



SAMPLE BUDGET FOR CHILD CARE CENTER OPERATIONS IN MARYLAND

The figures in this sample operations budget reflect the mid-range of expenses incurred by a variety of programs in Maryland over the last few years. Actual costs vary significantly depending on local costs, local regulations, and the costs for individual program policy and enhancement choices.

The following sample budget for operations is based on this fictitious child care center designed to represent a typical center.

The following characteristics are true of this center:

- Center is sponsored by a private, non-profit organization.
- Center operates 255 days per year, 52 weeks per year.
- Center capacity is 97 children, classroom and weekly fee¹ breakdown is:
 - ❑ One room for 6 infants (6 weeks to 18 months) \$186 per week
 - ❑ One room for 9 toddlers (18 months to 2 years) \$186 per week
 - ❑ One room for 12 two year olds \$116 per week
 - ❑ One room for 20 three year olds \$116 per week
 - ❑ One room for 20 four year olds \$116 per week
 - ❑ One room for 30 five year olds \$106 per week
- Indoor space of 75 square feet per child or 7,275 sq. ft. total. This includes the 35 sq. ft. per child required by Maryland regulations for use by the children, as well as an additional 40 sq. ft. per child for lavatories, storage, office, hallway, and non-commercial (warm-up) kitchen.
- Outdoor space of 75 square feet per child. This figure reflects the average amount of outdoor space for playground, landscaping, walkways, and parking.
- Substitute staff is to cover classroom positions for two weeks of vacation time, three days of personal leave, and sick time, for a total of 4.5 weeks for each of twelve staff people.
- Rent is figured at \$20 per square foot. In this example rent is paid by the sponsor, (i.e. the church). Other building costs are paid for by the center, including, cleaning, maintenance, and utilities.
- Snacks and beverages are provided by the center. Lunch is brought from home.

¹ Child care fees are state averages from Child Care Demographics, Maryland Child Care Resource Network, 2003 Maryland Report. The rates will vary depending on the local market.

Income:

Item	Description/Detail	Number of Children	Amount	Total for year
Child Care Fees	Infant/toddler (ages 0-2): \$186 (per week) X 15 (children in age group) X 52 (weeks in year) X .8 (80% utilization rate) ² =	15	\$116,064.00	
	Preschool: \$116(per week) X 52(children in age group) X 52 (weeks in year) X .8 (80% utilization rate) =	52	\$250,931.20	
	School age (ages 5 and up): \$106 (per week) X 30(children in age group) X 52(weeks in year) X .8 (80% utilization rate)=	30	\$132,288.00	499,283.20
Registration Fees	Charged one time per year for each child \$75.00 per child X 97 =	97	\$7,275.00	7,275.00
CACFP	\$.05 ³ x 97 children x 255 days x 2 snacks per day x .8 (80% utilization rate) =	97	\$1,978.80	1,978.80
Fund Raising	Amount raised by center		\$4,000.00	4,000.00
Other Income	Late pick-up fees, late payments, miscellaneous		\$600.00	600.00
Total for year			\$513,137.00	513,137.00

² An 80% utilization rate is used when computing income from weekly child care fees. The utilization rate is used to compensate for the normal fluctuations in enrollment due to illness, family vacation, etc.

³ The Child and Adult Food Program (CACFP) reimbursement is figured on the basis of 97 children receiving the lowest level subsidy for two snacks per day. We are assuming that lunches are brought from home.

Expenses:

Item	Description/Detail	Number of staff	Number of children	Amounts	Total for year
Salaries	Director	1	97	\$27,076.00	\$243,648.15
	Assistant Director	1		\$22,076.00	
	Senior staff : 6 full time x \$17,263 annual salary + 1 part time x \$8,631.50 annual salary =	6.5		\$112,209.50	
	Aides: 6 full time x \$11,691 annual salary =	6		\$70,146.00	
	Substitutes: 12 positions x 4.5 weeks x \$11,691/52 weeks ⁴ =	12		\$12,140.65	
Staff Costs	FICA tax: 7.65%(.0765)x gross salaries=			\$18,639.08	52,475.57
	Unemployment: 4.5% of first \$8,000/employee .045 x 8,000 x #staff members =	15.00		\$5,400.00	
	Benefits ⁵ : \$1500 x #staff members	14.00		\$21,000.00	
	Training and staff development			\$5,000.00	
	Worker's compensation: 1% of total salaries x .01 =			\$2,436.48	
Insurance	Liability: \$35 x #children (cost will vary, many factors)		97	\$3,395.00	\$ 3,783.00
	Accident: \$4 x # children		97	\$388.00	
Building	Rent \$20 x number of sq. ft. (7,275)			\$145,500.00	\$35,170.00 not including rent
	Maintenance, repair			\$5,000.00	
	Cleaning services			\$15,500.00	
	Utilities			\$6,720.00	
	Telephone			\$3,360.00	
	Lawn maintenance			\$2,800.00	
	Snow removal			\$790.00	
	Exterminator			\$1,000.00	

⁴ Staff salaries are state averages from Child Care Demographics, Maryland Child Care Resource Network, 2002 Maryland Report. The rates will vary depending on the local market.

⁵ The amount for employee benefits is an approximation based on what child care workers are receiving in Maryland, according to Fifty Cents on the Dollar: Child Care Compensation in Maryland, issued by the Compensation Subcommittee of the Public Policy Committee, Maryland Committee for Children, November 1998.

Expenses, continued:

Item	Description/Detail	Number of Staff	Number of Children	Amount	Total for year
Consumable Supplies	Food and supplies \$1.50 x #children x 255 days x 80% utilization			\$ 29,682.00	
	Classroom: paper, paint, etc.			\$ 5,500.00	
	For building: cleaning, paper, first aid, etc.			\$ 2,500.00	\$ 37,682.00
Program	Field trips: \$15 x #children (parents will pay majority of field trip expenses)			\$ 1,455.00	
	Equipment repair/replace			\$ 5,600.00	
	Resources, subscriptions			\$ 850.00	
	Miscellaneous			\$ 600.00	\$ 8,505.00
Administrative	Office supplies			\$ 840.00	
	Bank Charges			\$ 280.00	
	Advertising			\$ 5,600.00	
	Postage			\$ 560.00	
	Professional services (accountant, lawyer, etc.)			\$ 3,360.00	
	Dues, subscriptions			\$ 840.00	
	Printing			\$ 1,120.00	
	Bad debt			\$ 2,240.00	
	Miscellaneous			\$ 225.00	\$ 15,065.00
Total Expenses				\$541,828.72	\$396,328.72