

# Steps to Starting a Preschool

Starting a preschool can be a tremendous ministry for the church to the community. However, there are several state regulations that pertain to the establishment and operation of a preschool in each state.

In the state of Florida, preschools can exist at one of three levels:

- 1. Home, or Family Daycare
- 2. State licensed Center
- 3. Religious Exempt Center

FLOCS is one of the agencies that is recognized by the Department of Children and Families (DCF) to administer the Religious Exempt program in the state of Florida. FLOCS has several centers that are state licensed and do not need religious exemption. Those centers pay a membership fee and take part in our state-recognized preschool training that is conducted each year. However, these centers are not inspected by FLOCS and no guarantee of quality can be made about the center.

Centers desiring DCF Religious Exempt status must operate by offering classes to preschool aged children as a ministry of the local church in order to qualify for exemption. Additionally, these centers must comply with all FLOCS Preschool Regulations governing the operation of a preschool. Those standards are available in the FLOCS Preschool Manual which is available online through the FLOCS office. FLOCS Religious Exempt centers are subject to a minimum of two inspections each year by qualified and trained FLOCS state preschool inspectors.

There are some important considerations to be given when planning to open a preschool. A church leadership team should consider the following:

#### Why do you want to open a child care center?

The primary goal of a Christian preschool should be for the teaching of God's word. A center should also have succinct goals for the development of reading and math skills, psychomotor development, and structured physical activity.

#### Have you completed a demographic study to determine if the area will support another child care center?

Some consideration should be made to the local market. If four other churches within two miles have preschools, then it may prove to be a financial challenge to start a new preschool. Also consider the needs of your church community. If a church has a lot of young couples with young children, or is reaching young married couples, then that market will likely expand in time.

#### How do you plan to pay for the start-up costs for opening the center?

Everything has a price tag. You will need to be able to fund the first several months of payroll, licensing/membership fees, inspections, and any modifications that the local building inspectors

may require. It is not uncommon for older churches to be required to install a complete sprinkler system for fire protection. Be aware of what these things may cost.

# Have you developed a monthly budget of estimated expenses and income to determine if your center will be profitable?

Research has proven over and over that the number one (and possibly, ONLY) reason Christian schools fail is due to poor financial planning and management. Create a realistic budget and have that budget approved and monitored by the governing body.

# Do you understand all of the rules and regulations that have to be met in order for a center to be religious exempt?

After nearly 30 years of operation, FLOCS has established sound guidelines for the safe keeping of young children. For FLOCS schools, these regulations are non-negotiable. The FLOCS Preschool Manual is the source for all FLOCS preschool regulations and can be secured from the FLOCS office, or downloaded from the FLOCS website at www.flocs.org.

# Do you know how the square footage of the building and the outdoor space determine the number of children you can have in care?

Preschools MUST observe 35 square feet per child. A FLOCS inspector will be assigned to each FLOCS member school. Upon the intial visit to the center, the FLOCS inspector will establish the center occupancy for the total center as well as for each room. This information is extremely important to planning budget and tuition costs. Keep in mind that a smaller room limits tuition revenue. A classroom must pay for the employees, the cost of operation, curriculum and supplies, and any other expenses that might be tied to that classroom.

The outside are must be able to serve ½ of the student populations at 45 square feet per child. While religious exempt facilities may be exempt from this rule, FLOCS will require some outdoor play area with sufficient ground cover to be considered safe. You inspector will provide direction on this item.

### Do you know the fire, zoning, and environmental health requirements?

While state laws govern fire and health requirements for preschools, every county observes different requirements. Some counties govern all of the above areas, and some counties allow the state agencies (DCF, DOH, DOE) to govern them. Speak with your local Fire Marshall, Board of Zoning, Department of Health, and Department of Children and Families.

#### Do you have the appropriate training and experience to operate a child care center?

In the state of Florida, a center must be administered by a Director who holds a valid Florida Preschool Director's Credential. FLOCS provides a state approved Director's Credential course that is fully available online through our learning platform. Additionally, one staff member in each class must hold a valid Florida Child Care Professional Certificate (FCCPC). FLOCS is licensed by the Department of Education to provide these courses and conducts sites around the state for this training. There is a page on the FLOCS website that is dedicated to the FCCPC training.

In addition to these requirements, Florida requires that all teachers receive an additional 10 hours of training each year beginning on July 1. FLOCS offers hours of training throughout the year, including 10 hours of training during the two-day FLOCS conference held in Orlando during the fall of each year.

# What exactly do we need to do to start a preschool?

## Step 1:

Explore financial needs, prepare a preliminary budget and identify financial resources (a small business loan, savings or other financing options) to assist with start up costs and provide initial funding for your ongoing operational budget.

#### Anticipated Start up Costs:

You should consider all the financial aspects of starting your own business when you are starting a new facility or buying one which already exists.

#### Some costs might include:

- Land/property taxes
- Utility connection charges
- Construction or renovation costs
- Professional fees
- Classroom equipment
- Membership and application fees
- Kitchen equipment
- Marketing/advertising
- Office equipment
- Insurance
- Maintenance equipment
- Staff training and orientation
- Van or other transportation
- Contingency fund
- Playground equipment
- Impact fees

#### Then, consider the ongoing expenses.

#### **Ongoing Operational Budget:**

Some costs might include:

- Rent/mortgage
- Utilities
- Payroll
- Educational consumable supplies
- Insurance
- Office and administrative supplies
- Taxes

- Repairs
- Equipment additions/replacements
- Unemployment Insurance
- Worker's Compensation insurance
- Federal withholding tax

Many child care programs go out of business because of underestimation of operational costs, poor planning or poor management. Plan ahead and plan accurately to avoid this disaster.

You should be aware that in addition to the State Laws affecting child care facilities, there are local ordinances, such as building codes, which govern the operation of a child care facility.

## Step 2:

Contact your local county municipality to learn what the county requires to obtain a business license, meet building codes and/or obtain occupancy approvals. Even Religious exempt facilities are not exempt from occupancy regulations.

## Step 3:

Select a location and contact your zoning office to ensure proper zoning approval for the operation of a child care facility at the location.

## Factors to consider when looking for a location:

- It is recommended the child care facility have a sufficient open space to accommodate strict staff/child ratios.
- The number of children for which you can provide care (capacity) is based on 35 square feet of usable floor space per child per room, excluding restrooms, hallways, offices or storage closets.
- If the facility will be on a septic tank, an inspection of the system must be completed by your local environmental health department. The capacity of the septic system may limit the number of children and staff allowed to occupy the building.
- Outdoor play space must be available at the location with a minimum four foot fence and must be at least 45 square feet per child for 1/2 half the maximum capacity of the facility, excluding children under 1 year of age in the calculation. Shade must be available.
- Furnishings and play equipment must be appropriate and safe for the ages served. Toys must be clean. The facility must provide bedding, such as cots, or mats at least 1" thick with a impermeable surface.
- It is strongly recommended that no commitments toward any location/property be made until careful consideration of all structural requirements and child care regulations are scrutinized.

### Step 4:

Request and schedule a fire safety inspection of the proposed facility with your local county fire inspector. Each child care facility must meet fire and life safety standards, and will be subject to annual fire inspections.

### Step 5:

Request and schedule an environmental health inspection of the proposed facility with your local health department. Each child care facility must meet environmental health standards and will be subject to periodic inspections.

### Step 6:

Complete the FLOCS Membership Application and Religious Exempt Verification forms and forward it to the FLOCS office. You will be assigned an inspector who will provide an initial (FORM A) inspection as well as discuss FLOCS requirements such as, background screening guidelines, forms and timeframes for yourself, your director and the child care personnel who will be working in your facility.

A Religious Exempt Certification will not be issued until all FLOCS requirements have been met.

## Step 7:

Identify the director of your program, and ensure that all necessary training is being or has been completed.

## Step 8:

Contact the Department of State, Division of Corporations to file for the registration of the fictitious name of your business.

### Step 9:

Continue to work with your assigned inspector for assistance. The inspector and you will work together to determine the opening date of your child care facility.

# SAMPLE START UP COSTS FOR BILL'S MIRACLE CHILD CARE CENTER

## Note: These are hypothetical figures

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1. Build Out/Renovations	\$6,500	Plumbing changes, walls, Kitchen Installation, etc.	36%	
2. Décor Improvements	550	Wallpaper, Painting, Floor Mats	3%	
3. Furniture	1,895	Chairs, Tables, Cribs, etc.	10%	
4. Playthings	350	Game (indoor & outdoor) Materials, Books, Blocks, Puzzles	2%	
5. Disposables	190	Paper, Finger Paints, Art Supplies, etc.	1%	
6. Other Items	575	Vacuum, Mops, Pails, Cleaning, Custodial Supplies	3%	
7. Utility Deposits	350	Electricity, Telephone	2%	
8. Licenses, Etc.	110	Occupational License, Fictitious Name Representation, Etc.	.6%	
9. Legal Fees	575	Lease Review, Contract Development, Etc.	3%	
10. Training Expenses	75	County Training Program, Gas, Parking, Etc.	.4%	
11. Rent	5,100	First, Last and Security Deposit on Space @ 1700 month	28%	
12. Insurance	800	First Payment for all Insurance coverage's	4%	
13. Office Supplies	350	Stationary, Envelopes, Business Cards, Etc.	2%	
14. Promotional Materials	750	Brochure, Parent Handouts, Fee Structure, First Newsletter, Etc.	4%	
Total Start Up Costs Reserve	\$18,170 7,695	Contingency – 50% of First Month's Total Costs (???)	99%	

# SAMPLE Annual Operating Budget Bill's Miracle Child Care Center

Salaries:		Weekly	Monthly	Yearly
Owner		\$400	\$1,733	\$20,796
Teachers:	one @ \$8.00	320	1,387	16,644
	one @ \$7.25	290	1,257	15,084
	one @ \$6.75	270	1,170	14,040
Aides:	three @ \$5.10	612	2,652	31,824
Subtotal		\$1,892	\$8,199	\$98,388
Fringe Benef	its @ 17.5%	142	615	7,380
Total Salaries	5	\$2,034	\$8,814	\$105,768

### Monthly Operating Expenses:

Rent	\$1,700
Legal/Accounting	50
Office Supplies	50
Advertising	400
Telephone	105
Electricity	220
Water	135
Insurance	800
Food/Snacks (Meals)	3,940
Laundry	25
Miscellaneous	150
Total Operating Expenses	\$7,575

Numbers shown are only estimates and DO NOT reflect actual costs.