Family Child Care Business Planning Guide
by
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Blank Start-Up Plan

Instructions: Fill in the blanks and check the boxes that apply to you, adding any further details or explanation as needed. To answer “no” to a question, simply leave that box unchecked.

Legal & Regulatory Issues
Child Care Regulations

Disqualification Factors

❑ I am qualified to provide child care in my state.

Business Name

❑ I have a business name: ________________________________________________

❑ Business name is registered with the state. Registration number: ______________

Legal Structure
I will operate my business as a:

❑ sole proprietorship (self-employed business)
❑ partnership
❑ limited liability company (LLC)
❑ S corporation
❑ C corporation

Business Location
Address: ________________________________________________________________

Phone number: ______________________________
E-mail: ______________________________
**Housing Barriers**

☐ Business is in compliance with local zoning laws.

☐ Business is not prohibited by deed or landlord restrictions.

☐ Child care licensing rules allow me to operate in my home.

☐ Child care licensing rules require home improvements to open my business.

*Start of Business Date: ________________________________*

**Food Program**

☐ I am participating in the Food Program.

Name/phone number of sponsor: ______________________________________________________

Name of representative: _____________________________________________________________

**Start-Up Costs**

*License Expenses (specify or explain as needed)*

The following start-up costs are required for my business:

☐ $_____________ Licensing fees _____________________________________________________

☐ $_____________ Smoke detectors/fire extinguishers __________________________________

☐ $_____________ Criminal background check _________________________________________

☐ $_____________ Fire/building inspection fees _________________________________________

☐ $_____________ Well water test _____________________________________________________

☐ $_____________ Medical exam/tuberculosis test ______________________________________

☐ $_____________ Safety items _______________________________________________________

☐ $_____________ Indoor toys _______________________________________________________

☐ $_____________ Outdoor toys _____________________________________________________

☐ $_____________ Training classes ___________________________________________________

☐ $_____________ Vehicle expenses __________________________________________________

☐ $_____________ Children’s activity expenses _________________________________________

☐ $_____________ Cribs/playground equipment _________________________________________

☐ $_____________ Home remodeling __________________________________________________

☐ $_____________ Other ____________________________________________________________

*Total licensing expenses: $_____________

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Insurance

❑ $_____________ Business property policy
❑ $_____________ Commercial vehicle insurance
❑ $_____________ Business liability insurance
❑ $_____________ Disability income insurance

Equipment (specify as needed)

❑ $_____________ Car seats: _________________________________________________
❑ $_____________ Cribs/cubbies: _____________________________________________
❑ $_____________ Children’s furniture: ________________________________________
❑ $_____________ Other: ____________________________________________________

Fees and Expenses (specify as needed)

❑ $_____________ Children’s activity expenses __________________________________
❑ $_____________ Family child care association dues ___________________________
❑ $_____________ Advertising ________________________________________________
❑ $_____________ Office expenses _____________________________________________
❑ $_____________ Security system _____________________________________________
❑ $_____________ Business fees ______________________________________________
❑ $_____________ Professional fees ____________________________________________
❑ $_____________ Vehicle expenses ____________________________________________

Home Repairs and Improvements (list)

❑ $_____________ __________________________________________________________
❑ $_____________ __________________________________________________________
❑ $_____________ __________________________________________________________
Other (list)

❑ $_____________   ________________________________________________________
❑ $_____________   ________________________________________________________
❑ $_____________   ________________________________________________________

Total other start-up costs: $_____________

Total start-up costs: $_____________

Plan for Keeping Start-Up Costs Low

__________________________________________________________________________
__________________________________________________________________________
__________________________________________________________________________
__________________________________________________________________________
__________________________________________________________________________

Sources of Start-Up Funds

❑ $_____________ Personal savings
❑ $_____________ Relatives
❑ $_____________ Friends
❑ $_____________ Home equity loan
❑ $_____________ Credit union loan
❑ $_____________ Grant from my child care resource and referral agency
❑ $_____________ Other (specify) __________________________________________

Total funds available for start-up costs: $_____________

Business Tax Issues

Start-Up Expense Deductions

Total of items costing less than $100 and bought before my business began: _______________

Total of items costing more than $100 and bought before my business began: _______________

Total of items owned before my business began and used in my business: _______________

❑ I am keeping an inventory of the household items used in my business (see the Family Child Care Record-Keeping Guide).
**Home Expenses**

- All the rooms in my home will be used regularly in my business.
- The following rooms will not be used regularly in my business:

________________________________________________________________
________________________________________________________________

**Social Security Taxes**

- Social Security taxes of 15.3% are included in my first-year budget or profit estimate.

**Estimated Taxes**

- I will pay my estimated taxes on a quarterly basis by filing **Form 1040ES** on April 15, June 15, September 15, and January 15 each year.
- My spouse will withhold enough money from his paycheck to cover my estimated taxes.
- Other (describe how you will pay your estimated taxes): ____________________________

_________________________________________________________________

**Contract**

My written contract is attached. My contract contains:

**Contract Terms (specify as needed)**

- The names of both parties ________________________________
- My days/hours of operation ________________________________
- Termination clause ________________________________
- Signatures of both parties ________________________________

**Fees (specify as needed)**

- Parents must pay at least one week in advance ________________________________
- Parents must pay the last two weeks in advance ________________________________
- Payment date listed ________________________________
- Late payment fee ________________________________
- Late pick up ________________________________
- Registration fee ________________________________
Policies
My written policies are attached. My policies describe my:

- Program activities
- Health and safety rules
- Responsibility as a mandated reporter of child neglect
- Privacy policy
- Transportation policy
- Pickup and drop-off rules
- Field trip policy
- Backup care rules
- Behavior guidance policy
- Date of annual rate increase