BLUEPRINT FOR SUCCESS

Planning A High-Quality Early Childhood Program

By Gladys Haynes, Caren Calhoun, Carol Keintz, and Edward Buglewicz

ABOUT THE AUTHORS

Gladys Haynes, Ph.D.

Gladys was the founding Executive Director of Educare Omaha, a high-quality early care and education program with two centers serving over 400 "at risk" children ages birth to 5 years. She was instrumental in the design of the Educare facilities as well as the design of the three Omaha Early Learning Centers which serve approximately 450 Head Start and Early Head Start children ages birth to 5 years. In addition, she has consulted with many other Educare and Head Start programs in the design of quality Early Childhood facilities. Gladys has 20+ years' experience working as a director of early childhood programs.

Caren Calhoun, M.S.

Caren recently retired as the Executive Director of Tulsa Educare, a high-quality early care and education program with three centers serving over 500 "at risk" children ages birth to 5 years. She was instrumental in the design of the Educare facilities, including a fourth center to open in 2020. In addition, she has consulted in the design and renovation of many other facilities. Caren has 30+ years' experience working in the early childhood field. Caren was honored at the White House as a National Head Start Champion of Change in 2012.

Carol Keintz, Ed.D.

Carol provides training and technical assistant to both beginning and experienced early education programs. Her 30 years of experience with prenatal to children age six, includes the founding of a Montessori School, developing a family child care system, and expanding two early childhood programs. Additionally, Carol has worked to repurpose four commercial buildings into high quality early education programs for over 500 children. Carol received the Donald Driver Driven to Succeed Award for her work with low income children in inner city Milwaukee, WI. in 2015.

Edward Buglewicz

Edward Buglewicz, AIA is a professional architect with 22 years of experience. For the past 17 years, he has been devoted to developing early learning environments for RDG Planning & Design. Edward has led the development of many early childhood education facilities, both public and private, from Maine to California, that serve over 5,000 children annually. The foundation of Edward's practice and knowledge in early learning environments has been designing for the schools in the Educare Learning Network, a research-based program that prepares young, at-risk children for school.

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Download all at https://nebraskaearly.org/facilities

INTRODUCTION: GETTING STARTED

IMAGINE ONE OF THE FOLLOWING SCENARIOS:

You are working with others in your community to develop an early childhood care and education center which can offer high-quality care.

You love working with children and are aware that there is a long list of families in your community in need of care for their children.

Whatever your circumstances, you find yourself in a position where you will need to engage in a facility project and become knowledgeable about operating an early childhood care and education program. If you're unsure where to start, join the crowd! We once found ourselves in your shoes — with lots to do and many unknowns. As a result, we developed the Blueprint in an attempt to identify crucial topics that must be considered throughout the various phases of renovation and/or building of a facility project. We've streamlined information regarding these topics from various resources into one document. Hopefully, this guide will begin to answer your questions, connect you to resources, and guide you to success.

REGULATIONS

Like most programs serving the public, regulations exist which will guide the operation of your program. Prior to planning, it is wise to read your state's child care licensing regulations and Quality Rating and Improvement System (QRIS) guidelines. State licensing regulations will provide you with minimum expectations and offer a foundation for making future decisions. QRIS guidelines will outline expectations for higher quality care.

TOPICS TO BE ADDRESSED

The purpose of this manual is to provide an initial blueprint for the startup of your early childhood care and education program. The following questions will be addressed in this manual to assist you in these early stages of development.

Section 1: Education and Child Development Standards
- Why quality?
- What does a high-quality early childhood program look like?

Section 2: Developing a Business Plan
- How will I know if my business is financially viable?
- What do I need to do to determine if I should renovate or build?

Section 3: Identifying Facility, Equipment, Furniture, and Material Needs
- What spaces are needed in an early childhood center facility?
- What furnishings and materials do I need for an early childhood facility?

Section 4: Developing a Marketing and Enrollment Plan
- How do I get the word out about my program?
- What information do I share with parents?

Section 5: Fiscal Management and Accounting Practices
- How do I develop a budget?
- What financial reports do I need to monitor my business?

Section 6: Recruiting, Hiring, and Training a High-Quality Workforce
- How do I decide staff salaries and benefits?
- What are the legal requirements related to hiring new staff?

Section 7: Programming for Parents
- Why is it important to involve parents?
- What activities can I offer parents?

1 EDUCATION & CHILD DEVELOPMENT STANDARDS

WHY QUALITY CARE?

The brain develops rapidly between birth and age 8, building the foundation for the development of future cognitive and character skills necessary for success in school and later in life. Yet, there is a shortage of quality early childhood programs available for children under age 8. Quality programs are built on a base of strong leadership and positive relationships among community members, staff, parents, and children. Many professional organizations, state departments of education, and departments of health and human services have attempted to define quality early childhood care and education. For the purposes of this document, we will use the 10 standards of quality as identified by the National Association for the Education of Young Children (*NAEYC, 2017, www.naeyc.org/ our-work/families/10-naeyc-program-standards*) as a framework for defining quality.

STANDARD 1: *Relationships*

Learning begins at birth and is influenced by parent-child and teacher-child interactions. Caring, responsive relationships encourage each child's sense of individual worth and help children understand and regulate their emotions. Children who feel safe and secure can benefit from learning experiences, thrive physically, and develop the ability to positively interact with others.

Examples of Relationship-Based and Responsive Caregiving

- Program staff help new children adjust to the program environment and make friends with other children.

- Teaching staff engage in warm, friendly interactions and conversations with children and parents to recognize children's work and family accomplishments.

- Teachers help children resolve conflicts by identifying feelings, describing problems, and trying alternative solutions.

STANDARD 2: *Curriculum*

A curriculum identifies concepts and skills to be taught as well as effective teaching methods that promote children's learning and development. A good curriculum provides learning goals in the key areas of social-emotional, cognitive, language, and physical development. The curriculum should offer a wide variety of developmentally and culturally appropriate activities. Many curriculums are available commercially. Refer to Appendix A for information regarding available commercial curriculums.

Schedules

Predictable schedules and routines help children understand the expectations of an environment and reduce the frequency of behavior problems. Curriculums should provide guidance regarding what activities to include in a daily schedule. See sample classroom schedules in Appendix B.

Classroom Activities

Most curriculums recommend setting up the classroom to include clearly defined center/activity areas with age-appropriate relevant materials. These areas include:

- Blocks
- Dramatic play area
- Toys and games
- Art area
- Library
- Discovery area
- Sand and water play
- Music and movement
- Cooking experiences
- Outdoor play
- Computer play*

*Not recommended for children under age 2; if used for older children, activities must be intentional and interactive.

Examples of a Strong Curriculum

- The curriculum includes a balance of learning activities (structured and unstructured play, individual and group play, and adult- and child-directed play) made available to children throughout the day.

- Curriculum activities and materials are adapted so that all children, regardless of their primary language or special needs, can fully participate.

STANDARD 3: *Teaching*

High-quality programs support teaching approaches that optimize each child's opportunities to be a successful learner. Well-trained teachers will recognize that children have different learning styles, needs, capacities, and interests. They develop weekly or biweekly lesson plans that identify learning goals for the children as well as the learning activities needed to support children in meeting those goals.

Examples of High-Quality Teaching Practices

- Classrooms reflect a positive emotional climate.

- In development of lesson plans, teachers should purposely plan instructional approaches to optimize each child's opportunities to be a successful learner.

STANDARD 4: *Assessment of Child Progress*

Programs must conduct ongoing, informal assessments throughout the year to evaluate children's progress toward developmental goals. Assessment data can be used to help teachers develop individualized lesson plans that respond to each child's strengths and needs. Each child's developmental progress should be shared with their parents following each assessment. See a listing of early childhood screening tools and developmental assessments in Appendix C.

Examples of Best Practices in Child Assessment

- Assessment methods (observations, parent report, direct assessment) are appropriate for each child's age and level of development.

- All areas of development, including cognition (math and science), language and literacy, social-emotional, and physical development are assessed.

- Teachers use assessment information to design goals for individual children and monitor their progress, and to adjust teaching strategies as needed.

STANDARD 5: *Health*

Programs must support children's health and nutrition, and must also protect children and staff from illness and injury. Health issues include the child's physical, oral, mental, and social well-being. Staff should also be trained to recognize signs of abuse and neglect, and must also understand how to report such incidents in a manner that's respectful of the children and/or families. See Appendix D for a sample health and safety checklist.

Your program should have health and safety procedures that guide your practices. Some states' child care licensing regulations spell out specific requirements to be included in your policies and procedures. Another recommended resource to guide your practices is Caring for Our Children Basics.

(U.S. Department of Health and Human Services, 2015, www.acf.hhs.gov/ecd/caring-for-our-children-basics)

Children's Emotional Health

Preschool children are being suspended or expelled from early childhood settings at an alarming rate due to behavioral challenges. One resource for reducing these behaviors is the Pyramid Model, designed by the Center on the Social and Emotional Foundation for Early Learning (CSEFEL). The Pyramid Model is a systems approach that uses routines and intentional teacher

practices to appropriately support a child's behavior. CSEFEL has cost-free tools and resources available on their website *(http://csefel.vanderbilt.edu)*.

Additional recourses can be found on The National Child Traumatic Stress Network *(https://wmich.edu/ sites/default/files/attachments/u57/2013/child-trauma-toolkit.pdf)*.

Nutrition

It is recommended that programs providing children's meals follow Child and Adult Care Food Program (CACFP) guidelines to ensure the delivery of healthy meals and snacks. For families providing their children's daily meals, it is recommended they be given information regarding healthy choices to include in their children's meals and snacks.

Examples of Health and Safety Best Practices

- Teaching staff have training in pediatric first aid, CPR, and other health-related topics required by their state licensing regulations.

- Policies are followed regarding hand washing, routine cleaning and sanitizing, and isolation of ill children.

- Teachers demonstrate skills in guiding children's behaviors, thus diminishing the incidence of aggressive or disruptive behaviors.

- Children are provided healthy meals and snacks.

STANDARD 6: *Teachers*

Staff who have specific preparation, knowledge, and skills in teaching young children are more likely to provide positive interactions, richer language experiences, and quality learning environments. To this point, it is recommended that the primary teacher in each classroom have, at minimum, an associate degree in early childhood, with a bachelor's degree preferred. It is recommended that the second and third

person in the classroom have some training in early childhood education, preferably working toward a CDA credential or associate degree. If your program enrolls children and families whose second language is English, it is recommended that the children have access to caregivers who speak their native language as well as English.

Child-to-Staff Ratios

The child-to-staff ratio in a classroom can also impact a teacher's ability to individualize instruction for each child. At minimum, you must meet the child care licensing ratio requirements for each age group in your state.

Examples of High-Quality Teaching Practices

- Teaching staff have an advanced degree (associate or bachelor's degree) with specialized knowledge regarding early childhood development, including an infant and toddler specialty for teachers caring for this population.
- Ongoing staff development is offered, including orientations for new staff and opportunities for continuing education.
- Teaching staff participate in regular supervision with a member of the leadership team.

STANDARD 7: Families

Parents and family members are the constants in the lives of their children, so it is critical for child care providers to develop positive relationships with family members and partner with them to nurture and support the development of their children. See Section 7 for more information regarding how to engage parents in promoting their child's development.

Examples of Strong Family Engagement Practices

- A variety of strategies are used to communicate with families, including new family orientations, family conferences, and informal individual conversations.

- Families are viewed as partners in their children's education and development.
- Families are involved in planning the transition of their children from one classroom/program to another.

STANDARD 8: Community Relationships

Strong relationships with agencies and institutions in your community can help a program achieve its goals and connect families with resources that support children's healthy development and learning.

Examples of Strong Community Partnerships

- Families are connected with necessary community resources.
- Parents are aware of upcoming community events and activities.
- Representatives from community programs are invited to the center to share their resources with children and families.

STANDARD 9: Physical Environment

The facility's physical environment should be clean, friendly, and welcoming. It should be designed to be accessible to children of all abilities with safe equipment and materials that can be adapted to accommodate the needs of all children. The classroom space should include room for play centers, easy access to toileting areas, and allow for family-style meals in the classroom.

A program's outdoor play area should provide space for fine and gross motor activities within a natural environment. The outdoor environment should include shelter and shade to accommodate play during a maximum number of days and hours throughout the year and should be accessible to children of all abilities.

Examples of a High-Quality Physical Environment

- The space is designed so that staff can always supervise all children by sight and sound.

- The facility layout allows children to easily transition from one activity to another.
- Classrooms have age-appropriate furnishings, including hand-washing sinks and toilets.

STANDARD 10: Leadership and Management

Effective leadership and management staff, including those responsible for human resources and fiscal management, promote high-quality care by ensuring staff compliance with applicable regulations and procedures. Leaders are responsible for providing the services agreed upon, effectively communicating with staff and parents, building positive community partnerships, and creating a supportive workplace. They should also strive to retain a stable staff, implement ongoing program planning and monitoring, and engage in continuous program improvement.

Many state QRIS systems include classroom assessments to evaluate program quality. The Environmental Rating Scales (ERS) (Harms and Cryer, 2014; Harms, Cryer, and Yazejian, 2017) and Classroom Assessment Scoring System (CLASS) (LaParo and Hamre, 2008, 2012; Hamre, Pianta, and LoCasale-Crouch, 2014) are tools developed for evaluating and improving the quality of programs. These tools can be used in infant, toddler, and/or preschool programs.

Examples of High-Quality Leadership Practices

- The program administrator meets the necessary educational and experience requirements, and also has relevant experience implementing effective human resources, accounting, marketing, and monitoring systems.
- The program is participating in your state's QRIS system.
- Classroom staff understand and consistently follow written policies and procedures.

2 DEVELOPING A BUSINESS PLAN

Starting something new can be an exciting and rewarding experience. However, the process can also be challenging and demanding. Asking yourself the questions below can help you determine if you have the characteristics and skills needed to start your own early childhood care and education business:

- Are you comfortable taking risks and living with some degree of uncertainty — particularly financial?

- Can you make decisions independently and accept rejection?

- Do you find it easy to engage people? Can you compel others to become your customers or your staff?

- Are you comfortable negotiating to save money or to ensure operations run smoothly?

- Do you think creatively? Can you imagine new ways to solve problems?

- Do you have a support system? Is there a mentor you can turn to when you have questions? (Small Business Administration, 2017)

Once you decide to move forward with your project, you will need to develop a business plan that identifies the goals and objectives needed to successfully accomplish your mission. A good business plan includes:

- Developing a work plan and timeline

- Conducting a community assessment

- Identifying your mission

- Identifying your team

- Determining your business structure

- Determining enrollment numbers

- Calculating revenues

- Calculating expenses

- Making facility decisions

- Financing your project

We would like to acknowledge the publications of the Community Investment Collaborative for Kids, a Local Initiative Support Corporation (http://www.lisc.org/our-initiatives/education/early-childhood-facilities), in influencing the following materials in this section. First Children's Finance (www.firstchildrensfinance.org) is an additional resource that can assist in the development of a capital as well as an operating budget.

Disclaimer: The following information contained is provided for informational purposes only. It is not intended to substitute for obtaining professional services.

Developing a Work Plan and Timeline

It is recommended that you start your project by identifying the components of your work plan and the necessary timelines for their completion. Each component can then be further broken down into discrete steps that must be completed. For each discrete step, the plan should clearly identify who will be responsible for the step's completion and a timeline for doing so. You may also want to identify any specific resources and/or materials needed to complete each objective. Please note that you will often be working on several components of your plan simultaneously. It will be critical to periodically monitor your plan to ensure progress is being made and to address any challenges that may appear. Putting your form into a spreadsheet which can be regularly updated will help you monitor your progress. Refer to Sample Business Work Plan in Appendix E.

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Conducting a Community Assessment

Once you identify your mission, a community assessment can pinpoint trends in the child care needs and characteristics of families in your community, as well as the gaps that currently exist. The following table outlines the type of information that can be helpful in answering these questions and includes a list of identified sources for gathering this data.

INFORMATION CATEGORY	QUESTIONS TO BE ASKED	SOURCE OF INFORMATION
NUMBER/ ETHNICITY OF CHILDREN	• How many children birth to 8 years are there in the community (and/or surrounding communities)? » Children with disabilities? » Children who speak a language other than English? • Income levels of the families? • How many children are receiving services from a part-day school program? • What it is the typical birth rate and population growth rate of the community?	• Local Head Start program. • Public schools. • United Way. • Chamber of Commerce. • State "Kids Count" report. • U.S. Census.
EXISTING CHILD CARE CENTERS	• How many and where are existing licensed child care centers and/or family child care homes located in the community? • How many children are they serving? • How many children are on their waitlists? Are these children you could serve?	State child care licensing agency (typically under the Department of Health and Human Services)
RECRUITMENT OF STAFF	• How many individuals in the community have a Child Development Associate (CDA) credential and/or early childhood experience? • How many individuals in the community have an AA degree in early childhood? • How many individuals in the community have a BS degree in early childhood? • Who would you be competing with for qualified, experienced staff? • Are the public schools experiencing workforce issues?	• QRIS system data. • Local community two-year colleges. • Local four-year colleges/ universities. • Public schools.
HOURS OF OPERATIONS	What hours do parents need child care?	• Survey of parents in the neighborhood where you plan to locate. • School schedules (high school, college).
FEES	• What fees do the other early childhood programs/providers charge in the neighborhood where you are planning to operate your center? • What fees can parents afford to pay? • What are the subsidy reimbursement rates in your community?	• State child care licensing agency (typically under the Department of Health and Human Services). • Survey of parents in the neighborhoods where you plan to locate.

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The results of your community assessment should help you answer questions regarding the number of children to enroll, hours of operation, and facility needs. A sample protocol for conducting a community child care survey is included in Appendix F.

Identifying Your Mission

Creating a mission statement that identifies specifically what you want to do (Bennis and Nanus, 1997) will form the basis for making decisions related to your program's curriculum, operations, and facility project. Mission statements can also be used for future marketing and recruitment purposes.

A mission statement defines what you hope to accomplish as an early childhood program. It answers questions such as:

- What will our purpose be?
- What will we do every day?
- What is the most important aspect of the work we want to do? (Theissen, 2008)

Identifying Your Team

Whether starting a new program or doing a major renovation, you will most likely need a team of individuals with a range of expertise to assist you in your endeavor. Depending on your level of expertise, we recommend that you consider consulting/contracting with the following individuals for the corresponding purpose:

TEAM MEMBER	
Child Development Consultant	• Provide guidance regarding criteria for high quality Early Childhood Education facilities and programming. • Assist with developing an efficient staffing pattern
Child Care Licensing Specialist	Provide guidance regarding implementation of the child care regulations in your state.
Attorney	• Assist with determination of business structure. • Negotiate real estate agreements. • Execute contracts.
Business Consultant	• Assist with budget development. • Assist with developing efficient staffing pattern. • Assist with setting up accounting, payroll, and management systems.
Fund-Raising Consultant	Develop a plan to raise money to support your building/renovation costs.
Project Manager	Coordinate the day to day oversight of the project.
Commercial Real Estate Agent	• Identify sites for purchase/lease. • Negotiate with property owners and/or city officials. • Advise on financing the development.
Architect	• Design a facility solution to fit the program needs and enrollment. • Oversee the construction or renovation of the facility.
Construction Manager	• Manage the planning, design and construction of the facility project. • Provide recommendations to balance building design elements and project construction costs.
General Contractor	Responsible for building or renovating the facility within the budget, time, and specification requirements.

(Sussman, Gillman & Larson, 2006)

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Determining Your Business Structure

Your business structure will impact your tax responsibilities, your ability to raise funds, your personal liability, and the paperwork you will need to file. If you are an existing program and are expanding or improving upon quality, your legal business structure is most likely already established. However, if you are new, you will need to choose the structure that provides the right balance of benefits and legal protections. Following is a summary of common business structures.

Business Structure	Ownership	Liability	Taxes
Sole Proprietorship	Sole Owner	Unlimited Personal Liability	Personal Taxes Only
Partnership	Two or More People	Unlimited Personal Liability Unless Structured as a Limited Partnership	Self-Employment Tax (Except for Limited Partners)
			Personal Tax
Limited Liability Company (LLC)	One or More People	Owners are Not Personally Liable	Self-Employment Tax
			Personal Tax or Corporate Tax
Corporation – C Corp	One or More People	Owners are Not Personally Liable	Corporate Tax
Corporation – S Corp	One or More People and All Must be U.S. Citizens	Owners are Not Personally Liable	Personal Tax
Corporation – B Corp	One or More People	Owners are Not Personally Liable	Corporate Tax
Corporation – Nonprofit	One or More People	Owners are Not Personally Liable	Tax-Exempt, but Corporate Profits Cannot be Distributed

(https://www.sba.gov/)

We recommend contacting an attorney or your local small business association for additional information regarding how to best establish your legal status.

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Determining Enrollment Numbers

One early calculation for you to make involves determining the total number and ages of the children you wish to enroll and serve. Typically, you would rely on your community assessment to determine the number of children in the area needing early childhood care, as well as their ages. Using this information, you can set targets for the number of children you wish to enroll at each age level.

> *The number of children you decide to serve will have a direct impact on your "break-even point."*

This is the point at which your revenues (income) need to equal and/or exceed your expenses in order for your program to be financially viable. The number of children you plan to enroll will also impact the space you will need for your program.

When thinking about the number of children you wish to serve, you should also consider the number of children that can be served in each classroom. The number of children in each classroom varies by the age of child. (It is also recommended that you check your state's child care regulations, as requirements vary across states.) Typically, eight infants (0-18 months), 12 toddlers (18-36 months), 16 3-year-old children (36-48 months), and 20 4-year-old children (48+ months) can be placed in each classroom with a minimum of two teachers per classroom. Often, school-age children are also cared for in a gross motor/multi-purpose room after school and/or during the summer. Please note that, for purposes of this document, we have not included school-age children. Following is an example of a simple chart you can use in calculating the number of children you wish to serve.

INFANTS	TODDLERS	3-YEAR-OLDS	4-YEAR-OLDS
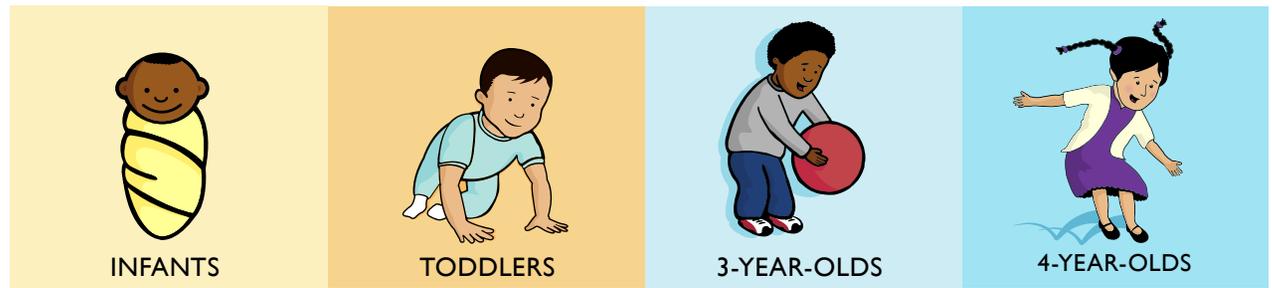
Child Age Grouping	Maximum Number of Children Per Classroom	Number of Classrooms	Total Number of Children at Each Age Level
Infant	8	1	8
Toddler	12	1	12
Three-Year-Olds	16	1	16
Four-Year-Olds	20	1	20
Total			56

Calculating Revenues

Revenues will come primarily in the form of private fees, child care subsidies for children whose families are determined to be eligible based on their income, and Child and Adult Care Food Program (CACFP). CACFP reimbursements are also based on family income. The amount of the fees and/or child care subsidy reimbursement typically varies depending on the age of the child. It is best to consult with your local child care specialist to determine the current child care subsidy rates allowable for infants, toddlers, preschoolers, and school-age children in your locale. (Subsidy rates may also vary based on the state's QRIS rating of your center.) Revenues from payment fees will also vary depending on your policies as they relate to enrollment fees and payment for holidays, child absences, minimum/maximum hours per week, etc. Enrollment fees are typically one-time fees that can be charged to cover the costs of enrolling a new child. A daily fee for parents would most likely result in less revenue as holidays and child absences would not be paid. On the other hand, a weekly fee for parents could result in holidays and absences being paid.

Once you have an estimate of the number of children you would like to serve, you will need to forecast your annual revenue and compare it to your projected expenses. In the example above, you would like to enroll and serve 56 children. Using these numbers, you would then estimate your expected revenues. Typically, early childhood programs charge a weekly private fee,

regardless of how many days a week the child is in attendance. Child care subsidies, however, are more likely to reimburse based on daily attendance and may or may not account for absences for eligible children. Thus, it will be important for you to research the child care subsidy regulations in your state regarding reimbursement regulations. Usually, private child care fees are higher than child care subsidy reimbursements. However, low-income children will also be eligible for CACFP reimbursements at the highest rate. CACFP reimbursement levels are free (full reimbursement), reduced (partial reimbursement), or paid (minimal reimbursement). See eligibility and reimbursement rates on the CACFP website (*https://www.fns.usda. gov/cacfp/child-and-care-food-program*). CACFP reimbursements are based on daily meals provided to eligible children. When child care subsidy and CACFP reimbursements are added together for low-income children, the reimbursement rate per child may be as

high as the private fee rates being charged.

Following is a chart you could use to determine your estimated annual income. These calculations are based on the children in the previous example given. Dollars used were chosen for simplicity of calculation and are not necessarily representative of any one particular state. For purposes of this example, we have calculated income on a weekly basis with children attending 50 weeks per year. We have also determined that 80 percent of the children to be served will be from private pay families and 20 percent will be recipients of the child care subsidy. As mentioned, the CACFP program has three levels of reimbursement. For purposes of this example, we have designated that 80 percent of the children will be eligible for the minimum amount of reimbursement and 20 percent of the children will be eligible for the highest level of reimbursement. Please also note that, typically, you may not always be fully

enrolled, have all children in attendance, nor be able to collect all of your fees. As a result, it is recommended that you reduce your estimated income by 5-10 percent to allow for uncollectible fees and/or child absences for which you are not generating any revenue.

Calculating Expenses

While it's not critical to have exact costs, it is recommended that you estimate your expenses as realistically as possible. Your greatest expenses will be salary and benefit costs. Required personnel will vary depending on the number of children you have enrolled, the teacher-to-child ratios you are operating under, and your hours of operation. In addition, you may want to consider whether you should hire substitute teachers to cover staff absences. It is recommended that you base your salaries on the average salaries of other high-quality programs. Based on the prior example of serving 56 children, you would most likely hire for the following

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Children in Each Age Grouping	Private Fee Rate/ (80% of Children)	Subsidy Rate/ (20% of Children)	CACFP Rate/ (80% of Children)	CACFP Rate/ (20% of Children)	Weeks	Total
Infant — 8	(225 / 6 Children) 1350	(200 / 2 Children) 400	(3.50 / 6 Children) 21	(30.00 / 2 Children) 60	50	$91,550
Toddler — 12	(200 / 10 Children) 2000	(180 / 2 Children) 360	(3.50 / 10 Children) 35	(30.00 / 2 Children) 60	50	$122,750
Three-Year-Olds — 16	(180 / 13 Children) 2340	(160 / 3 Children) 480	(3.50 / 13 Children) 46	(30.00 / 3 Children) 90	50	$147,800
Four-Year-Olds — 20	(180 / 16 Children) 2880	(160 / 4 Children) 640	(3.50 / 16 Children) 56	(30.00 / 4 Children) 120	50	$184,800
Calculated Revenue						**$546,900**
5-10% Uncollectible Fees						(25,000)
Net Total Revenue						**$521,900**

positions: director, teachers, teacher aides/substitutes, kitchen, and custodial staff. However, if you were to operate a larger center serving more children, in addition to hiring more teaching staff, you might also need to add an assistant director and additional kitchen staff. Depending on the number of hours you will be open each day, you will also need to budget for additional staff to cover the extended hours beyond the eight-hour shift of each staff member. Your need for additional coverage may also be impacted by the number of children arriving earlier in the morning and/or being picked up later in the day. Early in the morning or later in the day, you may be able to combine classrooms depending on how many children are at the center, as long as you maintain the required child-to-staff ratio.

Similarly, benefit costs can vary greatly depending on the benefits offered and/or the percentage of benefits paid by the employer. In particular, this applies to costs associated with health insurance and retirement benefits. The cost will obviously be greater for employers if they pay 80 percent of the cost of insurance versus 50 percent. Similarly, matching five percent of employee retirement funds versus three percent can result in additional expenses.

Expenses to consider include:

- Salaries

- Benefits — estimated at 20 percent of salary line item depending on benefits offered (FICA, health insurance, disability, worker's compensation, and/or retirement)

- Contractual costs (maintenance/custodial, payroll, human resources)

- Supplies (office, classroom, kitchen, cleaning, tissues, paper towels, toilet paper, etc.)

- Rent/loan payment

- Utilities (gas, electricity, water, garbage, telephone, internet, etc.)

- Food and formula

- Other (property and liability insurance, professional development, special events for parents/children, printing, etc.)

While these costs will be the majority of your expenses, it is also wise to add an additional 5-10 percent of your budget to cover unanticipated expenses. Please note, if you plan to provide transportation, you will also need to include the initial capital expense outlay to purchase a vehicle and the ongoing expenses of gas, routine maintenance, and business auto insurance for the vehicle.

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Following is a table estimating the cost of running a center serving the number of children used in the previous example; for ease of calculations, numbers used are gross estimates:

Category	FTE Needed	Line Item	Salary Cost	Subtotal/Total
Salary	1	Director	$50,000	$50,000
	4	B.S. Degreed Teachers	$38,000	$152,000
	6	Teacher Aides and Subs	$20,000	$120,000
	1	Kitchen Help	$25,000	$25,000
	0.5	Custodian	$12,500	$12,500
Benefits		20% of Subtotal ($359,500)		$71,900
Contractual		Payroll, Human Resources		$2,500
Supplies		Office, Classroom, Cleaning, etc.		$2,000
Rent/Loan Payment		Rent or Re-Payment of a Loan if Purchased Site		$12,000
Utilities		Gas, Electricity, Water, Phone, Internet, Garbage		$8,000
Food		Food and Formula		$45,000
Other		Insurance, Printing, Special Events		$8,000
Total Anticipated Expenses				**$508,900**
5-10% to Cover Unexpected Costs				**$25,000**
Adjusted Total Expenses				**$533,900**

In the example above, unfortunately, the adjusted expenses are higher than your estimated revenues. Unless, you can show revenues in excess of expenses, your project will not be viable. As a result, you will need to adjust. Adjustments to consider on the revenue side include increasing your fees or changing the number of planned classrooms per age grouping. Adjustments on the expense side might result from reviewing your salary scale, your staffing patterns, and the level of benefits you are offering (i.e., reducing the percentage you pay for health insurance and/or retirement). Partnering with another program (i.e., community center, religious institution, school district) to share contractual costs, maintenance, or utilities, etc., may be another way of reducing costs.

Making Facility Decisions

To determine the size of the building you need, you should calculate the space requirements for the classrooms you propose, as well as determine what other space needs are necessary to support your program. When deciding the amount of space to set aside for classrooms, you should refer back to your business plan regarding the age of children you will serve and the number of children you plan to have in each classroom. The child care regulations in your state will dictate the minimum space requirements per child. Most guidelines used in state licensing, Head Start, and the National Association for Education of Young Children (NAEYC) require 35 square feet per child for

classroom space as a minimum, exclusive of bathroom, cabinet and counter space, as well as space for cribs. However, experts in the field typically recommend a minimum of 50-75 square feet per child as ideal.

Other Spaces to Consider

In addition to the identified classroom space needs, you will need other spaces to support your program goals and functionality. Below is a list of other spaces you will need or may want to consider, along with the recommended square footage for each space:

Type of Space	Recommended Square Footage
Children's Bathroom, Single Toilet + Sink (Shared between classrooms)	60
Diaper Changing Single Counter + Sink (Shared between classrooms)	35
Office Space (Single)	100-125
Kitchen with Pantry Area	600-700
Laundry Room/Supplies	80-100
Teacher Work Area and Break Room	600-800
Multi-Purpose Room (Indoor Gym, Meeting Area) with Storage	900-1,000
Small Conference Room	150
Adult Restrooms	250-350
Health and/or Lactation Room	150
Reception Area/Gathering Area/Parent Resource Room	500
Custodial Office/Supplies	200
Internal Storage (Cribs, Cots, Buggies)	200
External Storage (Playground and Maintenance)	200

Types of space

Finally, after you have calculated the total amount of space needed, it is recommended that you increase the area by 30 percent to account for hallways, walls, and mechanical/electrical systems.

Do You Build or Do You Renovate?

After you determine the amount of space you need, you must decide whether to renovate an existing structure or build a new structure. If renovating, you will need to decide if you will lease or purchase an existing building, if you do not already own a potential site. Three factors to consider in your decision are timing, cost, and design quality.

- **Timing:** Renovating an existing site generally takes less time than building a new structure. However, in the process of renovating, you may encounter unexpected structural problems, including weak supporting beams or hazardous materials (lead or asbestos). Unexpected problems such as these could result in delays and/or additional costs.

- **Cost:** Renovating an existing building can sometimes be more expensive than building a new facility. Reconfiguring spaces, adding child-size toilets and sinks, lowering windows, putting in emergency exits and/or fire sprinkler systems, etc., requires significant labor and new materials. Additionally,

all facilities would need to be in compliance with current ADA requirements.

- **Design Quality:** Even with renovations, the design of an existing building can only be reconfigured to a certain extent based on presence of stairs, load-bearing walls, kitchen ventilation and sink requirements, and existing plumbing, electric, data, and HVAC systems.

We recommend consulting with an architect or contractor to advise on the estimate of costs for any renovations needed for an existing space and then comparing those with the cost of building a new facility. It is critical that the architect or contractor you choose have familiarity with the child care regulations in your state to ensure your facility will meet those regulations in addition to all fire, health, and safety codes related to child care use.

Where to Locate?

When determining whether to build or renovate, you must also determine where in the community you want to locate. You will need to identify a location that is

appropriate for your child care use, affordable to your business plan, and feasible to develop. This may include searching sites that are:

- Within reasonable proximity to the families your program plans to serve.
- Where neighboring property uses do not conflict or interfere with child care use.
- Approved for child care use by local jurisdiction's zoning regulations.
- Large enough to accommodate the program needs and function, outdoor playgrounds, parking, and site circulation.
- Large enough to support a future expansion that could be part of the business plan.
- Not going to require efforts to make the property ready for use such as clearing unwanted structures and natural growth or extending utilities to serve the new program.

If minimizing cost is an influential aspect, you may seek to understand if there are opportunities with other community partners that may permit acquisition of the property or use of the land at lower-to-minimal costs.

Before finalizing any agreements on location, you should complete due diligence to investigate any environmental and structural conditions of the land and existing building if such is to be reused and/or renovated. The local zoning regulations and housing covenants should also be reviewed. Some zoning laws may restrict where in the community child care is an approved use. If so, you may need to file a special-use permit in certain areas of the community. Similarly, for home-based programs, homeowners' association covenants may limit business activity within homes.

Financing Your Project

Once you have determined the space you will need, whether to renovate or build, and where to locate your program, you will need to estimate the costs of your facility project and identify funding sources.

Capital Costs

Capital costs are fixed, one-time expenses incurred for the development of the facility that will house your early childhood education and care program. Costs include tangible items like the purchased land and/or building, the construction improvements to the land and building, and furnishings and equipment. The cost also includes intangible items such as professional services, jurisdiction fees and taxes, and insurance.

Costs typically associated with facility projects, both renovation or new construction:

- Purchase of land and/or building(s) and related purchase fees (attorney fees, insurance, loan closing costs, etc.).
- Construction costs — building, including materials and labor.
  - New structure or modifications to existing structure.
  - Interior finish materials (flooring, ceilings, and wall treatment).
  - Plumbing, mechanical, and electrical systems.
  - Fire alarm, security alarm, etc.
  - Utilities (water, sewer, gas, and electric services, including utility connection fees).
  - Signage.
  - Upgrade to septic system.
- Construction costs — site improvements, including materials and labor.
  - Demolition and removals to prepare for new improvements.
  - Parking and site circulation.
  - Playground, landscaping, and fencing.
- Building permit and inspection permits.
- Indoor and outdoor furnishings for child, adult, and support spaces.
- Equipment and appliances for kitchen, laundry, and classroom.
- Professional services fees:
  - Project manager/construction manager.
  - Architectural and engineering design.
  - Legal.
  - Specialty consultants.
  - Site surveys and appraisals.
- Regulatory fees (child care licensing, fire inspections, etc.) and taxes, insurance, and other expenses incurred prior to the program's generation of revenue.

Costs uniquely associated with renovation projects:

- Handicap accessibility upgrades.
- Environment assessment and remediation.
- Demolition of unincorporated existing features—both site and building.

A goal to provide higher quality care (extra space for larger classrooms, an indoor space for gross motor activities, spaces for family engagement activities, etc.) generally adds costs to your budget. As cited in the previous section, a large, indoor gross motor/multi-purpose room could also generate funding when used for after-school care. Similarly, purchasing higher quality furniture and equipment will add costs to your budget, although you may realize cost savings with less frequent replacement costs.

The preparation of a capital budget is a fluid process

that goes through many iterations. Typically, you would start with an initial estimate and then revise the budget once you have secured a site and accounted for any site-specific costs. The budget will need to be revised again upon completion of architectural design. A final revision to your budget is likely to occur once you receive contractor bids for building construction. It will be important to also include a contingency fund, typically 10 percent of the cost of the building (10-15 percent for renovations), to account for unanticipated expenses throughout the development process. Once

you have developed a construction budget, you will need to compare it to the funding you anticipate being able to secure. Often your dreams may be in excess of your funding and you will need to participate in a value-engineering process to reduce your costs by changing design features, substituting less costly materials, or reducing building area.

Funding Sources

Financing for a facility project typically requires tapping into several funding sources. Potential sources include your program's financial assets (existing real estate and accumulated savings), grants and gifts, and loans. Both state and federal agencies might be possible sources of funding, but will likely require attention to award requirements, including program eligibility. Below are possible sources of funding for capital expenses and the implications of using them:

FUNDING SOURCES	PROS	CONS
Head Start (U.S. Department of Health & Human Services, Administration for Children and Family Services)	Head Start is aware of the need for facilities.	Extensive federal guidelines.
		The federal government retains an interest in the building.
Child Care Subsidy	May assist with some startup costs for materials associated with new programs depending on state guidelines.	Depends on each state's guidelines.
School District Bond	If your district is building a new school, they may be willing to consider including classrooms for an early childhood education program.	Requires an agreement with school district and adherence to school guidelines.
		Need for agreements clarifying/specifying roles and responsibilities.
Federal Tax Credits (Low Income Housing Tax Credits or New Market Tax Credits)	Significant dollars can be generated.	For new construction only.
		Limited availability.
		Complex application process and extensive paperwork.
Co-Location with Community Agency	Community investment.	Need for agreements clarifying/ specifying roles and responsibilities.
	Sharing of some of the overhead costs (utilities, custodial, maintenance).	
	If partnering with community college, can serve as a "lab school."	
Office of Community Services (OCS)	Makes grants for projects that create employment opportunities for low-income people in economically distressed areas.	Must demonstrate the ability to create new jobs.
		Eligibility limited to nonprofit community development corporations.

(Table continued on next page)

Blueprint For Success

Funding sources (CONT')	Pros	Cons
Community Development Block Grants (U.S. Department of Housing and Urban Development)	Grants support community revitalization projects, including early childhood programs.	Projects must primarily benefit low- and moderate-income people.
	Cover costs of renovation or construction including pre-construction planning expenses (architectural and engineering fees).	Extensive regulations and paperwork requirements
Rural Development Community Facilities (U.S. Department of Agriculture)	Offer small grants and loans.	Focus is communities with fewer than 20,000 people.
Public Land Disposition	Foreclosure on properties.	Property can be acquired at little or no cost or leased at a favorable rate.
	Municipal facilities no longer needed.	
National Foundations	Source of large and small grants.	More likely to support projects in their geographic location or if directly related to the foundation's special interests.
		Grants may require a match.
Community/Family Foundation	Fewer requirements or guidelines.	Typically limited to non-profit organizations.
		Limited availability.
Loans: Local community bank, U.S. Department of Agriculture	Funds can be used at owner's discretion.	Requires good credit history.
Community Facilities Program, Small Business Association, Community Development Lenders, Personal (Equity Loan), Family Members	Loans spread the cost of the project over several years.	Must ensure you will have the funds to make monthly payments.
Small Businesses	Provide modest grants, discounts and/or donations as a way of gaining goodwill in the local community.	
	Business leaders may also play a role in assisting you in raising funds in your community.	
Community Service Organizations	Provide modest grants.	
	Business leaders may also play a role in assisting you in raising funds in your community.	

3 IDENTIFYING FACILITY EQUIPMENT, FURNITURE, AND MATERIALS

Designing your early childhood center requires intentional planning. A well-planned facility and its learning environments will support the implementation of a high-quality program in many ways.

Whether renovating or building a new early childhood care and education center, you will need to be aware of the child care licensing and health regulations, building and fire safety codes, and zoning regulations in your community that will impact your decisions. The guidance in this section is designed to provide a blueprint for you to follow as you make decisions regarding your facility. In addition, it is recommended that you visit other early childhood centers, interview staff who will be working in the space and parents whose children will be enrolled in the center to gather their ideas, and review best practices in the field to determine the best design for your center.

We would like to acknowledge the publications of the Community Investment Collaborative for Kids, a Local Initiative Support Corporation (http://www.lisc.org/our-initiatives/education/early-childhood-facilities), in influencing the materials in this section.

Classroom Design

The most influential spaces within your child care program, where children will spend a majority of their day, are the children's classrooms. When determining the amount of space to set aside for classrooms, you should consider the age of children you will be serving and the number of children you plan to have in each classroom based on the business plan you proposed (see Section 2, page 7). Although most licensing

Age of Child	Number of Children Per Provider	Maximum Number of Children in Group	Minimal Classroom Square Footage
6 Weeks to 18 Months	1 Provider to 4 Children	8 Children per Group	400
18 Months to 36 Months	1 Provider to 6 Children	12 Children per Group	600
36 Months to 48 Months	1 Provider to 8 Children	16 Children per Group	800
48 Months to 60 Months	1 Provider to 10 Children	20 Children per Group	1000
60 + Months	1 Provider to 12 Children	24 Children per Group	1200

standards define a requirement of 35 square feet per child, it is typically challenging to be a high-quality program within those limits. As previously discussed, we will use 50 square feet per child, as most experts in the field recommend this to be the minimal square footage per child.

The area identified as the minimal classroom square footage reflects the usable space in the classroom, exclusive of bathrooms, storage, cabinet and counter space, and space for cribs. In addition to the basic classroom square footage, you may want to consider the following questions in determining additional space needs:

- Are teachers able to observe all areas of the classroom, including the bathroom area, at all times to ensure adequate supervision?

- Is there an entry area into the room where the parent and child can easily separate?

- Is there room for a third staff person/volunteer in the classroom? Adding another adult to the room can cramp the space available.

- Will the room allow for continuity of care which will accommodate the same children for two to three years as they grow?

- Will the children and teachers be eating their meals in the classroom? Will you need additional table space if you are doing family-style meals? You may also need additional counter space to set serving bowls and pitchers and extra storage in the room for meal service supplies.

- Is there a food preparation area where you can prepare food for infants and separate food into bowls for family-style meals for older children? Is there a separate hand-washing sink for food preparation?

- Will the classroom space accommodate a variety of activities?
  - › Quiet activities (games, puzzles, library area)
  - › Creative play activities (blocks, dramatic play)
  - › Messy activities (sand, water or sensory table, art)
  - › Movement and music activities

> Discovery activities, including cooking

> Computer activities

> Small groups as well as large group activities

- Is there a "cozy corner" where children can go to calm down?

- Do you have enough room to accommodate cribs and cots? (State licensing regulations often have space and separation requirements regarding the placement of cribs and cots.) Is there adequate room for cot or mat storage?

- Will cabinets or closets be built in for storage?

- Will classrooms share amenities (changing stations, children's bathrooms, and/or food preparation areas) to save space and improve efficiency?

- Are children's bathrooms directly accessible from the classrooms?

- Are there enough toilets to accommodate the needs of the children in the center? Are they easily accessible and at appropriate heights?

- Are sinks accessible to the children and at appropriate heights for children to wash their hands?

- Will the changing tables be built in and where will they be positioned to maintain classroom supervision while diapering a child?

- Are all areas of the room handicap accessible?

- Are there windows for views to the exterior? How will you maximize the amount of natural light in your classrooms?

Depending on the ages of the children you will be enrolling, the following is a list of other considerations to consider when designing your facility:

- If you are providing before- and after-school care for school-age children, will they need a separate space to accommodate their needs?

- How will you accommodate children who are ill?

- Do you have a lactation room for nursing mothers and a place to store breast milk?

- Is there adequate storage space for infant equipment (e.g., car seats, strollers, and baby buggies), kitchen supplies, cleaning supplies, etc.?

- How will you accommodate gross motor play during inclement weather?

- Will there be direct access to outdoor playgrounds?

- Where will you store the playground materials?

- Are the classrooms easily accessible for the delivery of food from the kitchen?

- Will teachers have a place to work away from the children and/or to relax?

- How many adult restrooms will you need for staff and the public?

- Will there be a multi-use space for staff training and/or parent meetings? Could this space also serve as an indoor gross motor play area?

- Will there be a secure entry into to the building?

- Do you have a safe space for weather emergencies?

- How much space will you need for mechanical (HVAC and electrical) and/or janitorial rooms?

Playground Space

Outdoor space can be utilized as a learning environment as much as indoor classrooms. These environments should be planned to encourage a significant amount of outdoor time by containing a variety of activities in addition to the traditional large motor play equipment. You will need to identify separate, age-appropriate play spaces for all age groups in the program. For safe supervision, each playground area should be designed so that all children are easily supervised by sight and sound at all times.

It is recommended that you check your state licensing regulations to determine the square footage of outdoor play space required per child. Most state licensing, Head Start, and NAEYC regulations require 75 square feet per child for playground space for a certain percentage of the total licensed capacity. It is also recommended that you review state licensing and/or other regulations to determine if there are additional requirements regarding:

- Classroom access to the playground
- Number of children on the playground together at one time
- Enclosure (fencing) requirements
- Age ratings and appropriateness of playground equipment
- Handicap accessibility of the playground
- Provisions for shaded play areas
- Water play and sand boxes

Just as with the classrooms inside, the outdoor playground must provide areas designed to promote children's development. The outdoor learning environments should allow for a variety of activities including:

- Small group activities
- Space for individual children to seek out solitude
- Open spaces where children can run
- Areas where children can climb
- Smooth surfaces where children can use riding toys
- Elements for dramatic play
- Areas that are uneven or sloped (small hills)
- Areas where children can dig or plant
- Shaded areas
- Water play areas

Indoor Gross Motor Room

Depending on the climate in your area, you may want to consider an indoor play area to provide children the opportunity to engage in gross motor play (outside of the classrooms) when it is too hot or too cold for them to safely go outside. This should be a separate room/ area large enough to support a variety of gross motor activities. You should also plan to include adjacent

space to store toys and manipulatives for this area. You may consider how this space can be planned as a multi-purpose room to also support school-age programming and care, and/or large group meetings and trainings for teaching staff, parents, or neighborhood groups.

Office Space and Meeting Space

Plan to include adult spaces that support your business plan, programming, and staff outside of the classroom. Office spaces can take many forms from separate, enclosed rooms to an open area with cubicles or shared work space accommodating multiple staff. Consider additional support spaces for teachers such as a work room and break room. Teachers will need a work space where they can prepare materials for their classrooms and families. They also need a place where they can take a break from their classrooms for lunch or to rejuvenate. Often, these two areas are combined into one space.

You may also want to consider if there is a need for a conference/meeting room for consultations, curriculum planning, or meetings with parents. As noted in the preceding section, consider if any of these meeting rooms can be flexible in use to support more than one program function.

Kitchen

The design of your kitchen space will depend on whether you plan to prepare meals on-site, have meals catered in, or some combination thereof. For example, you might decide to prepare breakfast and snacks on-site and cater in lunch. We recommend a cost comparison to determine if the initial expenses of equipping a full kitchen are more cost efficient over time than bringing food in from a caterer. Initial costs associated with outfitting a kitchen to meet required health and fire codes can be quite expensive; however, it may be cheaper in the long run than purchasing meals from a caterer. Similarly, the initial investment in dishes

and silverware can be costly; however, over time, it may be more cost effective than purchasing disposable products for everyday use.

Preparing food on-site may require special equipment for the kitchen. We recommend that you consult with your local Health Department and your state's Child and Adult Care Food Program (CACFP) to determine equipment requirements. Preparing food on site will most likely also require additional storage of food and food items (freezer and pantry). Additional space may also be needed for the actual preparation of the food and storage of preparation items including pots and pans, mixing bowls, mixers, and kitchen utensils.

Having your food prepared off-site may be an option if you are co-located next to another program, such as a nursing home or school building, where kitchen equipment and storage is already in place. In that case, the additional needs are likely warming equipment and dishwashing equipment, as well as storage for dishes and/or snacks and milk.

Regardless of whether you cater or prepare the food on-site, you will need to plan for food delivery from vendors including your delivery door width as well as making the delivery door accessible for larger food trucks.

Laundry, Custodial, and Maintenance Space

Keeping facilities clean and sanitized is a critical function to the health of the children and staff. A laundry room conveniently located close to classrooms to wash the linens from cribs and cots, along with the bibs and cloth toys of infants and toddlers, is typically a daily function. You may also need to launder kitchen linens daily. Larger programs may consider including two separate laundry rooms to support the need.

Most health and licensing regulations also require routine sanitizing of classroom toys. Options for your sanitization process include spraying toys with a bleach solution, washing toys in the center's kitchen using

the three-compartment sink, or using a sanitizing dishwasher. Depending on the use of the kitchen, it may be more practical and convenient to expand the laundry room to support the required sanitizing of toys.

Whether you have a custodian on staff or contract with a cleaning agency, your center will need a dedicated space to ensure the daily cleaning of classrooms, play areas, and support spaces. Plan for custodial space to store the cleaning equipment, such as a vacuum or carpet cleaner, along with cleaning supplies, all of which need to be kept secure from children. If not placed within the same custodial space, additional storage will be needed for the general supplies including paper towels, toilet paper, tissues, garbage bags, gloves, etc. Lastly, consider where you will store outside equipment needed for lawn care and snow removal.

Drop Off, Pick Up, and Employee Parking

To ensure the safety of children and families during the dropping off and picking up of children in your program, you will need to create an area for parents to park and safely escort their children to/from your building. Questions to ask when designing this area might include:

- How far away will the parking area be from the front entry?

- How many handicap parking stalls will I need?

- Do parents and children need to cross a traffic lane to enter the building?

- Is there a covered entry that provides shelter for parents and reduces the amount of dirt and moisture tracked in?

- Is there a secure entry into the building (card reader system, intercom, or touchpad system)?

- Does a staff person have a direct view of the entry?

- Is there a reception area for families to be greeted or have informal conversations?

- Do the entryway and/or hallways easily accommodate parents who are entering and leaving the facility with their children during peak pick-up and drop-off times?

- Will you have a separate parking area for staff?

- Is there a separate service entry for delivery of food and supplies?

Finish Materials

The finishes you choose for your building can create a warm, inviting environment, as well as impact your future maintenance costs.

- Color: It is recommended that softer, more muted colors be used in the classrooms to provide a soothing backdrop to the children's colorful artwork and materials in the classroom. Brighter colors, if desired, can be used in hallways, reception areas, and/or staff offices. It is also recommended that natural wood finishes and materials are incorporated for door/window trim, cabinets, and classroom furniture.

- Flooring: In selecting the flooring, it is important to purchase a product that is easy to clean and will hold up under heavy use. You must also consider the age of the children who will be in the classroom. Because infants and toddlers, as well as their caregivers, will spend a considerable amount of time on the floor, it is recommended that 50 percent of the classrooms be carpeted or covered with large area rugs. You will also want to ensure that the flooring around the sinks and the toileting area can be easily cleaned and is resistant to slippage.

- Wall Coverings: While it is more expensive to use wall coverings than to paint, wall coverings will better tolerate the typical wear and tear from young children and maintain their original look over time. Typically, children's artwork can more easily be placed and removed without damage from areas with a wall covering than from painted walls.

- Window Treatments: Windows should be placed at a height that allows children to see outside. Typically, curtains or blinds are considered a safety and/or fire hazard and should be avoided. Instead, to control the amount of natural light, it is recommended that windows include internal blinds between glass panes or mechanical roller shades which are operated without operating chains or cords.

Equipment, Furniture, and Materials

The following lists include equipment and furniture which are aligned with early childhood education best practices. The lists are not all-inclusive but attempt to identify the basics needed in each area. These lists may also need to be adjusted based on regulations in your community, as well as the diversity and culture of the children being cared for.

Classroom Furniture

The ages of children in the program and how they are organized in classrooms (mixed age versus age cohort) will impact the type of furniture in each classroom. Mixed-aged classrooms should have furniture that is appropriate in size for a wider range of children, including those that are at different developmental levels and different heights. Regardless of the age of the children in the classroom, you should purchase furniture that has rounded corners and provides stable support to the children.

As children grow, so will the furniture in the room need to grow. Tables and chairs will need to be changed out or adjusted to the appropriate size for the children in the classroom. Purchasing tables with adjustable legs may be more expensive initially, but in the long run can save money. Using adjustable tables also reduces the need to store furniture as children move from one size to the next. While high-quality furniture typically costs more, it is generally replaced less often and may well be worth the initial investment.

The following is a list of furniture needed for the classrooms. Remember, the same piece of furniture will be sized differently depending on the age of the children. While all the children in a classroom may be within the same year range, their needs, based on stature, may be quite different. Thus, a classroom may in fact have one table and set of chairs to accommodate the taller children and another shorter table and set of chairs to accommodate the smaller children. Furniture needed for classrooms includes:

- Cribs, including evacuation cribs (infants)
- Cots or mats
- Changing table (infants, toddlers)
- Glider (infants, toddlers)
- Under-counter refrigerator (infants)
- Storage shelves/toy storage units with containers for holding materials
- Cubbies for coats and backpacks
- Tables
- Chair.
- Child sofa/chair
- Locking cabinets (classroom supplies)
- Classroom rugs or vinyl mats
- Book stand
- Water/sand table
- Art center (toddler and preschool)
- Dramatic play center — e.g., kitchen set (toddler and preschool)
- Dress-up area (older toddler and preschool)
- Computer center (preschool)
- "Back patter's seats" (for teacher use)
- Adult chairs (for teacher use)

Classroom Materials

It is recommended that you buy more toys than you plan to use at any one point in time, so you can change out toys to keep children's interest over time. The number and developmental levels of the children in each classroom will also impact the number, variety, and level of complexity of toys needed. Classrooms

with younger children, who do not yet understand the concept of sharing, will need to include multiple sets of the same toys. Classrooms with older children will also need multiples of similar toys to allow for several children to engage in a center at the same time.

Classrooms with mixed-aged children will need a wider variety of toys; however, they may not need as many of the same toy. Sometimes, the best toys are natural items! Large boxes, plastic containers from home to stack and nest, and sensory toys made from transparent plastic bottles can all be used in your classrooms. The Office of Head Start has identified a list of learning domains —approaches to learning, social-emotional development, language and communication, cognition (mathematics and scientific reasoning) and perceptual, motor, and physical development. Lakeshore Learning Materials (2017) has developed lists of recommended materials that can support children's development in each of these learning domains. This list can be found in Appendix G.

Health Equipment and Materials

Materials will be needed to ensure the health and safety of children in the classrooms. In addition to disposable items (vinyl gloves, tissues, paper towels, etc.), other equipment and materials needed include:

- Epi pens
- Toothbrushes and toothbrush holders
- Spray bottles for sanitizing furniture and changing tables
- Fanny packs with first aid supplies which can be carried outside of the classroom
- First aid kits
- Spill kits for hazardous spills, vomit, or other body fluids
- Posters for handwashing and emergency preparedness
- List of emergency numbers to be posted by each phone
- Posted exit routes to be used in case of fire, tornado, or other emergency evacuations

In addition, your program must have a locked cabinet and refrigerator, out of reach of children, for storage of medication.

Outdoor Playground Equipment and Materials

Equipment and materials to be considered based on the age of the children in your program includes:

- Climbing structures with appropriate safety surface at fall zones
- Outdoor easels
- Riding toys and helmets
- Musical instruments
- Building blocks and materials that are natural or waterproof
- Water table and/or water toys
- Parachutes
- Tunnels
- Gardening equipment
- Water hose
- Balls
- Bubbles
- Sidewalk chalk

Kitchen Equipment and Materials

Your need for kitchen equipment and materials will depend on whether you are preparing food on-site or catering food from a private vendor. On-site food preparation will require special cooking and preparation equipment, as well as food preparation items including pots and pans, mixing bowls, mixers, and kitchen utensils.

If you are providing care for infants and young toddlers, you will also need to plan for baby formula and food, bottles, sippy cups, and bibs. If your center plans to do cooking activities in classrooms, you may need additional materials to accommodate these activities — for example, a cart stocked with cooking equipment and utensils. You should also think about how your program will transport food to each classroom. You will likely need carts to efficiently move food from the kitchen to the classrooms.

Recommended Kitchen Equipment for Serving Meals Prepared Off-Site:

- Pantry storage with shelving
- Prep table(s)
- Prep sink
- Warmer
- Refrigerator
- Handwashing sink
- Three-compartment sink
- Dishwasher
- Serving carts

Additional Equipment Recommendations for Preparation of Meals On-Site:

- Freezers
- Large mixer
- Steamer

- Range/stove
- Oven
- Ventilation, exhaust hood with fire suppression

Recommended Kitchen Supplies:

- Pots and pans
- Serving dishes/platters and utensils
- Pitchers
- Children's plates, cups, and eating utensils (sized for infants, toddlers, and preschoolers)
- Infant bottles and sippy cups
- Dump buckets for collection of food scraps and return of dirty dishes
- Covered trash receptacles

Teacher Break Room Equipment and Furniture:

- Movable tables
- Chairs (comfortable, stain resistant)
- Refrigerator/freezer for storage of teacher lunches
- Microwaves (a sufficient number for the number of staff employed)
- Coffee maker
- Ice machine (optional)
- Dishwasher (optional)

Teacher Work Room Equipment and Furniture:

- Long stapler
- Electric stapler
- Paper shredder
- Paper punch
- Paper cutter
- Copier
- Large roll paper dispenser (optional)

- Book binder (optional)
- Laminator (optional)

Laundry Room Equipment and Furniture:

- Washer
- Dryer
- Sorting/folding cart
- Sanitizing sink (double well) or sanitizer dishwasher (commercial grade under-counter)
- Cabinets and wall shelves for storage

Staff Offices, Equipment, and Furniture:

- Desk
- Desk chair
- Table
- Chairs
- File cabinet(s)
- Book shelf
- Computer/laptop
- Printer (optional)
- Phone and internet connections

Meeting Room Equipment and Furniture

- Movable tables
- Chairs (comfortable, stain resistant)
- White board
- Projector and projection screen or large display video monitor

Other Technology:

- Computers/laptops (classrooms may need laptops for children's assessments)
- Copier/printer/scanner
- iPads
- Walkie-talkies (for outdoor walks)
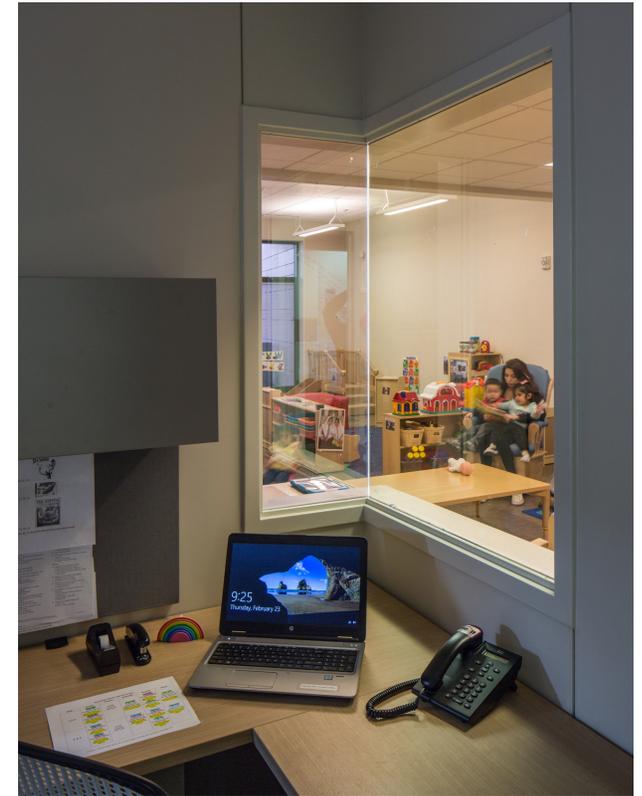
Miscellaneous Items:

- Baby buggy strollers
- Little Tikes wagons
- Sleep sacks (babies)
- Sheets
- Blankets (excluding infants)
- Washcloths and towels
- Bibs
- Potty chairs (if child-sized toilets are not installed)

4 MARKETING AND ENROLLMENT

A marketing or recruitment plan is much more than advertising. Marketing is about positioning yourself in a way that you are offering a unique service that will meet the needs of and/or provide benefits to your potential customers. Good customer service also gives people a reason to choose your center. A good marketing plan includes the following components:

Program Mission and Identity:

- What is your program's vision or mission?
- What makes your program unique or special?
- How will your program meet the needs of parents and their children?

Marketing Goals:

- How many children do you want (need) to enroll to meet your budget goals?
- What percentage of children will be private pay versus subsidy pay?
- How many children do you want to maintain on a waitlist?

Market Analysis:

- What type of care is in greatest demand?
- What type of services are parents most interested in?

Competitive Analysis:

- Have you completed a SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis where you compared your program to other programs which you would consider your competitors? The SWOT analysis can help you

identify the unique benefits you have to offer to your customers.

Target Customers/Audience:

- Who are you trying to attract?
- How can you persuade them to enroll their children in your center?
- What type of services will you offer?
- How much are parents willing to pay for the quality of services you are offering?

Marketing Strategies:

- What is the key message you want to share about your program?
- Are your prices in line with other programs in the area?
- How will you get the word out about your program? (Copeland, 2011)

Some possible marketing strategies include:

- Signage outside the program
- Asking local businesses to refer employees
- Letting other providers and schools know you have openings
- An up-to-date recorded greeting on your phone
- A courteous speaker on the phone who can always share the top three benefits of your program and answer potential parents' questions
- A well-designed website and/or Facebook page highlighting the benefits of the program

- Well-designed flyers and brochures with an identifiable logo which you can place at businesses that your potential clientele visit (neighborhood stores, laundromat, doctor or dentist offices, parks, indoor birthday party places for young children, or sporting events). Materials should be printed in the languages of the families you hope to recruit
- A finder's fee to current or past parents who refer families to your program
- Discounts for parents for the first week of tuition as an incentive to enroll their children in your program
- Hosting an open house for potential parents
- Providing tours of your facility
- Creating a scrapbook/photo album that parents can view
- Advertisements (yard signs, elementary school parent bulletin board, paid newspaper ad, a banner in your yard, Craigslist, etc.)

As potential parents inquire about your program, you will also need a process for following up with them to ask about their child and determine if they are still interested in your program.

Application and Health Information

Each parent will need to fill out an application packet for their child in order to enroll them in your center or home. State licensing and other funding source (i.e., Child and Adult Care Food Program) requirements will determine the information you should collect. Based on your community, you may need your application to be in English and Spanish, or another language. See Appendix H for a sample child application packet.

Waitlist/Enrollment

Once you have reached your licensed capacity, you will need to begin a waitlist. Having a waitlist will help ensure that there is always someone who can take the place of any child who leaves your program. You will need to set up a system to keep your waitlist up to date. Factors to consider when establishing a waitlist include:

- Will you charge an enrollment fee to hold the slot and ensure a commitment from the parent? If so, how much will this fee be? Will it be non-refundable if they decide not to attend your center/home? Will the fee be considered a credit towards the first week of tuition if they eventually enroll?
- How will you determine who is prioritized for selection off the waitlist when a slot becomes available? Factors to consider include first-come/first-served, a sibling already in the program, the child's age, child of a staff person, etc.

Transitions

Parents and children should always feel welcome when they enter your facility. Prior to a child's first day in the program, it is suggested you provide each parent the opportunity to meet their child's teacher and participate in an orientation to the program including the program's

policies and procedures. It is also suggested that the parent or guardian bring the child to your program to meet the child's teacher and interact with the other children.

On the first day of school, it is important to be prepared for the child — for example, to ensure that the child has a space labeled for his/her personal belongings and that staff are familiar with his/her routines. Parents can also be encouraged to spend time with their child on their first day and/or to bring their child's favorite blanket for naptime.

> *It is helpful to reassure the parent that they are welcome at any time and that your open-door policy allows them to come and go as they please.*

Because parents are typically anxious about leaving their child, it is suggested that you call the parent during their child's first day to let them know how their child is doing. If possible, sending the parent a text and/or

picture of their child engaging with the teachers and/or other children also reassures the parent of their child's successful transition.

Policies and Procedures

Parents must be informed of the program's policies and procedures. A parent handbook is the best way to share your policies and procedures. See Appendix I for a list of topics to include in a parent handbook and a sample handbook.

Confidentiality

Information in the children's files needs to be kept confidential and only shared on an "as needed" basis. You should create a policy that states who is authorized to view the file as well as a policy and procedure for providing access to parents who want to view their child's file.

Parent Interests

The parent, as well as the child, is the program's client. Conducting an annual parent interest survey is one way to learn about what parents need from your program.

When creating the survey, think about what programs or services you would be able to offer and create questions that gauge parents' interests. Some sample questions to consider are:

- Would you like your child to participate in any special programs, (music, art, etc.)?
- Would you like to participate in a program (educational or recreational) with other parents?
- Would you be interested in other types of care (sick care, care during non-standardized hours, etc.)

Annual Calendar

Providing parents with a school calendar at the beginning of the program year will allow them to plan for when you are closed. You should determine if you will be closed on all or some federal holidays, any time during the summer or during the winter break, and any additional days for professional development for staff.

Inclement Weather or Unexpected Closure

Your early childhood program will need a procedure in place to notify all staff and families if you need to close your center or home due to inclement weather or an unforeseen circumstance. This procedure could include a process for calling staff and parents, robocall, notification via television or radio stations, or a posting on Facebook.

Attendance

For children to achieve optimal outcomes in an early childhood setting, they need to be in attendance at least 85 percent of the time. If you are collecting child care subsidies, children's attendance may also impact the number of days for which you can bill. You will need to be able to answer the following questions.

- How will the program track attendance?
- Does the program have a written attendance policy? What will you do if a parent is not following the attendance policy?

- Do parents pay tuition whether their children attend that day or not?

Suspension/Expulsion

Young children are being expelled or suspended from early childhood settings at a rate higher than children in public schools. Consequences of such expulsions/suspensions are increased likelihood to drop out of high school, academic failure and retention, the development of negative feelings about school, and/or incarceration. It is recommended you have a written policy that is shared with parents about working with challenging children which includes the expectations of parent participation, steps to decreasing negative behaviors, and, if needed, a transition plan for a better placement for the child.

Child Turnover

Child turnover is a normal process as children become too old to attend your program and transition into public, charter, or private schools. Other children may leave while they are still eligible to attend. To minimize and better understand child turnover as well as to evaluate parent satisfaction, you should develop an exit interview to be used with all families leaving the program.

Additional Resource

ECE Shared Resources is a password-protected web platform that provides an extensive knowledge hub of tools focused on supporting the needs of early childhood education and care professionals. Hundreds of easily editable marketing resources are available. Currently 32 states have access to the platform. You can find the list of states currently served within the platform at *www.ecesharedresources.net/mktg_Partners_and_Impact.aspx.*
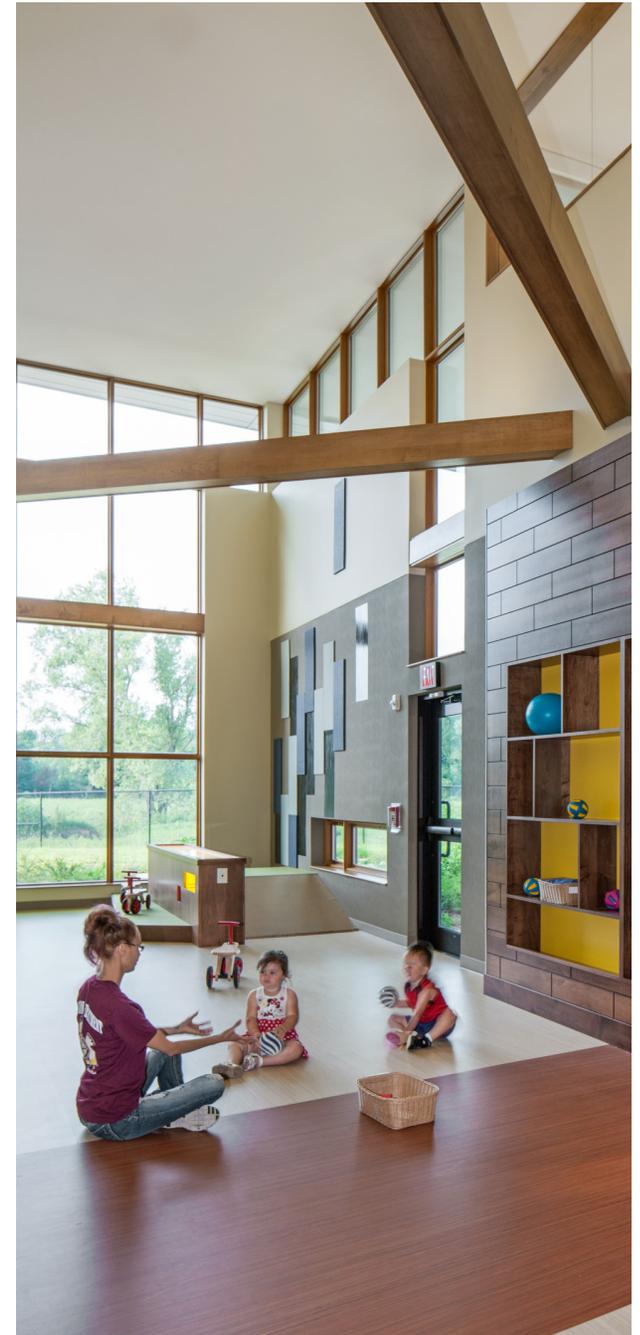
5 FISCAL MANAGEMENT AND ACCOUNTING PRACTICES

Strong fiscal management is the efficient and effective management of money that supports an organization's objectives and mission. The significance of this function is not seen in the classrooms of your program but shows up in the sustainability and overall financial health of your program. Fiscal management should include a governing board that oversees fiscal compliance (if required by your business structure), competent leadership staff, fiscal policies and procedures that are consistently followed, and accounting systems in place that ensure monitoring is completed at appropriate intervals.

The fiscal management and accounting team you need for your program will depend on the size of your organization, your volume of financial transactions, the skill set of your center director, and availability of community resources. If you are a small organization (four to six classrooms), your center director may be able to complete most of the fiscal tasks, especially with the assistance of a consultant/mentor. Often, the board of director's treasurer can also provide guidance regarding fiscal tasks and reporting responsibilities. If you are a larger company, you may want to consider hiring a part-time accountant to handle fiscal responsibilities. Larger programs typically have a greater volume of work and the center director's time may be more focused on day-to-day operations. In most cases, it is recommended that you use a payroll company to produce payroll checks and pay required payroll taxes on an ongoing basis.

Fiscal Policies and Procedures

Every organization must develop a financial policies and procedures manual to guide its financial operations. The primary purpose of such a manual is to formalize accounting policies and procedures that program staff should follow and to document internal controls within the program at all levels. Internal controls are accounting policies and procedures that protect a company from fraud and abuse, ensure that financial records are timely and accurate, and outline the process ensuring that all legal and regulatory requirements are being met. See Appendix J for a sample financial policies and procedures manual.

Accounting Systems

An accounting system includes the various activities a business undertakes to track, summarize, and report their financial activities. Activities critical at the startup of a program include developing a budget, creating a chart of accounts, using an income statement to track revenues and expenses, developing a balance sheet, and projecting cash flow needs. To ensure accuracy and the level of specificity needed in your financial reports, it is recommended that you use a commercially available computerized system to track, classify, and summarize individual transactions into related categories. Keeping good financial records will provide the information necessary to guide you in making decisions regarding your program's future.

Developing a Budget

When you are establishing a business plan to determine if your program is financially viable, you will most likely use estimates of revenue and expenses. However, for purposes of operations, it is critical that you plan more accurately with sufficient detail regarding the sources

and amounts of revenue available to you as well as your anticipated operating costs. In order to maximize profits or break even and keep your doors open, your revenue must equal or exceed your expenses. The best way to ensure this is to begin with the development of an annual budget with planned revenues and expenses.

Revenue Sources

Operating a high-quality early childhood education program is expensive; unfortunately, there is no one funding source that will cover all costs. As a result, you will most likely rely on more than one revenue source to cover your expenses. This is often referred to as blending and/or braiding funding streams. However, prior to developing your budget, it is critical to understand the regulations regarding the blending and braiding of funds with each source of funding. Depending on the funding source, there may be

restrictions which will require you to document which fund is paying for which cost. This will require a more complex accounting system which can track each fund. Following is a description of the funding sources available to early childhood care and education centers.

Parent Fees

If you are going to charge parents a private pay fee, you will need to determine a market rate. You want your fees to be high enough to cover your expenses but not so high that parents will go elsewhere and/ or not pay them. The best way to begin to determine your fee structure is to collect information regarding other providers' rates in your recruitment area. After collecting this information, you can decide if you want to charge a low-, mid-, or high-range tuition based on the services and quality of the program that you will be providing. Parent fees alone are unlikely to provide the revenue needed to run a high-quality program. Typically, programs can also charge parents an enrollment fee and/or activity fees for special events/field trips throughout the year.

Fees will vary by age group with a higher fee typically charged for infants and toddlers than preschoolers. You will also need to determine if you will require parents to pay a fee per day, week, or month. A daily fee will fluctuate based on children's attendance, whereas a weekly fee will ensure that absences during the week will not impact your revenue for that week. In order to stabilize their annual income, programs may also limit how many weeks of vacation families may take during the year. Asking parents to pay ahead for the coming week may ensure better collection practices. Setting up a system for parents to pay online using their credit/ debit card may make it more convenient for parents to make their payments. Keeping your break-even point in mind, you will want to determine how many private pay and/or subsidized pay children you will want to enroll at any given point in time.

Typically, private pay rates are higher than child care subsidy rates. However, one of the challenges with private pay fees is collecting the fees on a timely basis. It will be critical to have systems and procedures in place to ensure parents will pay on time. It is suggested you have parents sign an agreement holding them accountable for paying the agreed upon fees. The agreement needs to outline the possible incentives and/ or penalties for delinquent payment of bills including non-sufficient funds checks.

Child Care Subsidy and State QRIS

Although the contracted child care subsidy rates are typically less than the fees which you can bill private pay families, your ability to collect payments is high. Many states will also allow these funds to be combined with other funding sources (such as Head Start, public school funding, or private funding). To participate in the child care subsidy program, you will need to enter into a contract with the appropriate state department and will be required to prepare billing paperwork monthly. Typically, reimbursements are based on

children's attendance. Children's eligibility for the subsidy program may also fluctuate as parents' income fluctuates. Collection of copayments (where parents are responsible for part of the cost) can also be challenging. As with private parent fees, programs can bill an enrollment fee and/or activity fees for special events/ field trips throughout the year. It is recommended that you contact the child care licensing department in your state for additional information regarding the child care subsidy program.

Many states have a QRIS system which links program quality to child care subsidy reimbursement rates. This means if you receive a higher quality rating in your state's QRIS system, you would receive more money per child on subsidy. Again, it is recommended that you learn more about the child care subsidy and QRIS regulations in your state and/or talk to other providers receiving subsidized payments for information regarding how to best manage the subsidy billing and paperwork demands.

Child and Adult Care Food Program (CACFP)

If you are a nonprofit center or a for-profit center with an enrollment of at least 25 percent of your children on child care subsidy, you can apply for the Child and Adult Care Food Program. CACFP provides a stable source of revenue for food and food preparation costs. However, there are extensive paperwork requirements and implementation guidelines that must be followed. Reimbursement rates are based on family income and actual meals served.

For most early childhood programs, these three revenue sources (private pay fees, child care subsidy, and CACFP reimbursements) will contribute the majority if not all of your revenue. To calculate your revenue from these sources, it is recommended you identify how many children will be paid through each funding stream and the amount of reimbursement that will be

received on a monthly basis. In total, these amounts will give you an estimate of the revenue you are owed. However, as previously mentioned, we suggest you reduce each estimate by 5-10 percent, taking into account uncollectible fees, open slots, and/or children's absences during the program month. For an example of how to calculate your revenue, see Section 2, page 13.

Additional sources of funding which may be available to support your child care operations include:

- State-funded Birth to Three Programs: The availability of these funds may be dependent on the state and/or school district. Programs may have restrictions on eligibility for funds — for example, children living in poverty or considered to be at risk. These programs are usually more flexible in how the funding may be combined with other sources. State-funded programs allow centers to use the funds to enhance their program quality, extend the hours they serve children, or provide additional services (family support, coaching/mentoring, etc.). However, in order to receive the funding, programs must meet state guidelines and requirements (teacher qualifications, class size, hours of operation, etc.).

- State-funded Preschool Programs: School districts may also have access to state funding for preschool programs meeting high-quality standards and be willing to contract with community early childhood settings to deliver early education programming. These standards typically address teacher qualifications, hours of operation, and the use of a developmentally appropriate curriculum and assessments. Preschool classrooms meeting these standards may receive state funding based on a preset formula. Typically, the funding will not meet the total cost per student, but may be combined with other funds to provide high quality services. While eligibility guidelines vary from state to state, these programs typically target 4-year-old children.

In addition to direct funding for children birth to age 5, school districts may also partner with community early childhood programs in the following ways:

- Locate classrooms in community settings (due to lack of space within the schools)

- Use Title I funding to support early childhood education in community settings

- Provide special education funding to your center to better serve the children in your center who have special needs

- Provide special education support staff (paraprofessionals) for children needing additional support

- Provide certified lead teachers to classrooms with children who qualify for special education services

- Provide certified lead teachers for the classrooms while your center provides the teacher assistants

Head Start and Early Head Start

If you are located in an area where there are children living under the Federal Poverty Level (FPL), you may be able to partner with your local Head Start/Early Head Start program. Head Start is a federally-funded program of the U.S. Department of Health and Human Services that provides comprehensive early childhood education, health, nutrition, and family engagement services to low-income children and their families.

The program's services and resources are designed to foster stable family relationships, enhance children's physical and emotional well-being, and establish an environment that develops strong cognitive skills.

Head Start serves children ages 3 and 4, and Early Head Start serves children prenatal to age 3. The Office of Head Start supports partnerships between Head Start and Early Head Start and community providers. Funding from the Office of Head Start can typically

be braided with most other programs. Challenges to receiving funding include limited eligibility criteria and the extensive regulations regarding program implementation.

Child Care Licensing Grants and Fees

Depending on your state child care licensing regulations, additional funding may be available for startup or quality improvement program costs for furniture, equipment, and/or materials.

Private/Community Foundations

Research on the internet may provide you with a list of local private and corporate foundations in your community who support early childhood programming. Many of them pay out a percent of their assets each year in the form of grants and charitable contributions. Typically, their grantmaking is to nonprofit organizations and focuses on low-income children or at-risk children. The availability of these funds is usually low and highly competitive.

Local Businesses

Local businesses are often willing to offer discounts or donate goods to programs serving at-risk children or those that provide an essential service for the

community. Typically, such donations are most likely available to nonprofit agencies. Volunteers from community service organizations may also assist with fundraising and/or assist staff in the classrooms — for example, "grandma's" who rock babies, or individuals who come in to read with children, etc.

Shared Spaces

Sharing space with another community program may be another solution for reducing costs. Co-locating your program with another entity may allow you to share costs of utilities, custodial services, maintenance, and insurance, among others. Examples of possible programs with which to co-locate include the public schools, churches, hospitals, retirement centers/nursing homes, and community centers.

Contracts or Memorandum of Understanding

After you have determined which agencies you will be partnering with for revenue or program services, you will need to sign a contract with them or develop a memorandum of understanding to outline expectations. Federal and state agencies

providing funding typically have a set contract. For other programs providing funding and/or services, a Memorandum of Understanding can be developed to outline how funds will be transferred and/or services provided. See Appendix K for a sample memorandum of understanding.

Operating Costs

Operating costs are expenses related to the day-to-day operation of the program. The first-year budget is often the most difficult as you are projecting what you believe your costs will be. In future years, you can look at the previous year's expenses as a baseline for the next year's projections. Typically, your operating expenses will be calculated on an annual basis as some costs only occur sporadically across the year. Operating costs generally fall within the following categories:

- **Salary.** This includes all staff who will be paid on an ongoing basis for their work in your program. You will need to identify the positions, the percentage of time or hours the person will work, and their salary or hourly wage.

- **Benefits.** Benefits typically include FICA taxes (Social Security and Medicare), state unemployment insurance, health insurance (if the employer chooses to pay for some portion of the cost), worker's compensation, long-term disability (not mandated in most states), and retirement (if the employer chooses to match a certain percentage of what the employee contributes).

- **Contractual.** Contractual costs are those costs you pay another person/agency to provide services to your program. Their costs are usually set as a specific amount per month or for each event. Examples might be if you contract with an agency to provide custodial, bookkeeping/payroll, human resources, professional development, or evaluation services.

- **Supplies.** This category can include office, classroom, health and medical, kitchen (including food), paper, and other supplies needed by the program.

- **Rent/Loan Payment.** This covers cost of use of facility or repayment of a loan related to the purchase or renovation of a facility.

- **Utilities.** This typically includes gas, electric, water, garbage, telephone, and/or internet services.

- **Facility Maintenance.** This includes cleaning supplies, maintenance supplies and equipment (tools, lawn mower, vacuum, etc.), and anticipated facility repairs.

- **Other Program Equipment Costs.** This includes furniture and equipment, office equipment, classroom furniture, computers, etc. (Depending on the cost of these items, they may be placed under the supply category.)

- **Child Services and Activities.** This category includes costs associated with field trips and other special events (kindergarten graduation, holiday parties, etc.).

- **Parent Services and Activities.** This category includes costs related to special events for the parents including costs associated with parent volunteers, parent recognition, preschool or kindergarten transition meetings, parenting workshops, etc.

- **Miscellaneous Costs.** This category might include cost of marketing and promotions, cost of insurance (child, property, liability), printing, postage, dues and subscriptions, conference and registration costs, etc.

To assist you in determining the revenue and expenses of your program, we have included an example of a budget template in Appendix L. The template can be customized as needed for your program.

Financial Reports

Your annual goal is for a balanced budget where your revenues equal or exceed your expenses. However, unexpected expenses or changes in revenue sources do occur. As a result, it is recommended that you monitor you budget monthly to ensure you are operating within your identified budget and can meet your monthly obligations. In order to monitor your budget, it will be necessary for you to set up a chart of accounts where you can code each expenditure so it can easily be sorted into categories. Three types of monitoring reports that are helpful include an income statement, a balance sheet, and cash flow reports.

Income Statement. An income statement is the financial statement that tracks the revenue coming in and your expenses going out. An income statement can help you manage your business by seeing if your revenues are coming in as expected and if your expenses are within the projected limits. It is often helpful to divide your budget into monthly expectations and then compare the monthly expectations for revenues and expenses with the actual. Assuming you set up a budget that was balanced, you should be closely on target. Revenues are typically easier to project. Expenses may display some fluctuations throughout the year, especially if three payrolls fall within a month where normally you would only have two, or if an insurance bill you pay twice a year comes due, etc. If a specific category seems out of line, you may want to investigate to determine the reason. As needed, you may want to adjust your operations either by increasing your revenues or adjusting your expenses. For example, if your expenses exceed your revenues, you might consider reducing your staff or putting off a large purchase you had planned. If, on the other hand, your revenues exceed your expenses, you can use the access funds to replace older furniture and equipment and/or add additional staff.

Balance Sheet. The balance sheet can be used to inform you of the money you have available in the bank, the amount of money you are owed by your customers (referred to as accounts receivable), as well as the money you owe your vendors (referred to as liabilities). An analysis of your balance sheet can identify how long it takes you to collect money owed to you, if you have the ability to pay your short-term liabilities, and how many days it takes to pay your vendors. Over time, the balance sheet is a gauge of if your business is profitable in the long term, or, if you are in a worse position over time because your business is losing money.

Cash Flow Report. Every program experiences fluctuations in cash flow because the timing of when money is received and when bills are due often does not align. A 12-month cash flow report tracks when cash will actually be coming into your account and when cash is expected to leave your account. A cash flow report starts with an accurate cash balance, bases revenues and expenses on realistic budget assumptions, and reflects the expected timing of receipts and payments. Reports should be reviewed and updated monthly. A cash flow report will help you project if you will be short of money in a specific month, so you can plan for the shortage. Again, shortages may occur if employees are paid every two weeks and you have three payrolls instead of two in a given month. Another plausible reason for a shortage in a given month is the payment of a bill which comes due quarterly or as a lump sum versus monthly (for example, insurance payments or taxes). If you project that there will be additional expenses in a given month, you can set aside additional money prior to the billing date so you can make the expected payments.

Annual Audit

For programs receiving revenues in excess of $750,000 in federal dollars (grants, child care subsidies, or CACFP), an annual audit is required. However, many boards of directors choose to conduct an annual audit regardless, to ensure there are no incidents of fraud or mismanagement of funds.

Additional Resource

ECE Shared Resources is a password-protected web platform that provides an extensive knowledge hub of tools focused on supporting the needs of early childhood education and care professionals. Hundreds of easily editable fiscal reporting resources are available. Currently 32 states currently have access to the platform. You can find the list of states currently served within the platform at *www.ecesharedresources. net/mktg_Partners_and_Impact.aspx.*

6 RECRUITING, HIRING, AND TRAINING A HIGH-QUALITY WORKFORCE

Human resource policies and procedures, working conditions, and behavioral expectations guide staff to support young children and their families in an intentional, respectful manner. The following are recommendations for building a high-quality early childhood workforce with the knowledge, competencies, and support needed to promote children's development and learning.

Organizational Chart

An organizational chart is a visual display of the structure of an organization. It identifies the relationships between the program's employees, including supervisory and subordinate authority. Developing an organizational chart will ensure that a program has planned for all the positions needed to successfully implement the program. An early childhood program may require the following positions: director, teachers and teacher aides, custodian, and cook. Depending on the size of the program, an assistant director and/or coach may be needed to assist with staff supervision.

Job Descriptions

Job descriptions serve as the foundation for recruiting, hiring, and evaluating staff, and provide guidance in determining compensation and necessary training. A job description describes the major responsibilities of an employee's position and informs applicants and employees of the expectations for which they will be held accountable.

Sample Organizational Chart

DIRECTOR — ASSISTANT DIRECTOR *(OPTIONAL)*

CLASSROOM TEACHERS

CUSTODIAN

COOK
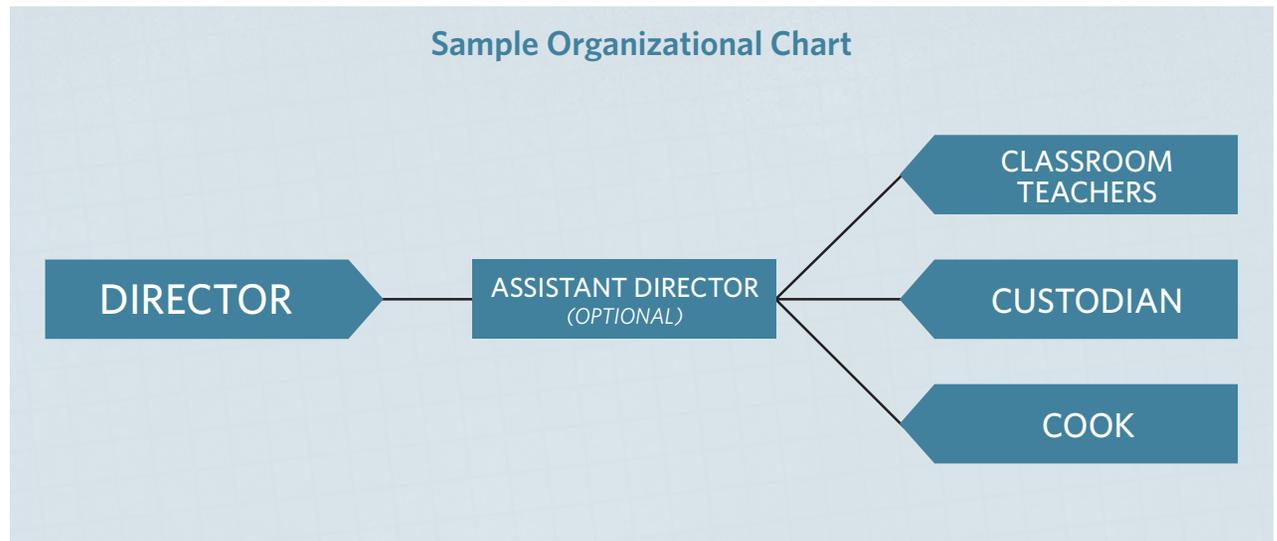
A job description typically includes:

- Position title

- An overall position statement which includes the job objective and general nature of the job

- Expectations describing the duties of the job

- Key relational responsibilities with other staff working in the program

- Skills needed to operate required equipment (computers, kitchen equipment)

- Work hour requirements

- Qualifications needed

- Salary range

See sample job descriptions in Appendix M.

Salary and Benefits

The salary and benefits offered to prospective employees can be a strong incentive to work for your center. You will want to offer wages and benefits that are comparable to those provided by similar agencies in your community, while also ensuring that your budget can support these costs. Please note that a higher salary can often compensate for a less robust benefits package. Conversely, a strong benefits package (health insurance, retirement benefits, etc.) can offset lower wages.

Determining Salary Scales

Salary scales must recognize different levels of responsibilities among employees and provide financial incentives. They should ensure employees receive fair and equitable compensation. To determine what salary and benefits are needed to attract qualified individuals to the positions you will need, it will be helpful to conduct a wage comparability study. This requires researching the wages and benefits being paid by other similar programs in your area. Using this information, you can determine a range for salaries and benefits needed to remain competitive and retain staff.

It should be noted that some early childhood programs start all staff at the same level of pay regardless of education levels and/or years of experience. Other centers adjust salaries based on education and experience. It is critical that you are consistent in the wages paid to staff based on your salary scale and that you comply with all minimum wage requirements in your state.

Benefits

There are two types of employee benefits – required and optional. Each state has laws regarding required benefits. It is recommended you contact your state Department of Labor to ensure that you are aware of your state's current requirements. It is crucial to stay current with your payment of taxes to federal and state entities as well as private insurance companies to avoid penalties and/or lapses in benefits.

Optional Employee Benefits

In addition to required employee benefits, businesses can provide optional benefits and incentives that can improve the lives of their employees and families. Following is a list of required and optional employee benefits to consider.

Benefit	Description	Additional Information
Social Security Taxes	Required. Employers must pay Social Security taxes at the same rate as their employees.	For assistance, contact the Social Security Administration (Information and Resources for Employers).
Unemployment Insurance	Required by most states.	Check with your state's Department of Labor and register as necessary.
Workers Compensation	Required. Compensates employees for lost time and medical expenses due to a work-related illness or injury.	Typically, programs obtain this coverage through a commercial carrier.
Disability Insurance	Provides partial wage replacement coverage for non-work-related illness or injury.	Most states do not require disability insurance. It is recommended you check with your state's Department of Labor regarding the requirements in your state. However, many employers will offer short and/or long-term disability insurance as an optional benefit.
Family and Medical Leave	Entitles employees up to 12 weeks of job-protected, unpaid leave during any 12-month period for the birth and care of an eligible employee's child or placement of a foster/adoptive child with the employee, care of an immediate family member who has a serious health condition, or care of the employee's own serious health condition.	Applies to private employers with 50 or more employees and all public employers. Employees must have been employed for the past 12 months and have worked 1,250 hours. Group health benefits must be maintained during the leave as if employees continued to work.

Employee Handbook

An employee handbook communicates your expectations for your employees and describes what they can expect from your business. It should also describe your legal obligations as an employer and your employees' rights. In general, the employee handbook will address topics including:

- Introduction to the organization
- Employee status and protections
- Confidentiality
- Conflict of interest
- Performance appraisals
- Staff supervision and professional development
- Compensation
- Attendance
- Work rules
- Benefits
- Resignation/termination

Please see a sample employee handbook table of contents and a sample employee handbook in Appendix N.

Recruitment and Hiring

Your success will ultimately depend on hiring qualified staff. Following is a process for hiring qualified candidates in compliance with all applicable federal and state laws and regulations, and with your agency's commitment to Equal Employment Opportunities. It is recommended that you develop a checklist to use to ensure you complete all steps required by your state's child care licensing agency. See a sample hiring checklist in Appendix O.

BENEFIT	DESCRIPTION	ADDITIONAL INFORMATION
Health Insurance	Typically, the employer splits the cost of the insurance with the employee.	Businesses offering group health plans must comply with federal law. The U.S. Department of Labor has a Health Advisor Website providing guidance on which laws apply to your business. The Affordable Care Act aims to lower health care costs for small business owners and expand coverage options for employees. To learn more about the Small Business Health Care Tax Credit and other resources regarding the law, visit the Small Business Association Health Care (*https://www.irs.gov/affordable-care-act/employers/understanding-the-small-business-health-care-tax-credit*) Businesses offering health insurance are required to provide COBRA benefits (provides former employees who resign or are terminated the right to continue health coverage at group rates).
Retirement Plan/ Pension	Allows employee to pay into a retirement plan pre-tax, often with an employer match.	The federal government has many helpful resources for small business owners.
Leave Benefits	Leave benefits may include paid vacation, sick/personal, jury duty, funeral/ bereavement, and holidays.	It is recommended you outline the conditions of the leave you will be offering program employees in your employee handbook.
Other Potential Benefits	• Tuition assistance programs for employees in post-secondary degree programs. • Practicum/student teaching leave. • Incentive programs for longevity, good attendance, etc. • Reduced tuition for employee dependents who are cared for at your center.	

Recruitment

Advertise all open positions to the public using an accurate job description. Information may be posted on internet sites such as CareerLink and Indeed, as well as in local newspapers. Establishing a contact at local universities and community colleges can also create a valuable network for referrals for prospective employees. Information regarding vacancies should also be made available to current staff and parents.

You will also need to develop an employment application which can be completed at the site or online. The application should include statements identifying the program as being an Equal Opportunity Employer as well as being ADA compliant in terms of making reasonable accommodations for employees to perform the responsibilities of their jobs. Typically, an application asks for information regarding:

- Applicant name, address, and contact information
- Citizenship
- Military service
- Education/vocational training

- Employment history
- References

See a sample employment application in Appendix P.

Screening

Job applications will need to be reviewed and ranked based on applicants' qualifications and documentation of similar past responsibilities as those listed on the position announcement. Typically, the top three or four candidates will be selected for an interview.

Interview

It is recommended that a team of at least two people interview your applicants. The interview team may consist of the director or supervisor of the position, other teachers, peers, and/or parents of enrolled children. You will need to decide if you want to do a question and answer interview, behavioral interview (the candidate is asked to demonstrate their skills), or a combination of the two approaches. Depending on which process you choose, you will need to develop a set of questions and/or tasks applicants will complete for each position. There are also guidelines regarding what can and cannot be asked in an interview to avoid the perception of discrimination against job applicants. The applicant's responses to the questions or demonstration of skills will then be evaluated by each of the interviewers. Upon completion of the interview, a consensus is reached among the interviewers as to which candidate is best suited for the position. See sample interview questions in Appendix Q.

Reference Check

Once a potential employee has been identified, most state licensing regulations require you to conduct a reference check. You can ask the candidate for references on the initial application or at the time of the interview. It is recommended that a reference check form be developed which you can send to the identified reference or complete during your conversation with the individual providing the reference.

Criminal Record Check

In addition to the reference check, state licensing regulations require you to run a criminal felony/misdemeanor history check. This will involve sending identifying information and/or fingerprints to a local, state, and/or national law enforcement agency to determine if the applicant has ever been convicted of an offense that would place the program or children enrolled at risk. It is recommended that you investigate the time needed to process criminal record checks in your state in order to allow sufficient time to complete the required documentation prior to an employee's start date.

Child Abuse Record Check

State licensing regulations will also require you to run a child abuse and neglect record check. Typically, each state has a standardized form which must be filled out and sent to the state department overseeing child care licensing to determine if the applicant has previously been involved in the abuse or neglect of a child.

Qualifications Check

Finally, you will want the candidate to provide documentation of their education degrees. This can include a copy of their diploma or transcript from the university or college attended indicating that they completed the degree requirements.

Employee Eligibility Verification

Federal law requires employers to verify an employee's eligibility to work in the United States. Within three days of hire, employers must complete a Form I-9 for each employee and register this information to electronically verify the employment eligibility of each newly hired employee via *www.dhs.gov/how-do-i/verify-employment-eligibility-e-verify*.

Forms and information regarding the completion of these forms can be found on the U.S. Immigration and Customs Enforcement agency's I-9 website.

Hiring

Once the individual clears all required checks, you can offer the individual a position with your program and notify them of their salary. In addition to verbally offering an applicant the position, it is recommended that a letter be provided to the individual outlining the date of hire, starting salary, and expected hours of work.

Pre-Employment Health Screening

Child care licensing regulations often require new employees to be screened to ensure they will not pose a significant risk to the health and safety of others because of a communicable disease. It is suggested you review the regulations in your state to determine if there are health screening requirements.

Employee Personnel File

It is important to review your state's child care regulations and regulations of other funding sources to ensure your personnel files contain the required information. The following is a list of information most likely to be required or included in an employee personnel file. (See a sample employee file checklist in Appendix R.)

- Employee file checklist (recommended)
- A sheet with personal information including emergency contacts (may be part of the application form)
- Letter of hire (with salary)
- Tax related forms
- Criminal history record report
- Child abuse record report
- Reference check feedback forms

- Employee Eligibility Verification (Form I-9)
- Health screening forms
- Insurance forms
- Evidence of degree, including teaching certificates, diplomas, and/or transcripts as applicable
- Evidence of training completed (documentation needed for child care licensing and/or QRIS system)
- Performance appraisals
- Original application
- Other: Work improvement plans, garnishments, etc.

Accounting Procedures to Support Human Relations

New and existing employers should consult the IRS Employer's Tax Guide to understand all their federal tax filing requirements. Visit your state's Department of Revenue and/or local tax page for specific state tax filing requirements for employers. Following is a checklist of accounting procedures which need to be set up to support the hiring and payment of staff:

- Have you obtained an Employer Identification Number (EIN)? The EIN (or Employer Tax ID or Form SS-4 as it is also called), is required for reporting taxes to the IRS and reporting your employees to state government. You can apply for the EIN from the U.S. Internal Revenue Service offices.
- Have you set up processes for:
- Documenting the withholding of employment taxes (Form W-4) and submission of the Form to the IRS?
- Reporting wages paid and taxes withheld for each employee to the federal government (W-2 Form)? Employers must complete a W-2 form for each employee paid a salary, wage, or other compensation.
- Paying state income taxes if required by your state?

- Filing Form 941, the Employer's Quarterly Federal Tax Return? (Must be filed regarding federal taxes paid each quarter for your employees.) For more information, visit the IRS website (www.irs.gov).

    (There are many deadlines associated with the payment of taxes. It is critical to pay taxes by the required deadlines to avoid penalties. An excellent resource for payment of taxes is the IRS Employer's Tax Guide) (www.irs.gov/pub/irs-pdf/p15.pdf).

- Have you registered newly hired (re-hired) employees with your state's Department of Labor?
- Have you obtained Workers' Compensation Insurance?
- Have you posted the required posters in your workplace that inform employees of their rights and employer responsibilities under labor laws? (These can be obtained from your state's Department of Labor.)
- Have you set up a payroll system?
  - Determined a pay period. Typically, pay periods are set up monthly or bi-monthly, although this may be determined by state law.
  - Developed a process for documenting your employees' compensation, paid time off, and possible deductions (health insurance premiums, retirement contributions, etc.).
  - Selected a payroll software to use internally or set up a contract with an external provider.

Onboarding Training

New employees must understand the mission, vision, values, goals, and objectives of your program and how they will contribute to the accomplishment of those goals and objectives. Most state licensing regulations, as well as the requirements of your funding sources, outline trainings to be completed with new employees, often before they can be placed in the classroom. The following is a list of trainings typically provided to new employees:

General Topic	Sub-Categories	Mandatory/Comments
Introduction to the Center	Mission, vision, values, goals, and objectives	General information regarding your center; may also include history of your program.
Employee Job Description		Reviews role and responsibilities of the employee.
Employee Handbook	Standards of conduct.	Reviews expectations of the employee.
Health and Safety Policies and Procedures	• First aid and/or CPR. • Blood-borne pathogens. • Administration of medication. • Exclusion due to sickness. • Child and adult care food program regulations. • Safe sleep. • Shaken baby syndrome. • Child abuse and neglect — identification and mandatory reporting. • Active supervision. • Child care ratios. • Behavior guidance/discipline. • Limited restraint training.	Typically mandatory.
Emergency Preparedness	Fire, Tornado, Hurricane, Flooding, Loss of power, Intruder.	Typically mandatory.
Curriculum and Instruction	Overview.	Ongoing
Daily Routines	• Classroom daily schedule. • Lesson plans. • Observations/assessments of children. • Diaper changing routines. • Naptime routines. • Teacher-child interactions. • Sanitizing procedures. • Family-style meals/tooth brushing.	Typically mandatory.
Engaging Parents	Developing relationships with parents. Sharing information with parents.	Indicators of quality.

It will be important to review your state's licensing regulations, as well as the regulations of any other funding sources to determine the specific trainings required by your state.

To ensure that you have met all requirements regarding your state's mandatory training as well as training that supports quality care, it is recommended that you develop a checklist to monitor each staff member's completion of trainings. See a sample onboard training checklist in Appendix S. It is recommended that the director observe and/or have a follow-up conversation with each new staff member 10-14 days after completion of the training to ensure the staff member understands and is comfortable with the information provided.

Ongoing Professional Development

Ongoing training provides the additional support employees need to gain the skills and experience to master their job responsibilities, enhance their job performance, and support your program's quality. Ongoing professional development can take many forms, including:

- Library materials (videos, books, CDs, and/or access to early childhood articles on the internet)
- One-on-one training
- Group training presentations
- Coaching, modeling, and videotaping with feedback
- Continuing post-secondary education

Most state child care regulations require that early childhood caregivers complete a minimum number of hours of training each year. In addition, state QRIS systems often require training in specific areas of child development.

Staff Supervision

There are two types of supervision in which you will want to engage your staff — administrative and reflective. Administrative supervision relates to program oversight of compliance with child licensing regulations and agency policies/procedures. Supervision that is primarily administrative will focus on the hiring, training, and evaluation of program staff, completion of all required paperwork, enforcement of the employee handbook, and monitoring of enrollment and health/safety procedures.

Reflective supervision, supports staff who then support families, creating a more effective working relationship between staff and families. Through active listening and thoughtful questioning, supervisors can help staff answer their own questions and become independent, successful problem solvers. Reflective supervision is also used as an opportunity to support an employee's acquisition of new knowledge through self-reflection regarding their own performance.

Staff Appraisal

It is recommended that all staff participate in an annual appraisal process. Using the employee's job description, the appraisal serves to evaluate the performance of the employee and determine areas of further growth and development. The performance appraisal process also provides the employee with the opportunity to engage in self-reflection regarding their performance and to develop a professional development plan. Some programs also use the annual appraisal process to determine salary increases and compensation levels. There are many different appraisal protocols which can be used when conducting an employee appraisal.

Staff Retention

Planning for workplace standards or operations can help eliminate high turnover in staff and, as a result, lower your costs for staff recruitment and training. A consistent, high-quality staff is crucial for sustaining improvements in your program over time. Furthermore, high staff retention facilitates strong connections between families, children, and classroom staff and promotes continuity of care for the children.

Suggestions for retaining staff include:

- Offering competitive compensation
- Having an open-door policy so employees feel comfortable voicing their ideas and concerns
- Creating a staff advisory committee where you can ask for and provide feedback
- Emphasizing work-life balance and health and wellness in the program
- Recognizing outstanding work
- Creating a career ladder
- Offering professional development opportunities
- Rewarding performance that exceeds expected job responsibilities with salary increases

Volunteers

Volunteers can play a significant role in the overall success of your agency. Through the generous contribution of their time, volunteers can add to the quality of care in your program and help further your mission of high-quality care. You will need to review your state's child care licensing standards regarding the requirements of volunteers working in your program.

Additional Resource

ECE Shared Resources is a password-protected web platform that provides an extensive knowledge hub of tools focused on supporting the needs of early childhood education and care professionals. Hundreds of easily editable human resources are available. Currently 32 states have access to the platform. You can find the list of states currently served within the platform at www.ecesharedresources.net/mktg_Partners_

7 PROGRAMMING FOR PARENTS

WHY PARENT ENGAGEMENT?

"Research indicates that children's lifelong health, development and academic success is impacted by their families' active engagement in their children's learning. When families and their children's early childhood care providers partner in meaningful ways, children develop more positive attitudes toward school, have better attendance, are more likely to remain in school, and are more likely to experience school success. Positive relationships between families and early childhood education and care providers can result in mutual reinforcement of learning at school, at home and in the community" (Porter, Guzman, Kuhfeld, Caal, Rodrigues, Moodie, Chrisler, and Ramos, 2017).

In May 2016, the U.S. Department of Health and Human Services and U.S. Department of Education issued a Policy Statement on Family Engagement. They identified the following principles as being foundational to family engagement practices:

- Continuity of care for children and families. *How will you ensure children and families remain with the same teachers for as many years as possible?*

- Valuing of equal partnerships between families and professionals. *How will your teachers work with family members to share responsibility for children's learning and healthy development?*

- Development of goal-oriented relationships that are linked to development and learning. *How will you engage family members in the process of identifying and*
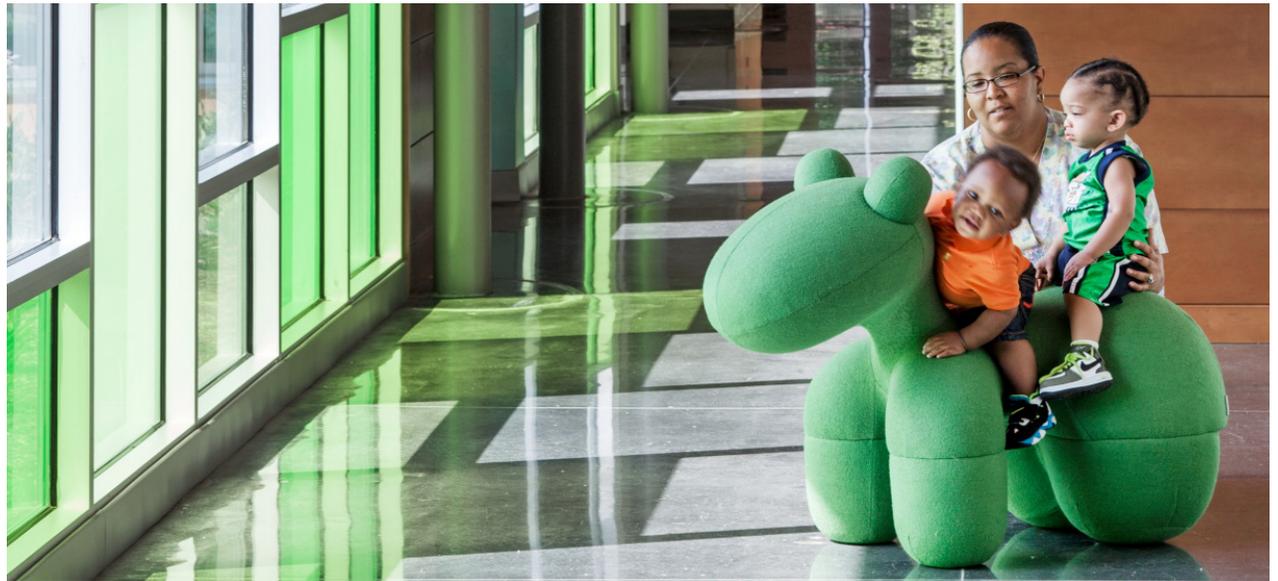
supporting learning and health goals for their children at home and in the classroom?

- Prioritizing the development of children's social emotional and behavioral well-being. *How will you work with parents to ensure the development of their children's social emotional and behavior*al well-being?

- Family engagement opportunities that are culturally and linguistically responsive. H*ow will you ensure that all meetings and communications with parents reflect the families' cultures and are* linguistically appropriate for all families?

- Development of staff skills in how best to engage with families. *How will you help staff build their capabilities to engage family members as co-partners*

in their child's care and education, to build positive relationships with all families, and to interact with families in a culturally acceptable manner?

- Building of families' capabilities and connections. *How will you help families connect with each other and/ or with community agencies?*

- Systematic embedding of effective family engagement strategies within programs, schools, and community partners. *How can you promote respectful relationships between parents and community schools and service agencies?*

- Continuous learning and improvement. *How will you know if the family engagement strategies being implemented are being successful?*

Area of Involvement	Activity Examples
Continuity for Child/Parents	• Use routines at your center that are consistent with the care the child receives at home (e.g., feeding, diapering, etc.). • Child stays with same teaching team for as many years as possible.
Equal Partnerships with Parents are Valued	• Teachers send notes to parents highlighting an accomplishment of their child during the day/week. • Monthly newsletters share information regarding learning activities being done in the classroom which could also be done in the home. • Parent-teacher conferences are held to exchange information regarding the child's development.
Goal-Oriented Relationships are Linked to Child Development and Learning	• Teachers are available to answer questions parents have regarding their child's development. • Families can check out books/materials from the classroom to use in interactions with their child over the weekend. • Teachers share activities with parents designed to help their children develop new skills.
Prioritize Engagement Around Children's Social Emotional and Behavioral Health	• Program provides information to parents regarding how to promote their child's social emotional development, including positive guidance techniques to implement with their children. • Teacher seeks input from families regarding how they handle difficult behavioral situations with their child (e.g. fussiness, temper tantrums, biting, etc.).
Family Engagement Opportunities are Culturally and Linguistically Responsive	• Interpreters are available for conversations with parents and written materials are translated for families. • Staff members are employed from the same cultures as the children attending the center. • Materials (books, dolls, photos) in the classroom represent culturally diverse populations.
Build Staff Competencies in Engaging with Families	• Training is provided to staff to guide them in appreciating, understanding, and adopting practices respectful of cultural differences. • Teachers receive training regarding how to share child assessment data with parents; resolve conflicts with parents and how to have difficult conversations with parents. • Program staff affirm family strengths and resilience and are responsive to family concerns and priorities.
Build Families Capabilities and Connections	• Monthly, classroom parent child activities provide parents with an opportunity to meet and interact with one another and learn more regarding topics of mutual concern. • A parent bulletin board provides a space for parents to request information or resources from other parents. • Parents are offered the opportunity to assist with program wide activities (e.g. gardening, health fairs).
Systematically Embed Effective Family Engagement Strategies within Programs, Schools, and with Community Partners	• Parents are provided with information regarding how to understand and navigate community systems (transition to school, access to health care, access to community resources). • An area is designated for brochures about resources for parents with young children. • Community organizations collaborate with one another to best meet parents' needs and eliminate duplication of efforts.
Continuously Learn and Improve	• Families are asked for feedback (surveys, focus groups) regarding ways to improve program quality. • Staff are asked for feedback (surveys, focus groups) regarding ways to improve program quality.

Parent Engagement Activities

The following is a list of possible family engagement activities you may want to consider at your center for each of these identified principles:

Community Agency Engagement

Financial stability, secure housing, health care, and access to adequate nutrition have positive effects on children's development and contribute to family wellness. Financial stability has been found to improve children's academic achievement, behavioral, and mental health outcomes. Parents whose health and mental health needs are being met are more likely to engage in responsive caregiving, which, in turn, leads to better mental health and behavioral outcomes for their children. "Meeting families where they are, promoting their wellness alongside their children's through connections to community resources, and partnering with them on their children's learning and development, will result in optimal outcomes for children." (U.S. Department of Health and Human Services, 2017)

Resources within most communities that can help meet the needs of the families of children enrolled in your center include:

- Other families
- Local churches
- Local health clinics
- WIC clinics
- Local social service agencies
- United Way
- Work development programs
- Education programs

Inviting staff from these community agencies to meet with and/or provide flyers to your families periodically throughout the year will assist parents in accessing needed community services.

Additional Resource

ECE Shared Resources is a password-protected web platform that provides an extensive knowledge hub of tools focused on supporting the needs of early childhood education and care professionals. Hundreds of easily editable resources are available. Currently 32 states currently have access to the platform. You can find the list of states currently served within the platform at *www.ecesharedresources.net/mktg_Partners_and_Impact.aspx*.

IN CONCLUSION

In this document, we have reviewed many topics that are critical to the successful creation of an early childhood education and care program, including:

- Identifying Standards of Quality
- Developing a Work Plan and Timeline
- Developing a Budget
- Financing Your Project
- Identifying Facility, Equipment, Furniture, and Material Needs
- Developing a Marketing and Enrollment Plan
- Setting up Fiscal Systems
- Setting up Human Resource Systems
- Programming for Parents

We know we have presented a great deal of information to you which may seem overwhelming, but we assure you it will become easier as the words turn into actions. As you go through the steps in this process, we encourage you to identify thought partners — individuals who can answer your questions and provide encouragement throughout the various steps and stages of your project. In the long run, it will be well worth the effort, as you will ultimately be rewarded with smiles and hugs from children who are equipped with the skills to be successful in kindergarten and beyond.

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