



## BECOME A REGISTERED CHILD CARE PROVIDER

# VENTURE BOLDLY

**90%**

OF A CHILD'S BRAIN  
DEVELOPMENT  
IS DETERMINED BY AGE 5

**80%**

OF FLATHEAD COUNTY  
FAMILIES REPORT  
DIFFICULTY FINDING CHILD  
CARE

*These are the most important years of a child's development and YOU can make a lifetime impact by providing quality licensed/registered care. Your registered childcare program can support the local economy as a whole by allowing parents to work/return to work.*

You already have a childcare business, but have you considered what you can gain by becoming a *registered* childcare business?

### Benefits of licensing your business:

**Best Beginnings Scholarship** - As a registered program, you'll be able to accept Best Beginnings funds.

**CACFP Reimbursement** - Child and Adult Care Food program

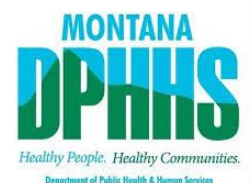
**Financial Incentives** - The Nurturing Center offers \$500-\$3000 financial incentives for new program start-up.

**Support, Information, & Emergency Planning** from the Nurturing Center.

**Referrals from Nurturing Center-** As the Nurturing Center receives inquiries for available childcare spaces, they are *only referred to registered/licensed care programs.*

**Reduced Liability** - You'll be operating a quality program where you're taking proper measures to ensure child and facility safety.

**Existing Business Space** - you may already be able to utilize your existing home/commercial space (35sf per child).



## Profit and Loss Statement Example

**Provider Type: Family Friend Neighbor (FFN)**

PLEASE NOTE: This model assumes the average FFN program cares for related or unrelated children with an average of **three** at any one time.

FFNs are eligible to care for sibling groups of any size. However, if unrelated children are from separate households FFNs can care for no more than 4 children at a time.

Current Gross margin 72%  
Current Return on sales 0%

All numbers are rounded up to the nearest dollar

Summary	Total Budget	Percentage of Sales	Assumptions & Notes
Total Sales Revenue (Tuition, Fees, Programs)	\$ 18,600	100%	Assuming 3 children per day at \$29.75 per day, ranging in age from 0-6, open 245 days per year; at 85% daily attendance; not eligible for CACFP; no annual registration or other types of fees; no other program participation or other sources of revenue.
Total Direct Costs (Food, Classroom Supplies, Credit Card Processing Costs)	\$ 5,200	28%	Assuming grocery bill of \$100 per week; open a total of 49 weeks per year (245 days) plus classroom supplies of \$500 per year
Total Labor, Wages, Draws, Payroll Expenses, Benefits	\$ 8,700	47%	1 full time employee (director/owner) at \$650/month; plus 12% burden rate for payroll taxes, WC and UI insurance, & benefits; assuming FFN providers are organized as sole proprietorships in most cases, W2 wages would not be paid. This amount would be the amount withdrawn as an owner's draw and not deducted from the net income of the business activity.
Total Occupancy (Time-Space for utilities, rent, etc)	\$ 2,600	30%	Assuming time-space percentage of 14% for use of the home for 4900 hours open per year in a home of 2000 square feet in which 1000 square feet are available for use.
Total General and Administrative Expenses	\$ 1,200	6%	Cleaning, Repairs, Marketing, Accounting, Legal, Subscriptions, taxes/licenses, CCMS, security; assuming \$100/month
Total General Liability Insurance	\$ 600	3%	
Total Other Expenses (loss, theft, waste, unknown)	\$ 300	2%	
Total Taxes Set Aside for Self Employment		0%	

<b>Gross Profit</b>	<b>\$ 13,400</b>	<b>72%</b>
<b>Total Operating Expenses</b>	<b>\$ 13,400</b>	<b>72%</b>
<b>Income from Operations</b>	<b>\$ -</b>	<b>0%</b>
<b>Net Profit after Tax</b>	<b>\$ -</b>	<b>0%</b>

**For more information and resources in Northwest Montana, contact:**

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