

ADAPTATION OF ENTREPRENEURSHIP STAR EVENT CHILD CARE SERVICES

BUSINESS PLAN

1. Title Page should include name or participant, business, and summary of goals and accomplishments.
2. Table of contents.
3. A two-page executive summary.
4. Seventy-five pages (one side only, presentation of items researched and developed).
5. Eleven divider pages.

CONTENT PAGES OUTLINE

I. BUSINESS DESCRIPTION

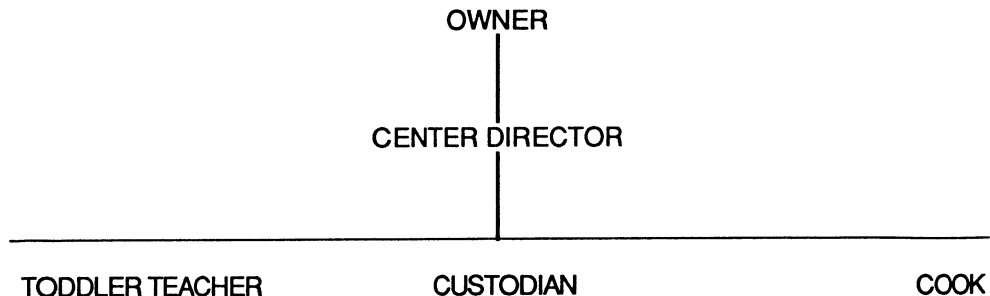
- A. Name of business (something catchy that has to do with your center).
- B. Services (what services are offered--full-day care, infant care, preschool, etc.).
- C. Hours of operation (daily hours, holidays, etc.).
- D. Philosophy statement (describe your personal beliefs, feelings or basis for opening a child care center).
- E. Demographics (describe the neighborhood or general public feeling and beliefs, including statistics, if possible).
- F. Business feasibility (how possible is it to actually open this center, is there a vacant spot, would the community support the center, are there other centers in the area that would provide competition).
- G. Community survey, date/market survey (make a door to door, phone, mail, mall or word of mouth survey, outline possible questions and how they will be asked, how will you collect and evaluate the information).

II. FACILITY

- A. Space: Make a floor plan for an indoor and outdoor facility. Include walls, windows, doors, utilities, and overall physical dimensions. How many square feet? Make sure you follow guidelines in the Child Care Standards.
- B. Description: Write a description of where your facility will be located and check with zoning in each city or state.
- C. Utilities: What utilities will be needed for you center to work effectively? (include road access, parking, electricity, gas, water, waste disposal, sewage removal, snow removal, etc.)
- D. Emergency Procedures: Include emergency procedures such as fire, flood, no heat, poison ingestion, illness, earthquake, etc.

III. Organizational Chart

An organization chart is like a map. It visually shows who supervises whom. Include a brief job description for each staff member and a list of tasks or duties that must be completed on a regular basis. Below is an example of an organization chart:



- A. Job titles: Make a list of all personnel you will need for a child care center. For additional suggestions look in Caring for the Developing Child.
- B. Tasks: List each job title and write a description for each job or task that each person must complete. List any responsibilities and specific job functions. Make sure each list is complete for each job.

IV. FUNDING FOR BUSINESS

- A. Methods/Sources: Where will you receive the financial means to begin your own business (don't count on the lottery, inheritances, or gambling)? Some means of support might include corporate support, government agencies, grants, private donations, or small business loans. If you are taking out a loan you must know the following information:
 1. From what financial institution did you receive the money?
 2. At what percentage rate did you borrow the money? (Shop around, percentage rates vary per institution.)
 3. How long do you have to pay back the money?
 4. What will your monthly bill be?
 5. How will you spend the money once you receive it? (Include building cost, equipment, supplies, materials, upkeep, maintenance, insurance, equipment, salaries, and food costs.)
- B. Fee Structure/Income: This section involves figuring out how much income you need on a regular basis. First figure how many children you can have in your center. Then figure the fee structure for the care you will provide. Infant care is more costly than that of all other ages. Check with at least two care centers before deciding what your fee structure will be. Once you have decided your fees and how many children you will have, you must complete some basic calculations:

$$\# \text{ of children} \times \text{monthly fee} = \text{Total monthly income}$$

$$\text{Total monthly fee} \times 12 \text{ (months)} = \text{Yearly income}$$

This number will give you the information to appropriately evaluate if you can pay your bills.

V. BUDGET

- A. Income: In the previous section you computed your income. Repeat the above section. Make any adjustments, if necessary.
- B. Expenditure: You need to list approximate costs of items you need to run your center. Include all the things you must have, then list the things that would be nice to have. The categories you should include are: salaries, building expenses, maintenance and upkeep, groceries and food, utilities, insurance, taxes, toys, supplies, and savings. List the costs on a monthly and yearly basis.
- C. Financial procedures: Now that you have completed your income and expenditures, you need to compute if you are going to break even or if you have an excess or shortage. You may need to recalculate, depending upon your needs. You need to discuss how you plan on tracking financial transactions and who will be in charge of the money. How often will transactions take place? Make a schedule for payment of bills, etc.

VI. FORMS/RECORDS

Devise a plan for record keeping; this will help you keep track of all financial transactions, employees, and clients.

- A. Financial: Forms must be used to keep track of income and expenditures. You may wish to use a traditional ledger book, or you might want to plan your own computer system. "Maggey" is a great system for most all daycare records and needs. Although "Maggey" is designed specifically for daycare and considered a must for most centers, it is expensive (about \$1,400.00). Another excellent financial program is "Quicken". It can do most small business accounting. Whatever you choose, make sure it is a system that you can work.

- B. **Personnel:** Records need to be kept on a variety of topics. You need to keep track of all personnel (the people who work for you). You might need personnel employee cards that give information such as: name, address, phone number, social security number, tax information, degrees, hours available, qualifications, and background check information. You will need all this information for all employees and substitutes.
- C. **Clients:** Information should be kept for all clients. This information might include: child's name, parent(s), address, place of business, emergency information, allergies, abnormal behavior, pickup information, means of payment, immunization records, health, medication, accidents, field trip releases, and special instructions. You may wish to include records of licensing procedures.

VII. PERSONNEL MANAGEMENT

- A. **Hiring procedures:** How will you announce that you have positions available? You will need a job application, interview methods, and hiring procedures.
- B. **Salaries and Benefits:** Make a salary schedule for all employees. Include beginning wages and pay increments that will occur on a regular basis. Include a plan for pay raises and qualifications for advancement. The following benefits should be included: insurance, lunches, classes, free child care, etc.
- C. **Policies and Procedures:** Make a list of policies that personnel need to follow on the job: language, duties, emergency procedures, promptness, dependable, roll call, billing, dress, etc.
- D. **Evaluations/Appraisals:** Identify methods of evaluations: rating scale, observation, interview, etc. How often will evaluations take place? Most companies have evaluations on a three, six, and nine month basis the first year or two, then a yearly evaluation, thereafter. (Some occasions require daily evaluations.)

VIII. LAWS, REGULATIONS, AND CODES

- A. **Health:** All employees must follow safety procedures and treat children in healthy ways.
- B. **Environment:** Check with your teacher for a copy of state and local codes.
- C. **Fire:** All centers should have fire extinguishers and fire exit procedures. Call your local fire department for more information on these requirements. Many fire marshals come and inspect the center for safety.
- D. **Insurance:** Most insurance companies require specific things before they will insure you. Call several companies and get estimates and quotes on various plans and detailed information.
- E. **Zoning:** Check with city or zoning laws before opening any center. You can call most city offices to find out who to contact for more information. Make certain your business is properly zoned for a business license. An inspection will be made before a license is issued.

IX. LOCAL, COUNTY, STATE CODES

All state codes for child care vary slightly. Call your local office of child care and have them send you a copy of the guidelines. This information is usually free.

X. SUPPLIES AND EQUIPMENT

- A. **Suppliers:** Make a list of all companies or businesses that you plan to order from. You will need the name of the business, a contact person, address, phone, fax, methods of purchasing, and types of supplies available. Always compare prices before ordering. Many companies will give quantity or educational discounts. Know the companies return policy (if you are not pleased with the items, can you return them).
- B. **Inventory:** Provide a detailed list of the equipment and supplies needed in the center. Categorize them to help you keep track of long range purchases. The following categories may be helpful:
 1. **Furniture:** Make sure all furniture is comfortable and fits the needs of the child. Most furniture should be scaled for the children at your center. Furniture includes tables, chairs, cubby's, room dividers, etc.
 2. **Books:** You need to have resource books for the teachers and the children. You should outline the title, author, publishing company, ISBN#, and cost. It is usually helpful to write a brief description of each story.

3. **Building Services:** Building services include necessities such as: clocks, tape recorders, record players, bell systems, fans, portable heaters, cameras, garbage cans, chalkboards, trays, easels, and flannel boards, etc.
 4. **Supplies:** The following items need to be replaced every two to five years: tape dispensers, staplers, tape, staples, scissors, binders, folders, crayons, chalk, rulers, pens, pencils, paper punches, pins, brads, clips, calendar, organizational supplies, and paper. Make a plan to purchase the items needed and when the items need to be replaced.
 5. **Housekeeping supplies:** Housekeeping supplies include dish rags, dish cloth, cleanser, sponges, mops, soap, brooms, dustpans, aprons, cleaning fluids, toilet paper, diapers, paper towels, paper plates, cups, and dish soap.
 6. **Toys:** Review the concepts about selecting proper toys for children. Keep in mind that you need duplications of many toys, especially toys that only involve one child. Choose a wide selection so that toys may be rotated.
 7. **Outdoor equipment:** Safety is the key factor when selecting outdoor equipment. Select items that are durable and will last more than one year.
 8. **Teacher's supplies:** What items will you need to have for your staff (copy machine, ditto copier, laminator, planning books, etc.)?
- C. **Maintenance and repairs:** Many items or furniture needs to be repaired. This is a key to success because it will keep from harming the children. Who will perform your repairs? How much will they charge? Who will take care of your grounds and facilities?
- D. **Replacement:** Formulate a plan for replacing equipment. How often will you need to purchase expendable supplies? What new items will you buy yearly? This should be a two year plan. Remember to keep an emergency fund for items that need replacement without warning.

X. ADVERTISING/RECRUITMENT

Develop a plan of advertising. Decide how you will advertise, who will advertise, how much advertising will cost, and include examples of your advertisements.

- A. **Advertising Plan:** Include how you are going to inform the public that your center is opening.
- B. **Plan for recruiting children.** How are you going to keep the enrollment up for your center.
- C. **Sample ads.** Include two samples of what your advertisement will look like, sound like, or be displayed.

XI. PROGRAMS AND ACTIVITIES

This section requires that you give example of the types of programs you will have available at the center.

- A. **Children's Program and Activities:** Design the daily activities children at your center will be involved in. Make sure you include a schedule of daily activities, including what will happen and when it will happen. This acts as an excellent reference for teachers to write their lesson plans. All activities should be provided to benefit the child. Be sure to include all areas of development: physical (small motor, gross motor), social, emotional, and intellectual. Your activity files and learning cards will be an excellent resource for you. Activities might include: music, structured play, transitions, concepts, stories or books, art, and food experiences. After you complete your daily activity schedule, plan a one month calendar of possible themes.
- B. **Food and Nutrition:** Decide what meals and snack will be served at your center. Will you offer breakfast, lunch, dinner? Plan a daily, weekly, and monthly menu. Specify how often you will meet the nutritional requirements for the children you serve. Specify who will prepare meals, what requirements they must meet and food proportions. Include a food budget. How much will the cost be per meal, per child, daily, weekly, and monthly?

- C. **Parental Involvement:** How will you include the parents of the children you serve. Many child care center have open houses, back to school night, spring programs or a co-op program where parents participate in actual daily experiences. Devise a plan that includes parents in your center. It may be daily, weekly, monthly, quarterly, or yearly.
- D. **Special Events:** Identify activities that children would not participate in on a daily basis. Your center might provide experiences such as field trips, dancing lessons, music lessons, computer lessons, Karate, or anything else that might interest children at your center. Make a schedule of when these activities will be offered, additional costs, who will teach them, and permission slips for parents.
- E. **Transportation:** Many centers provide transportation during opening hours for some children. Will you have a bus? Who will be qualified to drive the bus? When will the bus be used? Include transportation procedures for field trips or special events. Include a parent consent form or explanation letter to parents, how many adults will assist the children and how you will keep track of the children. Do not forget to plan for emergency procedures for children who are being transported.
- F. **Cooperative Community Agencies:** Make a list of people who are supportive of your center. Include names, addresses, phone numbers and areas or expertise. Some community agencies might be: social services, dentists, farmers, museums, McDonald's, or other children program available to your center.

XII. RESOURCES:

Pamphlets, booklets, people phone numbers, addresses and bibliographies need to be collected and put neatly in this section.

Breathe easy---you're finished!!!!