or shift. They may have one group of children in the morning and another in the afternoon, totaling more than 12 different children.

Table 11b. Number of children for which providers is currently caring, descriptive statistics.

	All	Homes	Centers
Mean	25.70	5.86	62.16
Standard deviation	38.28	2.84	45.78
Median	8	6	50
Range	0-331	0-17	0-331

Chart 2 provides a visual display of the differences between the number of children providers are certified or licensed to care for, the number they are willing to care for, and the number for which they currently care. The figures presented on top of the columns are rounded averages.

Chart 2. Average number of children allowed by certificate or license, willing to accept, and currently in care.



There appears to be some underutilization of current capacity. On average, homes are willing to accept 2 more children than they currently care for and centers 11 more children.

Section IV. Rates and subsidies

Ways of charging

Approximately two-thirds of homes and 75% of centers indicate that they charge families on a weekly basis. This holds true overall and for school age children only. It should be noted that some providers gave two or more responses to this question. Therefore the number of respondents indicated may sum to more than the total number of respondents for the survey.

Table 12a. Most common way of charging.						
	All		Homes		Centers	
	N	%	N	%	N	%
Hourly	55	7.25	42	8.59	13	4.81
Daily	60	7.91	47	9.61	13	4.81
Weekly	531	69.96	326	66.67	205	75.93
Monthly	91	11.99	69	14.11	22	8.15
Semester/Year	16	2.11	3	.61	13	4.81
Other	6	.79	2	.41	4	1.48

Table 13 below shows that September is, overall, the most popular month to raise rates. However, this holds true more for centers than for homes, which are evenly divided between September and

Table 12b. Most common way of charging, school age only.						
	All		Homes		Centers	
	N	%	N	%	N	%
Hourly	54	11.56	42	13.59	12	7.59
Daily	37	7.92	26	8.41	11	6.96
Weekly	309	66.17	193	62.46	116	73.42
Monthly	57	12.21	48	15.53	9	5.70
Semester/Year	9	1.93	0	0.00	9	5.70
Other	1	.21	0	0.00	1	.63

January. The distribution of months is approximately the same for the month when rates were raised during the past year.

Table 13. Months when rates are raised.						
Month when rates are normally raised.						
	All		Homes		Centers	
	N	%	N	%	N	%
September	248	49.01	107	40.68	141	58.02
January	150	29.64	110	41.83	40	16.46
August	35	6.92	5	1.90	30	12.35
June	25	4.94	14	5.32	11	4.53
July	20	3.95	13	4.94	7	2.88
All other	28	5.54	14	5.32	14	5.76
Month when rates were raised during the past year.						
September	109	39.49	39	31.45	70	46.05
January	71	25.72	49	39.52	22	14.47
August	32	11.59	6	4.84	26	17.11
June	23	8.33	12	9.68	11	7.24
July	9	3.26	5	4.03	4	2.63
All other	32	11.61	13	10.48	19	12.50

Weekly rates

The following three tables (14a, 14b, and 14c) provide data on weekly rates for all respondents and for homes and centers separately.

The data displayed are for homes and centers that charge on a weekly basis only. As shown in Tables 12a and 12b approximately two-thirds of homes and three-quarters of centers charge on a weekly basis.

Table 14a. Reported weekly rates, all providers					
	N	Mean (S.D.)	50th Percentile	75th Percentile	90th Percentile
School age, before school only	207	\$52.67 (24.45)	\$50.00	\$60.00	\$80.00
School age, after school only	230	68.05 (22.75)	65.00	83.00	85.00
School age, before and after school	256	104.14 (36.11)	108.50	135.00	154.00
School age, summer vacation	286	129.64 (30.11)	130.00	140.00	160.00
School age, school year vacations	258	127.94 (29.59)	125.00	140.00	160.00
Youth, before school only	39	54.54 (22.07)	50.00	60.00	85.00
Youth, after school only	44	63.45 (23.46)	60.00	80.00	90.00
Youth, before and after school	48	103.31 (41.95)	110.00	132.50	165.00
Youth, summer vacation	48	127.17 (43.36)	135.00	150.00	170.00
Youth, school year vacations	45	115.44 (41.80)	115.00	140.00	150.00
Infant care	416	149.91 (31.52)	145.00	170.00	185.00
Toddler care	460	144.05 (30.87)	140.00	160.00	180.00
Preschool care	463	135.75 (27.47)	135.00	150.00	165.00
Kindergarten care	328	125.16 (32.62)	130.00	140.00	160.00

Table 14b. Reported weekly rates, homes only					
	N	Mean (S.D.)	50th Percentile	75th Percentile	90th Percentile
School age, before school only	115	\$59.69 (26.92)	\$52.50	\$75.00	\$80.00
School age, after school only	122	66.49 (25.64)	60.00	80.00	85.00
School age, before and after school	156	105.83 (39.33)	110.00	135.00	160.00
School age, summer vacation	172	132.72 (39.33)	130.00	150.00	175.00
School age, school year vacations	145	131.31 (34.18)	130.00	150.00	175.00
Youth, before school only	32	56.47 (23.57)	50.00	80.00	85.00
Youth, after school only	36	62.97 (24.59)	60.00	80.00	100.00
Youth, before and after school	41	102.78 (43.54)	110.00	120.00	165.00
Youth, summer vacation	41	128.89 (45.40)	135.00	150.00	170.00
Youth, school year vacations	38	115.38 (43.92)	113.75	140.00	150.00
Infant care	335	142.49 (27.58)	135.00	150.00	175.00
Toddler care	345	136.31 (28.04)	135.00	150.00	165.00
Preschool care	308	133.40 (27.27)	135.00	150.00	165.00
Kindergarten care	227	123.03 (32.34)	130.00	135.00	150.00

Table 14c. Reported weekly rates, centers only.

	N	Mean (S.D.)	50th Percentile	75th Percentile	90th Percentile
School age, before school only	92	\$43.90 (\$17.46)	\$50.00	<i>\$50.00</i>	\$55.00
School age, after school only	108	69.82 (18.95)	70.00	<i>85.00</i>	85.00
School age, before and after school	100	101.51 (30.43)	103.50	<i>135.00</i>	135.00
School age, summer vacation	114	125.01 (24.50)	125.00	<i>135.00</i>	140.00
School age, school year vacations	113	123.61 (21.78)	125.00	<i>135.00</i>	150.00
Youth, before school only	7	45.71 (10.17)	50.00	<i>50.00</i>	55.00
Youth, after school only	8	65.63 (18.79)	65.00	<i>85.00</i>	85.00
Youth, before and after school	7	106.43 (33.63)	120.00	<i>135.00</i>	135.00
Youth, summer vacation	7	117.14 (29.13)	135.00	<i>135.00</i>	135.00
Youth, school year vacations	7	113.33 (32.04)	125.00	<i>135.00</i>	150.00
Infant care	81	180.61 (28.16)	175.00	<i>185.00</i>	210.00
Toddler care	115	167.27 (27.18)	165.00	<i>180.00</i>	195.00
Preschool care	155	140.40 (27.35)	140.00	<i>150.00</i>	165.00
Kindergarten care	101	129.97 (32.89)	130.00	<i>150.00</i>	160.00

Comparisons with the previous survey

Tables 15a and 15b, as well as Charts 3a, 3b, and 3c, show comparisons between the current survey data and figures from the 2000 survey. In nearly all cases there have been very large percentage increases in the 75th percentile rate. For all providers the school age average increases 29.39%, the youth average 8.37% and the infant, toddler, preschooler, and kindergartener average 7.81%. For homes only the school age increases 30.19% and the infant, toddler, preschooler, and kindergartener increases 9.35%. Youth figures were not reported for homes in 2000. For centers only the school-age average increases 32.23%, the youth average 37.14%, and the infant, toddler, preschooler, and kindergartener average 6.40%.

Table 15a. Comparison of 75th percentile weekly rates, 2000 and 2002.						
	All		Homes		Centers	
	2000	2002	2000	2002	2000	2002
School age, before school only	\$50.00	\$60.00	\$52.50	\$75.00	\$40.00	\$50.00
School age, after school only	70.00	83.00	60.00	80.00	67.00	85.00
School age, before and after school	100.00	135.00	125.00	135.00	95.00	135.00
School age, summer vacation	125.00	140.00	125.00	150.00	125.00	135.00
School age, school year vacations	Not asked	140.00	Not asked	150.00	Not asked	135.00
<i>School age average</i>	<i>86.25</i>	<i>111.60</i>	<i>90.63</i>	<i>118.00</i>	<i>81.75</i>	<i>108.00</i>
Youth, before school only	28.00	60.00	Not reported	80.00	28.00	50.00
Youth, after school only	50.00	80.00	Not reported	80.00	67.00	85.00
Youth, before and after school	95.00	132.50	Not reported	120.00	95.00	135.00
Youth, summer vacation	125.00	150.00	Not reported	150.00	125.00	135.00
Youth, school year vacations	Not asked	140.00	Not reported	140.00	Not asked	135.00
<i>Youth average</i>	<i>101.50</i>	<i>112.50</i>		<i>114.00</i>	<i>78.75</i>	<i>108.00</i>
Infant care	150.00	170.00	140.00	150.00	175.00	185.00
Toddler care	140.00	160.00	130.00	150.00	170.00	180.00
Preschool care	133.00	130.00	135.00	150.00	140.00	150.00
Kindergarten care	130.00	140.00	130.00	135.00	140.00	150.00
<i>Infant, toddler, preschool and kindergarten average</i>	<i>139.00</i>	<i>150.00</i>	<i>133.75</i>	<i>146.25</i>	<i>156.25</i>	<i>166.25</i>
Note: The 2002 figures are for those who charge mainly by the week. Averages indicate the average of the 75 th percentile rates.						

The following charts provide a visual comparison of 75th percentile rates in the 2000 and 2002 surveys.

Chart 3a. Comparison of average 75th percentile rates, 2000-2002, all providers.

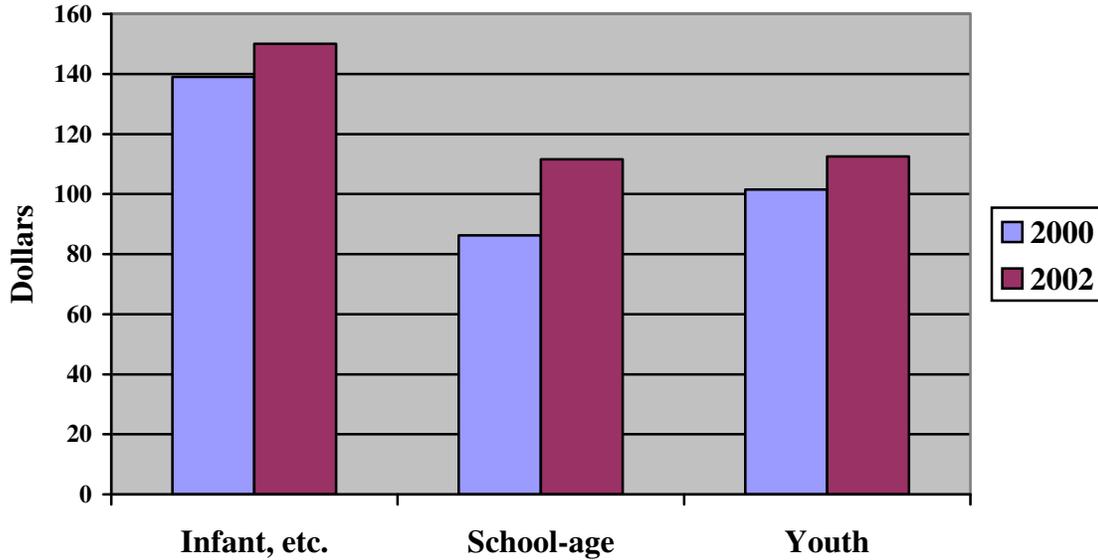


Chart 3b. Comparison of average 75th percentile rates, 2000-2002, homes only.

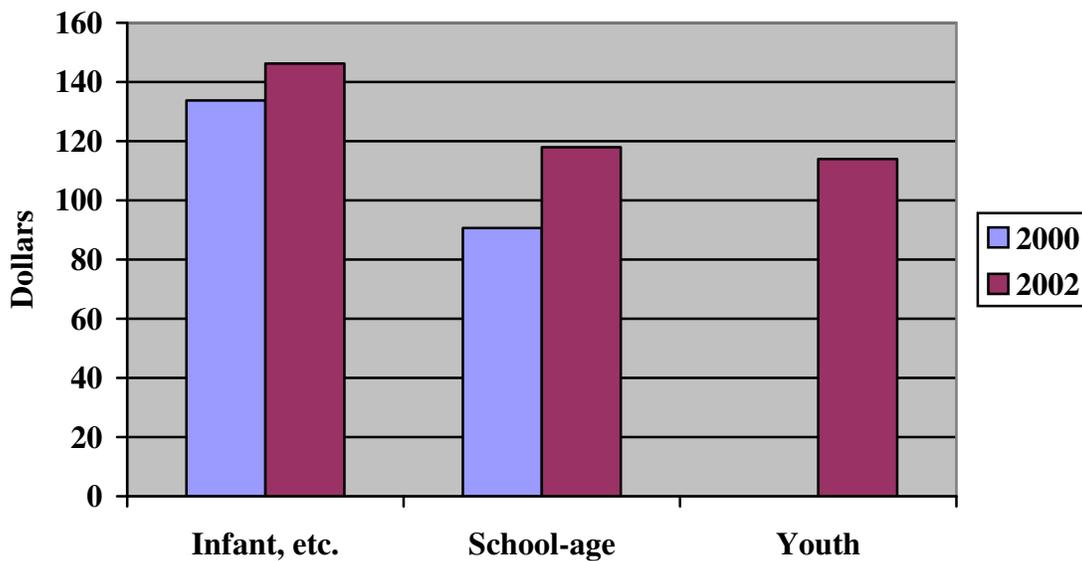
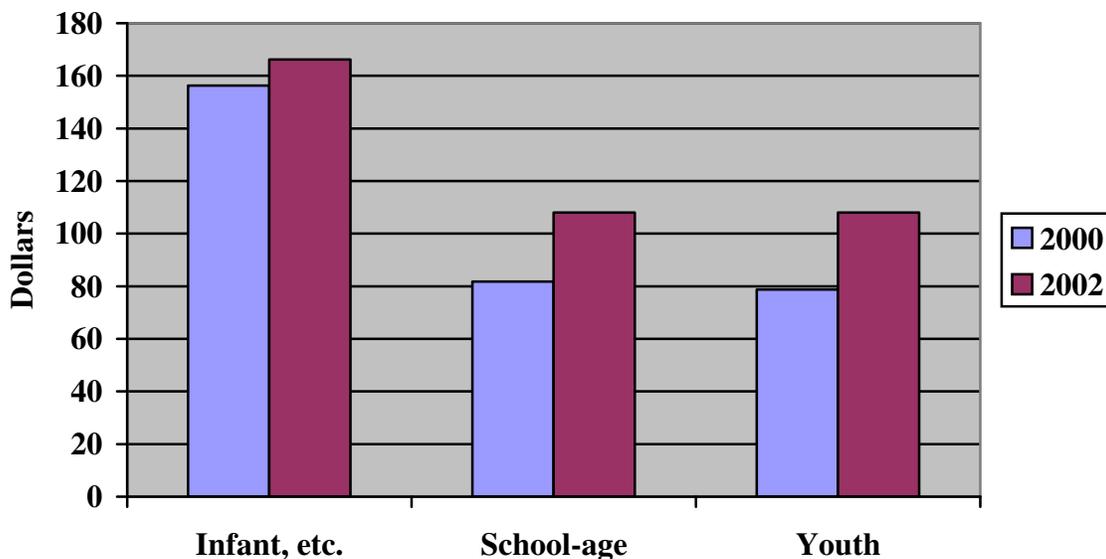


Chart 3c. Comparison of average 75th percentile rates, 2000-2002, centers only.



Youth differentials

Only 45 respondents (13.35%) indicate that they charge a differential rate for youth, and 35 such respondents are homes. Approximately 87% of homes and centers indicate that they do not charge a differential rate for youth.

Subsidies

Providers were asked a series of questions about the subsidies that children in their care receive. Table 16 shows that the rate of acceptance of DHS subsidized children is very high in both homes and centers, 90% or above. However, the table also reveals that homes are much more likely than centers to limit the number of DHS subsidized children. This is likely due to the more limited capacity of homes. Both homes and centers increased the number of DHS children last year by approximately 25 to 30%. The table also shows that centers are more likely than homes to receive other sorts of government or private subsidies. Other government subsidies are not very common even for centers, with less than 10% reporting receiving them. However, over 40% of centers receive some sort of private subsidy, as many are connected to non-profit and community-based organizations or firms.

Table 16. Information concerning subsidies.							
		All		Homes		Centers	
		Yes	No	Yes	No	Yes	No
Accepts DHS subsidized children.	N	694	62	436	50	258	12
	%	91.80	8.20	89.71	10.29	95.56	4.44
Limits the number of DHS subsidized children.	N	222	464	200	233	22	231
	%	32.36	67.64	46.19	53.81	8.70	91.30
Increased the number of DHS subsidized children last year.	N	80	228	64	189	16	39
	%	25.97	74.03	25.30	74.70	29.09	70.91
Accepts children during the pending period.	N	461	203	262	157	199	46
	%	69.43	30.57	62.53	37.47	81.22	18.78
Receives private subsidies.	N	121	630	6	482	115	148
	%	16.11	83.89	1.23	98.77	43.73	56.27
Receives government subsidies.	N	72	678	20	465	52	213
	%	9.60	90.40	4.12	95.88	19.62	80.38

According to Table 16, most homes and centers accept children during the “pending period”. This is the period during which DHS is deciding on a child’s eligibility for a subsidy. Table 17 shows that centers are more likely to charge full rates during the pending period, while homes are very evenly divided between those who charge full rates, those who charge partial rates, and those who do not charge during the pending period. Table 17 also displays the amount charged if a child goes to pending status during re-certification,

Table 17. Charges during pending period.						
Amount charged during pending period.						
	All		Homes		Centers	
	N	%	N	%	N	%
Full rates	210	40.94	99	32.57	111	53.11
Partial rates	153	29.82	95	31.25	58	27.75
Do not charge	150	29.24	110	36.18	40	19.14
Amount charged if child goes to pending status during re-certification.						
Full rates	263	41.95	168	42.53	95	40.95
Partial rates	162	25.84	94	23.80	68	29.31
Do not charge	202	32.22	133	33.67	69	29.74

Table 18a. DHS subsidized children, frequency distribution.

Number of children	All		Home		Center	
	N	%	N	%	N	%
0	102	15.99	90	22.28	12	5.13
1	77	12.07	63	15.59	14	5.98
2	59	9.25	48	11.88	11	4.70
3	55	8.62	49	12.13	6	2.56
4	52	8.15	36	8.91	16	6.84
5	47	7.37	35	8.66	12	5.13
6	43	6.74	38	9.41	5	2.14
7	18	2.82	13	3.22	5	2.14
8	27	4.23	23	5.69	4	1.71
9	10	1.57	3	.74	7	2.99
10	11	1.72	1	.25	10	4.27
11-25	64	10.03	5	1.24	59	25.21
26-100	64	10.03	0	0.00	64	27.35
101+	9	.94	0	0.00	9	3.87

Table 18b. Subsidized children, descriptive statistics.

	All	Homes	Centers
Mean	11.56	3.02	26.31
Standard deviation	25.72	2.69	38.10
Median	4	3	12
Range	0-252	0-12	0-252

The percentage of providers by the number of subsidized children is displayed in Table 18a. Approximately one-fifth of homes have no subsidized children, but otherwise the number of homes caring for

between 1 and 8 subsidized children is fairly evenly dispersed. Approximately half of the centers have between 11 and 100 subsidized children. The table of descriptive statistics shows that the average and median number of subsidized children for homes is approximately 3. The average for centers is 38, but with a median of 12, indicating that the average is skewed by larger facilities.

Table 19. Providers by percentage of children subsidized by DHS.

Percentage of children	All		Homes		Centers	
	N	%	N	%	N	%
0	86	14.48	76	20.27	10	4.57
+0-25%	150	25.25	54	14.40	96	43.48
+25-50%	115	19.36	63	16.80	52	23.74
+50-75%	68	11.45	37	9.87	31	14.16
+75-100%	175	29.46	145	38.67	30	13.70

Table 19 shows the number of providers by the percentage of children in their care subsidized by DHS. The table reveals

that homes tend more toward the extremes, while centers toward the middle. Most homes have either no subsidized children or more than 75% subsidized. Centers, on the other hand mainly fall in the positive range up to 50%.

With Tables 20a, 20b and 20c we can examine whether rates are affected by subsidies. At the extremes, rates at the 75th percentile do seem to be higher for providers with more than 75% of children subsidized than for providers with no children subsidized. On average, providers with more than 75% of children subsidized charge 14% more than providers with no children subsidized. The trend, however, is by no means linear. We can see that the figures tend to oscillate quite a bit, sometimes rising as the percentage of subsidized children rises and sometimes falling. Overall, therefore, we must conclude that there is no uniform effect of the DHS subsidy on rates.

Table 20a. Weekly rates by percentage of children subsidized, 75th percentile, all providers.

	Percent of DHS subsidized children in care				
	0	+0 to 25%	+25 to 50%	+ 50 to 75%	+75-100%
School age, before school only	\$50.00	\$50.00	\$50.00	\$60.00	\$75.00
School age, after school only	50.00	85.00	85.00	72.50	80.00
School age, before and after school	120.00	135.00	135.00	125.00	145.00
School age, summer vacation	140.00	135.00	135.00	150.00	150.00
School age, school year vacations	135.00	135.00	135.00	135.00	150.00
Infant care	150.00	172.75	173.00	175.00	172.50
Toddler care	150.00.	160.00	160.00	172.50	170.00
Preschool care	150.00	150.00	145.00	150.00	150.00
Kindergarten care	137.50	140.00	150.00	150.00	145.00

Note: Youth care data are not presented. Nearly all youth care is provided by homes and centers where 75-100% of children are subsidized. Therefore, there are too few observations in lower categories to allow for valid interpretation.

Tables 20b and 20c present the data for homes and centers separately. While they tell a similar story to Table 20a—that the effect of subsidies is not uniform—there are too few centers with no subsidized children to make a valid comparison at the extremes. Comparing the +0 to 25% and the +75% categories we see that homes in the highest category charge on average at the 75th percentile 9% more than homes in the +0 to 25% category, while the difference for centers is only 1%.

Table 20b. Weekly rates by percentage of children subsidized, 75th percentile, homes only.					
	Percent of DHS subsidized children in care				
	0	+0 to 25%	+25 to 50%	+ 50 to 75%	+75-100%
School age, before school only	\$40.00	\$60.00	\$65.00	\$60.00	\$75.00
School age, after school only	50.00	80.00	77.50	60.00	80.00
School age, before and after school	75.00	115.00	110.00	120.00	154.00
School age, summer vacation	140.00	140.00	137.50	150.00	160.00
School age, school year vacations	135.00	140.00	145.00	150.00	162.50
Infant care	150.00	150.00	160.00	152.50	160.00
Toddler care	150.00	150.00	145.00	150.00	150.00
Preschool care	150.00	150.00	145.00	150.00	150.00
Kindergarten care	137.50	135.00	140.00	150.00	140.00
Note: Youth care data are not presented. Nearly all youth care is provided by homes and centers where 75-100% of children are subsidized. Therefore, there are too few observations in lower categories to allow for valid interpretation.					

Table 20c. Weekly rates by percentage of children subsidized, 75th percentile, centers only.				
	Percent of DHS subsidized children in care			
	+0 to 25%	+25 to 50%	+ 50 to 75%	+75-100%
School age, before school only	\$50.00	\$50.00	\$60.00	\$50.00
School age, after school only	85.00	85.00	75.00	85.00
School age, before and after school	135.00	135.00	125.00	125.50
School age, summer vacation	135.00	135.00	135.00	135.00
School age, school year vacations	135.00	135.00	130.00	135.00
Infant care	175.00	180.00	185.00	179.00
Toddler care	172.00	171.25	180.00	179.00
Preschool care	150.00	145.00	159.00	155.50
Kindergarten care	148.50	150.00	160.00	155.00
Note: Youth care data are not presented. Nearly all youth care is provided by homes and centers where 75-100% of children are subsidized. Therefore, there are too few observations in lower categories to allow for valid interpretation. Also, there are too few centers that have no subsidized children to allow for valid interpretation.				

Other fees charged

Providers were asked to indicate other fees that they charge. Specially, they were asked if they charge registration, application, transportation, or meal fees. They were also given the opportunity to write in other fees. The only fee that was indicated with any frequency is registration fee, which was checked-off by 217 respondents (though many more centers than homes). The median registration fee is \$30.00.

The amounts charged for transportation and meals are difficult to decipher. Sometimes respondents indicate a charge per week, other times per day, and yet other times per trip. Other respondents simply record a dollar amount with no additional reference. The same problem arises for meal fees. Some respondents indicate that the dollar amount is per week, others per day, others per meal, and others did not say.

A late fee is the most frequent additional charge that is written in. However, many providers who did not write in late fee on this item include it in their written comments.

Other fees noted in this section include material fees, field trips, diaper wipes, security deposits, and capital improvement fees.

Table 21. Other fees charged.						
	All		Homes		Centers	
	N=Yes	Median	N=Yes	Median	N=Yes	Median
Registration	217	\$30.00	54	\$25.00	163	\$35.00
Application	14	25.00	5	15.00	9	25.00
Transportation	34	20.00	27	20.00	7	N.A.
Meals	21	3.00	12	3.00	9	2.00
Late fee	29	15.00/hr	27	10.00	2	40.00/hr

Note: Providers could check yes, no, or not applicable. In this table, N refers to the number of providers who checked yes, meaning that they do charge the accompanying fee.

Written comments

The questionnaire includes a section where respondents could provide written comments indicating other factors (in addition to those mentioned elsewhere in the questionnaire) that would affect their rates and a section for any other comments respondents wished to make. Many respondents did make additional comments on a variety of topics. These were recorded and summarized and are available from RI DHS as an addendum to this report.

RHODE ISLAND DEPARTMENT OF HUMAN SERVICES

***2002 STATEWIDE SURVEY OF
CHILDCARE RATES***

Conducted by

***Schmidt Labor Research Center
University of Rhode Island***

The information you provide is needed by the RI Department of Human Services (DHS) to determine the usual rate charged for childcare in Rhode Island. Although your participation is voluntary, collecting this information is required by state law.

Individual responses will be kept completely confidential and will not be identified with a particular center or program. Only summary statistics will be reported. No respondents will be identified by name to any state or federal agency.

Please fill out a separate questionnaire for each site you operate. This is important in order to obtain accurate information on response rates and childcare capacity. You may photocopy all answers that are the same across all sites. However, please be sure to provide all code numbers for all sites.

Section 1. ALL PROVIDERS SHOULD RESPOND TO THE FOLLOWING ITEMS.

- 1) For which type of facility are you responding?
 - a. ___ Family or Group Family Childcare Home (i.e. you are certified by the RI Department of Children, Youth & Families (DCYF) to care for up to 12 children in a family home setting)
 - b. ___ Childcare Center (i.e. you are licensed by DCYF to care for children in a group setting)

- 2) Is your program classified as for-profit or not-for-profit?
 - a. ___ For-profit
 - b. ___ Not-for-profit (i.e. a 501C-3 corporation)

- 3) Does your facility operate as an independent, stand-alone program or is it a part of a multi-site organization or chain?
 - a. ___ Independent, stand alone program
 - b. ___ Part of a multi-site organization or chain

- 4) Is your facility affiliated with a church or school?
 - a. ___ Church
 - b. ___ School
 - c. ___ Neither

- 5) What is the most common way that you charge?
 - a. ___ Hourly
 - b. ___ Daily
 - c. ___ Weekly
 - d. ___ Monthly
 - e. ___ Semester/Year
 - f. ___ Other (please specify)

- 6) Please check the program(s) that you provide (**check all that apply**):
- a. Infant programs: birth to 18 months old
 - b. Toddler programs: 18 to 36 months old
 - c. Pre-school programs: 3 to 5 years old
 - d. Before and after kindergarten care
 - e. School-age programs: 6 to 12 years old and in at least first grade (i.e. you are licensed by DCYF to care for school-aged children in a group setting before and/or after school)
 - f. Youth programs: 12 to 15 years old
 - g. Nursery school programs (i.e. you are licensed by the Department of Education (DOE) to provide educational programs for young children)
 - h. Kindergarten programs (i.e. you are licensed by DOE to provide educational programs for kindergarten children)
 - i. Head Start programs (i.e. you are an accredited Head Start provider)
 - j. Other program(s) (please specify) _____

- 7) For which age groups do you provide childcare services? (**check all that apply**)
- a. Infants: Birth to 18 months old
 - b. Toddlers: 18 to 36 months old
 - c. Preschoolers: 3 to 5 years old
 - d. Kindergarteners: 5 year olds
 - e. School-age children: in first grade or above

- 8) Which type(s) of childcare program(s) do you provide? (**check all that apply**)
- a. Full-day: 8 or more hrs.
 - b. Half-day
 - c. Partial week
 - d. Before school care
 - e. After school care
 - f. Weekend care
 - g. Evening care
 - h. School-age, summer vacation
 - i. School-age, school year vacation
 - j. School-age, single days, school out-of-session
 - k. Other (please specify):

Section 2. RESPOND TO THE FOLLOWING ITEMS ONLY IF YOU CARE FOR SCHOOL-AGE CHILDREN OR YOUTH (I.E. THOSE 6 TO 15 YEARS OLD AND IN AT LEAST FIRST GRADE).

IF YOU DO NOT CARE FOR SUCH CHILDREN SKIP TO SECTION 3.

- 1) What are the usual hours of operation for each of the following programs?
 - a. Before school care: from _____ to _____
 - b. After school care: from _____ to _____
 - c. Vacation care: from _____ to _____

- 2) For school-age children, what is the most common way that you charge?
 - a. ___ Hourly
 - b. ___ Daily
 - c. ___ Weekly
 - d. ___ Monthly
 - e. ___ Semester/Year
 - f. ___ Other (please specify)

- 3) Please provide your usual, full-time, maximum rate for school-age children. Do not include discounts, subsidies, sliding-scale rates, or scholarships. Answer only for the type(s) of care you provide and for the usual period(s) for which you charge.

Usual, Full-time, Maximum Rates— School Age Children Only (in first grade or above).					
	Before School Only	After School Only	Both Before & After School	Summer Vacation	School Year Vacations
Hourly Rate					
Daily Rate					
Weekly Rate					
Monthly Rate					
Semester/Year					
Other (please specify)					

- 4) Do you charge a different rate for youth (12 to 15 years old)?
 - a. ___ Yes
 - b. ___ No

IF YOU ANSWERED NO, SKIP TO SECTION 3 BELOW

- 5) Please provide your usual, full-time, maximum rate for youth. Do not include discounts, subsidies, sliding-scale rates, or scholarships. Answer only for the type(s) of care you provide and for the period(s) for which you charge.

Usual, Full-time, Maximum Rates— Youth Only (12 to 15 years old).					
	Before School Only	After School Only	Both Before & After School	Summer Vacation	School Year Vacations
Hourly Rate					
Daily Rate					
Weekly Rate					
Monthly Rate					
Semester/Year					
Other (please specify)					

Section 3. ALL PROVIDERS SHOULD RESPOND TO THE FOLLOWING ITEMS.

- 1) Please provide your usual, full-time, maximum rate for each age group listed below. Do not include discounts, subsidies, sliding-scale rates, or scholarships. Answer only for the type(s) of care you provide and for the period(s) for which you charge.

Usual, Full-time, Maximum Rates by Age Group.				
	Infant	Toddler	Preschool	Kindergarten
Hourly Rate				
Daily Rate				
Weekly Rate				
Monthly Rate				
Other (please specify)				

Section 4. ALL PROVIDERS SHOULD RESPOND TO THE FOLLOWING ITEMS.

- 1) Do you accept DHS subsidized children in your facility?
 a) ___ Yes
 b) ___ No

IF YOU ANSWERED NO, SKIP TO ITEM 8 BELOW

- 2) How many DHS subsidized children are currently in your care? _____

- 3) Do you have limits on the number of DHS subsidized children you will accept?
 - a) Yes
 - b) No

- 4) If yes, have you increased the number of DHS subsidized children you will accept since April 2001?
 - a) Yes
 - b) No

- 5) During the "pending period," when DHS support is not guaranteed, do you accept new children?
 - a) Yes
 - b) No

IF YOU ANSWERED NO, SKIP TO ITEM 8 BELOW

- 6) Do you charge families during the pending period?
 - a) Yes
 - b) No

- 7) If you answered Yes on item 6, do you charge full or partial rates to families during the pending period?
 - a) Full rates
 - b) Partial rates

- 8) When childcare assistance is being recertified, if a child's case goes to pending status, how much do you charge?
 - a) Full rates
 - b) Partial rates
 - c) Do not charge

- 9) Do you charge any special fees in addition to your base rate?

Special fees.				
	Yes	No	Not applicable	Amount
Registration fee				
Application fee				
Transportation fee				
Meals				
Other (please specify)				
Other (please specify)				
Other (please specify)				

- 10) Do you receive any **private** money from sources other than children's families (e.g. United Way grants, church sponsorships, employer subsidies)?
a) ___ Yes
b) ___ No
- 11) Do you receive any **government** money (e.g. subsidies from school systems for special needs children, subsidies from early intervention agencies, or Medicaid)? **Do not include DHS CCAP assistance payments or Child and Adult Food Program (CACFP) payments.**
a) ___ Yes
b) ___ No
- 12) How many children currently in your care are subsidized by private and/or government sources? _____
- 13) During which month do you (or would you) normally raise rates? _____
- 14) Did you raise rates during the past year?
a) ___ Yes (If yes, during which month? _____)
b) ___ No
- 15) How many hours do you consider to be a full day of care? _____ hours.
- 16) How many weeks per year does your program operate? _____ weeks.
- 17) How many children are you licensed/certified to care for? _____
- 18) What is the maximum number of children you would be willing to care for in your current space? Include both full- and part-time _____
- 19) How many children are you currently caring for? Include both full- and part-time _____

PLEASE CONTINUE ON NEXT PAGE

