## **Basic Steps to Opening a Child Care Facility**

<u>Step 1</u>: Explore financial needs, prepare a preliminary budget and identify financial resources (a small business loan, savings or other financing options) to assist with start up costs and provide initial funding for your ongoing operational budget.

## Anticipated Start up Costs:

You should consider all the financial aspects of starting your own business when you are starting a new facility or buying one which already exists. Some costs might include:

Land/property taxes Utility connection charges

Construction or renovation costs Professional fees

Classroom equipment Licensing and application fees

Kitchen equipment Marketing/advertising

Office equipment Insurance

Maintenance equipment Staff training and orientation

Van or other transportation Contingency fund

Playground equipment Impact fees

Then, consider the ongoing expenses.

## Ongoing Operational Budget:

Some costs might include:

Rent/mortgage Utilities

Payroll Educational consumable supplies

Insurance Office and administrative supplies

Taxes Repairs

Equipment additions/replacements Unemployment Insurance

Worker's Compensation insurance Federal withholding tax

Many child care programs go out of business because of underestimation of operational costs, poor planning or poor management. Plan ahead and plan accurately to avoid this disaster.

You should be aware that in addition to the State Laws affecting child care facilities, there are local ordinances, such as building codes, which govern the operation of a child care facility.

<u>Step 2</u>: Contact your local county municipality to learn what the county requires to obtain a business license, meet building codes and/or obtain occupancy approvals.

<u>Step 3:</u> Select a location and contact your zoning office to ensure proper zoning approval for the operation of a child care facility at the location.

## Factors to consider when looking for a location:

It is recommended the child care facility have a sufficient open space to accommodate strict staff/child ratios.

The number of children for which you can provide care (capacity) is based on 35 square feet of usable floor space per child per room, excluding restrooms, hallways, offices or storage closets.

If the facility will be on a septic tank, an inspection of the system must be completed by your local environmental health department. The capacity of the septic system may limit the number of children and staff allowed to occupy the building.

Outdoor play space must be available at the location with a minimum four foot fence and must be at least 45 square feet per child for 1/2 half the maximum capacity of the facility, excluding children under 1 year of age in the calculation. Shade must be available.

Furnishings and play equipment must be appropriate and safe for the ages served. Toys must be clean. The facility must provide bedding, such as cots, or mats at least 1" thick with a impermeable surface.

It is strongly recommended that no commitments toward any location/property be made until careful consideration of all structural requirements and child care regulations are scrutinized.

**Step 4**: Request and schedule a fire safety inspection of the proposed facility with your local county fire inspector. Each child care facility must

meet fire and life safety standards, and will be subject to annual fire inspections.

<u>Step 5:</u> Request and schedule an environmental health inspection of the proposed facility with your local health department. Each child care facility must meet environmental health standards and will be subject to periodic inspections.

<u>Step 6</u>: Complete the Licensure Survey form and forward it to your local child care licensing office. You will be assigned a counselor who will provide an application and supporting documentation, such as, background screening guidelines, forms and timeframes for yourself, your director and the child care personnel who will be working in your facility. Also, the licensing counselor will provide technical assistance to guide you through the licensure process. Contact information for your local licensing office is located on the main page. A license to operate a child care facility will not be issued until all licensing requirements have been met.

**Step 7:** Identify the director of your program, and ensure that all necessary training is being or has been completed.

<u>Step 8:</u> Contact the Department of State, Division of Corporations to file for Incorporation if desired, and to inquire if registration of the fictitious name of your business is required.

**Step 9**: Continue to work with your assigned licensing counselor for assistance for when and where to submit your application for licensure and supporting documents. Keep in mind the Department has up to 90 days from the date of receipt of a completed application to process of the application. The licensing counselor and you will work together to determine the opening date of your child care facility.