

# FACTORS THAT PLAY A ROLE IN SERVICE FEES



- [[ **Type of nanny:** Do you require live-in or live-out nanny? Full-time, part-time or summer only? Live-out nannies are paid more than live-in nannies because they don't receive room and board (learn more about what to pay live-in nannies). Part-time nannies typically receive higher hourly wages than full-time nannies, given that there are less perks and job security.
- [[ **Additional responsibilities:** Variables such as housekeeping, weekends, evenings, overnight care and traveling with family during vacation add to the expense.
- [[ **Transportation:** Nannies who are expected to use their own car for the job will need to be compensated accordingly for mileage reimbursement. Check out these tips on how to reimburse nannies for gas and mileage.
- [[ **Experience:** Age, years of experience and formal relevant academic coursework/training add to the cost. College nannies can be a great resource and often have flexible schedules, and if you hire a nursing or education major, coursework related to child care.
- [[ **Number of children being care for:** The more kids being cared for, the higher the cost.
- [[ **Geographic area:** Higher cost of living areas = higher wages. For example, Chicago nannies may have a different pay rate than New York nannies or San Antonio nannies.
- [[ **Included benefits:** Full-time nannies typically receive paid time off, health insurance (partial or full) and federal holidays off. Also consider factoring in sick days and a routine dental cleaning and/or eye exam.
- [[ **Additional incentives:** You may wish to present additional incentives for excellent performance, such as an end of the year bonus, yearly raises, reimbursement for training (e.g., childhood education classes, CPR training), a gym membership, etc.

**Cost Estimates – for the latest information, visit the International Nanny Association website. You can also check the “Resource Tab” of our website [www.globalintervisions.com](http://www.globalintervisions.com)**

According to various web sources, in 2006, full-time nannies (45-50 hours/week) caring for one to two children received:

- [[ \$325-\$450 live-in; \$8-12/hour live-out — for a nanny who is 18-20 years old or has less than two years verifiable child care experience. Remember, cost will vary widely depending upon your location.
- [[ \$450-\$600 live-in; \$10-15/hour live-out — for a nanny who is 21 years or older, has two or more years verifiable child care experience, or has no prior experience but has a college education.
- [[ \$450-800 live-in; \$10-20/hour live-out (higher in major metro markets) — for a nanny with two + years of experience and/or a college degree in a child-related field.

**\* Note that nannies are covered by the Fair Labor Standards Act.** Their salaries must meet minimum wage (although you likely won't find a top-notch nanny willing to work for minimum wage), and live-out nannies are entitled to overtime (time and a half) for work above 40 hours per week. However, you need to check your state guidelines to determine whether live-in nannies qualify for overtime above 40 hours per week.

For part-time nannies, hourly nanny rates start around \$15 per hour and can run as high as \$20-25 per hour in affluent areas, particularly those without public transportation.

You get what you pay for. As you prioritize and tally your nanny requirements and associated costs, the price tag may seem exorbitant, but remember that you are hiring someone to nurture your children and they deserve to be compensated accordingly for this important work. As you work the numbers, detail the responsibilities expected, compensation, benefits, tax parameters, and take-home amount so you are prepared for the financial conversation to come.

*Christine Koh is a music and brain scientist turned parent and writer about parenting issues for Care.com. She is also the editor of BostonMamas.com.*