



START YOUR OWN BUSINESS!

Start a licensed home-based childcare (up to 8 kids)

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 care. Your licensed childcare program can support the local economy as a whole by allowing parents to work/return to work.

Benefits of launching a childcare business:

- Financial Stability** - You'll experience greater financial stability by planning your childcare program as a business with a business plan.
- Earn While You Stay Home with your Kids** - You'll be able to stay home with your children while making money.
- Business Planning** - By planning your entry into the business of childcare, your work invested in the beginning will help minimize awkward or uncomfortable situations around the cost of care down the road. You'll start your business knowing the amounts that you'll need to charge to cover your salary and expenses, plan for the unexpected and to earn a profit while operating a high-quality childcare program.
- Needed Service** - Childcare is in high demand in the Flathead Valley. Families are seeking care for children of all ages so that parents and family members can return to the workforce.
- Best Beginnings Scholarship** - As a licensed 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 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)



This project is funded in whole or in part under a contract with the Montana Department of Public Health and Human Services. The statements herein do not necessarily reflect the opinion of the Department.

Profit and Loss Statement Example

Provider Type: Family, licensed up to 8 children

Current Gross Margin 88%
Current return on Sales 1%

Example Revenue is based on \$55 per day

Summary	Total Budget	Percentage of Sales	Assumptions & Notes
Total Sales Revenue (Tuition, Fees, Programs)	\$ 105,800	100%	8 children per day at \$55 per day, open 245 days per year; at 90% daily attendance plus CACFP income of \$8500/year plus registration fees of \$35 per child per year
Total Direct Costs (Food, Classroom Supplies, Credit Card Processing Costs)	\$ 12,900	12%	Typically around 11% of 100% enrollment
Total Labor, Wages, Draws, Payroll Expenses, Benefits	\$ 78,541	74%	Owner comp @ \$18, 1 aide @ \$14, plus 18% burden rate for payroll taxes, insurance & benefits
Total Occupancy (Time-Space for utilities, rent, etc)	\$ 3,700	3%	Assuming time-space percentage of 3% for use of the home for 2450 hours open per year in a home of 2000 square feet with 35 square feet per child with 8 total children enrolled.
Total General and Administrative Expenses [O]	\$ 4,800	5%	Cleaning, Repairs, Marketing, Accounting, Legal, Subscriptions, taxes/licenses, CCMS, security
Total General Liability Insurance	\$ 3,000	3%	
Total Other Expenses (loss, theft, waste, unknown)	\$ 2,000	2%	
Total Taxes Set Aside for Self Employment		0%	

Gross Profit	\$ 92,900.00	88%
Total Operating Expenses	\$ 92,040.80	87%
Income from Operations	\$ 859.20	1%
Net Profit after Tax	\$ 859.20	1%

Profit and Loss Statement Example

Provider Type: licensed up to 15 kids

Current Gross Margin 88%
Current Return on Sales 0%

Example Revenue is based on \$52 per day

Summary	Total Budget	Percentage of Sales	Assumptions & Notes
Total Sales Revenue (Tuition, Fees, Programs)	\$ 170,410	100%	15 Children per day at \$52 per day, open 245 days per year; at 85% daily attendance plus CACFP income of \$8500/year plus registration fees of \$35 per child per year
Total Direct Costs (Food, Classroom Supplies, Credit Card Processing Costs)	\$ 21,000	12%	Typically around 11% of 100% enrollment
Total Labor, Wages, Draws, Payroll Expenses, Benefits	\$ 127,629	75%	Owner comp @ \$20/hour x 2080 hours/year, 1 teacher @ \$17/hour x 2080 hours/year, 1 aide @ \$15/hour x 2080 hours/year, plus 18% burden rate for payroll taxes, insurance & benefits
Total Occupancy (Time-Space for utilities, rent, etc)	\$ 11,500	7%	Assuming time-space percentage of 3% for use of the home for 2450 hours open per year in a home of 2000 square feet with 35 square feet per child with 8 total children
Total General and Administrative Expenses [O]	\$ 4,800	3%	Cleaning, Repairs, Marketing, Accounting, Legal, Subscriptions, taxes/licenses, CCMS, security
Total General Liability Insurance	\$ 3,000	2%	
Total Other Expenses (loss, theft, waste, unknown)	\$ 2,000	1%	
Total Taxes Set Aside for Self Employment	\$ -	0%	

Gross Profit	\$ 149,410.00	88%
Total Operating Expenses	\$ 148,928.80	87%
Income from Operations	\$ 481.20	0%
Net Profit after Tax	\$ 481.20	0%

For more information and resources in Northwest Montana, contact:

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