



**The ABC's
of a
Child Care
Business**

Welcome to the world of child care! The goal of this manual is to turn the complexities of licensing, regulations and business start-up into easy-to-use information to help you become a successful child care entrepreneur.



Revised 2010 by the Indiana Association for Child Care Resource & Referral (IACCRR) in cooperation with the Indiana Family and Social Services Administration (FSSA) and other partners included in this manual.

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Place to Begin

The Basics of Child Care Programs

Licensed Child Care Homes

For more information: Call 1-877-511-1144 or visit www.IN.gov/fssa/carefinder. For information regarding Orientation I and II for homes, call your local Child Care Resource and Referral Agency or call 1-800-299-1627.

Definition: Care provided in a residential setting for more than five unrelated children. The provider receives compensation and cares for children for a period of more than ten consecutive days excluding intervening Saturdays, Sundays and holidays.

Administrator's Educational Requirements: A high school diploma or a high school equivalency certificate (GED) is required to apply for a license. Documentation is required that the licensee has completed, has enrolled in, or agrees to complete within 3 years, a Child Development Associate (CDA) credential program or a similar program approved by the Division of Family Resources, Indiana Family and Social Services Administration. In addition, a training course concerning safe sleep practices that is taught or approved by the Division is required.

Staff Training Requirements: Universal precautions (prevention of blood borne diseases - i.e. Hepatitis B and HIV), first aid, annual CPR certification; at least one staff with annual CPR that includes the pediatric component on premises at all times.

Staff/Child Ratios: Determined by age mix of group.

All infants (under 16 months) - 4:1

Infants and toddler mix (if 2 of the 6 children are 16 months old and walking) - 6:1

Mixed age group with no more than 3 infants -10:1

Mixed age group with only 3-year olds and older - 12:1

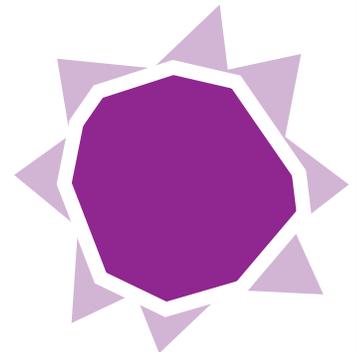
Program Policies: Balance of activities based upon developmental needs and interests and a written discipline policy signed by the parent.

Annual Inspections: Food, sanitation, health, program, safety, and fire (one annual inspection).

Health Requirements: Health exams and immunization records for children. Health exam, drug test, and annual negative TB test for staff and household members age 18 years or older.

Square Footage Required: Enough space for children to play and sleep, unless three additional school-age children are added or a Class II home is being operated, in which case, 35 square feet per child is required.

**Note: check with local zoning board for additional requirements within your locality, as some local zoning requires that a person live in the home proposed to be operated as a home child care program.*



Additional Information Regarding Educational Requirements

As of June 30, 2001, all new child care home providers must have a high school diploma or a GED. In addition, upon license application, the provider must have completed, enrolled in, or agrees to attain within three (3) years a Child Development Associate (CDA) credential. Other college degrees or higher learning experiences will be considered and may exempt the provider from being required to obtain the CDA.

For more information on obtaining Child Development Associate (CDA) credential training:

The Indiana Association for the Education of Young Children, Inc. (Indiana AEYC) makes CDA training, assessment, and renewal scholarships available to qualifying individuals. Scholarships are awarded through either the Indiana Non Formal CDA Project or the T.E.A.C.H. (Teacher Education And Compensation Helps) Early Childhood® INDIANA Project. T.E.A.C.H. Early Childhood® INDIANA is a licensed project of Child Care Services Association. Both T.E.A.C.H. Early Childhood® INDIANA and the Indiana Non Formal CDA Project at Indiana AEYC receive funding from the Indiana Family and Social Services Administration, Division of Family Resources, Bureau of Child Care. For more information about qualifying for a scholarship offered through one of these Indiana AEYC projects, visit www.iaeyc.org or call 1-800-657-7577 (toll free) or 317-356-6884.

Web-based CDA learning opportunities can be secured by registering with the Indiana Family and Social Services Administration at www.IN.gov/fssa/carefinder/3581.htm.

Child Care Centers

For more information: Call 1-877-511-1144. Registrations and reservations for Orientation II Sessions for Centers and Ministries are available online at www.in.gov/fssa/carefinder.

Definition: A child care center is a licensed facility designed to provide care for one or more children in a non-residential building.

Director's Educational Requirements: A college degree plus education and experience in early childhood development including 15 college credit hours in early childhood education.

Lead Teacher Information: Lead caregivers shall have a minimum of one (1) of the following:

1. Current CDA credential;
2. B.A. or B.S. degree in Early Childhood or Elementary Education with a kindergarten endorsement and grades of "C" or better.
3. B.A. or B.S. degree in a field that includes: fifteen (15) credit hours in college-level courses relating to the care and education of children, six years of age and younger, with grades of "C" or better; a two-year Associate's Degree in Early Childhood Education with grades of "C" or better (Note: this is a synopsis of this regulation; please refer to 470 IAC 3-4.7-25 for exact wording).
4. Staff Training Requirements: Universal precautions (prevention of blood borne diseases - i.e. Hepatitis B and HIV), first aid, 12 hours of in-service training annually, and at least one person with appropriate CPR course completion on-site.



Staff/Child Ratios: Ratios determined by the age of youngest of the child.

Infants - 4:1

Toddlers - 5:1

Twos - 5:1

Threes - 10:1

Fours - 12:1

Fives - 15:1

School-age - 15:1

Program Requirements: Planned, written activities and appropriate play/learning equipment.

Annual Inspections: Food, sanitation, health, program, safety and fire.

Health Requirements: Approved written health policies, health exams for children and staff, immunization records, drug tests, and annual negative TB test for staff.

Square Footage Required: 35 square feet per child (indoor) and 75 square feet per child (outdoor); Note: infant indoor space is 50 square feet per child.



Unlicensed Registered Child Care Ministries

For more information: Call **1-877-511-1144**. Registration and reservations for Orientation II Sessions for unlicensed registered child care ministries are available online at www.IN.gov/fssa/carefinder.

Definition: Child care operated as an extension of a church or not-for-profit religious organization. These organizations have an option to be licensed if they meet the requirements for a licensed center.

Please note: A child care ministry that is exempt from licensing must clearly state in all of its paid promotional advertising that the child care ministry is providing child care as an extension of the ministry's church or religious ministry.

Administrator's Educational Requirements: None.

Staff Training Requirements: Annual universal precautions (prevention of blood borne diseases; i.e. Hepatitis B and HIV).

Staff/Child Ratios: None.

Program Requirements: None.

Annual Inspections: Fire, for primary use of the building.

Semi-Annual Inspections: General sanitation and food, if applicable.

Health Inspections: Immunization records for children.

Square Footage Required: N/A.

Voluntary Certification: The Voluntary Certification Program (VCP) is a four (4)-part voluntary program with the goal of substantially improving standards in the areas of Health, Safety, Food/Nutrition, and Infant Toddler Care within an unlicensed child care ministry. A separate Certificate of Recognition is awarded for certifications earned in each of the four areas. Obtaining certification in all applicable areas (not all ministries care for infants and toddlers) could increase CCDF reimbursement by up to 5%.

Only those ministries that achieve VCP in all applicable areas will be eligible to enroll in **Paths to QUALITY™**, Indiana's free and voluntary quality rating system for regulated child care programs. Programs seeking assistance with VCP should contact their ministry inspector or call the Bureau of Child Care (Division of Family Resources, Indiana Family and Social Services Administration) at **1-877-511-1144**.

CCDF Provider Eligibility Standards Certification

In an effort to improve the environment in homes or facilities where children receive care funded by the State of Indiana's Child Care and Development Fund (CCDF), legislation was passed requiring unlicensed providers to meet certain health and safety standards. All licensed child care centers and licensed child care homes are eligible to care for children participating in the CCDF program.

The Bureau of Child Care (Division of Family Resources, Indiana Family and Social Services Administration) contracted with The Consultants Consortium (TCC) to certify legally licensed exempt providers (LLEP's) in the CCDF Provider Eligibility Standards. Registered child care ministries are certified by the Bureau of Child Care.

At a minimum, the CCDF Provider Eligibility Standards strive to ensure that these unlicensed programs have a safe environment and that the individuals caring for the children or living in the homes where care is provided meet certain standards.

Providers, adult individuals living in the home, and child care workers/volunteers must submit:

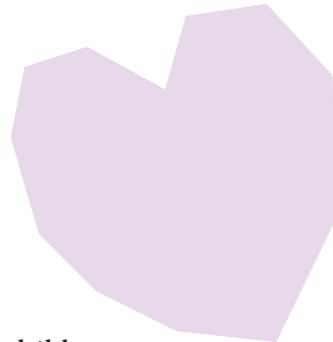
- Statewide criminal history checks/Consent to Release Information - Child Protection Index for Child Abuse & Neglect
- Drug tests results
- TB test results
- Annual age-appropriate CPR certification
- Current first aid certification

Providers must also:

- Show proof of a working land-line telephone
- Show proof of a safe source of hot and cold running water
- Collect proof of current age-appropriate immunizations for children
- Document monthly fire drills
- Have written emergency plans
- Have approved safe sleeping training when caring for children in a child care home

The program must have:

- Working smoke detectors
- Fire extinguisher (ABC 2 ½ pounds or greater)
- Two exits on different sides of the facility, are not windows, are not blocked, and are operable from the inside without the use of a key or any special knowledge using a one-step process.

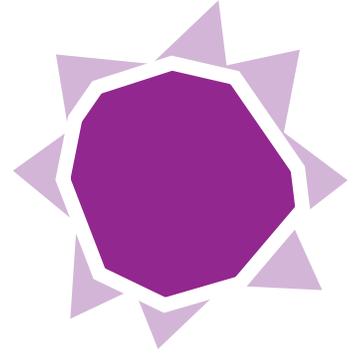


Note: This is meant as a quick reference and should not be used to prepare a program for inspection.

Legally licensed exempt providers (LLEP's) should contact the Bureau of Child Care at 1-877-511-1144 to obtain instructions on the certification process.

Legally Licensed Exempt Care

A child care home provider remaining unlicensed may never care for more than five (5) unrelated children at any one time!



470 IAC 3-1.1-26 Exemption from licensure

Section 26. Licensing is not required for a child care home if the provider:

1. does not receive regular compensation;
2. cares only for children who are related to the provider;
3. cares for less than six (6) children, not including children for whom the provider is parent, stepparent, guardian, custodian, or other relative; or
4. operates to serve migrant children.

470 IAC 3-1.1-15 Relatives Defined

Relative means a relationship to an individual who is less than 18 years of age by marriage, blood or adoption, including parents, grandparents, brothers, sisters, stepparents, step-grandparents, stepsisters, stepbrothers, uncles, aunts and first cousins.

Other Unregulated Programs

IC 12-7-2-143.5 - Preschool

A program that provides an educational experience through an age-appropriate written curriculum for children at least thirty (30) months of age, who are not eligible to enter kindergarten, and that:

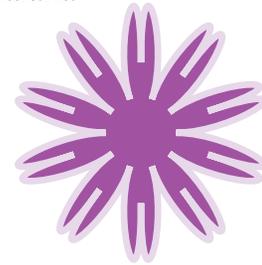
1. conducts sessions for not more than four (4) hours a day;
2. enrolls children for only one (1) session a day;
3. does not serve meals on the premises;
4. maintains a child to staff ratio of not more than fifteen (15) children to one (1) staff member;
5. supervises children at all times with a person who is at least eighteen (18) years of age; and
6. does not operate for more than ten (10) consecutive days.

IC12-17.2-2-8 - School Age Programs

The division shall exempt from licensure a program for children enrolled in grades kindergarten through twelve (12) that is operated by the Department of Education or public or

private school.

For additional rules regarding school age program requirements see the Indiana Administrative Code Rule 4.6 Section 470.



The Licensing Process

Steps for Becoming a Licensed Child Care Home

- **Attend a two-part Orientation Training and a Safe Sleep Training conducted by a local Child Care Resource and Referral Agency.** To locate the Child Care Resource and Referral Agency by community, call the Indiana Association for Child Care Resource and Referral at **1-800-299-1627** or visit **www.iaccrr.org**.
- **Prepare for the home inspection** by utilizing the inspection checklist and rules and regulations obtained in Orientation II.
- **Complete the Application for Home Licensure** provided in Orientation II. Obtain appropriate documentation and training as necessary for yourself, caregivers, and family members.
- **Submit the completed application and appropriate documentation to your Licensing Consultant.** Contact the Licensing Consultant after submission of the completed paperwork to schedule an inspection.
- **The Licensing Consultant will complete the home inspection.** The Licensing Consultant will either recommend approval or recommend denial of the child care home application.
- **If approved,** licensing recommendations are sent to Indiana's Bureau of Child Care Licensing Section for final approval and signature by the Director and the Child Care Administrator from the Division of Family Resources, Indiana Family and Social Services Administration.
- **An original license is mailed to the new provider** and a copy is kept for the Bureau of Child Care, Division of Family Resources, Indiana Family and Social Services Administration
- **Post license in home.**

Steps for Becoming a Licensed Child Care Center or an Unlicensed Registered Child Care Ministry

The following information gives the basic steps to be followed in order to obtain a license or registration for a child care facility. Please note: Pre-registration and reservations are available online at **www.IN.gov/fssa/carefinder** or call the Bureau of Child Care at **317-233-5413** for child care ministries or **317-232-4469** for centers to request a licensing or registration packet.

- **Attend a two (2)-part Orientation Training.** Part I is conducted by a local Child Care Resource and Referral Agency. Part II is conducted by the Bureau of Child Care on the first Wednesday of every month in the Indiana Government Conference Center and is required for all facilities seeking licensure and recommended for all facilities seeking registration as a ministry. Reservations are required.

- **Contact the State Licensing Consultant** for the area in which your center will be located.
- **Identify Financial Resources** for funding your project. The Financial Resources section of this manual is a good place to start.
- **Prepare a Business Plan** that includes a needs assessment/market analysis to determine child care demographics in your community. Refer to a local Small Business Development Center or a local SCORE counselor for guidance. Speak with the local Child Care Resource and Referral Agency office for more information.
- **Contact Architect/Engineer/Local Zoning and Local Building Commissioners** to determine an appropriate location and the potential cost of building. Plans must be approved by the State Building Commission and the Indiana State Department of Health. It is recommended that the building architect/engineer attend the Licensing Orientation Training Session.

You will need to file two sets of child care center building plans:

- One with the Indiana Department of Homeland Security, Fire and Building Services Division.
- One with the Indiana Department of Health, Division of Consumer Protection.

Please note: The architect/engineer's notification that the new construction, expansion, or remodel of an existing building meets the occupancy codes (including water, sewage and plumbing) for a child care center must be included.

Child Care Centers - Complete a Licensing Application that includes:

- Application for Licensure form.
- Criminal History Check.
- Statement attesting that the applicant has not been charged with or convicted of a felony or misdemeanor relating to the health or safety of children.
- Submission of a written plan that includes two (2) weeks of menus for Nutrition and Food Service to the Licensing Consultant for approval prior to licensure.
- Submission of a complete, written Health Program Form and attachments to the Licensing Consultant for approval prior to licensure.

Please note: Prior to opening a new center, the building must pass on-site inspections by the Department of Homeland Security (DHS), Fire and Building Safety Division, and the Child Care Licensing Consultant. Inspections by DHS and the Child Care Licensing Consultant will continue to be done annually.



Unlicensed Registered Child Care Ministries - Complete a Registration Application that includes:

- Application for Registration form to Bureau of Child Care, Division of Family Resources, Indiana Family and Social Services Administration.
- Attestation form stating that the applicant represents the religious organization that will operate and be responsible for the ministry.
- A copy of the IRS determination letter for 501(c)(3) status of the church or religious organization.
- Consent to Release Information - Child Protection Index for Child Abuse & Neglect.

- W-9, Taxpayer Identification Number Request.
- Copy of state/federal-approved identification for person signing the application.
- Certified check or money order for \$50.00 payable to the “Child Care Fund.”
- Septic disposal system approval (if on private septic system) from the Indiana State Department of Health.
- Well water report (if on private well) approval from the Indiana Department of Environmental Management, Drinking Water Branch.
- Application for Registration to Department of Homeland Security with list of child care rooms.
- Check or money order for \$50.00 payable to the Department of Homeland Security.

Please note: Prior to opening a registered ministry, the building must pass on-site inspections for sanitation requirements as conducted by a Division of Family Resources Sanitarian and an inspection by the DHS, Building and Fire Safety Division. These inspections will be made semi-annually. Registration with the Division of Family Resources, Indiana Family and Social Services Administration, and the State Fire Marshal is required annually.

Federal and State Laws Affecting Child Care

Americans with Disabilities Act (ADA)

The Americans with Disabilities Act (ADA) is the federal law passed in 1990 to protect persons with disabilities. The following are parts of ADA that affect child care:

- Title I - Privately operated centers employing 15 or more people may not discriminate in employment practices based on a disability.
- Title II - All settings receiving any government funds [such as CACFP or CCDF dollars] may not discriminate on the basis of a disability in offering individuals the opportunity to participate in a service, program or activity.
- Title III - Centers and family child care homes must provide equal opportunity to children, parents and others with disabilities to participate in programs and services.
- Questions regarding child care and the Americans with Disabilities Act may be directed to the U.S. Department of Justice, ADA Information Line at **1-800-514-0301**. A reference guide is also available at www.ada.gov/childq%26a.htm.

A setting that includes children with disabilities, or an inclusive setting, is a setting in which:

1. All children, those with and without disabilities, have an opportunity to play and learn together;
2. The special needs and interests of each child, including those with disabilities, are addressed;
3. The philosophy is based on the belief that all children have the right to be included with their peers in all age-appropriate activities throughout life;
4. A child with a disability is included in the daily routines of an already appropriate program (Child Care plus+ Curriculum on Inclusion: Practical Strategies for Early Childhood Programs).

Caring for children with special needs does NOT mean moving your program, buying all new toys, or providing extra staff for children. Quality, developmentally appropriate care for one child is quality, developmentally appropriate care for ALL children. Who can provide this service? YOU can!

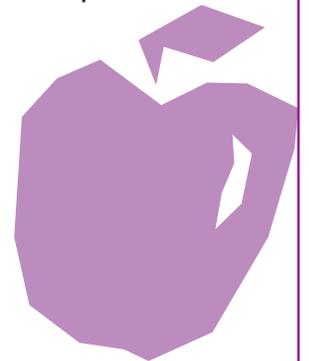
The key to successful inclusion of young children in early childhood settings is the provision of training, technical assistance and support to staff. This training, technical assistance and support are available through the Inclusion Specialists in all Child Care Resource and Referral agencies throughout Indiana. For more information on the above services or to locate your local Inclusion Specialist please contact the Indiana Partnership for Inclusive Child Care Program Director (IPICC Director) at 1-800-299-1627.

Indiana First Steps

Indiana First Steps is a family-centered, coordinated system that provides early intervention services to the families of children from birth to three years of age who have disabilities/developmental delays or who show signs of being at-risk of being developmentally vulnerable in the future.

First Steps brings together families and professionals from the education, health, and social service sectors in order to coordinate locally available services. First Steps is working to give Indiana's children and their families the widest possible array of appropriate early intervention services.

For more information on the above services or to make a referral to the First Steps system, call **317-233-6092**.



Special Education Cooperatives/Lead Education Agency

Once children reach three years of age, special education services are provided through the local school system. Children **MAY** qualify for services if any of the following are present: autism spectrum disorder, communication disorder, deaf-blindness, developmental delay, emotional disability, hearing impairment, learning disability, mental disability, multiple disabilities, orthopedic impairment, other health impairment, traumatic brain injury, and visual impairment.

School systems may offer services through a special education preschool cooperative to preschool age children who have a disability. To locate services, contact the local school system's main office or the Division of Exceptional Learners at the Indiana Department of Education at **317-232-0570**.

Indiana Partnership for Inclusive Child Care (IPICC)

The Indiana Partnership for Inclusive Child Care (IPICC) educates providers so that they have a better understanding that developmentally appropriate care for one child is developmentally appropriate care for ALL children. The key to successful inclusion of young children in early childhood settings is the provision of training, technical assistance, and support to staff, all of which are available through the Inclusion Specialists in all Child Care Resource and Referral agencies throughout Indiana.

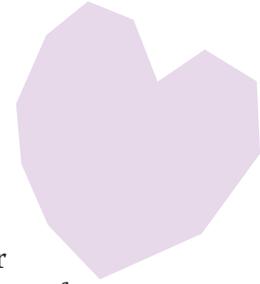
For more information or to inquire about services contact your local Child Care Resource and Referral Agency or the Indiana Association for Child Care Resource and Referral (IACCRR) at 1-800-299-1627 or visit www.iaccrr.org.

Department of Child Services - Reporting Child Abuse and Neglect

Indiana's Department of Child Services (DCS) protects children from further abuse or neglect, and prevents, remedies, or assists in solving problems that may result in abuse, neglect, exploitation or delinquency of children.

DCS operates a **toll free hotline (1-800-800-5556)** for people to call and report suspected cases of child abuse or neglect. DCS receives and initiates investigations of abuse reports on a 24-hour basis.

Investigations of abuse or neglect may be indicated, substantiated or unsubstantiated. The child's safety is the primary factor in all DCS investigations. Families receive services based on the severity of the abuse or neglect, an assessment of the child's and the family's needs, and an assessment of the relative safety and risk to the child in the home.



Federal and State Laws Affecting Child Care Facility Renovation

Asbestos – Demolition & Renovation

All facilities (regardless of age) must be inspected by an Indiana-licensed asbestos building inspector prior to the commencement of demolition or renovation activities. There are thousands of materials in any structure that could potentially contain asbestos. Thus, a highly trained licensed asbestos inspector is the only person who can conclude a material does not contain asbestos.

Even if no asbestos is present in the facility, proper notification of demolition or renovation (asbestos abatement) activity requirements must still be followed. Those removing the asbestos must be licensed to work in Indiana.

Operations involving roofing materials and floor tiles may not need to comply with asbestos removal requirements. **Contact the Indiana Department of Environmental Management at 1-888-574-8150 for information on determining compliance requirements in these situations.**

Lead - Renovate, Repair, and Painting Rule

After April 2010, child care programs (homes, centers, and ministries) in buildings constructed prior to 1978 and that are paying someone to replace windows or do other work that may disturb paint must hire a certified and trained renovator. A certified renovator is someone who has successfully completed a renovator course accredited by EPA or an EPA-authorized state program.

Note: Because the term “renovation” is broadly defined by this rule, many contractors, who are not generally considered “renovators” as that term is commonly used, are considered to be “renovators” under this rule and must follow its requirements.

Anyone who is paid to perform work that disturbs paint in housing and child care facilities built before 1978 is subject to this rule. This could include:

• Rental property owners	• General contractors	• Painters
• Plumbers	• Carpenters	• Electricians

Any activity that disturbs paint in pre-1978 built housing or child care facilities is subject to this rule and includes:

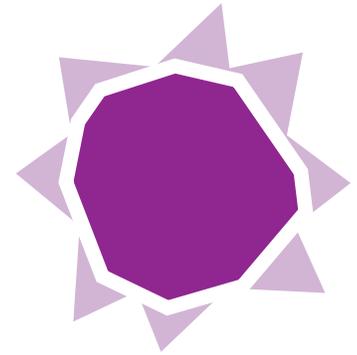
• Remodeling and repair/maintenance	• Electrical work	• Plumbing
• Painting	• Carpentry	• Window replacement

Minor repair and maintenance activities that disturb 6 square feet or less of paint per room inside, or 20 square feet or less on the exterior of the building are exempt. Note: minor repair and maintenance activities do not include window replacement and projects involving demolition or prohibited practices as determined by the Indiana State Department of Health.

Contact the Indiana State Department of Health at 317-233-1293 for information on determining compliance requirements in these situations.

Drinking Water from Wells

Child care facilities (homes, centers, or ministries) whose drinking water comes from a well and that regularly serve an average of at least twenty-five (25) individuals daily at least sixty (60) days out of the year are regulated as a non-community public water system. Certain sampling and certification requirements will apply. **For information, contact the Indiana Department of Environmental Management at 317-308-3308 or 1-800-451-6027 (ext. 308-3308).**



Health and Safety in Child Care

Tips to Protect Children from Environmental Threats

Help Children Breathe Easier

- Wash children’s hands before they eat, and wash bottles, pacifiers, and toys often.
- Don’t smoke or let others smoke in your home or car.
- Keep your home as clean as possible. Dust, mold, certain household pests, secondhand smoke, and pet dander can trigger asthma attacks and allergies.
- Limit outdoor activity when air pollution is at high levels, such as on ozone alert days.

Protect Children From Lead Poisoning

- Wash children’s hands before they eat, and wash bottles, pacifiers, and toys often.
- Wash floors and window sills to protect kids from dust and peeling paint contaminated with lead, especially in older homes.
- Run the cold water for 30 seconds to flush lead from pipes.
- Get children tested for lead poisoning – check with your doctor or local health department for testing specifics.

- Test buildings constructed before 1978 for lead paint.

Protect Children From Carbon Monoxide (Co) Poisoning

- Have fuel-burning appliances, furnace flues, and chimneys checked once a year.
- Never use gas ovens or burners for heat, and never use barbeques/grills indoors or in the garage.
- Never sleep in rooms with unvented gas or kerosene space heaters.
- Don't run cars or lawnmowers in the garage.
- Install a UL approved CO detector in sleeping areas.

Protect Children From Too Much Sun

- Have children wear hats, sunglasses, and protective clothing.
- With parents' written permission, use sunscreen on children over 6 months and keep infants out of the sun.
- Keep children out of midday sun; the sun is most intense between 10am and 4pm.

Keep Pesticides And Other Toxic Chemicals Away From Children

- Put food and trash away in closed containers to keep pests from coming into your home.
- Don't use pesticides if not necessary; look for alternative pest prevention measures.
- Read product labels and follow directions.
- Use bait & traps instead of bug sprays when you can place the bait & traps where children can't get them.
- Store pesticides and chemicals where children can't reach them, and never put pesticides/chemicals in other containers that might cause them to be mistaken for food or drink.
- Keep children, toys, and pets away when using pesticides, and don't let them play in yards/fields, orchards, and gardens after pesticides have been used.
- Wash fruits and vegetables under running water before eating – peel them when possible.

Safeguard Children From High Levels Of Radon

- Test your environment for radon with a home test kit.
- Radon levels at 4 pCi/L or higher should be addressed. For help, call **1-800-644-6999**.

Protect Children From Contaminated Fish And Polluted Water

- Call the local or state health department to learn about any beach/water area closings or local advisories about limitations on the amount of fish that should be eaten. Take used motor oil to a recycling center and properly dispose of toxic household chemicals.
- Find out what's in the local drinking water – call your local water system treatment facility or municipality for an annual drinking water quality report. Private home drinking water wells should be tested once a year.

5-Star Environmental Recognition Program for Child Care Providers

The 5-Star Environmental Recognition Program for Child Care Providers ensures that child care providers have taken steps to reduce or eliminate hazards that can cause permanent, long-term developmental problems in young children.

Child care facilities (licensed homes and centers and registered ministries) can apply by completing the 5-Star application and self-assessment. The program is completely voluntary and each facility chooses the number of stars for which it would like to apply (1, 3, or 5).

The Indiana Department of Environmental Management wants every facility to be successful. Applicants receive a lead risk assessment, radon test, on-site confidential assistance, and “No Idling” signs at no charge. Enrolled programs receive a plaque, window clings, press release, reusable grocery bags, light switch plates, website mention, and mailings that include materials, such as posters, stickers, magnets, and brochures that can be distributed to families.

Call toll-free **1-800-988-7901** for more information or online at: www.IN.gov/idem/childcare.

Consumer Product Safety Commission

The U.S. Consumer Product Safety Commission (CPSC) is charged with protecting the public from unreasonable risks of serious injury or death from more than 15,000 types of consumer products under the agency’s jurisdiction. Deaths, injuries, and property damage from consumer product incidents cost the nation more than \$700 billion annually. The CPSC is committed to protecting consumers and families from products that pose a fire, electrical, chemical, or mechanical hazard or can injure children. The CPSC’s work to ensure the safety of consumer products - such as toys, cribs, power tools, cigarette lighters, and household chemicals - contributed significantly to the 30 percent decline in the rate of deaths and injuries associated with consumer products over the past 30 years.

What do they have to offer child care providers?

Publications

Find and view CPSC publications, and other agency documents and reports. The Safe Nursery is a publication that is available for download free of charge and can assist with making environments safer for infants and toddlers (www.cpsc.gov/cpsc/pub/pubs/202.pdf).

Official Federal Regulatory Information

Find CPSC’s regulatory information: Code of Federal Regulations, CPSC’s Federal Register notices (including those soliciting public comments), search for all Federal Register notices, etc.

Consumer Product –Related Statistics

Statistics for: children’s products, child poisonings, CO (carbon monoxide) poisonings, electrocutions, fires, fireworks, sports and recreation, and other products.

Electronic Notification of Recalled Products

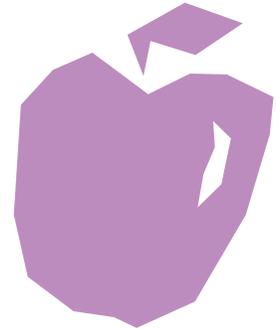
Get notified via e-mail when products have been recalled.

Report Potentially Hazardous or Dangerous Products

Call, fax, or e-mail reports on products that you have found to be unsafe. The Commission tabulates reports and leads the process in recalling unsafe products.

Mailing address: U.S. Consumer Product Safety Commission
Washington, D.C. 20207-0001

Contact Information: Telephone: **1-800-638-2772**
Fax: **301-504-0124** and **301-504-0025**
E-mail: info@cpsc.gov
website: www.cpsc.gov

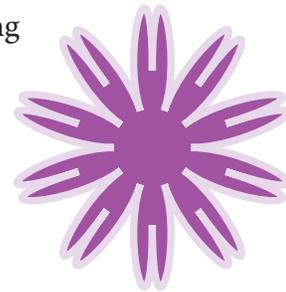


Child Care Health Consultant Program

The Bureau of Child Care offers a free voluntary Health Consultant Program to all child care providers in Indiana. Access to a professional who can provide health education to out of home child care providers can make a dramatic difference in the health and safety of children.

The primary purpose of the program is to increase the health and safety of all children. Health professionals are available to providers as training and support resources for multiple health and nutrition issues. These consultants are available for on-site assessments and, depending on the specific need, can provide educational information in written handout form, by e-mail, or by personal presentation. Five specific areas of health and safety have been targeted to promote normal health and development in children receiving out of home child care. These specific areas of focus include:

- Medical home information
- Immunizations
- Communicable diseases and sanitation
- Nutrition and physical activity
- Mental health information



Contact the health consultants at **1-877-511-1144** or visit www.IN.gov/fssa/carefinder and click on Child Care Health Consultant Program for fact sheets, policy templates, and consultant locations.

Infant & Toddler Safety

Reducing the Risk of SIDS in Child Care

What is SIDS? SIDS is a term used to describe the sudden, unexplained death of an infant.

SIDS, an acronym that stands for Sudden Infant Death Syndrome, is the sudden and unexplained death of a baby under one year of age.

Because many SIDS babies are found in their cribs, some people call SIDS “crib death;” but cribs do not cause SIDS.

Doctors and nurses don’t know what causes SIDS, but they do know:

- SIDS is the leading cause of death in babies after one month to 12 months of age.
- Most SIDS deaths occur in babies who are between 2 and 4 months old.
- More SIDS deaths occur in colder months.
- Babies placed to sleep on their stomachs are much more likely to die of SIDS than babies placed on their backs to sleep.
- African American babies are twice as likely to die of SIDS as Caucasian babies.
- American Indian babies are nearly three times more likely to die of SIDS than Caucasian babies.

In the United States, around 3,000 infant deaths are attributed to SIDS each year. Approximately 20% of these deaths occurred while infants were in the care of someone other than their parent.

Note: According to a recent study, in child care settings the overriding risk factor for

SIDS was placing a baby on his/her tummy to sleep. Always place infants on their backs to sleep.

What can a child care provider do to reduce SIDS? Develop and follow a policy regarding sleep position in your child care setting. At the present time, SIDS is not preventable. However we can reduce the risk of SIDS and prevent accidental suffocation and strangulation by following these recommendations:

- **Place babies only on their backs to sleep.** This recommendation from the American Academy of Pediatrics and the National Back to Sleep Campaign applies to most babies. However, some babies should lie on their stomach (in a prone position), such as those with respiratory disease, symptomatic gastro-esophageal reflux or certain upper airway malformations. Require parents to bring you a written recommendation from their health provider if they say their baby should sleep on his/her stomach.
- **Don't smoke.** Provide a smoke-free environment for babies in your care; encourage parents who smoke to quit. Recent research indicates that the risk of SIDS doubles among babies exposed to cigarette smoke after birth and triples for those exposed both during pregnancy and after birth.
- **Use firm, flat mattresses in safety-approved cribs for babies' sleep.** Don't use soft sleeping surfaces and objects that trap gas in the babies' sleeping area. The U.S. Consumer Product Safety Commission has issued advisories for parents on the hazards to infants of sleeping on beanbag cushions, sheepskins, foam pads, foam sofa cushions, waterbeds, synthetic-filled adult pillows and foam pads covered with comforters.
- **Avoid overheating.** Overheating (too much clothing, too heavy bedding, and too warm a room) may increase the risk of SIDS for babies.

Too many babies are dying of SIDS in Indiana's child care programs. Help reduce the risk by more than 40% by utilizing the information above.

Note: If a parent requests any other position for sleeping other than the back, have them bring in a note from their doctor.

Crib Safety

For infants less than 12 months of age, follow these practices to prevent suffocation and keep your baby safe:

- Place baby on his/her back in a crib with a firm, tight-fitting mattress.
- Do not put pillows, quilts, comforters, sheepskins, pillow-like bumper pads, or pillow-like stuffed toys in crib.
- Use only a fitted bottom sheet made specifically for crib use.
- Consider using a sleeper instead of a blanket.
- If you do use a blanket, place baby with feet to foot of the crib. Tuck a thin blanket around the crib mattress, covering baby only as high as his/her chest.
- Use only a crib approved by the CPSC for safety.

Infants do need "Tummy Time," but during hours where the infant is awake. This helps develop the muscles in the upper body. Caregivers should provide supervised times throughout the day for infants to be awake on their tummies. Provide a clean safe area for tummy time.

Safe Sleeping Practices and Reducing the Risk of SIDS in Child Care Training

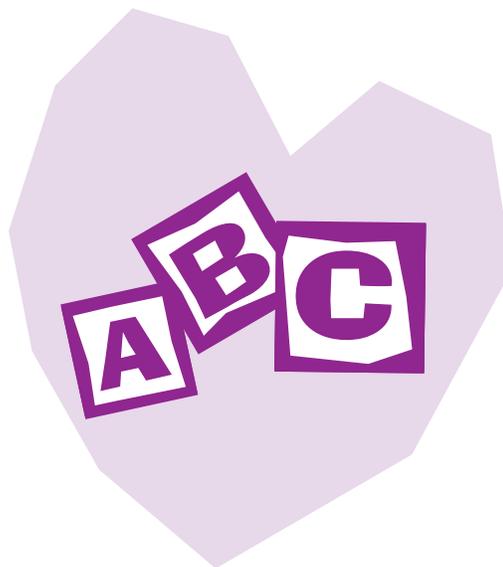
Indiana regulations now require all licensed child care homes as well as all homes receiving CCDF vouchers to comply with the PL 162-2005 safe sleeping practices training. All homes entering the regulatory process after May 1, 2006, should plan on completing this training prior to application for Indiana Home Licensure or CCDF (Voucher) Provider Eligibility Standards Certification.

The Indiana Association for Child Care Resource and Referral (IACCRR) is coordinating the provision of Safe Sleeping Practices and Reducing the Risk of SIDS in Child Care, a 2.5 hour training approved by the Bureau of Child Care to meet PL 162-2005 requirements. If you have questions regarding the Safe Sleeping Practices training, please call IACCRR at **1-800-299-1627**.

Local Infant/Toddler Specialists

An Infant/Toddler Specialist is housed in each local CCRR to work with families, child care providers, and the community. The local CCRR offers for families of infants and toddlers enhanced referrals, specialized consumer education, and parent trainings. Child Care Providers are offered trainings specific to infant/toddler issues, on-site consultation, and mentoring. Presentations and materials regarding the campaign and infant/toddler issues are available through the local CCRR.

For more information or to inquire about Infant/Toddler Specialists, contact your local child care resource and referral or the Indiana Association for Child Care Resource and Referral (IACCRR) at 1-800-299-1627 or visit www.iaccrr.org.



Building Networks with Assistance

Technical Assistance Resources

Indiana Association For Child Care Resource & Referral (IACCRR)

The Indiana Association for Child Care Resource and Referral (IACCRR) is committed to the development of a high quality statewide system of child care resource and referral (CCR&R) based in best practice. Through a network of community based CCR&R agencies, IACCRR reaches out to Indiana families, child care providers and communities to positively impact the quality of child care at the local, state and national levels.

Indiana is known for having one of the highest quality CCR&R systems in the country. This system is in place to ensure the following:

- All families have access to information regarding locating and choosing high quality child care.
- Child care providers have opportunities for professional development and technical assistance that results in providing high quality child care.
- Communities are aware that child care is a critical component of vibrant economies and essential to a healthy future and well-equipped workforce.

Indiana's CCR&R system is comprised of eleven local agencies serving all ninety-two counties.

IACCRR coordinates, monitors, and evaluates services delivered through the local CCR&R agencies. A list of local agencies can be found at www.iaccrr.org. IACCRR and the local agencies focus on responsiveness and efficiency to ensure young Hoosiers receive the best care possible.

The Indiana Association for Child Care Resource and Referral is responsible for implementation of the following projects:

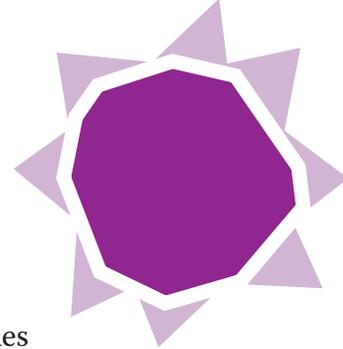
- **Orientation Training:** Training and assistance for child care providers seeking licensure.
- **Indiana Partnership for Inclusive Child Care (IPICC):** Providing assistance to create high quality environments and parental support for families of children with special needs.
- **Hispanic/Latino Outreach:** Ensuring that Spanish speaking families, child care providers and community members have equal access to child care resource and referral services in their native language.
- **Indiana Work Life:** Creating opportunity for businesses to become engaged in supporting families and children, with the premise of developing a vibrant economy and effective public private partnerships.
- **Better Baby Care Indiana (BBCI):** Offering parent education, family support, and child care provider training that supports healthy, safe and developmentally appropriate care for infants and toddlers.

- **Safe Sleeping Practices Training:** A statewide effort to reduce sudden infant death syndrome and unsafe sleeping practices in child care environments.

IACCRR, along with the Indiana Association for the Education of Young Children, Inc. and The Consultants Consortium, is also a partner in **Paths to QUALITY™**, Indiana’s free and voluntary quality rating and improvement system for regulated child care programs that is administered by the Bureau of Child Care, Division of Family Resources, Indiana Family and Social Services Administration.

As a child care provider, how can your local child care resource and referral agency help?

- Assistance in building your business.
- Offer training and professional development opportunities to support increased knowledge and skills.
- Conduct on-site mentoring and technical assistance to increase quality of care and to address any identified needs
- Offer information and resources to support your work with families and children



For more information contact the Indiana Association for Child Care Resource and Referral (IACCRR) at 1-800-299-1627 or visit their website at www.iaccrr.org.

Tax Credits

Effective January 1, 2002, businesses providing child care receive a 25% tax credit on expenses for employee child care and a 10% tax credit on expenses for child care resources. The maximum tax credit is \$150,000 a year. Tax credits are not just for big business anymore. For up to date information regarding deductions and credits for child care providers, visit the Internal Revenue Service website at www.irs.gov.

Paths to QUALITY™

Paths to QUALITY™ is Indiana’s free and voluntary quality rating and improvement system for regulated child care providers. Administered by the Bureau of Child Care at the Division of Family Resources, Indiana Family and Social Services Administration, Paths to QUALITY™ has been implemented throughout the state with the assistance of partnering organizations, including: the Indiana Association for Child Care Resource and Referral, the Indiana Association for the Education of Young Children, Inc., and The Consultants Consortium.

Research shows that high quality early learning experiences prepare children for future success in school, work, and life. Birth through age 3 is the most important time for growth of the human brain. A child’s brain develops according to the child’s experience which is why providing quality child care is so important. Paths to QUALITY™ aims to improve the quality of child care and early education for children, gives parents a tool to find the best quality program for their family’s needs, and supports and recognizes providers on a four-level rating system. The program has been studied and validated by the Child Development and Family Studies experts at Purdue University.

Paths to QUALITY™:

- Provides tools families can use to identify quality child care.
- Offers technical assistance, educational programs and rewards to providers for ongoing

efforts to achieve higher standards of quality.

- Increases the chances that children will be receiving the warm, nurturing, stimulating care they need for the best development.

The standards for Paths to QUALITY™ are tailored for family child care homes, licensed centers, and unlicensed registered ministries. The system has four level ratings, with each level building on the previous level, resulting in significant improvements at each stage.

★ **Level 1:** Health and safety needs of children met.

★ **Level 2:** Environment supports children’s learning.

★ **Level 3:** Planned curriculum guides child development and school readiness.

★ **Level 4:** National accreditation (the highest indicator of quality) is achieved.

If you would like more information or to enroll in Paths to QUALITY™ call your local Child Care Resource and Referral Agency or IACCRR at **1-800-299-1627**.

Or for more information, visit the Bureau of Child Care: www.IN.gov/fssa/carefinder.

Education Resources & Support Services

Indiana Department Of Education

The Child and Adult Care Food Program

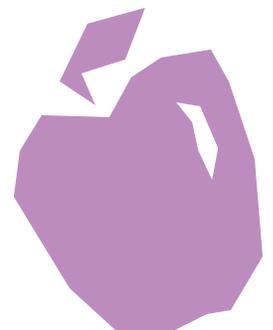
The Child and Adult Care Food Program (CACFP) helps provide nutritious meals to children twelve years of age and younger in child care settings and to some adults in day care settings. All approved CACFP participant facilities are eligible for reimbursement of meals that meet the U.S. Department of Agriculture standards for the components and quantities of foods served to eligible participants.

For additional information or to receive an application for participation in this program, please contact Indiana Department of Education, School and Community Nutrition Programs, Child and Adult Care Food Program at **317-232-0850** or toll-free **1-800-537-1142** or visit www.doe.state.in.us/food/childadults/welcome.html.

Title I - Supported Pre-School Program: Many school districts support preschool programs with their Title I (Education for the Disadvantaged) funds.

Early Reading First: This program provides competitive grants to school districts and preschool programs, such as Head Start centers. The grants fund the development of model programs to support the school readiness of preschool aged children, particularly those from low-income families. Program activities will prepare teachers to provide high quality language, literacy and pre-reading activities.

Even Start: This program supports projects that provide educational services to low-income families, including parents eligible for services under the Adult Educational and Family Literacy Act and their children from birth through age 7. The program improves the educational opportunities of children and their parents in low-income areas by integrating early childhood education, adult education and interactive literacy activities between parents and their children into “family literacy” programs.



Special Education Preschool Grants and State Grants: This program, along with 6% of Special Education State grants, provides formula grants to states to make available special education and related services for 3- to 5-year-old children with disabilities. It supports early childhood programs that provide services needed to prepare young children with disabilities to enter and succeed in school. The Preschool Grants program provides a developmental bridge between early intervention services and elementary school.

For more information on Department of Education Early Education programs, please call **317-232-9177** or visit www.IN.gov/doe.

FOUNDATIONS to the Indiana Academic Standards for Young Children Birth to Age Five

The FOUNDATIONS to the Indiana Academic Standards for Young Children from Birth to Age Five have been developed by individuals with expertise in children ages birth-5. The Foundations are based on the latest national research and findings for all content areas and domains. By outlining specific skills and concepts and giving examples of instructional strategies, these foundations will support teachers, parents, and caregivers as they develop appropriate experiences for young children to help ensure success in kindergarten.

Why have these foundations been written?

From kindergarten through twelfth grade, academic standards have been established to promote excellence and equity in education. Excellence is important in education today for future success.

Equity is important so that all children have the same opportunities for success. Standards are a **framework** instead of a complete curriculum. In other words, standards represent the essential content every student needs in order to have a basis for understanding a subject area. The actual classroom curriculum is generally much richer with broader and deeper understandings than those in the standards. The framework does, however, help to identify any gaps or points not being presented as essentials in the curriculum.

Visit Indiana Department of Education, Division of Early Learning and Literacy formerly known as Primetime at: www.IN.gov/doe/primetime/welcome.html, click on Foundations.

Contact your local child care resource and referral agency for training opportunities on the FOUNDATIONS for Young Children to the Indiana Academic Standards.

Center for Disability Information & Referral

The Center for Disability Information & Referral (CeDIR) is located at the Indiana Institute on Disability and Community at Indiana University-Bloomington. CeDIR provides access to information to meet individuals' disability-related information needs through print, non-print, and human resources. The library at CeDIR has over 8,000 books, videos and kits that can be borrowed by anyone who lives or works in the state of Indiana. For those who don't live or work in Bloomington, library materials may be sent through the mail at their expense and sent back at the patron's expense. To learn more, please call **1-800-437-7924** or visit www.iidc.indiana.edu/cedir.

Early Childhood Meeting Place

Find information about degree and certificate programs, resources for professional development, and careers in the field of early care and education for all children.

Professional Training and Technical Support Resources

Find training opportunities in Indiana to send employees or students to, or attend yourself to fulfill certificate or workplace requirements.

Degree and Certificate Programs

Learn about higher education opportunities in Indiana in the field of early childhood education, family services, exceptional learners, and more.

Career Opportunities

Search job openings in early intervention, family services, primary school-age education, early childhood education, administration, and more.

Sponsored by The Early Childhood Center, Indiana Institute on Disability and Community, Indiana University-Bloomington. For more information, call:

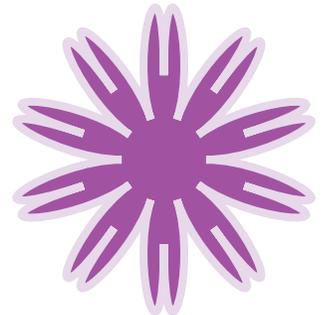
1-800-825-4733 or visit www.earlychildhoodmeetingplace.org.

The Indiana Youth Institute (IYI)

The Indiana Youth Institute (IYI) promotes the healthy development of children and youth by serving the institutions and people of Indiana who work on their behalf. IYI offers:

- Grant Tips
- Resource Library
- Scholarships for Professional Development
- Statistics

IYI - 603 E. Washington Street, Suite 800, Indianapolis, Indiana 46204-2692. For more information call 1-800-343-7060 or visit www.iyi.org.



Professional Development and Child Care Program Quality

Indiana Association for the Education of Young Children, Inc. (Indiana AEYC)

As the state affiliate of the National Association for the Education of Young Children (NAEYC), Indiana AEYC is a statewide, nonprofit organization with 15 chapters and nearly 2,000 independent members. Indiana AEYC has a 43-year history of promoting and supporting quality care and education for all young children, birth through age eight, in Indiana. Indiana AEYC's mission is accomplished by concentrating on offering professional development for those in the early care and education field, improving program quality, and championing public policy pertinent to young children.

Indiana AEYC implements the following projects, which receive funding from the Bureau of Child Care, Division of Family Resources, Indiana Family and Social Services Administration:

- T.E.A.C.H. Early Childhood® INDIANA
- The Indiana Accreditation Project

- The Indiana Non-Formal Child Development Associate Credential Project

Indiana AEYC, along with IACCRR and The Consultants Consortium, is also a partner in Paths to QUALITY™, Indiana's free and voluntary quality rating and improvement system for regulated child care programs that is administered by the Bureau of Child Care, Division of Family Resources, Indiana Family and Social Services Administration.

T.E.A.C.H. Early Childhood® INDIANA

T.E.A.C.H. is an acronym that stands for Teacher Education And Compensation Helps. A licensed program of Child Care Services Association, T.E.A.C.H. Early Childhood® INDIANA has been providing educational scholarships to qualifying individuals in Indiana since 1999. To date, Indiana's scholarship recipients have cared for and educated more than 112,000 children.

T.E.A.C.H. Early Childhood® INDIANA is unique because it is the umbrella for a variety of scholarship opportunities and links education, compensation, and scholarship. The project aims to improve the quality of care that young children receive, reduce child care staff turnover, and increase the compensation of child care providers. To achieve that goal, partnership is a central component of the project; and T.E.A.C.H. Early Childhood® INDIANA, the scholarship recipient, and the recipient's employing sponsor share the responsibility for the recipient's education.

The following T.E.A.C.H. Early Childhood® INDIANA scholarships are available to qualifying individuals:

1. **Child Development Associate (CDA) Training Scholarship** — T.E.A.C.H. Early Childhood® INDIANA offers this scholarship for the completion of the required 120 clock hours of training needed to apply to the Council for Professional Recognition to become a credential-holding Child Development Associate.
2. **Child Development Associate (CDA) Assessment Scholarship** — T.E.A.C.H. Early Childhood® INDIANA offers this scholarship for the assessment phase of the CDA credentialing process.
3. **Child Development Associate (CDA) Renewal Scholarship** - T.E.A.C.H. Early Childhood® INDIANA offers this scholarship for the renewal of the CDA Credential.
4. **Associate's Degree Scholarship** — T.E.A.C.H. Early Childhood® INDIANA offers this scholarship for those wishing to attain an Associate's Degree in Early Childhood Education or Child Development from an approved Indiana College or University.
5. **Bachelor's Degree Scholarship** — T.E.A.C.H. Early Childhood® INDIANA offers this scholarship for those wishing to further their education by attaining a Bachelor's Degree in Early Childhood Education or Child Development from an approved Indiana College or University.
6. **Early Childhood Mentors** – T.E.A.C.H. Early Childhood® INDIANA offers this scholarship for those who have already earned a degree in Early Childhood Education, are interested in taking additional coursework, and are willing to assist others with their professional development.

For more scholarship information, contact T.E.A.C.H. Early Childhood® INDIANA at Indiana AEYC by calling 317-356-6884 or 1-800-657-7577 or submit an inquiry form by going to www.iaeyc.org.

Indiana Accreditation Project

The Indiana Accreditation Project provides technical and financial assistance to child care programs seeking or wishing to maintain national accreditation for the purpose of increasing the quality of care and education that Indiana's young children receive. Assistance, which can be provided to child care centers, ministries, family child care homes, and eligible programs, is given at each phase of the accreditation process, and includes assistance with the fees associated with the national accreditation process. Personalized support is provided by professionals who are trained to assist early care and education programs in achieving accreditation.

The Indiana Accreditation Project also assists Level 3 and Level 4 child care programs enrolled in Paths to QUALITY™ with maintaining or increasing their level rating.

The Indiana Accreditation Project recognizes the following national accrediting systems, which have been approved by the Bureau of Child Care, Division of Family Resources, Indiana Family and Social Services Administration for Paths to QUALITY™:

- Association of Christian Schools International (ACSI)
- Council on Accreditation (COA)
- National Association for the Education of Young Children (NAEYC)
- National Association for Family Child Care (NAFCC)
- National Early Childhood Program Accreditation (NECPA).

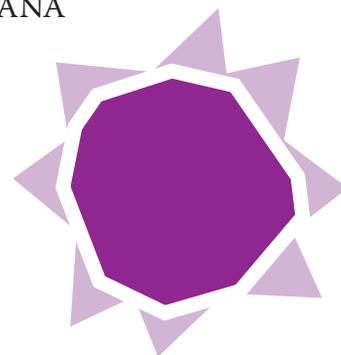
For more scholarship information, contact the Indiana Accreditation Project at Indiana AEYC by calling 317-356-6884 or 1-800-657-7577 or visit www.iaeyc.org.

Indiana Non Formal Child Development Associate (CDA) Project

A CDA is a nationally-recognized credential that is awarded by the Council for Professional Recognition (Washington, D.C.) to those who have successfully completed the CDA training and final assessment. A CDA Credential, which follows the child care provider no matter where he or she works, indicates that the Associate is an early childhood professional with increased skills and knowledge and is prepared to meet the physical, emotional, social, and intellectual needs of children.

The Indiana Non Formal CDA Project contracts with local agencies with CDA training experiences ("Grantees") to provide the required 120 training hours. The Indiana Non Formal CDA Project pays for the majority of this CDA training and required texts, with participants sharing a nominal portion of the training costs. A bonus is awarded to those successfully completing the 120 training hours and these participants become eligible to receive scholarships through the T.E.A.C.H. Early Childhood® INDIANA Scholarship Project.

For more scholarship information, including eligibility requirements, contact the Indiana Non Formal CDA Project at Indiana AEYC by calling 317-356-6884 or 1-800-657-7577 or visit www.iaeyc.org.



Child Care Learning: An Online Child Development Associate (CDA) Credential Training Program

Child Care Learning (CCL) was developed to address the needs of providers statewide with limited financial means and/or residing in areas with limited or no access to traditional, on-going education. FSSA initiated the CCL pilot for web-based delivery of early childhood education in June 2001. Since implementation CCL has expanded its curriculum offered via distance learning with a full implementation of a unique mentor component, planned tuition subsidies, an early literacy and a child care business management component and a comprehensive evaluation of web-based delivery.

State Partners: Family and Social Services, Indiana Head Start, Access Indiana, and T.E.A.C.H. (Teacher Education And Compensation Helps) Early Childhood® INDIANA at the Indiana Association for the Education of Young Children, Inc. are partners in the online program initiative. Ivy Tech State College and Saint Mary-of-the-Woods College provide current and prospective child care providers an avenue for education and professional recognition of their skills. The Child Care Learning program does not require a student to become a degree-seeking student at either college.

Financial Support: T.E.A.C.H. Early Childhood® INDIANA project offers scholarships to CCL participants to assist with the cost of tuition and books, including a travel stipend and paid release time, allowing participants time to study. Information regarding scholarships and Federal and State Student Assistance is provided. Please visit www.in.gov/fssa/carefinder/3585.htm.

State Student Assistance Commission of Indiana (SSACI)

The State of Indiana, through the SSACI, offers assistance to its college-bound citizens. To apply for Indiana grants and scholarships and federal aid programs, students must complete a Free Application for Federal Student Aid (FAFSA). The FAFSA is the core document necessary to apply for all types of student financial aid available through the state and federal governments as well as the colleges and universities. The completed FAFSA must be returned to the federal government and only the federal government. Do not send a copy to SSACI or your college. You can obtain a FAFSA from the school you plan to attend. **For online information, go to www.IN.gov/ssaci. For more information, contact Federal Student Aid Information at 1-800-433-3243.**

Federal Pell Grants

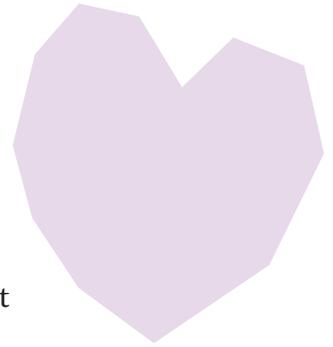
What is a Pell Grant? Federal Pell Grant money, unlike a loan, does not have to be repaid. Pell Grants are awarded only to undergraduate students who have not earned a bachelor's or professional degree. Pell Grants provide a foundation of financial aid to which other aid may be added. You can receive only one Pell Grant in an award year. How much you get will depend not only on your financial need, but on the cost of attendance, whether you are a full or part-time student and whether you attend the school for a full academic year or less. How will you be paid? Your school can credit the Pell Grant funds to your school account, pay you directly or combine these methods. **For more information, contact Federal Student Aid Information at 1-800-433-3243.**



Services for Families

Head Start/Early Head Start

Head Start and Early Head Start programs are directly funded by the federal Department of Health and Human Services through the Administration for Children and Families. These programs provide comprehensive services to low-income children and their families. Services include early childhood education, health, oral health and nutrition, disabilities services, services to children and families experiencing homelessness, parent education and involvement opportunities. Federal regulations require that a minimum of 90% of families served be at or below the federal poverty guidelines. Priority is given to families experiencing homelessness and those with foster children.



Head Start serves children aged 3 to kindergarten. Early Head Start serves 0 to 3 and pregnant women. Every Indiana County is served by a Head Start program. **If you would like to know more about Head Start or Early Head Start, contact the Indiana Head Start State Collaboration Office at 317-233-6837 or the Indiana Head Start Association at 317-916-0810.**

Child Care and Development Fund Voucher Program

Parents who need financial assistance to help pay for their child care expenses can be referred to the Child Care and Development Fund (CCDF) intake agent. Parents can choose from available licensed, registered or legally license-exempt child care such as center-based, school-age, family child care, relative care and ministry care that meet applicable state requirements. If funds are available, the intake agent will determine if the family is eligible for the program.

Please note: For providers serving CCDF voucher children, there are higher potential reimbursement rates based on the level of quality provided. Licensing, accreditation and voluntary certifications are reimbursed at higher rates.

To locate the CCDF voucher intake agent in your community, contact the Bureau of Child Care, Division of Family Resources, Indiana Family and Social Services Administration at 1-877-511-1144 or visit www.IN.gov/fssa/files/CCDF_Intake_Map.pdf.

Healthy Indiana Plan

The Healthy Indiana Plan (HIP) will provide health insurance for uninsured adult Hoosiers between 19-64 whose household income is between 22 - 200% of the federal poverty level (FPL) and who are not eligible for Medicaid. Eligible participants must be uninsured for at least 6 months and cannot be eligible for employer-sponsored health insurance.

For more information, please contact HIP via e-mail at hipinfo@fssa.in.gov or toll free at 1-877-GET-HIP-9.

Hoosier Healthwise

Hoosier Healthwise is a health insurance program for Indiana children, pregnant women, and low-income families. Health care is provided at little or no cost to Indiana families enrolled in the program.

Based on family income, children up to age 19 may be eligible for premium-free coverage, or low-cost coverage under the Children's Health Plan - Benefit Package C (www.in.gov/fssa/ompp/2545.htm). For package C, monthly premiums range from \$22 to \$53 for one child, and \$33 to \$70 for two or more children. **Call 1-800-889-9949 to get information about the Hoosier Healthwise program.**

Prevent Child Abuse Indiana

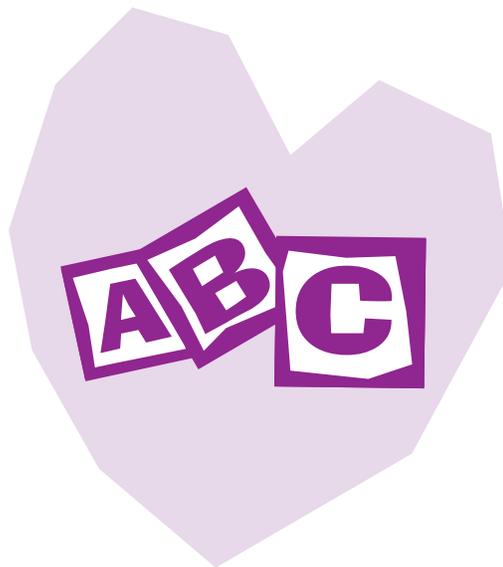
No one can do everything. But everyone can do something. And together, we can do anything. Together, we can prevent child abuse!

Prevent Child Abuse Indiana is dedicated to preventing child abuse and neglect, and is committed to making Indiana a better, safer place for Indiana's most precious resources - our children. With strong support of active councils throughout the state, we work together to:

- Increase awareness of the problem and inform communities about solutions.
- Serve as a valuable resource for families, individuals and organizations.
- Advocate for expanded and improved programs and policies to prevent child abuse.
- Foster a statewide network committed to child abuse prevention.

Prevent Child Abuse Indiana: Call 317-542-7002, Fax 317-542-7003 or e-mail Generalinfo.pcain@villages.org.

Prevent Child Abuse Indiana is not connected to Child Protective Services (CPS). Suspected child abuse or neglect should be reported to Child Protective Services (CPS). They operate a 24-hour, 7-days a week hotline: **1-800-800-5556**. Prevent Child Abuse Indiana office does not take abuse/neglect reports.



Connecting With Business Resources

Service Corps of Retired Executives – *Counselors to Americas Small Businesses*

What is SCORE®? SCORE®, the Service Corps of Retired Executives, is a 12,400 member volunteer association sponsored by the U.S. Small Business Administration. Since 1964, the association has matched volunteer business-management counselors with clients in need of expert advice. SCORE® has experts in virtually every area of business management and maintains a national skills roster to help identify the best counselor for a particular client. Volunteer counselors, whose collective experience spans the full range of American enterprise, share their management and technical expertise with both present and prospective small business owners.

What can SCORE® do for you? Through in-depth counseling and training, SCORE® volunteers help prospective and established small business owners and managers identify problems, determine their causes and find solutions. SCORE® can:

- Offer a mentor/counselor to assist you with the business aspects of child care.
- Assist with tasks like filling out legal forms.
- Provide resources to help with operating a business.
- Offer information on taxes, insurance, record keeping, marketing and business planning.
- Offer workshops on running a small business.

For more information on SCORE®, please visit www.indyscore.org or call 317-226-7264.

Small Business Development Center

The U.S. Small Business Administration (SBA) administers the Small Business Development Center Program to provide management assistance to current and prospective small business owners. There are now 58 small business development center programs with a network of nearly 1,000 service locations. The program is a cooperative effort of the private sector, the educational community and federal, state and local governments. It enhances economic development by providing small businesses with management and technical assistance.

SBDC assistance is tailored to the local community and the needs of individual clients. The SBDC Program is designed to deliver up-to-date counseling, training and technical assistance in all aspects of small business management. SBDC services include, but are not limited to, assisting small businesses with:

- Developing business plans;
- Identifying financing resources;
- Assistance with marketing and advertising your business;
- Learning to deal with human resource issues;
- Providing information on tax and legal issues;
- Feasibility studies.

For more information or to find the regional center nearest you, go to www.isbdc.org.

A Personal Evaluation

Before you take the big step of opening your own child care facility, think about:

Yourself

1. Are you the kind of person who can get a business started and make it a success?
2. Do you want a business of your own? Are you willing to work long hours for low wages for the reward of knowing you are making a difference in the lives of children?
3. Do you have experience working with young children?
4. Do you have basic education for working with young children?

Money

1. Do you know how much money is needed to start your own child care business?
2. Have you estimated your projected income and expenses?
3. How much of your own money can you invest in the business?
4. How much money can you obtain from other sources?
5. Do you know where to borrow needed funds? Do you have a good credit rating?
6. Are start up grants or funds available in your community?

Record Keeping

1. Have you planned a record keeping system that will detail your income and expenses?
2. Do you know how to prepare tax reports and payments?
3. Have you enlisted the assistance of an accountant with experience in child care finance?

Law, Regulations and Your Personal and Professional Liability

1. Do you have an insurance agent to consult on the types of insurance you need?
2. Do you have an attorney to consult on legal matters?
3. Have you contacted the appropriate state licensing agency?
4. Have you contacted your local SCORE® or SBDC office? Do you have a business plan?
5. Have you contacted your local Resource and Referral agency?

Community Need (your local CCRR can assist you with determining community need)

1. Have you evaluated the competition in the area?
2. Do you have a completed child care needs assessment for your area?

Determining Community Need

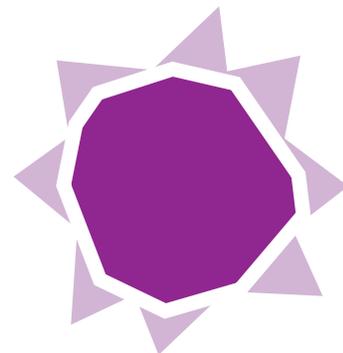
Number of families in your community _____

Number of working families with children _____ 0-6 _____ 7-14

Number of new home starts _____

Number of existing child care facilities and their capacity
_____ centers _____ homes _____ exempt _____ ministries

3. What businesses currently exist in your community?
4. What type of child care services do their employees need?
5. What new businesses are coming into your community?
6. Demographic information and geographic concentration of families with children?
7. Income level of families in your community?
8. School census data?
9. Who are your potential customers?
10. Who will enroll in your child care program?



A Competitive Advantage Checklist

Use the following checklist for a quick comparison of your proposed child care program to other programs in your area.

Parents look for:	Other Programs:	You Offer:
Location:		
Operating hours:		
Adequate parking:		
Group size:		
Child/staff ratios:		
Qualifications for staff:		
Separate space for infants:		
Accommodations for children with special needs:		
Nutritious meals:		
Discipline policy:		
Adequate play space:		
Appropriate equipment:		
Nurturing atmosphere:		
Clean, organized, and clutter-free environment:		
Age-appropriate planned activities:		
Indoor area free of potential dangers:		
Outdoor area with safe equipment and surface:		
Area protected by fence:		
What differentiates your business from your competition?		

The Business Plan

Prepared by the U.S. Small Business Administration and SCORE® (Service Corps of Retired Executives).

Every business begins with an idea—a product to be manufactured or sold, a service to be performed. Child care is a service. Whatever the business or its degree of complexity, the prospective business owner needs a comprehensive plan in order to transform a vision into a working operation.

The business plan should describe, in writing and in figures, your business and objectives, what you know about the market, how you are going to enter the market, an organizational plan and measurable financial objectives. The plan is used by prospective lenders and investors as a means for evaluating potential success and by the business owner to assess continuously the strength of the operation and its direction. The success of your business depends largely upon the decisions you make. A business plan allocates resources and measures the results of your actions, helping you set realistic goals and make logical decisions. A business plan evaluates your business, directs your actions, helps you in securing resources and also helps you manage the business. Your business plan will be your “map” to reach your goals and objectives. By writing your business plan using this outline, you will realize what is needed to start up and operate a child care center, identify needed funds and most importantly, be better able to deal with a banker to borrow required funds. The plan needs to be written and divided into five parts. Each part should be on a separate page or pages so that changes can be made in any part without rewriting the entire plan. These parts are:

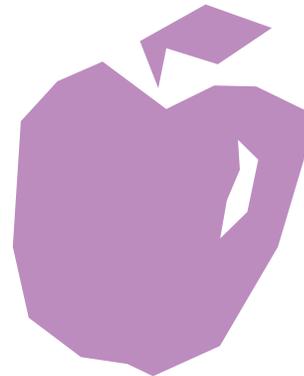
1. Goals and Objectives
2. Analysis of the Market
3. A Description of Your Business
4. Financial Data
5. Summary of Operations and Management

1. GOALS AND OBJECTIVES

- Why are you going into the child care business?
- What prior experience have you had in the child care field? What do you want out of your new business?
- Will you need a salary for yourself?
- Will you be the Director/Administrator?
- If yes, do you meet the licensing requirements?
- What type of child care program will you operate?
- How big will your program be?
- How many children will you care for?
- Number of employees?
- How will you measure the success of your business?

2. ANALYSIS OF THE MARKET

- What is the child care market?
- Why do you think there is a need for a child care facility in your chosen location?



- What group of people will use your center?
- What is the present status of child care facilities?
- How is the need changing?
- What is happening to other facilities in the area?
- Analyze information from Step Ahead and Child Care Financing Initiative documents, libraries, other centers and trade publications.
- What uncontrollable influences will affect your child care business?
- What licenses and regulations are now required or may be required? Economic conditions?
- Will a business/corporate operated center be opened?
- What is the competition, including chains and franchises?
- What will be the portion of the market in which you will locate?
- Who will actually be your customer?
- What is the number of young children in your area?
- What is the income level of parents in your community?
- Is the number of families of childbearing age changing?
- What percent of the families in your market need child care or now use child care?
- Why will these parents use your service?
- What hours will your clients want child care?
- Can you estimate your annual income received from your child care center?
- Why is it achievable?

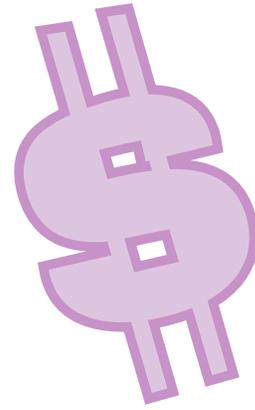
3. DESCRIBE YOUR SERVICE

- How will your child care service fit the market?
- What makes your child care facility unique?
- What will you name your child care facility?
- Explain how your center will specifically satisfy parents' wants and needs.
- How will you set prices?
- Based on competition, your costs or what the market expects?
- Will you offer discounts? To whom?
- What will be your credit and collection policy?
- How will you promote and sell your child care service?
- How will you tell your prospective clients about your program?
- Will you advertise? Where, when and how much?
- Who will be responsible for getting customers?
- What are the physical aspects of your facility?
- Where will you locate? Why? Is the zoning appropriate? Will the building pass code inspection?
- Where will you buy equipment, fixtures and daily supplies? What are the terms of payment?

4. FINANCIAL DATA

- Prepare a statement of projected income and expenses. Determine the financial requirements to get started.
- List all the permanent assets required and the value or cost to obtain each
- List of start up materials and costs
- Equipment

- Building improvements
- Prepaid items (license, insurance, phone deposit, etc.)
- Other assets, if any
- Determine the working capital (cash needs)
- Estimate one time start up expenses (non-asset)
- Estimate monthly revenues and disbursements (cash flow)
- What percent of anticipated enrollment can you count on?
- Estimate a contingency fund - safety factor
- Figure total cash need: Start up expense + Largest cash flow deficit
contingency fund = Total cash needed
- List the money and/or value of assets you intend to invest in the business (owner equity)
- Project your financial needs (cash, loans)
- Income (cash flow)



5. SUMMARIZE OPERATION AND MANAGEMENT

- Who will do what? Write major job descriptions.
- What will be your legal form of organization? Do you have an attorney or access to legal services?
- What are your accounting needs? What records will you keep? Do you have an accountant?
- What are your insurance needs? Property, Liability, Health.
- Identify your major strengths and weaknesses as a child care owner/manager.

Visit your local Small Business Development Center for more assistance at www.isbdc.org or your local SCORE® office for no fee business counseling.

Indiana Department of Labor

The Department of Labor (DOL) has a proactive focus of prevention, training, and good communication through various partnerships. By collaborating with businesses, labor, trade associations and schools, DOL is able to serve all Hoosier workers participating and moving Indiana forward.

DOL's goal is to ensure that Hoosiers have a safe and healthy place to work in Indiana. The agency is committed to making Indiana safer and more productive by keeping engaged with the business community as well as Indiana's labor force.

DOL's enforcement program emphasizes that employers must be acceptable to follow state laws, including wage and hour laws, occupational health and safety, and child labor laws.

From the health and safety consultations and training for small businesses, to the data driven efforts on minimizing injuries and illnesses, to mine rescue training and child labor education and outreach, DOL advances the safety, health and prosperity of Indiana citizens in the workplace.

For more information contact Indiana Department of Labor at [317-232-2655](tel:317-232-2655).

Independent Contractors vs. Employees

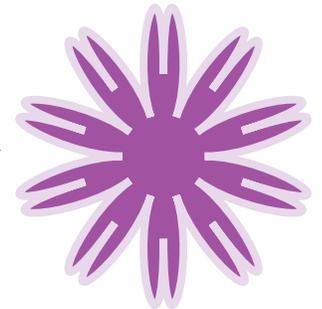
Your child care business has grown large enough that you need to hire staff. Regarding the Internal Revenue Service, there is a caution about the way you classify those who work for you. Child care providers who classify an employee as an independent contractor and who have no reasonable basis for doing so may be held liable for employment back taxes for that worker.

Generally speaking, staff working for you in the child care business are employees, thus you as the employer must withhold income taxes, withhold and pay Social Security and Medicare taxes, and pay unemployment tax on wages paid to an employee. IRS Publication 15 (Circular E) Tax Employer's Guide contains the figures and charts to help you withhold the accurate amount of income taxes from your employee as well as the accurate social security and Medicare tax withholdings. The IRS differentiates between an employee and an independent contractor with the general rule that anyone who performs services for you is your employee if you can control what will be done and how it will be done. IRS Form SS-8 Determination of Worker Status for Purposes of Federal Employment Taxes and Income Tax Withholding can help you determine if a worker is an employee or a subcontractor.

Part of the IRS definition of an independent contractor is that the employer has the right to control or direct only the result of the work done by an independent contractor, and not the means and methods of accomplishing the result. An independent contractor has control and independence over the work to be done. To classify staff at a child care center as independent contractors, you - as the employer could not specify hours required to work, for example. Because child care providers need staff at specific times and for a specific number of hours each week, that relationship is definitely an employer/employee relationship. If direct-care giving staff are classified as employees, how could an independent contractor be involved with child care? An example follows:

Example: Vera Elm, a housekeeper, submitted a job estimate to a child care center for cleaning work at \$16 per hour for 400 hours. She is to receive \$1,280 every 2 weeks for the next 10 weeks. This is not considered payment by the hour. Even if she works more or less than 400 hours to complete the work, Vera Elm will receive \$6,400. She also performs additional cleaning contracts with other child care centers that she obtained through advertisements. Vera is an independent contractor.

Remember that child care staff who are directly involved with the care of children are generally classified as employees. As always, use this information for reference only and always seek the advice of a qualified financial advisor for questions related to independent contractor vs. employee status.



Projecting Income / Expense through Budgets

As much as you enjoy caring for children, it is still important to ensure that your program brings in enough money to cover its costs--and, if you are organized as a for-profit, leaves you a surplus. To determine whether your program is covering its costs on an ongoing basis, you will need to create budgets and periodically review them, making adjustments if necessary. You should also make monthly cash flow projections and review these against the actual flow of cash through your business. This section of the child care manual will explain how to do

these financial planning activities. The worksheets at the end of this section will help you to organize your information.

Save all receipts, keep careful records and check with your accountant to be sure of allowable tax deductions. Some examples may be conferences, education or training, advertising, transportation (record your mileage if your personal vehicle is used for business), gifts for staff, professional fees, publications/professional journals, un-reimbursed supplies, and phone calls from home. IRS Publication 583 Starting a Business and Keeping Records is a great tool that can be used to help provide you with ideas on record keeping for your new business.

You will need to create two different budgets, a capital (start-up) budget and an annual operating (ongoing) budget. Every program is unique and will be influenced by the number of children and staff and the type of facility used. Please include ALL revenues (income) or expenses relevant to your program.

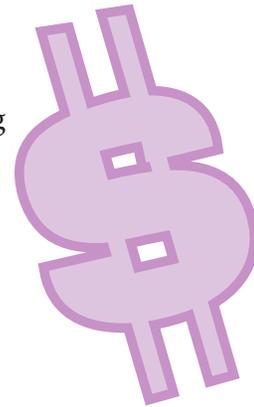
Start Up Budget

There are many large, one-time costs associated with starting or expanding a program. These include (but are not limited to):

- Capital costs: the lease or purchase of a building, renovations, construction, land acquisition, improvement of playground area (including fencing and safety surfaces)
- Purchasing equipment: for every child you will need a child size chair, table space, cot, mat, and cubby space, along with money for books, toys, shelves, activity area furniture and playground equipment. (budget approximately \$600-\$750 per child - \$1,000 for infants.)
- Fence and safety surfaces for outside play areas
- Fire alarms, extinguisher, lighted exit signs and any adaptations required by local fire safety standards
- ADA requirements—ramps, hand rails and other accessibility factors
- Permits, licensing fees, zoning appeals
- Advertising
- Professional fees (legal advice, accounting, architects, other consultants)
- Cost in money and your time for planning, recruitment, licensing, and program development.
- Lag time cost—you may not begin collecting tuition/fees or subsidy reimbursement before you are required to pay vendors for many of your up-front costs, so you must be prepared to front these costs.
- Running program at less than full capacity: conservative capacity projections for start-up programs are 60% enrollment in year one, 75% in year two, and 85-90% in year three.

Additional up-front expenses may include:

- Telephone installation, first aid supplies, child-proofing cabinets and storing other materials away from children's reach
- Training or education to increase child care skills for you or any staff members
- Liability and medical insurance
- Refrigerator for food storage, equipment for meal preparation, and dishes and utensils for meal consumption



Many of these start-up costs are fixed costs meaning that you must pay for them up front regardless of how many children you enroll (examples: buying a building, fees for obtaining permits and licenses, purchasing equipment). Variable costs include staff, food and supplies—items that are dependent upon the number of children being served. They are purchased as they are consumed (staff is paid as they are employed); their quantities can be increased or decreased as your enrollment increases or decreases, and their costs should be covered by monthly revenues. For start-up, centers and homes should budget for three months worth of working capital up front to pay 100% of fixed costs and the amount of variable expenses not expected to be covered by revenues. You should have this money set aside or borrowed before starting up your program.

Annual Operating Budget and Cash Flow Projections

The operating budget you develop should cover a twelve-month period. For most child care programs, this should be the calendar year or the July 1st to June 30th school year. Use the same cycle you use for filing taxes.

Cash flow projections should be done on a monthly basis using the same revenue and expense categories as the annual budget. A cash flow projection is an important planning tool, particularly for new or expanding programs. As the name suggests, it follows the flow of money IN and OUT of your business. This is important because there can be differences in the time between when you are required to spend money (paying staff, purchasing supplies, paying rent) and when you receive money.

In most businesses there is a delay before receiving money for services that have been provided. For example, you may be awarded a grant to purchase new equipment, but not receive the money for several months. Or, if you receive subsidy payments, there may be a delay between when you provide the care to the children and when you are actually paid for providing that care. If you are planning an expansion of an existing child care program, your annual budget may look balanced (with revenues greater than or equal to expenses for the year). However, if the additional families do not enroll for several months, you may discover, at the time that bills are due to be paid, that you do not have the money to pay for all of the new equipment you had to purchase at the beginning of the year.

When making your cash flow projections, do not record the revenue until you will actually receive it, or the expense until you will actually spend it. If you review the monthly flow of cash in and cash out, you can better prepare for times of shortfall—you can plan ahead. Any surplus (money left over) at the end of the month will help you through the next month. But any deficit (shortfall) in one month will need to be covered in the next month.

Hint: If this is a new idea for you and you are already operating a child care program, it is okay to start by recording your cash flow after the fact. Each month, track all of the money that you spend and receive. It may help to save all of your receipts in a separate envelope or box for each month. At the end of the month, record the flow of ALL money in and out of your business.

Listed on the following pages are potential sources of revenue and expenses for your program. Traditional financial statements place revenues above expenses because you take the money you receive and subtract out your expenses to see how much is left over. However, to build an accurate budget, it is important first to know how much it costs to provide your service and then decide how you will cover your costs through income. Therefore, when they are

discussed in greater detail on the pages that follow, expenses will be reviewed first, followed by revenues.

Revenue	
<ul style="list-style-type: none"> • Registration fees • Subsidy reimbursement • Other government funding • Transportation charges • Interest and dividends • Miscellaneous (late fees, returned check fees) 	<ul style="list-style-type: none"> • Parent fees (full tuition or co-payments) • Food program reimbursement • Grants • Gifts, contributions, fund-raising • Sale or exchange of property
Expenses	
<ul style="list-style-type: none"> • Personnel • Occupancy • Insurance • Postage and telephone • Copying/Printing • Professional • Transportation (field trips, daily service) • Fees • Fund-raising costs 	<ul style="list-style-type: none"> • Purchased services/professional services • Equipment • Food • Supplies • Advertising and public relations • Training/License renewal • Taxes • Discounts

Home Based Providers: Home-based providers who are self employed, have a different filing requirement from those who have an incorporated or other business entity. A home-based provider completes an IRS Schedule C or C-EZ and a Schedule SE Self-Employment tax schedule which they will attach to their individual Form 1040 tax return. The instruction booklet for the IRS Form 1040 will provide detailed instructions on how to complete the Schedule C and C-EZ. The Publication 533 will discuss the self-employment taxes paid by a self-employed (or subcontractor) individual.

Depending on the amount of income generated from your home-based child care business, you may want to pay estimated taxes. Estimated tax is the method used to pay tax on income that is not subject to withholding (for example, earnings from self-employment). In most cases, you must make estimated tax payments if you expect to owe at least \$1,000 in tax for the year (after subtracting your withholdings and credits). You may wish to pay estimated tax payments to avoid any estimated tax penalties that may be assessed. You may pay estimated taxes using IRS form 1040-ES Estimated Tax for Individuals.

Home-based providers will need to calculate a “time/space percentage” in order to determine how much of their expenses they can allocate to their business. The time/space percentage is based upon the number of hours for which the home is used for business purposes and the amount of the space used for the business. See IRS publication 587 Expenses for Business Use of the Home and IRS Form 8829 Expenses for Business Use of the Home.

Hours of operation multiplied by square footage used for child care
total square footage of home Hours in a year (8760 hrs)

This calculation will give you a percentage to be multiplied by expenses such as rent/mortgage payment, utilities, and telephone. Talk with an accountant to ensure correct calculation of these expenses.

NOTE: All IRS forms and publications may be obtained at no cost by calling 1-800-829-1040 or by logging onto the IRS website at www.irs.gov.

Sample Annual Budget/Workplan for a Center or Ministry Based Program

As you begin your new venture, you'll need to determine the market for your area for child care parent fees. Your CCR office can assist you on this market analysis. What can you expect in terms of income? Child care is not a business that makes a lot of money. For example, most ministries are heavily subsidized by the church and operate "in the red" for at least the first 1-2 years. Please do your budget sheets prior to embarking on your new business so that you have an idea of profit/loss.

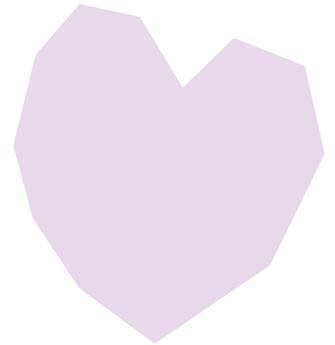
A suggested formula for estimating income from tuition is based on weekly rate multiplied by the number of children for 50 weeks at 80% enrollment. The following sample is based on one classroom of each age group with recommended capacity.

• Infants	8 X \$73 X 50 weeks X 80%	=	\$23,360
• Toddlers	10 X \$55 X 50 weeks X 80%	=	\$22,000
• 2 year olds	10 X \$55 X 50 weeks X 80%	=	\$22,000
• 3 year olds	20 X \$55 X 50 weeks X 80%	=	\$42,400
• 4/5 year olds	24 X \$53 X 50 weeks X 80%	=	\$50,880
• School age (school year)	25 X \$21 X 38 weeks X 80%	=	\$15,960
• School age-summer	25 X \$49 X 12 weeks X 80%	=	\$11,760

Estimated Income From Tuition: \$188,360

Other possible sources of income:

- Annual activity or registration fee per family
- Federal food program
- Church subsidy
- United Way or other funding sources (may or may not be able to use for operating costs)
- Fund-raising



What Can You Expect For Expenses?

Salaries: (based on twelve hours of operation per day)

Infant to 5 years of Age

2 teachers per classroom X 5 classrooms X \$7.00 per hour X 40 hours per week X 50 weeks = \$140,000

School Age

2 teachers per classroom X 1 classroom X \$7.00 per hour X 20 hours per week X 50 weeks = \$14,000

Total: \$154,000 (does not include director's salaries or fringe benefits, taxes, etc.)

Food costs: approximately \$5.00 per day per child

72 children X \$5.00 X 250 days per year = \$90,000 (could be offset by participating in food program)

Ongoing expenses would include office and classroom material and equipment, occupancy costs, advertising / marketing, printing and postage, maintenance, cost for voucher participation including CPR/First Aid, drug testing, criminal history checks. Start-up expenses will vary depending on the number of classrooms, need for space remodeling or safety modifications, existing liability insurance, etc.

NOTE: The above income and expense figures are examples only.

What Can you Expect for Revenue?

Revenue	Amount
Registration fees	
Parent fees	
Subsidy reimbursement	
Food subsidy reimbursement	
Transportation fees	
United Way contribution	
Other grants	
Late pick up charges	
Interest and Dividends	
Fund-raisers	
Miscellaneous	
Total Revenue	
Expenses	
Salaries	
Benefits	
Payroll taxes	
Rent/mortgage	
Utilities (heat and electric)	
Telephone	
Insurance	
Food	
Classroom equipment and toys	
Cleaning/maintenance	
Administrative supplies	
Postage	
Copying/printing	
Classroom supplies	
Advertising	
Professional development	
Professional dues, journals	
Transportation/vehicle expense	
Fund-raising expense	
Uncollected tuition	
Child care for employees	
Scholarship program	
Security	
Auditor/bookkeeper	
Transportation	
Miscellaneous	
Total Expenses	
Net income or loss (Revenues – Expenses)	

Budget Worksheet - Home Based Program

Revenue	Amount
Registration fees	
Parent fees	
Subsidy reimbursement	
Food subsidy reimbursement	
Transportation fees	
Grants	
Interest and Dividends	
Fund-raisers	
Late pick up fees	
Miscellaneous	
Total Revenue	
Expenses	
Salaries	
Benefits	
Payroll taxes	
* Rent/mortgage	
* Utilities (heat and electric)	
* Telephone	
Insurance	
Food	
Drug testing, TB testing	
First aid, UP and CPR training	
Classroom equipment and toys	
Cleaning/maintenance	
Administrative supplies	
Postage	
Copying/printing	
Classroom supplies	
Advertising	
Professional development	
Professional dues, journals	
Fund-raising expense	
Uncollected tuition	
Child care for employees	
Scholarship program	
Security	
Auditor/bookkeeper	
Transportation/vehicle expense	
Miscellaneous	
Total Expenses	
Net income or loss (Revenues - Expenses)	

* must calculate time-space percentage

Resource Telephone Numbers

- Consumer Product Safety Commission (Nationwide) 1-800-638-2772
- Family and Social Services Administration 1-877-511-1144
- Child Care and Development Fund Voucher Program 1-877-511-1144
- Hoosier Healthwise 1-800-889-9949
- Indiana Association for Child Care Resource & Referral 1-800-299-1627
- Indiana Association for Child Care Resource & Referral (Spanish) 1-866-865-7056
- Indiana Association for the Education of Young Children, Inc. 1-800-657-7577
T.E.A.C.H. Early Childhood® INDIANA
Indiana Accreditation Project
Indiana Non Formal Child Development Associate Project
- Indiana Child Care Health Consultants Program 1-877-511-1144
- Indiana Department of Education/Food Program 1-800-537-1142
- Indiana Department of Environmental Management 1-800-233-6092
- Indiana Department of Homeland Security 1-317-232-2222
Fire and Building Safety Division
- Indiana First Steps 1-317-233-6092
- Indiana Youth Institute 1-800-343-7060
- Internal Revenue Service 1-800-829-1040
- SCORE® (Service Corps of Retired Executives) 1-317-226-7264
- Statewide Child Abuse Reporting 1-800-800-5556



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