



Dear School or Church Board:

Welcome to the world of **Early Childhood Education (ECE)**! I commend you for giving thought and consideration to starting an early childhood ministry. A high-quality ECE program supports a bright and successful academic journey. This is a noble feat and you are not alone in the process. Both your local conference office of education, as well as your union office of education, will guide you along the way.

Prayerfully review the contents of this start-up packet. Preparation will take time, effort, and commitment. The enclosed information serves as a tool for exploring the possibility of providing an ECE program under the umbrella of the North American Division of Seventh-day Adventists and Columbia Union Conference Office of Education.

Please consider your mission, goals, and objectives to the children and families of your church, school, and community. *If you need further assistance, please reach out to your offices of education (local and/or union).*

In His Service,

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# STEPS TO OPERATING AN EARLY CHILDHOOD PROGRAM



## Phase One: Initial Steps

- Program Application/Intent to Operate Form/Financial Management Part I (Start-up Budget)
- Licensing Agencies
- Feasibility Study
- Community Options

## Phase Two: Organizing Your Program

- Setting-up an Operating Board
- Mission/Vision/Goals
- Business Plan Part II (12 month Operating Budget)
- Licensing Check-list

## Phase Three: Post Conference/Union Approval and State Licensing application

- Director & Staff Qualifications/Job Descriptions
- Plant and Facilities Scorecard
- Columbia Union Policies
- Curriculum Plan/Resources
- Constitution and By-laws template

# Program Application

## Intent to Operate an Early Childhood Education and Care Program

(PLEASE COMPLETE AND SUBMIT THIS FORM TO YOUR LOCAL CONFERENCE OFFICE OF EDUCATION AND KEEP A COPY ON FILE)

Check the appropriate box:     Church operated                       School operated

*Please Print*

Name of Church /School: \_\_\_\_\_

Address: \_\_\_\_\_

Phone No: \_\_\_\_\_ Fax No. \_\_\_\_\_

Contact Person: \_\_\_\_\_

E-mail address: \_\_\_\_\_

**I. TYPE OF PROGRAM APPLYING FOR:** *(please check one or more of the following boxes)*

Type of program <i>(as per government regulations)</i> & Projected Enrollment	
<input type="checkbox"/> Infant _____ 6 weeks – 12 mos.	<input type="checkbox"/> Toddler _____ 13 – 35 mos.
<input type="checkbox"/> Pre-School _____ 3 – 5 years old	
<input type="checkbox"/> Stand-alone Pre-Kindergarten _____ 4 -5 years old	<input type="checkbox"/> Pre-Kindergarten <i>(with existing Kindergarten)</i>
<input type="checkbox"/> Before & After School Care _____ 5-12 years old	
<input type="checkbox"/> Other (Specify) _____	

**II. ANTICIPATED OPENING DATE:** month \_\_\_\_\_ day \_\_\_\_\_ year \_\_\_\_\_

**III. FINANCIAL INFORMATION:** *(Please provide a preliminary annual budget with this application)*

Specify amount budgeted for start-up, equipment, renovations, supplies, etc. \$ \_\_\_\_\_

**IV. STATE REGULATIONS HAVE BEEN REVIEWED BY THE LOCAL CHURCH or SCHOOL BOARD:** *(Please read reverse side)*

YES                       NO

**v. LOCAL CHURCH or SCHOOL BOARD ACTION:** *(Please send a transcript of motion on official letterhead, as voted)*

DATE OF ACTION: \_\_\_\_\_ VOTED ACTION: \_\_\_\_\_

Local Board Chairperson's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**FOR LOCAL CONFERENCE OFFICE USE ONLY**

Local Conference Board of Education -     Approved                       Denied

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Local Conference Executive Committee -     Approved                       Denied

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**NOTE:** *Local conference is to send signed intent form to the Columbia Union Conference and keep a copy on file.*

**In submitting this intent to operate form, the school or church:**

1. Is in receipt of and has read the minimum state standards applicable to the type of program to be operated.
2. Certifies that it is their intent to comply with the aforementioned minimum standards and statutes and will remain in compliance.
3. Grants permission to the Columbia Union Conference Office of Education and its authorized agents to make all necessary investigation of the circumstances surrounding this application and any statement made herein including financial status, inspection of the facility, review of records.
4. Understands that, following licensure, authorized agents will make announced and unannounced visits to the early childhood program to determine its compliance with standards and to investigate any complaints received.
5. Understands that a license is required from governmental agencies, as mandated by law, for the operation of an early childhood program. Centers with government licensing exemption options are subject to union policies.
6. Understands that an application for opening and operating an early childhood program is subject to either approval or denial.

# Feasibility Study



## GENERAL POPULATION

- Collect population statistics in desired location.\*
- Determine the type of community to be served (i.e., urban, rural, suburban, etc).
- Identify the cultural makeup of the community (i.e., dominant religion, ethnicity, age, socioeconomic status, etc).

## COMPETITORS DEMOGRAPHICS

- Determine the number and proximity of existing centers and home-based programs.\*
- Determine the approximate number of children in need of care or on waiting lists.\*
- Determine the quality and professionalism of existing programs.\*
- Determine tuition, misc. fees and discounts offered by existing programs.\*
- Determine the types of care provided by other programs, (e.g. Full Time, Part Time, Drop In, Play Center, Parent Co-Op., Evening/Night Care, Weekend Care, Shift Care, other misc. non-traditional care facilities, etc.)\*
- Determine the type of existing centers, (e.g. Infant only, Toddler, Pre-School, School-Age, mixture, etc.)\*
- Determine services provided by other programs, (e.g. hot meals, transportation, baby-sitting, bilingual teachers, dry cleaning drop off/pick up, pizza delivery, etc.)
- Determine the days and hours of operation of existing programs, including closings for vacation/holidays, and any special operation days, (e.g. Mother's Day Out, Shop 'Til You Drop, Sunday Night Date, etc.)

## COMMUNITY DEMOGRAPHICS

- Determine if the proposed program is easily accessible (traffic flow, easy to find, visibility, etc)?
- Survey local businesses to establish community support, input, suggestions, and partnership opportunities. (e.g. contacting nearby universities, hospitals, and businesses).

## ADVENTIST CHURCH DEMOGRAPHICS

- Survey constituents to determine type of support for the proposed center.
- Identify the number of church/school families with young children needing services.

\* This information may be obtained from a local or state Resource and Referral Agency or local licensing Agency.

# PROGRAM OPTIONS



The planning and organization process for an early childhood education (ECE) program in your community begins with the establishment of a task force of educators, parents, and constituency members. After identifying best practices in early childhood education, this group can determine what type of early childhood program would best meet the needs of the community. Below are different types of programs that can be considered.

## **CHILD CARE CENTER (Licensed)**

Child care centers are usually located in spaces adapted for child care purposes. These include stand-alone centers that are located in schools and churches. Children are often age-grouped and group size may vary as long as the adult/child ratios are maintained.

- Infant Center (6 weeks to 12 months)
- Infant/Toddler Center (6 weeks to 35 months)
- Infant/Toddler/Pre-school Center (6 weeks to 5 years old)

## **PRE-SCHOOL CENTER FOR 3-5 YEARS OLD (Licensed)**

Pre-school early childhood education programs are designed for children ages 3-5. This program is directed through a sequence of materials that offer hands-on learning. Teachers direct children with age-appropriate activities and direction comes from the teacher's observations and carefully maintained anecdotal notes.

## **PRE-KINDERGARTEN PROGRAM IN SCHOOLS FOR 4-5 YEARS OLD (Licensed)**

Pre-Kindergarten programs are designed to help children develop the necessary skills they need to become successful future kindergarten students.

## **SCHOOL-AGE CHILD CARE AND SUMMER CARE (Licensed)**

The setting for a School-Age Child Care or Summer Care program may be in a school, or childcare center. Group size may range from 10 to 25 or more children, depending on the type of program and the ages of the children served. Programs may be open full days, open summer only, open before and/or after school, or a combination of the above.

# State Licensing



# Columbia Union Conference

## Early Childhood Programs State Licensing Information

All childcare centers, early childhood learning centers, pre-schools and pre-k programs are **required** to apply for state licensing unless the state the program is in allows for religious institution exemption (*See Part 3: Child Care Center Licensing Regulations*). Religious exempted programs must meet the requirements for exemption from federal taxes for religious purposes or be exempt from paying local real estate taxes on the property owned by the sponsoring religious institution.

Facilities seeking exemption must submit certain documents to the Department of Social Services annually (regulations may vary from state to state). These documents include, **but not limited to**:

- Statement of intent
- Certification of tax-exempt status; 501 (3) c
- Local health and fire reports
- Verification of required staff/child ratio and staff health reports
- A statement showing the facility is in compliance with other health and safety requirements in the Code.

The Department of Social Services, Division of Licensing, may send inspectors to the facilities only to confirm that it is in compliance with Code requirements and to investigate complaints.

### ★ General Information

State law requires that all facilities operated as child day care centers, early childhood learning centers, pre-schools and 4-year-old pre-k programs be licensed. A list of the documents required by law for child day centers, pre-schools and pre-k appears below.

### ★ Building Approval

Buildings used for child day care centers, pre-schools or pre-k programs in church or school buildings must meet statewide building requirements. The



local fire marshal must inspect buildings before your licensing or exemption and the buildings must meet the Statewide Building Code or the Statewide Fire Prevention Code.

The Building Code prescribes the number of exits, type of materials in fire resistant doors, etc. Also, the number and ages of the children that may be served is a part of the building inspection. The requirements will be stricter for children under 30 months of age because they would be at greater risk and more difficult to evacuate in an emergency.

Early in your planning, check to see that your building is approved for child care and that no special permit is required from the local zoning office. You may avoid costly renovations and added expense.

### ★ Health Department

The local health department will regulate matters involving your kitchen and kitchen staff, water supply, sewage hookups, etc. Determine the requirements before you finalize your plans. Changing water and sewer arrangements to meet the increased load can be costly.

### ★ Background Checks

All persons officially involved in the operations of the facility in which the early childhood program is located must have a criminal records clearance. This includes the pastor, officers of the governing board, or board with decision-making authority over the center and other persons involved in the center's day to day operations. All other prospective employees or volunteers or any other person who is expected to be alone with one or more children enrolled in the center, must have a criminal records check and a Child Abuse Registry check.

### ★ Other Requirements

If you decide to proceed with filing for licensure or religious exemption, you will need to provide the following:

- Completed Application or Statement of Intent;
- Certification of Tax Exempt Status; (*for religious exemption*)

- Building Inspector's Report (Certificate of Occupancy or State Fire Marshal's Report)
- Local Health Reports, which include a Report of Sanitary Inspection and if applicable, a Food Establishment Inspection Report
- Local Fire Report
- Verification of Required Staff-to-Child Ratios
- Staff Health Reports
- Statements of Code Compliance covering the following topics:
  1. Written disclosure to parents or guardians:
    - a. of exempt status (*for religious exemption*)
    - b. of general staff qualifications
  2. Notice to parents or guardians and general public regarding:
    - a. physical facilities
    - b. enrollment capacity
    - c. food service
    - d. health requirements for staff
    - e. possession of public liability insurance
  3. Statements of assurance regarding:
    - a. establishment and implementation of hand washing procedures
    - b. establishment and implementation of procedures for appropriate supervision of children
    - c. establishment and implementation of procedures for a daily simple health screening and exclusion of sick children
    - d. the presence of a person trained and certified in first aid whenever children are present
    - e. compliance with health laws concerning immunizations
    - f. all areas of the premises accessible to children being free of obvious injury hazards, including providing and maintaining cushioning materials under playground equipment
  4. Statements assuring code compliance in the following areas:
    - a. all staff are able to recognize the signs of child abuse and neglect
    - b. reporting suspected cases of child abuse and neglect
    - c. drivers' licenses
    - d. vehicle inspections
    - e. insurance for vehicles used to transport children

f. use of child restraint devices in vehicles.

**Note:** To pursue religious licensing/exemption, forms and instructions may be obtained from your state licensing office or Department of Social Services.

## LICENSING AGENCIES



<p style="text-align: center;"><b>Delaware</b></p> <p>Delaware Department of Services For Children, Youth And Their Families Office of Child Care Licensing 1825 Faulkland Road Wilmington, DE 19805-1121 Phone: 302-892-5800 Toll Free: 800-822-2236 Web Site: <a href="http://kids.delaware.gov/occl/occl.shtml">http://kids.delaware.gov/occl/occl.shtml</a></p>	<p style="text-align: center;"><b>Ohio</b></p> <p>Ohio Department of Job &amp; Family Services Bureau of Child Care and Development 50 W Town Street Columbus, OH 43215-5222 Phone: 614-466-1043 Toll Free: 866-886-3537 option 4 Web Site: <a href="http://jfs.ohio.gov/cdc/page2.stm">http://jfs.ohio.gov/cdc/page2.stm</a></p>
<p style="text-align: center;"><b>District of Columbia</b></p> <p>Office of the State Superintendent of Education Child Care Licensing Division 825 North Capitol Street, NE, 2nd Floor Washington, DC 20002 Phone: 202-442-5888 Web Site: <a href="http://hrla.doh.dc.gov/hrla/site/default.asp">http://hrla.doh.dc.gov/hrla/site/default.asp</a></p>	<p style="text-align: center;"><b>Pennsylvania</b></p> <p>Pennsylvania Department of Public Welfare Office of Child Development and Early Learning Bureau of Certification Services 333 Market Street, 6th Floor Harrisburg, PA 17101 Phone: 717-346-9320 Toll Free: 877-472-5437 (within state) Web Site: <a href="http://www.dpw.state.pa.us/PartnersProviders/ChildCareEarlyEd/">http://www.dpw.state.pa.us/PartnersProviders/ChildCareEarlyEd/</a> <i>Note: will refer to local county office</i></p>
<p style="text-align: center;"><b>Maryland</b></p> <p>Maryland State Department of Education Division of Early Childhood Development Office of Child Care Licensing Branch 200 West Baltimore Street 10th floor Baltimore, MD 21201 Phone: 410-767-7802 Toll Free: 800-332-6347 Web Site: <a href="http://www.marylandpublicschools.org/MSDE/divisions/child_care/licensing_branch/licensing_branch.htm">http://www.marylandpublicschools.org/MSDE/divisions/child_care/licensing_branch/licensing_branch.htm</a></p>	<p style="text-align: center;"><b>Virginia</b></p> <p>Virginia Department of Social Services Division of Licensing Programs 7 N Eighth Street, 2nd floor Richmond, VA 23219-3301 Phone: 804-726-7165 Toll Free: 800-543-7545 Web Site: <a href="http://www.dss.virginia.gov/division/license/">http://www.dss.virginia.gov/division/license/</a></p>
<p style="text-align: center;"><b>New Jersey</b></p> <p>New Jersey Department of Children &amp; Families Office of Licensing P.O. Box 717 225 East State St., 4th Floor West Trenton, NJ 08625-0717 Phone: 609-826-3980 Toll Free: 877-667-9845 Web Site: <a href="http://www.state.nj.us/dcf/divisions/licensing">http://www.state.nj.us/dcf/divisions/licensing</a></p>	<p style="text-align: center;"><b>West Virginia</b></p> <p>West Virginia Department of Health And Human Resources Division of Early Care and Education Bureau for Children and Families 350 Capitol Street, Room B-18 Charleston, WV 25301 Phone: 304-558-1885 Web Site: <a href="http://www.wvdhhr.org/bcf/ece">http://www.wvdhhr.org/bcf/ece</a></p>

# BOARD GUIDELINES



# Columbia Union Conference

## Operating ECE Centers/Pre-School

### BOARD SELECTION GUIDELINES

#### DEFINITION OF LOCAL BOARD

Each Early Childhood Education Center (ECE) and Pre-Schools shall organize an governing board. The board is responsible for the operation of the ECE center within conference adopted procedures and practices. The board has authority only when meeting in official session. The board acts as a group and no individual member or committee can act in place of the board except by board action. All actions of the board are implemented through the ECE director/administrator.

The ECE board should meet at a regular time and place and at least **six (6) times** during the **calendar year**.

#### MEMBERSHIP

The ECEC board members (*other than e-officio members*) are to be elected in accordance with the ECE constitution, by-laws and working policies. The board shall be composed of members of the Seventh-day Adventist Church:

- Chairperson
- Vice-chairperson
- Secretary (ECE center administrator or director)
- Treasurer
- Local conference office of education ECEC Representative

#### ***If ECEC center is affiliated with a church***

- Pastoral representative (voting ex-officio member)

#### ***If ECEC center is affiliated with a school***

- School principal (voting ex-officio member)
- Business manager (voting ex-officio member)

#### INITIAL FUNCTIONS OF THE LOCAL ECEC CENTER BOARD

- Organize itself during the first meeting
- Consider, in counsel with the superintendent of schools or designee, a proposed plan for the organization of an ECEC center
- Ensure that official minutes of each meeting of the board are kept and a duplicate copy filed with the conference office of education
- Implement board decisions only through board-authorized representatives
- Assume responsibility for the planning and funding of an annual operating budget

#### INITIAL RESPONSIBILITIES OF THE LOCAL ECEC CENTER BOARD CHAIR

- Call and preside over board meetings
- Follow parliamentary procedures as adopted by the center board
- Encourage discussion which is relevant to the agenda items
- Be acquainted with the ECEC program and confer with the administrator on items pertaining to its operation

## ECE Elected Board Members

Name of Local Conference \_\_\_\_\_

Name of Proposed Center \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone number \_\_\_\_\_ Fax number \_\_\_\_\_

E-mail address \_\_\_\_\_ Website \_\_\_\_\_

Name of School or Church/s \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone number \_\_\_\_\_ Fax number \_\_\_\_\_

E-mail address \_\_\_\_\_ Website \_\_\_\_\_

Chairperson \_\_\_\_\_

Phone number \_\_\_\_\_ e-mail \_\_\_\_\_

Vice Chairperson \_\_\_\_\_

Phone number \_\_\_\_\_ e-mail \_\_\_\_\_

Recording Secretary (*ECE Administrator/Director*) \_\_\_\_\_

Phone number \_\_\_\_\_ e-mail \_\_\_\_\_

Treasurer/Business Manager \_\_\_\_\_

Phone number \_\_\_\_\_ e-mail \_\_\_\_\_

Principal/Pastor \_\_\_\_\_

Phone number \_\_\_\_\_ e-mail \_\_\_\_\_

Local Conference Representative \_\_\_\_\_

Phone number \_\_\_\_\_ e-mail \_\_\_\_\_

Center Client Representative \_\_\_\_\_

Phone number \_\_\_\_\_ e-mail \_\_\_\_\_

# FINANCIAL MANAGEMENT





# BUSINESS PLAN OVERVIEW

A **business plan** is to assist in the development of the overall course and direction of opening an early childhood education (ECE) program. The purpose of this process is to ensure that the course and direction is well thought-out, sound, and appropriate for the local Adventist church and/or school site. The business plan should answer questions such as:

**Who** is our target audience?

**What** ministries can we provide?

**Where** do we have the *appropriate* facilities?

**When** and how often will the program operate?

**How** can we best meet the needs of the families in our community?

## Strategic Planning

- Leadership requires a sense of direction and effective marketing strategies.
- The organization needs a strategy to deal with the critical issues it faces.
- Financial resources are limited. Planning can help to conserve and generate revenues.
- Decisions require lead-time in order to avoid quick-fix approaches.
- Population shifts and community changes require modification in how services are provided and funded.

## Analysis and Feasibility Study

- Community, e.g. potential clientele, existing ECEC programs, economic conditions, governmental regulations, etc.
- Host site, e.g. resources, talents, structure, constituent support, limitations, etc.

## Organization

- Governing board selection (*Board appointed key individuals and duties of each, e.g. appointees focus on resources and critical issues*)

## Role and Mission

- Document vision, course, and direction of organization
- Create mission statement
- Create goals and objectives, e.g. detail the “big picture”

## Strategic Direction/Issues Development

- Decide how to accomplish goals
- Deal efficiently with rapidly changing developments

## Strategic plans

- Annual budget
- Reserve monies, 3-6 months of annual budget
- Facing critical issues

# Early Childhood Education and Care (ECEC)

## Financial Management Part I

In order for an Early Childhood Program to be financially stable, plan a realistic and sound budget. Determine the actual amount of money needed to open (Start-up Budget) and the actual amount it will take to maintain a successful operation (Operating Budget). It is also important that you identify your sources of income.

Use the charts below to estimate your start-up expenses and sources of income. This visual tool will assist you in creating a viable operation. The minimum goal is a balanced budget, but many conferences require up to six months of operating expense reserves.

### Start-up Budget

## SUBMIT WITH APPLICATION

#### A) START-UP INCOME:

Income:		Estimated	Actual
Church/School allocation			
Donations			
Fund raisers			
Grants			
Other(s)			

TOTAL INCOME \_\_\_\_\_ (A)

#### B) START-UP EXPENSES:

Expenses:		Estimated	Actual
<b>Licenses, Permits, Certificates</b> ( <i>zoning permit, program license, fire and health inspections, etc.</i> )			
<b>Facility/Grounds:</b> ( <i>purchase/rent, renovations as per governmental code, playground preps, etc.</i> )			
<b>Personnel:</b> ( <i>including director, administrative assistant, custodian, etc.</i> )			
<b>Utilities:</b> ( <i>phone, cable, electricity, water, gas, garbage, etc.</i> )			
<b>Insurance Premiums:</b> ( <i>property, accident, medical, workers' comp, etc.</i> )			
<b>Consumable Supplies:</b> ( <i>projector bulbs, office supplies, cleaning supplies, paper towels, first aid kits, etc.</i> )			
<b>Equipment:</b> ( <i>furniture, indoor/outdoor play equipment, computers, food program set-up, etc.</i> )			
<b>Education Supplies:</b> ( <i>teaching/learning manipulatives. etc.</i> )			
<b>Marketing:</b> ( <i>advertising, information packets, banner, website, open house, logo, etc.</i> )			
<b>Miscellaneous:</b> ( <i>feasibility study, legal and professional fees etc.</i> )			

TOTAL EXPENSES \_\_\_\_\_ (B)

#### C) COMPARE A to B

Comparison of Income and Expenses		Estimated	Actual
A) Income			
B) Less Expenses			
<b>Difference</b>			

After you have created a realistic start-up budget, use the next worksheet to create the first year's operating budget by estimating your monthly expenses and income. **Note:** Some line items will rollover from the start-up budget and become monthly/yearly expenses as well (e.g. consumable supplies, personnel, insurance premiums, educational supplies, miscellaneous, etc.).

# Early Childhood Education and Care (ECEC)

## Preparing a Start-up Budget Worksheet

The following is a simple worksheet listing suggested items to consider as you create a Start-up Budget.

**1) Licenses, permits, certificates, etc.**

- Zoning permit \_\_\_\_\_
- Program License \_\_\_\_\_
- Fire and health inspections \_\_\_\_\_
- Occupational license/certification \_\_\_\_\_
- Certificate of occupancy \_\_\_\_\_

**2) Facility/Grounds and Building Safety (as per governmental requirements)**

- Paving \_\_\_\_\_
- Landscaping \_\_\_\_\_
- Playground preps (fencing, mulch, etc.) \_\_\_\_\_
- Maintenance equipment (lawn mower, edger, blower, etc.) \_\_\_\_\_
- Boiler \_\_\_\_\_
- Sprinkler System \_\_\_\_\_
- Window guard \_\_\_\_\_
- Radiator covers \_\_\_\_\_
- Water tank \_\_\_\_\_

**3) Personnel**

- Director Salary \_\_\_\_\_
- Administrative Assistant Salary \_\_\_\_\_
- Custodian Salary \_\_\_\_\_
- Advertising staff positions \_\_\_\_\_

**4) Utilities**

- Deposits & Start-up fees (phone service, electricity, water, etc.) \_\_\_\_\_
- Installation fees (phone lines, internet, cable, etc.) \_\_\_\_\_

**5) Insurance Premiums (accident, liability, workers' comp, etc.)**

\_\_\_\_\_

**6) Consumable Supplies**

- Office (stamps, copy machine paper, etc.) \_\_\_\_\_
- Food service (paper plates, napkins, etc.) \_\_\_\_\_
- Sanitation (toilet paper, cleaning supplies, etc.) \_\_\_\_\_
- Safety (first aid kits, etc.) \_\_\_\_\_

**7) Equipment/Indoor/Outdoor**

- Office furniture (desks, chairs, etc.) \_\_\_\_\_
- Office phones, intercoms, office computer(s), copier, etc.) \_\_\_\_\_
- Classrooms (tables, easels, shelves, toy boxes, CD player, etc.) \_\_\_\_\_
- Kitchen (refrigerator, microwave, dishes, etc.) \_\_\_\_\_
- Multiple area usage (fire extinguishers, bulletin boards, etc.) \_\_\_\_\_
- Playground equipment (permanent apparatus, sandbox, etc.) \_\_\_\_\_
- Furnishings (water fountain, benches, picnic table(s), etc.) \_\_\_\_\_
- Outdoor toys \_\_\_\_\_

**8) Education Supplies:**

- Teaching/learning manipulatives \_\_\_\_\_
- Library (books, story CDs, etc.) \_\_\_\_\_

**9) Miscellaneous**

- Program advertisements (phone book, newspaper ad, etc.) \_\_\_\_\_
- Legal and professional fees \_\_\_\_\_
- Other \_\_\_\_\_

## Early Childhood Education (ECE) Financial Management Part II

After determining (using your Startup Budget) that you have the resources needed to set up an Early Children Education program, your next step is to create an Operating Budget to determine your ongoing income and expenses to ensure that you can continue to operate. Grants, scholarships, vouchers and government funding, etc. should **not** be included to offset the yearly operating budget.

Use the chart below to estimate your annual operating budget (estimated column). It may be helpful to estimate your monthly costs first, then multiply by the number of months your center will operate (usually 10 or 12). The Actual column can be completed once you have confirmed your actual income and expenses.

Plan to submit a copy of your **estimated** budget numbers to your local operating board for their approval prior to submitting your complete application package to your local conference office of education (*please keep the original copy*). **Actual** budget numbers must be approved by your local operating board and submitted to your local conference office two months prior to opening your ECE program.

Use the charts below to estimate your sources of income and your yearly operating expenses.

10 months

12 months

### Operating Budget

#### A) OPERATING INCOME:

Income:			Estimated	Actual
<b>Contributions</b>				
Church/School allocation				
Worthy Student fund				
Private donations				
Other:				
Other:				
<b>Collection</b>				
Application Fee				
Registration Fee				
Tuition				
Other:				
Other:				
<b>Earned/Awarded</b>				
Fund raisers				
Grants				
Scholarships				
Bank account interest				
Other:				
Other:				

TOTAL INCOME \_\_\_\_\_ (A)

**B) OPERATING EXPENSES:**

Expenses:	Estimated	Actual
<b>WAGES AND BENEFITS</b>		
Director		
Teachers/Assistant Teachers/Caregiver		
Secretary		
Accountant		
Before and After School Care Staff		
Custodian		
Maintenance		
Food Service Staff		
Substitute Teacher		
Payroll Taxes		
Health Benefits		
Other:		
Other:		
Other:		
<b>ADMINISTRATIVE EXPENSES</b>		
Licensing Fee		
Advertising		
Postage and Mailing		
Staff Training		
Cell Phone for Director		
Office Supplies (file folders, pen, copier paper, ink cartridges, etc.)		
Banking Fees		
Bad Debt		
Other:		
Other:		
Other:		
<b>INSURANCE</b>		
Property/Fire/Theft		
Liability		
Student Accident Insurance		
Workers' Compensation		
Vehicle (if applicable)		
Other:		
Other:		
Other:		
<b>UTILITIES</b>		
Phone		
Internet/Cable		
Electric		
Water		
Gas		
Garbage		

Security System			
Other:			
Other:			
<b>MAINTENANCE</b>			
Grounds equipment (Lawn, snow removal, etc.)			
Building (Tools, Mops, brooms, etc.)			
Consumables Supplies: Cleaners, paint, listed below, etc.			
Other:			
Other:			
Other:			
<b>EDUCATION SUPPLIES</b>			
Manipulatives (Puzzles, blocks, dolls, etc.)			
Library materials (books, CD's, DVD's)			
Equipment (Art easel, chalk/white board, housekeeping furniture, CD player, etc.)			
Consumables (Art paper, markers, playdough®, etc.)			
Furniture (Table, chairs, area rug, cots, etc.)			
Other:			
Other:			
Other:			
<b>CONSUMABLE SUPPLIES</b>			
Food service (Food, paper plates, napkins, etc.)			
Sanitation (toilet paper, paper towels, soap, etc.)			
Safety (first aid kits, etc.)			
Other:			
Other:			
<b>EQUIPMENT</b>			
Telephones, intercom, etc.			
Security devices, cameras, etc.			
Photo Copier			
Computer, printer, etc.			
Office furniture (desk, chair, filing cabinet, etc.)			
Kitchen equipment (appliances, cooking utensils, etc.)			
Other:			
Other:			
Other:			
<b>DEPRECIATION</b>			
<i>Televisions, DVD players, projectors, photo copier, etc.</i>			
Other:			
<b>MARKETING</b>			
<i>Advertising, information packets, banner, website, open house, logo, etc.</i>			
<b>MISCELLANEOUS</b>			
Other:			

TOTAL EXPENSES \_\_\_\_\_ (B)

**C) COMPARE A to B**

<b>Comparison of Income and Expenses</b>		<b>Estimated</b>	<b>Actual</b>
<b>A) Income</b>			
<b>B) Less Expenses</b>			
<b>Difference</b>			

# Early Childhood Education and Care (ECEC)

## Strategies on How to Build a Budget

### Step 1:

Estimate your enrollment:

Infants (*from 6 weeks*) \_\_\_\_\_ Toddlers (*from 12 months*) \_\_\_\_\_ 1&2 yr. olds \_\_\_\_\_ 3&4 yr. olds \_\_\_\_\_

### Step 2:

Determine the number of employees needed. Follow your local state regulations for teacher/student ratio.

Teachers (including Director) \_\_\_\_\_ Secretary \_\_\_\_\_ Custodial \_\_\_\_\_ Food Service \_\_\_\_\_

### Step 3:

Determine how much you are going to pay your director annually.

Director salary and that of the support staff need to be included in your budget. Don't forget to include the cost of employer paid taxes, employee benefits, and the prospect of annual cost of living raises. After all, it is more cost effective to pay your employees well than it is to deal with the cost of employee turnover.

### Step 4:

Determine how much you are going to pay your hourly staff.

## SALARIES

Salaries are a large portion of a program's budget. They need to be approached in a systematic way.

1. Begin by making fair and consistent salary policies.\*
2. Plan for the facilitation of equitable salary adjustments due to pay raises, high cost of living zones, years of service, etc.
3. Consider pay rates that will attract applicants for employment.
4. Keep wages competitive and designed to retain employees long term.
5. Build employee confidence in and acceptance of the pay plan by presenting it in easily understandable terms.
6. Help control costs by keeping to a systematic approach.

## BENEFITS

Program boards and administrations are encouraged to offer a benefits package to all employees.

Some of these benefits cost the program very little or nothing to provide. For example:

1. Respect & recognition which lets staff know they will be listened to;
2. Good working conditions which include fair employment practices set by the state and program board and written personnel policies, job descriptions, salary agreements, and formal grievance procedures;
3. Awards which should be given at staff meetings or special programs for best attendance, most continuing education units earned, excellent classroom or program planning, excellent behavioral management techniques used, Christian service, etc.

Other benefits may cost the program a small amount. For example:

1. A birthday or an anniversary celebration with a card, gift certificate, or special food treat should be included;
2. Planned break times with a comfortable place to rest provided that may include cool juice or hot beverage options;
3. Professional Organization membership dues paid or shared by employer;
4. Staff retreats/social times of an afternoon one weekend or an evening together off-campus for building team spirit, problem solving, or a holiday party;
5. Credit Union membership availability;
6. Special lunches or occasional treats provided;
7. Scholarships or reduced tuition for children of staff members.

\*STATE MINIMUM WAGE RATES



For Minimum Wage Laws in the States effective January 1, 2010 **PLEASE GO TO**

[www.dol.gov/esa/minwage/america.htm](http://www.dol.gov/esa/minwage/america.htm) to see the latest law in your state.

**Note:** Where Federal and state law have different minimum wage rates, the higher standard applies Minimum Wage and Overtime Premium Pay Standards Applicable to Nonsupervisory NONFARM Private Sector Employment Under State and Federal Laws January 1, 2010