



## The High Price of Child Care 2013

*A Study of the Cost of Child Care in Monmouth County, New Jersey*



*This study was conducted by the  
New Jersey Association of Child Care Resource and Referral Agencies  
in partnership with Child Care Resources*



**November 2013**

## **The New Jersey Association of Child Care Resource and Referral Agencies**

The New Jersey Association of Child Care Resource and Referral Agencies (NJACCRRRA), New Jersey's network of child care resource and referral agencies (CCR&Rs), was incorporated in 1998. NJACCRRRA's mission is to promote a universally accessible, affordable, and high-quality system of early care and education that is responsive to parental choice. As the leading voice in child care issues and trends in New Jersey, NJACCRRRA seeks to positively impact early care and education policy, funding, and service integration through a variety of activities including professional development, advocacy, data collection, and information dissemination.

### **Child Care Resources**

Established in 1995, Child Care Resources is a not-for-profit agency that invests in Monmouth County's children by empowering parents to make informed child care choices and providing quality resources and education to child care professionals. Child Care Resources believes that all families deserve access to high quality, affordable child care, that is safe, healthy, and provides a stimulating environment to grow and learn.

As the county's designated child care resource and referral agency, Child Care Resources (CCR) provides services to families, child care professionals and the community. For parents, CCR offers counseling and guidelines for choosing quality child care, free referrals to child care programs, financial assistance with child care costs for eligible families, parent workshops, and a lending library. For child care professionals, CCR offers educational workshops, on-site training and technical assistance, resources and guidance with starting or expanding a child care program, and a lending library. For the community, CCR provides supply and demand data, information on child care issues and trends and consultation to employers.

### **NJACCRRRA**

PO Box 55816  
Trenton, NJ 08638-6816  
E-mail: [info@njaccrra.org](mailto:info@njaccrra.org)  
Fax: 866-401-3632  
[www.njaccrra.org](http://www.njaccrra.org)

### **Child Care Resources**

3301 C Route 66  
Neptune, NJ 07754  
Phone: (732) 918-9901 ext. 114  
Fax: (732) 918-9902  
[www.ccrnj.org](http://www.ccrnj.org)

This material is based upon work supported by the Department of Human Services, State of New Jersey under the CCR&R contracts FY13. Any opinions and conclusions or recommendations expressed in this publication are those of the author(s) and do not necessarily reflect the official opinion of the State of New Jersey or Department of Human Services.

## **The High Price of Child Care:**

### ***A Study Profiling the Cost of Care Within Licensed Centers in Monmouth County, New Jersey***

In May 2013, the New Jersey Association of Child Care Resource and Referral Agencies (NJACCRRRA), New Jersey's network of child care resource and referral agencies (CCR&Rs), conducted an analysis of the cost of child care provided through licensed center-based programs and registered family child care homes throughout the state. The resulting report documented the average cost of child care for each municipality so that an account of New Jersey's overall child care fee structure, broken down by county, could be established. In addition, the child care market rate for each county was also calculated.

The following county profile contains charts and graphs that offer a snapshot of the cost of child care in Monmouth County by municipality. The data used in the analysis was obtained through the CCR&R database known as NACCRRAware which captures and stores data on child care indicators. All providers in the county are entered into the local CCR&R database; data is updated annually or whenever a provider notifies the CCR&Rs of changes in rates or other information. Data was extracted by the CCR&R to average the child care rate in each municipality. All rates provided in this report reflect May 2013 data, which are generally considered the rates for the 2012-2013 academic year.

A total of 123 child care centers and 69 family child care providers from 44 municipalities in Monmouth County participated in this study. Please note that the variance in the number of centers located within each municipality could affect the comparability of the average rate from one municipality to another. For example, one town in a highly populated community may have up to 15 centers providing child care at varying high and low rates. The average of this town's child care rates is not necessarily comparable to another community where there is only one center providing care. Just as the affordability of care varies throughout the state, the availability of care tends to fluctuate as well.

The municipal rates indicated in the report are the average weekly rates for child care within each community. The charts are broken down by each municipality where child care rates were reported and are separated by each age group of children. The county report also contains information on county-level community indicators obtained from the US Census. This data was used to offer a general comparison of how a family's median household income would be expended on child care costs as compared to other household costs (including housing). The 2012 *American Community Survey*, prepared by the U.S. Bureau of the Census, was the source for all income and housing costs used in these charts.

In 2013, there were a total of 233 licensed child care centers in Monmouth County providing 18,553 child care slots and 106 registered family child care homes providing 530 slots. During 2012, Child Care Resources, the local child care resource and referral agency for Monmouth County, received 12,036 requests for child care including 1,623 requests for infant/toddler care, 782 requests for preschool-age care, and 818 requests for school-age care. A total of 36 requests received were for special needs care. Of the requests received, 3,327 were for full-time care and 97 for part-time care. A total of 18 requests were for non-traditional hour care.

In Monmouth County, the average weekly price of center-based care for an infant was \$235 and \$187 for a four-year old. For New Jersey, the average weekly price of center-based care for an infant was \$222 and \$184 for a four-year-old. The average weekly price of family child care for an infant was \$154 and \$138 for a four-year old. For New Jersey, the average weekly price of family child care for an infant was \$167 and \$150 for a four-year-old.

The market rate for center-based care in Monmouth County was \$278 for infant care; \$226 for a four-year-old. The market rate for family child care was \$175 for infant care; \$155 for a four-year-old. The market rate is the 75<sup>th</sup> percentile of full time rates charged by licensed child care providers in the market area. One quarter of the providers in the market area charge more than the "market rate" and three quarters charge less. The "market rate" represents the amount a family will need to be financially able to enroll their child in three out of four providers in the market area.

**For a copy of the complete New Jersey report, please visit [www.njaccrra.org](http://www.njaccrra.org).**

# Monmouth County, NJ

## 2013 Average Annual Costs for Center-based Child Care

	Infants 0 - 18 months	Toddlers 19 - 30 months	Pre-School Ages 2.5-5 Years	School-Age Care* (After Care Only)
Monmouth County	\$12,220	\$11,336	\$9,724	\$4,945
State of New Jersey	\$11,534	\$10,722	\$9,546	\$3,475

\*Annual cost for school-age child care is based on 43 weeks per year.

## 2013 Weekly Rates for Center Based Care

Monmouth County	Infants 0 - 18 months	Toddlers 19 - 30 months	Pre-School Ages 2.5-5 Years	School-Age Care (After Care Only)
Highest Reported Rate	\$334.00	\$306.00	\$276.00	\$187.00
Lowest Reported Rate	\$140.00	\$92.00	\$65.00	\$65.00
Average Weekly Rate	\$235.00	\$218.00	\$187.00	\$115.00
Average Weekly Rate NJ	\$222.00	\$206.00	\$184.00	\$81.00
Median Weekly Rate	\$230.00	\$220.00	\$194.00	\$107.00
Median Weekly Rate in NJ	\$218.00	\$201.00	\$179.00	\$78.00
# Municipalities Reporting	32	36	42	11
# of Providers Reporting	82	88	119	24

The *mean* is the average of provider rates; when there are some extreme values, either very low or very high, the average will not be as typical of the overall distribution as the median. The *median* rate is the exact midpoint dividing the distribution in half or in other words it represents the 50th percentile. Half of the reported rates fall below the median and half are above the median rate.

## Cost of Child Care in a Licensed Center in Monmouth County as a Percentage of Income

	Female-headed Household Income			Median 2 Parent Family Household Income		
	Annual Median Income	Care as a Percentage of Income	Affordability Ranking (Least to Most)*	Annual Median Income	Care as a Percentage of Income	Affordability Ranking (Least to Most)*
Center Based Care for an Infant	\$32,363	37.75%	11	\$103,445	11.81%	18
Center Based Care for a Preschooler	\$32,363	30.04%	13	\$103,445	9.40%	19

\*The Affordability Ranking ranks each county in New Jersey from the least to most affordable for child care based on percentage of median income.

# Monmouth County, NJ

## 2013 Average Weekly Rates for Center Based Care by Municipality

Municipality	Infants 0 - 18 months	Toddlers 19 - 30 months	Pre-School Ages 2.5-5 Years	School-Age Care (After Care Only)
Aberdeen	271	260	244	162
Allentown	310	290	275	
Asbury Park	153	146	139	70
Atlantic Highlands	228	228	162	
Belford	251	242	233	
Clarksburg	290	273	249	187
Eatontown	282	257	238	133
Englishtown			117	
Fair Haven	181	181	112	
Farmingdale		180	145	
Freehold	251	232	212	101
Hazlet	247	189	161	
Highlands	250	225	225	
Holmdel	261	244	225	
Howell	221	206	178	140
Keansburg	165	150	150	
Keyport	187	150	146	
Lincroft	239	226	203	
Little Silver			67	
Long Branch		194	177	
Manalapan	220	198	225	143
Marlboro	299	286	167	
Matawan	242	225	215	
Middletown	224	212	182	
Millstone	313	301	254	
Morganville	270	252	242	
Neptune	197	171	155	
Oakhurst	275	265	254	
Ocean	195	180	165	90
Ocean Grove			115	
Oceanport			194	
Perrineville		240	220	
Port Monmouth	170	160	173	
Red Bank	197	154	154	
Rumson	260	260	244	
Shrewsbury			222	
Spring Lake		162	159	
Tinton Falls	274	260	184	134
Union Beach	185	182	164	68
Wall	257	238	190	102
Wanamassa	226	207	179	
West Long Branch	246	233	207	

Notes: (1) Municipal rates reflect average weekly rates within each community. The number of centers reporting these rates may vary depending on the number of providers located within each municipality. (2) All data used for this report was obtained from NACCRRAware in May 2013 and represents those child care centers that reported data on rates to their local CCR&R. Centers that did not report data to their CCR&R could not be represented. (3) Rates were averaged for those centers that had two rates for preschool care.

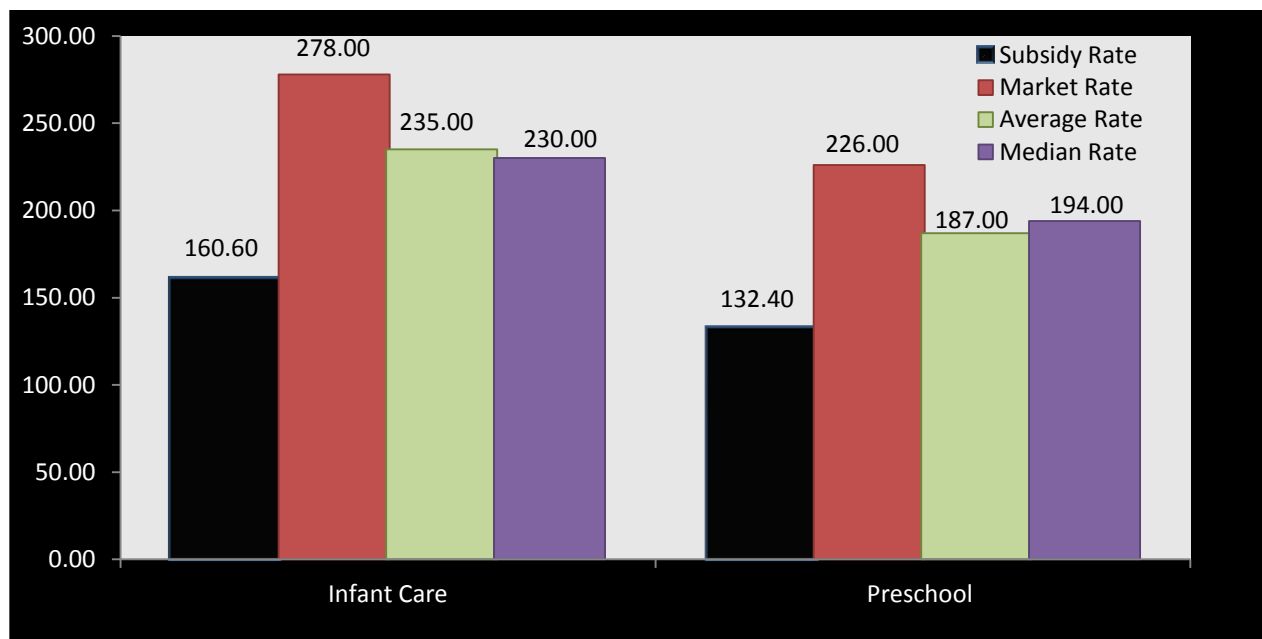
# Monmouth County, NJ

## 2013 County Market Rates for Center Based Care

Monmouth County	Infants 0 - 18 months	Toddlers 19 - 30 months	Pre-School Ages 2.5-5 Years	School-Age Care (After Care Only)
County Market Rate	<b>\$278.00</b>	<b>\$258.00</b>	<b>\$226.00</b>	<b>\$149.00</b>

The market rate is the 75th percentile of full-time rates charged by licensed child care providers in the market area. The “market rate” represents the amount a family will need to be financially able to enroll their child in three out of four providers in the market area. One quarter of the providers in the market area charge more than the “market rate” and three quarters charge less. Federal Child Care and Development Fund rules require that child care subsidy rates must be sufficient “to ensure equal access” and allow parents freedom of choice in selecting a provider. The preamble to the CCDF Final Rule suggests as a benchmark that rates that are established at least at the 75th percentile “would be regarded as providing equal access.”

### Shortfall Between Rates and Child Care Subsidy for Child Care Centers



# Monmouth County, NJ

## 2013 Annual Costs for Family Child Care

	Infants 0 - 18 months	Toddlers 19 - 30 months	Pre-School Ages 2.5-5 Years	School-Age Care* (After Care Only)
Monmouth County	\$8,008	\$7,592	\$7,176	\$4,816
State of New Jersey	\$8,699	\$8,434	\$7,790	\$3,268

\*Annual cost for school-age child care is based on 43 weeks per year.

### 2013 Average Weekly Rates for Family Child Care

Monmouth County	Infants 0 - 18 months	Toddlers 19 - 30 months	Pre-School Ages 2.5-5 Years	School-Age Care (After Care Only)
Highest Reported Rate	\$230.00	\$230.00	\$275.00	\$225.00
Lowest Reported Rate	\$100.00	\$85.00	\$70.00	\$45.00
Average Weekly Rate	\$154.00	\$146.00	\$138.00	\$112.00
Average Weekly Rate NJ	\$167.00	\$162.00	\$150.00	\$76.00
Median Weekly Rate	\$151.00	\$151.00	\$119.00	\$119.00
Median Weekly Rate in NJ	\$163.00	\$159.00	\$143.00	\$74.00
# Municipalities Reporting	20	20	20	17
# of Providers Reporting	66	64	67	37

The *mean* is the average of provider rates; when there are some extreme values, either very low or very high, the average will not be as typical of the overall distribution as the median. The *median* rate is the exact midpoint dividing the distribution in half or in other words it represents the 50th percentile. Half of the reported rates fall below the median and half are above the median rate.

### Cost of Child Care in a Family Child Care Home in Monmouth County as a Percentage of Income

	Female-headed Household Income			Median 2 Parent Family Household Income		
	Annual Median Income	Care as a Percentage of Income	Affordability Ranking (Least to Most)	Annual Median Income	Care as a Percentage of Income	Affordability Ranking (Least to Most)
Family Child Care for an Infant	\$32,363	24.74%	17	\$103,445	7.74%	21
Family Child Care for a Preschooler	\$32,363	22.173%	17	\$103,445	6.93%	20

\*The Affordability Ranking ranks each county in New Jersey from the least to most affordable for child care based on percentage of median income.

## Monmouth County, NJ

### 2013 Average Weekly Rates for Family Child Care by Municipality

Municipality	Infants 0 - 18 months	Toddlers 19 - 30 months	Pre-School Ages 2.5-5 Years	School-Age Care (After Care Only)
Aberdeen	205	205	205	
Asbury Park	147	142	120	113
Atlantic Highlands	110	100	90	65
Bradley Beach	175	175	175	75
Cliffwood	200	200	225	168
Eatontown	158	148	155	80
Fair Haven	175	175	175	175
Freehold	213	213	205	200
Highlands	225	225	225	225
Howell	180	150	125	80
Keansburg	125	125	115	
Keyport	150	150	150	
Leonardo	150	100	90	85
Long Branch	150	151	140	152
Morganville	210	203	203	85
Neptune	142	130	120	92
Ocean Grove	120	120	115	85
Ocean Township	175	148	130	140
Tinton Falls	153	143	135	50
Union Beach	158	153	137	138

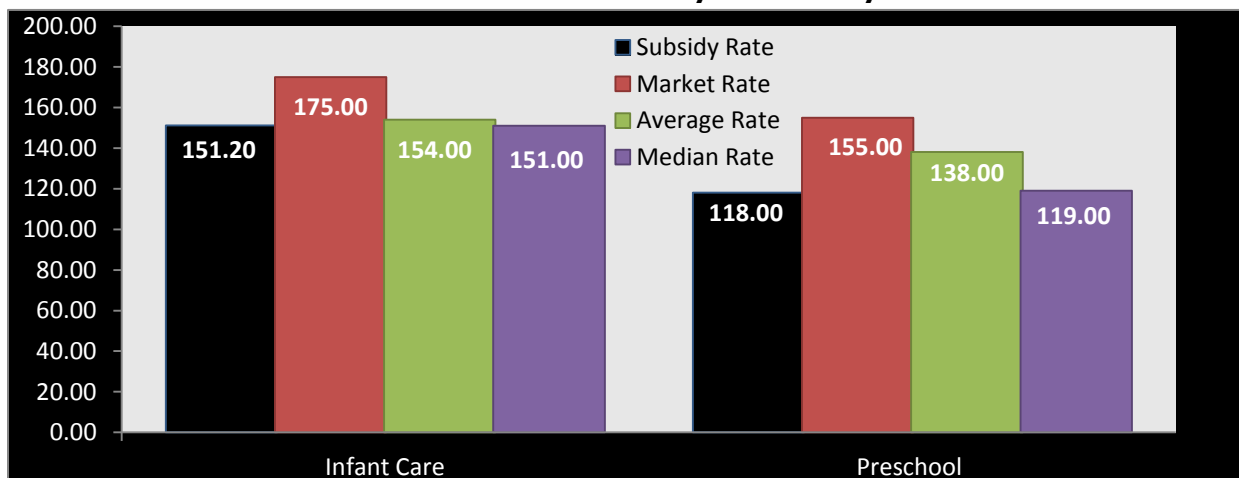
Notes: (1) Municipal rates reflect average weekly rates within each community. The number of homes reporting these rates may vary depending on the number of providers located within each municipality. (2) All data used for this report was obtained from NACCRRAware in May 2013 and represents those family child care home that reported data on rates to their local CCR&R. Homes that did not report data to their CCR&R could not be represented.

### 2013 County Market Rates for Family Child Care

Monmouth County	Infants 0 - 18 months	Toddlers 19 - 30 months	Pre-School Ages 2.5-5 Years	School-Age Care (After Care Only)
<b>County Market Rate</b>	<b>\$175.00</b>	<b>\$175.00</b>	<b>\$155.00</b>	<b>\$150.00</b>

The market rate is the 75th percentile of full-time rates charged by licensed child care providers in the market area. The “market rate” represents the amount a family will need to be financially able to enroll their child in three out of four providers in the market area. One quarter of the providers in the market area charge more than the “market rate” and three quarters charge less. Federal Child Care and Development Fund rules require that child care subsidy rates must be sufficient “to ensure equal access” and allow parents freedom of choice in selecting a provider.

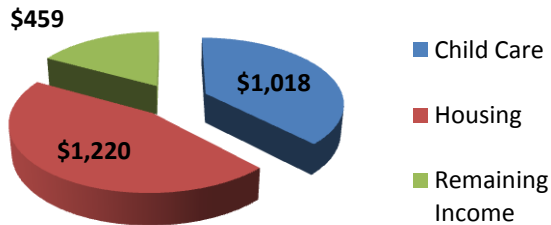
### Shortfall Between Rates and Child Care Subsidy for Family Child Care Homes



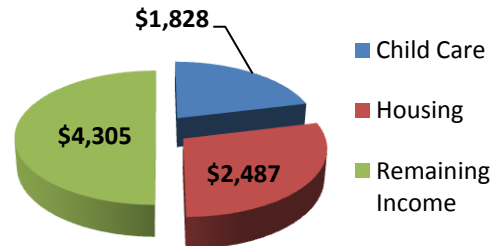


# Monmouth County, NJ

Center Based Care For An Infant  
Female Head of Household - Renting  
Monthly Median Income \$2,697



Center Based Care Care For 2 Children  
Two Parent Family - Homeowner  
Monthly Median Income \$8,620



- The average earning female head of household in Monmouth County (\$2,697/month) could not afford the cost of a mortgage and child care in a child care center or family child care home for either an infant or a pre-schooler.
- The average earning female head of household in Monmouth County (\$2,697/month) could not afford the cost of rent and child care for two children, an infant and a pre-schooler in a child care center or a family child care home.