

A photograph of a classroom scene. In the foreground, several young children are sitting on a blue carpeted floor. A girl with a large red bow in her hair is looking down. To her left, a boy in a plaid shirt is looking towards the left. Behind them, two women, presumably teachers, are sitting and looking towards the left. The background shows a classroom setting with a whiteboard, a blue bulletin board, and a wooden shelf with books.

# PAYING IT FORWARD: INVESTING IN EARLY EDUCATORS

THE CURRENT CHALLENGES AND  
OPPORTUNITIES FACING LOUISIANA  
CHILD CARE PROVIDERS

**SURVEY FINDINGS FROM JUNE 6 TO JUNE 20, 2025**



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# OVERVIEW

In 2020, the Louisiana Policy Institute for Children (LPIC), with partners, began surveying Louisiana early childhood education (ECE) providers to assess the impact of COVID-19 on the state's early childhood education system. Over the past five years, the survey's focus has evolved. It now serves as an annual snapshot of the sector, highlighting the ongoing challenges and needs of ECE providers across Louisiana.

Previous surveys have consistently highlighted the dedication of the state's early childhood providers and their staff to serving families in their communities, along with their ongoing commitment to the mission of educating and caring for children. However, the surveys have also illustrated the continuing challenges faced by those who work in ECE, including rising costs, low wages, high staff turnover, and ongoing financial strains. Over the past decade, Louisiana has made significant progress in improving the quality of ECE, and providers have stepped up to meet these higher standards. Yet, despite being highly educated and credentialed, many child care directors and teachers continue to earn wages that fall short of what's needed to support their own families.

The findings from this year's survey echo those of previous years: ECE providers work long hours at lower wages than other professional educators to ensure families have access to high-quality care. This care allows parents with young children to work or pursue additional education. Without access to ECE, parents could not work, which deprives the state's businesses of the talented workforce they need in order to thrive. High-quality ECE is essential not just to children and families, but also to the economic prosperity of the state. Yet, despite the necessity of ECE, providers report they face significant financial burdens, including rising insurance costs, persistent low wages, and unpaid tuition. Most respondents also expressed worries about their ability to afford to operate their facilities over the next six months.

This report reinforces the urgent need for increased investment in ECE. It should be a priority that early educators are competitively compensated and early childhood providers have the resources required to support and educate Louisiana's next generation of leaders.

# KEY FINDINGS



## ECE Providers Continue to Face Financial and Staffing Challenges

- **Insurance Is a Major Cost:** A majority of providers who responded to the survey saw an increase in liability and property insurance and 71% experienced an insurance increase of some kind. The average annual premium increase from last year was \$7,024 statewide.
- **Operating Costs Continue to Rise:** More than 60% of providers said they had experienced increased costs for food and beverages, cleaning supplies, and other supplies over the past year; 45% said they had faced increased staffing costs.
- **Affording Operations in the Future Is a Key Concern:** Nearly eight out of 10 providers said they worried about being able to afford to operate their business or programs over the next six months. Increased operating costs were a primary concern for a majority of providers, as was the ability of families to afford tuition.
- **Staff Turnover Remains a Problem:** At least 70% of providers said they worried about staff turnover at their business or program in the coming three, six, and 12 months. Almost half said they had difficulty hiring staff (47%) or retaining and/or keeping staff (43%). The top reason providers gave for ongoing turnover was staff seeking higher pay at another job.



## Providers Operate for Longer Hours than K-12 Schools, but Receive Less Pay and Benefits

- **Providers Are Open Long Hours:** At least 80% of providers opened by 7 AM each workday (Monday-Friday) and stayed open until 5 or 6 PM. This exceeds the seven to eight hours K-12 schools are typically open, meaning parents utilizing ECE often have greater support to work or further their education. Additionally, 8% of operators said they were open on Saturdays and 7% on Sundays.
- **ECE Educators Have Experience but Earn Less than K-12 Educators:** Over 60% of ECE teachers had at least three years of experience at their current provider, yet, full-time teachers made an average of just \$28,277 annually, which was nearly half the average salary of Louisiana's elementary school K-12 teachers (\$56,560) for 2022 (the last year for which the National Center for Education Statistics has data available). The average ECE salary was less than half the sustainable wage for one person with one child in Louisiana (\$72,648). Additionally, most providers did not provide health insurance to staff.
- **Providers Wish They Could Pay More:** When asked to select from a list of options of what providers would increase funding for at their business or program if they could, nearly two-thirds said they would boost employee salaries and wages. This was by far the most common response.



## Providers Are Doing More with Less ... and Want to Do Even More

- **Providers Are Just Getting By:** Half of providers said that their revenues did not or only sometimes covered their monthly expenses. Additionally, 52% of providers served families who were behind on their tuition payments.
- **Providers Want to Expand to Serve More Children:** Despite these financial constraints, 56% of providers said they were interested in expanding their business or program at their current location or opening a new location.
- **The Need Is There:** Almost two-thirds of providers said they currently had a waitlist, with infants having the most unmet demand.

# RECOMMENDATIONS

## *A Strong Child Care Sector Supports Louisiana Economic Growth*

As Louisiana looks ahead and seeks to become a top location for families to live and work, we must consider the role child care plays in achieving that goal. High-quality, affordable child care supports parent workforce participation and child academic development and well-being. Without a robust child care sector, employers experience challenges and disruptions, families struggle to balance work and family responsibilities, and the larger economy suffers the consequences. To strengthen Louisiana's child care system, policymakers should:

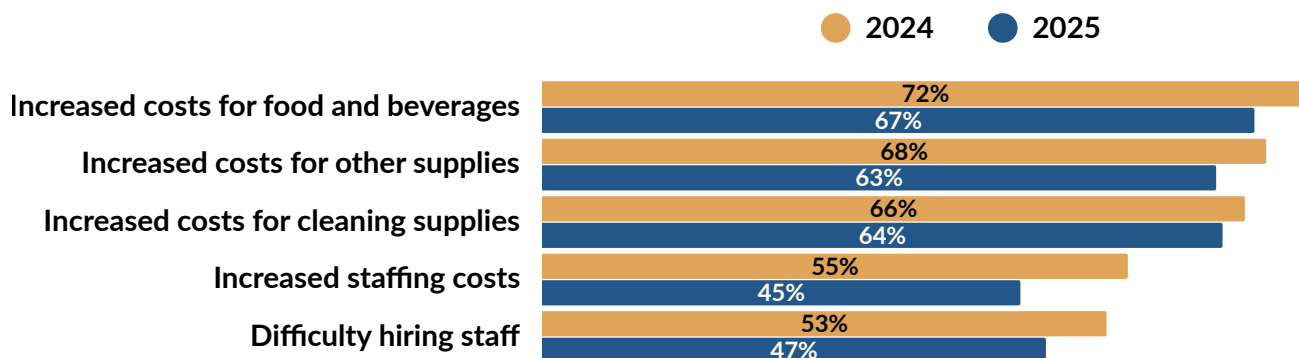
- Invest in early educator workforce development, recruitment, and retention efforts by:
  - Expanding high school training and certification programs to include ECE credentials; and
  - Exploring strategies to increase compensation by providing categorical CCAP eligibility to child care professionals, and studying the implementation of a competitive wage scale for early educators to better align with the credentials and experience levels of the profession.
- Fully implement Act 454 of the 2025 Regular Session, which reauthorizes Workforce Child Care Tax Credits, and remove participation barriers to incentivize robust business involvement with expanding access to ECE for parent-employees.
- Create sustainable, long-term funding solutions for the ECE system. Our state system has the infrastructure to do more for our working families and serve more children, but insufficient funding keeps in-need parents out of the workforce, classrooms unfilled, and providers consistently working on thin margins. Children do not develop in just one year, and we need a funding structure that reflects that.

# COSTS REMAIN PROVIDERS' TOP CHALLENGE

## Routine Needs, High Costs

Similar to results in 2023 and 2024, most providers continued to experience increased costs for routine expenses, including food and beverages, cleaning, and other supplies. Nearly half (45%) of providers said they had also incurred increased staffing costs, a decrease from the 55% who said the same in 2024. Over one-third said they had experienced a loss of revenue over the past year.

## Percentage of Providers Who Have Experienced Cost Increases in Past Year



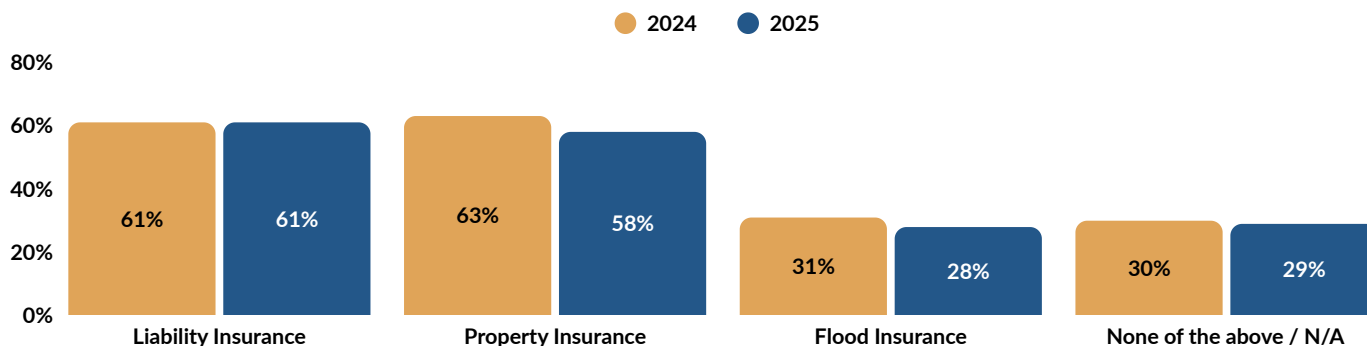
Question: Since August 2024, has your business/program experienced any of the following? Please check all that apply.

Note: Respondents may have selected more than one answer.

## Insurance Continues to Be Expensive

The percentage of providers stating they had experienced insurance increases over the past 10 months was comparable to responses from 2024: 71% have experienced an insurance premium cost increase of some kind, with 61% dealing with increased liability insurance costs (same as in 2024) and 58% facing increased property insurance costs (63% in 2024). Though the average premium increase statewide was \$7,024 annually, this was far less than the average increase of almost \$23,000 in 2024.

## Percentage of Providers with an Insurance Premium Increase



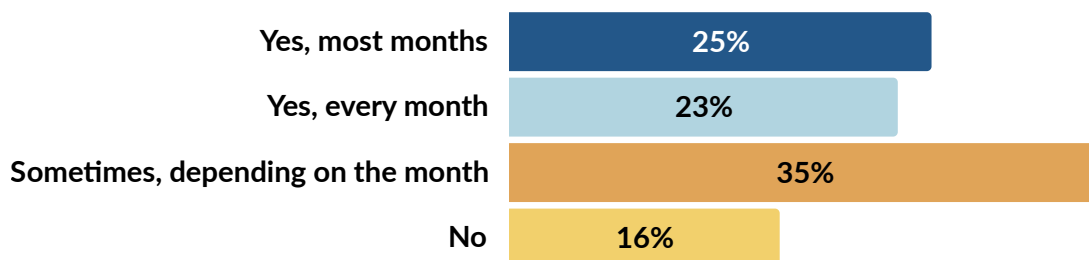
Question: Since August 2024, has your business/program experienced price increases for any of the following types of business insurance? Please check all that apply.

Note: Respondents may have selected more than one answer.

## Providers Are Struggling to Make Ends Meet

Providers often struggle to pay their monthly expenses: 51% of providers said their monthly revenues did not cover their monthly expenses or only sometimes do, compared to 23% who said their revenues always cover their expenses. On average, providers said families paid an average of \$283 per week in tuition, or around \$14,721 annually. This mirrors the findings from LPIC's latest parent survey, which found the annual cost of unsubsidized ECE for families was about \$14,000 per year per child. Providers often absorb some of the true costs of providing high-quality care that families cannot otherwise afford – 75% of providers said their average weekly tuition was \$199 or less. Even by doing so, many providers still confront the reality of providing care to families who struggle to pay tuition: 52% said they served families who were behind on their tuition, while 48% said they had families who had left their business or program without paying their final bills. Providers said the total amount they were owed by families was an average of \$4,857.

### Percentage of Providers Whose Monthly Revenues Covered Their Expenses

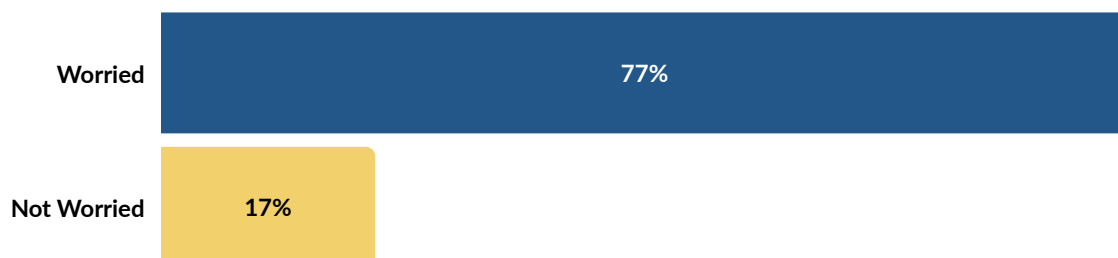


Question: Do the monthly revenues of your business/program typically cover the monthly expenses of your business/program?

## Providers Are Worried About Long-Term Viability

More than three-fourths of providers (77%) affirmed they were worried about being able to afford to operate their business or programs over the next six (6) months. The top three reasons providers cited for these anxieties were: families struggling to pay tuition (61%), increased operating costs (60%), and families' inability to enroll in CCAP due to a waitlist (52%). The impact of these costs were exemplified in providers' responses to a question that asked what they would do with a magical increase in funding: 66% stated they would use that funding for employee salaries and wages, while 43% selected using it for employees incentives and bonuses.

### Percentage of Providers Worried About Being Able to Afford to Operate over the Next Six Months



Question: How worried are you about being able to afford to operate your business/program over the next six (6) months? [Response options included somewhat worried, worried, very worried, not worried]. All worried responses were combined into the category of worried in the chart above.



## Providers with Families Behind on Tuition or Who Left Without Paying

Have families that are behind on their tuition payments

52%

Have families that left without paying their final bills

48%

Did not have either

33%

Question: As of today, does your business/program have families that are behind on their tuition payments or have families that left your business/program without paying their final bills? Please check all that apply.

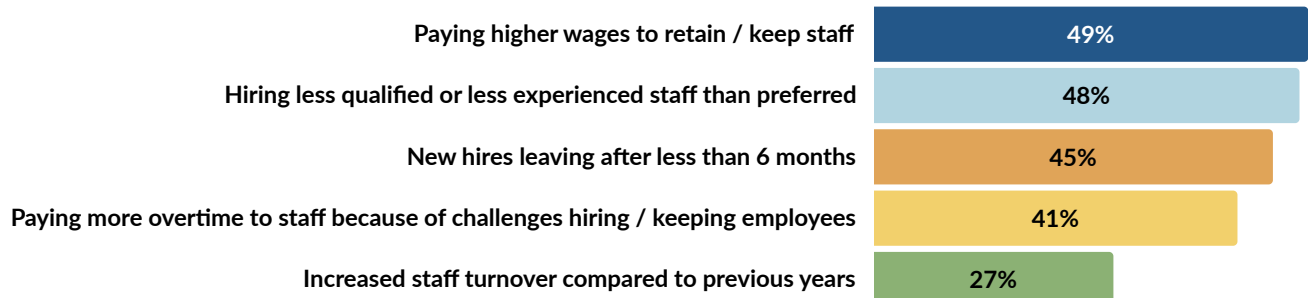
Note: Respondents may have selected more than one answer.

# STAFFING CONTINUES TO PRESENT OBSTACLES FOR ECE

## Low Wages Make Staffing Difficult

More than 80% of providers said they had experienced staffing costs or challenges over the past year, with pay and retention being the top reasons for these problems. The most commonly cited issues named were: having to pay higher wages to retain staff (49%), hiring less qualified or experienced staff than preferred (48%), new hires leaving after less than six months (45%), and paying more overtime to staff because of challenges related to hiring or retaining employees (41%). The vast majority of providers are also worried about staff turnover in the next three (72%), six (70%), and 12 months (70%). For providers who had employees leave over the past six months, the most frequently cited reason was for higher pay or wages at a new job (36%), followed by the employee no longer being interested in working in ECE (26%). The low wages in the profession are a likely reason so many workers leave the profession.

## Providers Who Have Experienced Staffing Challenges in the Past Year



Question: Since August 2024, has your business/program experienced any of the following staffing related costs or challenges? Please check all that apply.

Note: Respondents may have selected more than one answer.

## Percentage of Providers Worried About Staff Turnover

72%

worried about staff turnover in the next three months

70%

worried about staff turnover in the next six months

70%

worried about staff turnover in the next 12 months

Question: How worried are you about staff turnover at your business/program in the next 3, 6, and 12 months? Staff turnover includes employees leaving your business/program for any reason and you having to hire new employees to replace them.

Note: Respondents may have selected more than one answer.

## ECE Staff Are Experienced but Underpaid

Despite the profession's low wages, ECE providers employ teachers and staff who are experienced professionals. On average, 61% of teachers and 87% of directors and administrators at ECE programs had been with their current workplace for at least three years. However, ECE teacher salaries are far lower than those for K-12 teachers. On average, providers said their average annual teacher salary was \$28,277. Wages were even lower for kitchen (\$25,879) and janitorial staff (\$21,526). Directors and administrators also made far less than K-12 principals and school leaders, with an average salary of \$40,821, compared to more than \$120,000 in Louisiana for K-12 principals. Additionally, few providers said they offered their full- or part-time employees health or retirement benefits of any kind. A majority said they covered background check fees (78%), gave full-time employees paid vacation days (68%), bonus or incentive pay (62%), and reduced child care tuition for employees' children (54%). However, 49% said they did not offer retirement benefits of any kind; only 24% provided health insurance to full-time staff, while 46% did not provide health insurance to any employees. Part-time staff receive particularly few benefits.

### Average Provider Annual Salaries by Position

**Directors  
& Administrators**

**\$40,822**

**Business  
& Program Staff**

**\$30,058**

**Full-Time  
Teachers**

**\$28,277**

**Kitchen  
Staff**

**\$25,880**

**Assistant  
Teachers**

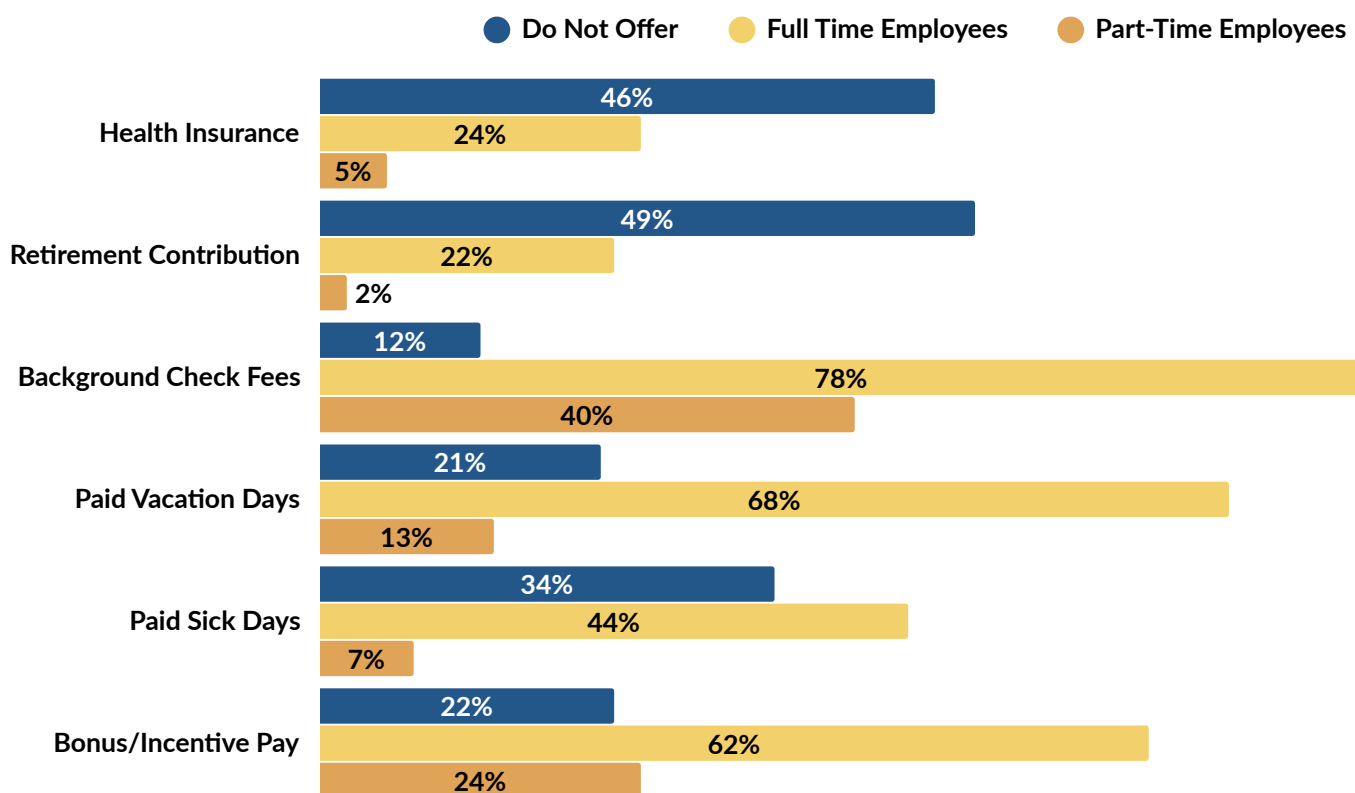
**\$23,102**

Question: What is your average/typical salary or wage for [each position] (June 2025)?

***“Limited funding has left many low-income families unable to afford child care, forcing them to stay home with their children and remain out of the workforce. As a result, high-quality child care centers – vital to the well-being and growth of our community – are at risk of closing.”***

**– Iberville Parish Provider**

## Percentage of Providers Offering Benefits to Employees



Question: What types of benefits does your business/program offer employees now (June 2025)?  
Please check all that apply. Include benefits offered to some or all employees.  
Note: Respondents may have selected more than one answer.



*“I have worked over 26 years in [ECE] in Louisiana. I have never been as uncertain as I am today with how my center is going to afford the cost with owning and operating a Type III center.”*

– Plaquemines Parish Provider

# PROVIDERS ARE THE BACKBONE OF LOUISIANA'S ECONOMY

## Providers Are the Backbone of Louisiana's Economy

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Despite lower overall compensation, ECE providers remain open far longer than K-12 schools. At least 80% of providers opened by 7 AM each workday (Monday-Friday) and stayed open until 5 or 6 PM. A small percentage of providers also operated similar hours on Saturdays (8%) and Sundays (7%), showing how ECE providers are crucial linchpins in the ability of parents to work or go to school, and for employers to staff their businesses.



**Average Weekday Opening Time:**  
6 or 7 AM



**Average Weekday Closing Time:**  
5 or 6 PM

*Question: What hours and days of the week is your business/program typically open [For each day]?*

## Providers Are Important Employers

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On average, providers employ around 30 staff members across all locations, 62% of which are full-time employees and 38% are part-time. Around 40% of providers' staff are full- or part-time teachers. Yet, on average, providers had an average of nearly 10 vacancies or job openings across all their businesses or programs, with the highest percentage, 25%, being for teaching positions.

## Providers Want to Do Even More

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Over half of providers said they were interested in expanding their business or program either at their current location or in a new location. Providers that received CCAP bonus payments in 2025 also most frequently put that funding back into their business, typically using the funding to cover operating expenses.

***"I can't increase the tuition prices at the same rate as the expenses have risen."***

**– St. Tammany Parish Provider**

# ENROLLMENT CONCERNS

## Providers Are Serving Many Children but Want to Serve More

On average, responding providers enrolled 46 children per location. A majority of providers (60%) served at least 25 children per location. Yet, a majority of providers also said they could serve more children, with the maximum average number of children providers said they could enroll at all centers at approximately 85 children each day.

*Question 1: What was the typical daily enrollment for each age group at your business/program last week (June 4-8, 2025)? Please include total enrollment across all locations.*

*Question 2: What is the maximum number of children you are able to enroll for each age group at your business/program? Please include the number of children that would be enrolled if your business/program was considered fully enrolled.*

46

Average number of children enrolled by providers at each of their centers / facilities.

85

Average number of children providers could enroll at their centers each day.

## Providers Have Lengthy Waitlists

Providers could be under-enrolling currently because they do not have sufficient staff to meet demand. Only 35% of centers said they did not have a waitlist. The largest waitlists were for the youngest children: infants, 1-year-olds, and 2-year-olds. The most common reason families were on the waitlist was waiting for CCAP approval. Despite excess capacity, 51% said they experienced decreased enrollment over the past year. According to [LPIC's 2024 parent survey](#), for families unable to access public assistance, child care costs an average of \$14,000 per child a year, making it completely unaffordable for many. Decreased or under-enrollment could also be occurring because families cannot afford full tuition without CCAP or other assistance, preventing providers from filling all available slots.

## Only a Small Percentage of Children Receive CCAP

Providers averaged serving 11.2 children who receive CCAP across all their locations. Only 24% of providers had half of their enrolled children participating in CCAP. This means the majority of children in their programs are either enrolled in another publicly funded program or are not able to receive public assistance.

*Question: How many children enrolled last week (June 4-8, 2025) at your business/program are funded by the Child Care Assistance Program (CCAP)? Please include the total across all locations and specify whether they are voucher or contracted B-3 enrollments. Average across all locations.*

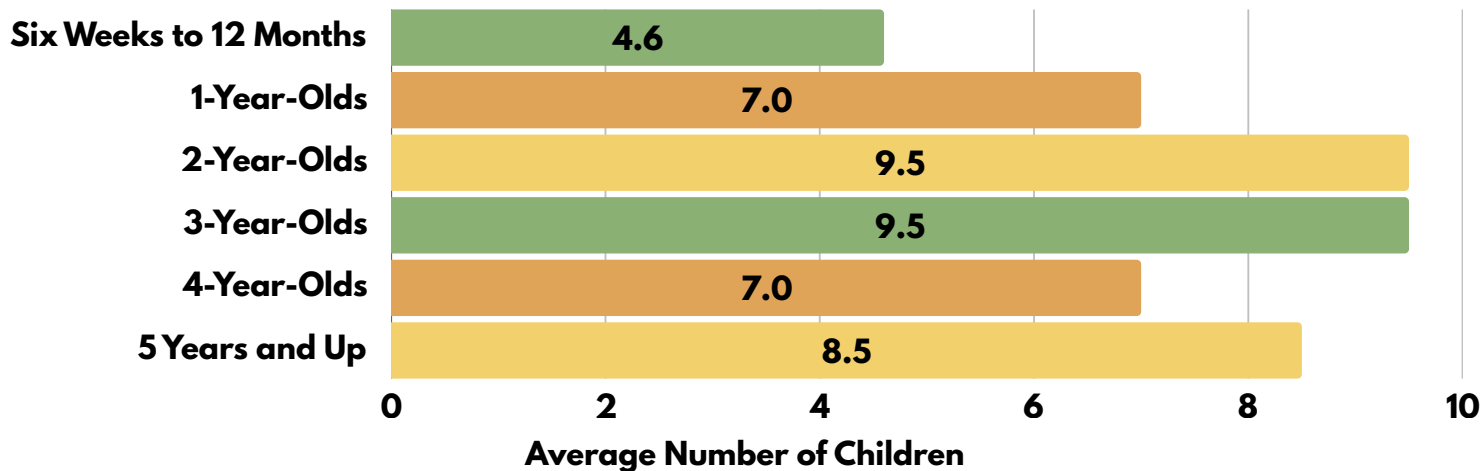
24%

of providers had more than half of children in their centers / facilities enrolled in CCAP.

## Providers Typically Served More Children Aged Three and Above

On average, providers are serving slightly more children who are at least 3 years of age, compared to those under age 3: 54% of the average enrolled children in provider's programs were 3 years or older. Providers serve fewer infants than any other age. This is likely a consequence of the higher costs of care for infants and toddlers.

### Average Daily Enrollment by Center by Children's Age



Question: What was the typical daily enrollment for each age group at your business/program last week (June 4-8, 2025)? Please include total enrollment across all locations.



# APPENDIX

## Survey Methodology

LPIC developed and administered this survey online through Survey Monkey from June 4-18, 2025. Survey partners emailed the link to the survey to providers throughout the state.

Prospective respondents included any child care provider in Louisiana. Of the approximately 1,750 licensed child care centers and family child care providers in the state, 728 providers representing 956 locations responded to the survey, answering some or all of the questions.

For questions where some survey respondents did not provide an answer, the included results percentages reflect calculations based only on the number of survey respondents providing an answer to the question. For example, if only 100 survey respondents answered a question, the results would reflect what percentage of those 100 respondents selected each answer.

## Breakdown of Respondents

Most respondents were either the director or the owner of a facility. Notably, 67% of respondents operated a Type III ECE center, which was by far the highest of any provider type. Type III centers can receive public funding, such as the Child Care Assistance Program (CCAP), and are required to participate in the state's ECE accountability system. Six out of ten respondents said they operated their centers as independent for-profit businesses.

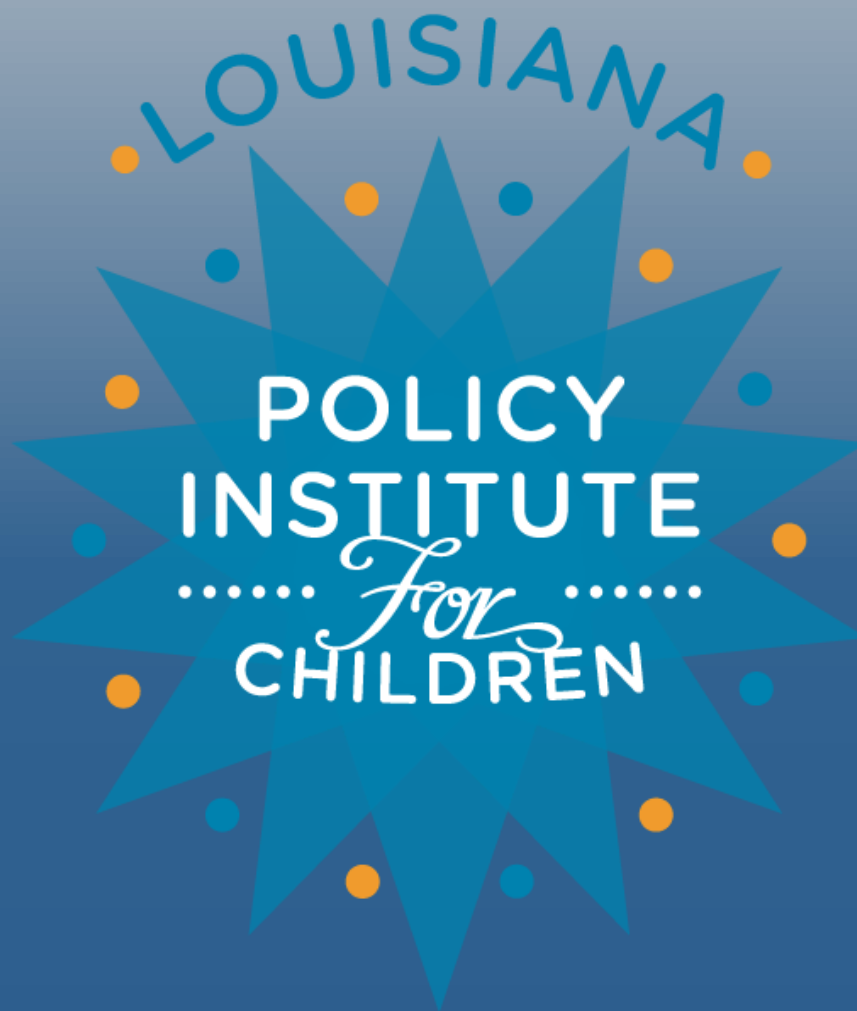
## Program Type of Responding Child Care Providers

Type III	67%
Type II	5%
Type I	6%
Family Child Care, with Academic Approval	12%
Family Child Care - Certified	5%
Family Child Care - Unregistered	.4%
Early Head Start / Head Start	2%
Private School	1%
Public School	1%
In-Home Child Care (for example: nanny or babysitter)	1%

*Note: Percentages are rounded so do not add up to 100%.*

## Regions of Responding Child Care Providers

Region (Parishes)	Percentage of Responding Providers
<b>Acadiana</b> <i>(Acadia, Avoyelles, Evangeline, Iberia, Lafayette, Rapides, St. Landry, St. Martin, St. Mary, Vermilion, Vernon)</i>	<b>17%</b>
<b>Capitol Region</b> <i>(Ascension, East Baton Rouge, East Feliciana, Iberville, Livingston, Pointe Coupee, St. Helena, Tangipahoa, West Baton Rouge, West Feliciana)</i>	<b>27%</b>
<b>Northeast Louisiana</b> <i>(Caldwell, Catahoula, Concordia, East Carroll, Franklin, La Salle, Lincoln, Madison, Morehouse, Ouachita, Richland, Tensas, Union, West Carroll)</i>	<b>13%</b>
<b>Northwest Louisiana</b> <i>(Bienville, Bossier, Caddo, Claiborne, De Soto, Grant, Jackson, Natchitoches, Red River, Sabine, Webster, Winn)</i>	<b>13%</b>
<b>Southeast Louisiana</b> <i>(Assumption, Jefferson, Lafourche, Orleans, Plaquemines, St. Bernard, St. Charles, St. James, St. John the Baptist, St. Tammany, Terrebonne, Washington)</i>	<b>26%</b>
<b>Southwest Louisiana</b> <i>(Allen, Beauregard, Calcasieu, Cameron, Jefferson Davis)</i>	<b>5%</b>



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