

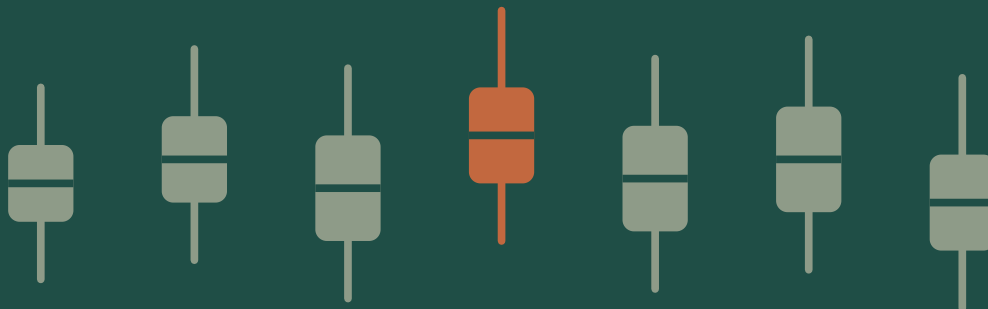


Open Tuition Project
A CHILD CARE PRICING STUDY

ISSUE 1 • NOVEMBER 2026 • FREE GUIDE FOR CENTER OWNERS AND DIRECTORS

Pricing Child Care with Confidence

Tuition by age group, fees that make sense, your true cost of care, reading your state's market rate survey, and talking with families about price changes.



The work you do is worth pricing well

Every day, your center makes it possible for parents to work, for children to learn and play safely, and for your teachers to build a career. Setting tuition is one of the hardest parts of that job. It sits between what care really costs and what families can pay.

This free monthly guide is written for owners and directors who want to make those decisions with clear numbers and calm confidence. Each issue takes one pricing topic and uses public sources, such as state market rate surveys, federal agencies and national child care organizations. Every figure links to where it came from, so you can check it and use it in your own planning.

Issue 1 covers the basics. Later issues go deeper on each topic.

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A note on the numbers. All figures come from public sources and were checked on October 19, 2026. Calculations we did ourselves are labeled "our math" and show their inputs. Nothing in this guide comes from individual centers' prices. This guide is general information, not legal, tax or financial advice. Your state's licensing and subsidy rules always come first.

What families pay across the country

National numbers won't set your tuition, but they help you explain the pressures every center faces.

\$13,184

National average annual price of child care in 2025¹

\$15,728

Average annual price of center-based infant care, program-weighted (2025)¹

\$12,470

Average annual price of center care for a 4-year-old, program-weighted (2025)¹

Prices rose about as fast as everything else

Child Care Aware of America found that child care prices rose 23% from 2021 to 2025, while overall prices rose 24% over the same period.¹ In other words, tuition mostly kept pace with inflation. It didn't race ahead of it.

It's still a big share of family budgets

The U.S. Department of Labor's National Database of Childcare Prices found that families spent between 8.9% and 16% of median family income on full-day care for one child, with 2022 annual prices ranging from \$6,552 to \$15,600.⁴

Why national averages can mislead

Child Care Aware of America itself "generally does not recommend using a national average," especially as a comparison point for any one state.² Prices depend on your local market, your licensing rules and the ages you serve.

Price data also has gaps. For 2025, price data was available for 47 states. Colorado, New Mexico, South Carolina and Washington, DC didn't have price data because they use alternative methods to set subsidy payments.³

The takeaway: Use national figures to explain the context to families and staff. Set your actual tuition from your own costs and your local market, as the next sections show.

¹ Child Care Aware of America, Child Care in America: 2025 Price & Supply: <https://info.childcareaware.org/price-and-supply-2025>

² Child Care Aware of America, Methodology (2025 report): <https://www.childcareaware.org/ccaoas-methodology-2025/>

³ Child Care Aware of America, Methodology (2026 report, 2025 data): <https://www.childcareaware.org/ccaoas-methodology-2026/>

⁴ U.S. Dept. of Labor, Women's Bureau news release (Nov. 19, 2024): <https://www.dol.gov/newsroom/releases/wb/wb20241119>

Know your true cost of care

Price is what families pay. Cost is what it takes you to deliver care. The Department of Labor puts it plainly: child care prices and costs can differ, for example when providers have extra charges or outside funding.⁵ Your tuition plan starts with cost.

The "iron triangle"

Early childhood finance expert Louise Stoney describes three sides that must all hold for a program to stay healthy:⁸

- **Full enrollment.** Some experts suggest a well-run center can operate at 95% enrollment. Others suggest budgeting at a more reachable level, such as 85%.⁸
- **Full fee collection.** Fees only become revenue when they're collected, in full and on time. Automatic electronic payment is one effective way to get there.⁸
- **Revenue that covers per-child cost.** Parent fees plus third-party payments must equal per-child cost, or the program is losing money.⁸

Empty seats and unpaid balances both raise your real cost per child. Sometimes a budget gap closes faster by filling seats or collecting fees than by raising tuition.⁸

What to count

- ☐ Teacher and assistant wages, including floaters and break coverage for every open hour
- ☐ Payroll taxes, benefits, paid time off, training and substitutes
- ☐ Director and administrative time
- ☐ Rent or mortgage, utilities, maintenance and cleaning
- ☐ Food (net of any meal reimbursement), supplies and curriculum
- ☐ Insurance, licensing, software, payment processing and accounting
- ☐ A reserve for repairs and slow months

Free tool: The federal Provider Cost of Quality Calculator, from HHS's Administration for Children and Families, estimates the annual costs and revenue of running a center at different quality levels.⁹

Staffing drives cost. The national median wage for childcare workers was \$16.82 an hour (\$34,980 a year) in May 2025, against \$24.51 an hour for all occupations.⁶ Staffing still weighs heavily on cost, because ratios set how many children each teacher's pay is spread across. The next page shows how.

⁵ U.S. Dept. of Labor, Childcare Prices in Local Areas (issue brief, Jan. 2023): https://www.dol.gov/sites/dolgov/files/WB/NDGP/508_WB_IssueBrief-NDGP-20230213.pdf

⁶ U.S. Bureau of Labor Statistics, Occupational Outlook Handbook: Childcare Workers: <https://www.bls.gov/ooh/personal-care-and-service/childcare-workers.htm>

⁸ L. Stoney, The Iron Triangle (Opportunities Exchange): https://info.childcareaware.org/hubfs/OpEx_2019_IronTriangle.pdf

⁹ HHS/ACF, Provider Cost of Quality Calculator: <https://pcqc.acf.hhs.gov/about-pcqc>

Setting tuition by age group

The younger the child, the more adults it takes. That's why infant care costs more to provide, and why each age room needs its own price.

Ratios set the cost floor

Your state's licensing rules set your required ratios.

The national health and safety standards in *Caring for Our Children* recommend these maximum child-to-staff ratios for centers:⁷

AGE	CHILDREN PER ADULT	MAX GROUP
12 months and under	3	6
13 to 35 months	4	8
3-year-olds	7	14
4-year-olds	8	16

Use your own state's ratios in your math. They may differ from these.

Our math: one teacher's pay, per child

Divide the median childcare worker's annual wage (\$34,980⁶) by the recommended ratios⁷:

ROOM	RATIO	WAGE PER CHILD
Infants	1:3	\$11,660
4-year-olds	1:8	\$4,373

That's one teacher's base pay, before benefits, payroll taxes, break coverage, the longer hours most centers stay open, rent or food. At these ratios, teaching staff costs about **2.7 times as much per infant** as per 4-year-old.

Now compare prices. Nationally, center infant care averaged \$15,728 a year in 2025 and care for a 4-year-old averaged \$12,470,¹ so infant care was priced only about 26% higher (our math). When infant tuition doesn't cover the higher staffing cost, preschool rooms or other funding end up covering the difference. That can be a sound choice, as long as you make it on purpose.

A simple way to build your age-group prices

- 1. Cost each room.** Add up the staff for every open hour, plus the room's fair share of rent, food, supplies and overhead.
- 2. Divide by budgeted enrollment,** not licensed capacity (see the iron triangle on page 4).
- 3. Compare with your local market** using your state's market rate survey (page 7).
- 4. Decide on purpose** where you will price at cost, above it or below it, and how other rooms or funding will cover any gap.

¹ Child Care Aware of America, Child Care in America: 2025 Price & Supply: <https://info.childcareaware.org/price-and-supply-2025>

⁶ U.S. Bureau of Labor Statistics, Occupational Outlook Handbook: Childcare Workers: <https://www.bls.gov/ooh/personal-care-and-service/childcare-workers.htm>

⁷ Caring for Our Children, Standard 1.1.1.2 (ratios for centers): <https://nrckids.org/CFOC/Database/1.1.1.2>

Fees: registration, deposits, part-time and meals

Clear, written fee policies protect your cash flow and build families' trust. State market rate surveys commonly collect fees charged on top of tuition, such as registration fees,⁵ so your state's report may show what's typical where you are.

Registration or enrollment fee

This covers the real work of opening a file: tours, paperwork, licensing records and setup. Say whether it's one-time or annual, and whether it applies to siblings.

Deposit

A deposit holds a seat while a family waits for their start date. Put three things in writing: what it's applied to (such as the first or last week of tuition), when it's refundable, and when it isn't.

Part-time care

A part-time child often fills a full seat in your ratio and room count. Price part-time days so the seat still covers its cost, or pair complementary schedules (for example, Monday/Wednesday/Friday with Tuesday/Thursday) so the seat stays full.

Other fees and discounts

Late pickup, supply and activity fees, and sibling or staff discounts all belong in your written policy. Every discount is a cost someone covers, so build it into your plan.

Meals and the food program

If your center takes part in USDA's Child and Adult Care Food Program (CACFP), federal payments offset part of your food cost. Federal rules define a **pricing program** as one that makes a separate identifiable charge for meals, and a **nonpricing program** as one that doesn't.¹⁴

National average CACFP payments to centers, July 1, 2026 to June 30, 2027 (contiguous states):¹³

PER MEAL	FREE	REDUCED	PAID
Breakfast	\$2.54	\$2.24	\$0.42
Lunch or supper	\$4.76	\$4.36	\$0.45
Snack	\$1.30	\$0.65	\$0.12

Alaska, Hawaii, Guam, Puerto Rico and the Virgin Islands have higher amounts. Lunch and supper payments don't include the value of USDA Foods.¹³

If you don't take part in CACFP, the full cost of food belongs in your cost of care (page 4).

Before you charge subsidized families any

extra: each state sets its own policy on whether providers may charge families more than the required co-payment.¹⁰ Check your state's rules first.

⁵ U.S. Dept. of Labor, Childcare Prices in Local Areas (issue brief, Jan. 2023): https://www.dol.gov/sites/dolgov/files/WB/NDP/508_WB_IssueBrief-NDP-20230213.pdf

¹⁰ 45 CFR 98.45, Equal access (CCDF regulation): <https://www.ecfr.gov/current/title-45/subtitle-A/subchapter-A/part-98/subpart-G/section-98.45>

¹³ USDA, CACFP payment rates July 1, 2026 to June 30, 2027: <https://www.federalregister.gov/d/2026-15071>

¹⁴ 7 CFR 226.2, CACFP definitions: <https://www.ecfr.gov/current/title-7/subtitle-B/chapter-II/subchapter-A/part-226/section-226.2>

Using your state's market rate survey

Your state already collects local price data, by law, and posts it online. It's one of the most useful free pricing tools you have.

What it is

To receive federal Child Care and Development Fund (CCDF) money, each state must base its subsidy payments on a statistically valid market rate survey, or on an alternative method such as a cost estimation model approved in advance by HHS.¹⁰ States run these surveys every three years.⁵

By federal rule, the survey must reflect differences by **location, type of provider and age of child**. The state must post a detailed report online within 30 days of finishing it.¹⁰

A hidden gem: the cost estimate

That report must also include the state's estimate of the cost of care needed to meet health, safety, quality and staffing rules, and the cost of higher-quality care at each level.¹⁰ Put it next to your own cost of care from page 4.

How to read it

- ☐ **Find your region.** States group counties or ZIP codes into market areas.
- ☐ **Match the age bands.** The state's "infant" or "toddler" may not line up with your rooms.
- ☐ **Check the unit.** Prices may be hourly, daily, weekly or monthly.
- ☐ **Read the percentiles.** The 50th percentile is the middle price. The 75th means three-quarters of prices in the survey were at or below it.
- ☐ **Note the date.** Surveys can be a few years old, so account for time passed.
- ☐ **Look for fees,** as well as full-time versus part-time prices.

Why the 75th percentile matters: federal regulators have long called subsidy payments set at the 75th percentile of a recent market rate survey "an important benchmark for gauging equal access."¹¹

No survey in your state? Some states use cost models instead of price surveys.³ Look for a report labeled "alternative methodology" or "cost estimation model."

³ Child Care Aware of America, Methodology (2026 report, 2025 data): <https://www.childcareaware.org/ccaoas-methodology-2026/>

⁵ U.S. Dept. of Labor, Childcare Prices in Local Areas (issue brief, Jan. 2023): https://www.dol.gov/sites/dolgov/files/WB/NDCP/508_WB_IssueBrief-NDCP-20230213.pdf

¹⁰ 45 CFR 98.45, Equal access (CCDF regulation): <https://www.ecfr.gov/current/title-45/subtitle-A/subchapter-A/part-98/subpart-G/section-98.45>

¹¹ CCDF final rule, 81 FR 67438 (Sept. 30, 2016): <https://www.federalregister.gov/d/2016-22986>

Working with subsidy payments

If you serve families who get child care assistance, the state's payment for each age group is part of your pricing picture.

Compare, room by room

Line up your tuition for each age group next to your state's payment for your area and provider type. Where the subsidy payment is well below your cost, you'll want a plan for the gap. Where your price is lower than the state's payment, know that a state is allowed to pay its set amount even when that's more than you charge private-pay families.¹⁰

What changed in 2026

A federal rule that took effect July 13, 2026 removed several 2024 requirements, including paying providers based on enrollment and capping family co-payments at 7% of income.¹² States still choose how to keep provider payments from being cut for occasional absences. The options include:¹²

- paying based on enrollment,
- paying in full if a child attends 85% of authorized time,
- paying in full if a child misses five or fewer days in a four-week period, or
- another approach described in the state's plan.

States must also pay providers either in advance or within 21 days of a completed invoice.¹² As of March 2026, 31 states, Washington, DC and 5 territories limited co-payments to 7% of family income or less.¹²

Where to find your state's numbers

- ☐ Your state child care agency's website. Search for "market rate survey" and "provider payment rates."
- ☐ Your local child care resource and referral (CCR&R) agency. Child Care Aware of America keeps a national search tool.¹⁶
- ☐ The Urban Institute's CCDF Policies Database, which has consistently coded state subsidy policies, including provider payment rates, from 2009 through October 2023.¹⁵
- ☐ Child Care Aware of America's state fact sheets, which show average prices by age and setting for each state.¹

Speak up when your state asks. Before a market rate survey or cost study, states must consult with local child care program administrators, CCR&Rs and organizations representing directors and teachers.¹⁰ When your state's survey arrives, answering it helps make sure subsidy payments reflect what care really costs where you are.

¹ Child Care Aware of America, Child Care in America: 2025 Price & Supply: <https://info.childcareaware.org/price-and-supply-2025>

¹⁰ 45 CFR 98.45, Equal access (CCDF regulation): <https://www.ecfr.gov/current/title-45/subtitle-A/subchapter-A/part-98/subpart-G/section-98.45>

¹² Restoring Flexibility in the CCDF, final rule (May 12, 2026): <https://www.federalregister.gov/d/2026-09382>

¹⁵ Urban Institute, CCDF Policies Database: <https://ccdf.urban.org/>

¹⁶ Child Care Aware of America, CCR&R search: <https://www.childcareaware.org/resources/ccrr-search-form/>

Talking with families about price changes

Families trust you with their children. Treat a price change with the same care: plenty of notice, plain reasons and a real person to talk to.

Seven steps

1. **Tell your staff first**, so they can answer questions with confidence.
2. **Give as much notice as you can**, and at least what your enrollment agreement and state rules require.
3. **Lead with what stays the same**: your teachers, your ratios and your care.
4. **Give honest reasons**. Wages, ratios and food are real costs. National figures from page 3 can help explain the context.
5. **Be specific**: the current amount, the new amount, the effective date and what it covers.
6. **Point families to help**. Your local CCR&R can explain child care assistance.¹⁶ Offer a payment plan if you can.
7. **Invite conversation**. Name a person and a time for questions.

Sample letter

Dear families,

Thank you for trusting us with your children. Our teachers are the heart of everything we do, and keeping them, and keeping our classrooms staffed at safe ratios, is our top priority.

Starting [date], tuition for [room] will change from [current amount] to [new amount] per [week/month]. This change helps us cover [e.g., teacher wages, food costs].

We know every dollar matters. If this change is hard for your family, please talk with [name] by [date]. We can share information about child care assistance and [payment plan options].

With gratitude,
[Director name]

Keep it consistent. Update your handbook, enrollment agreement, website and billing system on the same day, so families see one clear message.

¹⁶ Child Care Aware of America, CCR&R search: <https://www.childcareaware.org/resources/ccrr-search-form/>

Your pricing review, in one afternoon

Print this page. Fill in one row per room. Use your own state's ratios and your own costs.

ROOM	RATIO (YOUR STATE)	BUDGETED ENROLLMENT	ANNUAL COST OF ROOM	COST PER ENROLLED CHILD	YOUR ANNUAL TUITION	MARKET RATE SURVEY (50TH / 75TH)
Infants						
Toddlers						
Twos						
Threes						
Fours / pre-K						
School-age						

Checklist

- ☐ I know my cost per enrolled child for every room.
- ☐ I budget on realistic enrollment, not licensed capacity.
- ☐ My fee policy (registration, deposit, late pickup, discounts) is in writing.
- ☐ I've found my state's latest market rate survey and its cost estimate.
- ☐ I know my state's subsidy payment for each age group in my area.
- ☐ I know my state's policy on charging subsidized families above the co-payment.
- ☐ I've decided on purpose which rooms are priced below cost, and how that gap is covered.
- ☐ My price-change letter and timeline are ready.

Questions to bring to your team

- Which room has the biggest gap between cost and tuition?
- Could better enrollment or fee collection close part of that gap?
- Are we charging part-time care in a way that covers the full seat it takes?
- If we take part in CACFP, are we claiming every meal we're eligible for?
- What will we say to a family who asks, "Why did tuition go up?"

Want to see how your tuition compares with centers near you? See the next page.

The Open Tuition Project

The Open Tuition Project is a community child care pricing study run by Triple Nine Zero Solutions, a company that insures child care centers, with partners who asked to remain unnamed.

How it works

An automated assistant calls centers' business lines with a few short questions about tuition. It says up front that it's automated and who it's calling for.

Centers that take part get a **free, anonymized local pricing report**. It shows tuition as local ranges by age group, so no single center stands out.

We'll send your report once enough centers in your area have taken part to keep everyone's prices anonymous. Every area fills in at its own pace, so we can't give a date. Slower areas may be combined with neighboring areas, and the report may be updated over time.

How we handle what you share

It's a community project. Results are shared only in combined, anonymized form, with participating centers and with policymakers, for the good of the child care field. We don't publish or sell individual center prices. The study isn't designed for insurance use.

We're not selling anything. You can opt out of contact at any time, and we honor it.

Get your free local report

Join the study and help build a clearer picture of tuition in your area. Call us:

(475) 225-2002

The same number our calls come from. Leave your center's name and best callback time.

Know a center? Invite them.

Any child care center, anywhere, can take part. The more centers that join in an area, the sooner everyone there gets their report. Please pass this guide along to a fellow director.

Referred centers are contacted only on business lines.

PASS IT ON: A NOTE YOU CAN SEND

"I found a free monthly pricing guide for child care directors from the Open Tuition Project. They also run a community pricing study. Centers that take part get a free anonymized local report. You can call them at (475) 225-2002."

Coming in Issue 2 (December 2026): building a true cost-of-care budget, room by room.

Sources

All sources are public. Figures were checked on October 19, 2026. Numbers marked "our math" are simple calculations from these sources. This guide uses no individual center's prices.

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<https://pcqc.acf.hhs.gov/about-pcqc>
10. 45 CFR § 98.45, Equal access (current eCFR text). Market rate survey or approved alternative methodology; variation by geographic location, category of provider and age of child; report posted within 30 days; estimated cost of care; consultation; state policy on charging above co-payment; payment may exceed private price (\$ 98.45(g)).
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