

SAMPLE BUDGET FORM

Number of Weeks of Operation	52
Number of children: 12 infants, 12 toddlers, 40 preschoolers	64
Tuition: Infants ~\$230 per child per week = \$143,520 per year	
Toddlers ~\$185, per child per week = \$115,440	\$518,960
Preschool ~\$125 per child per week = \$260,000	
<b>INCOME</b>	<b>AMOUNT</b>
<b>Fees From Tuition</b>	
<ul style="list-style-type: none"> <li>• As a general rule, calculate approximately 75% of total enrollment for the first year.</li> <li>• Decide whether you will charge a flat weekly rate per child or charge by the hour?</li> <li>• Decide whether you will charge more for a three-hour block (often for preschool enrichment versus child care)</li> <li>• Will you charge parents for holidays, sick days, special staff training, and development days and vacation?</li> <li>• Will you offer a second-child discount for siblings?</li> <li>• Will you have a sliding fee scale?</li> </ul>	\$519,200
<b>Registration Fees</b>	
<ul style="list-style-type: none"> <li>• Will you charge an enrollment fee per child? How often?</li> <li>• Will that fee be deducted from tuition charges?</li> <li>• Will that fee be per child or per family?</li> </ul>	At \$50 per child per year \$3,200
<b>Transportation Fees</b>	
<ul style="list-style-type: none"> <li>• Will you charge for providing transportation for children to and from their home or school to your center? If so, calculate the cost of gas, oil, tires, repairs, and additional insurance into the fee determination for this service.</li> </ul>	At \$50 per child per week × 12 children = 12 × 52 × \$50 = \$31,200
<b>USDA Food Program Reimbursement</b>	
<ul style="list-style-type: none"> <li>• If you choose to participate, your potential USDA income will vary depending upon the income levels of the families you will serve.</li> </ul>	
<b>Fund-raising and Contributions</b>	
<ul style="list-style-type: none"> <li>• Design a plan to solicit contributions, gifts/donations.</li> <li>• How much fund-raising is realistically possible?</li> </ul>	\$ 6,000
Grants	\$ 5,000
<b>Total Yearly Income</b>	<b>\$564,600</b>
<b>EXPENSES</b>	<b>AMOUNT</b>
<b>Personnel Considerations:</b>	
<ul style="list-style-type: none"> <li>• Determine your staff/child ratio based on the ages of your children.</li> <li>• Determine salaries for each position based on the going rate in your area.</li> <li>• Decide whether you offer higher-than-average salaries to attract candidates with higher qualifications.</li> <li>• Will you offer paid breaks and lunch periods, paid set-up and closing times, and paid planning time per week?</li> </ul>	

FIGURE 10 – 1 Sample budget form.

- Will you need substitutes for staff illness and/or vacation?
- Will you need to hire staff for meal preparation, building maintenance, transportation, landscaping, and/or snow removal?
- Include cost of hiring substitutes for 20 days per year.

Salary Detail

Director's Annual Salary FT	\$ 35,000
Head Teacher's Annual Salary FT	\$ 28,000
Assistant Teacher's Annual Salary FT	\$ 24,000
Aide's Annual Salary FT	\$ 15,000
Secretary's Salary—50% time, 20 hours per week	\$ 15,000
Substitutes—\$15/hour × 8 hours/day for 20 days/year	\$ 2,400

PERSONNEL EXPENSES

1 Director	\$ 35,000
4 Head Teachers	\$ 112,000
4 Assistant Teachers	\$ 96,000
4 Teacher's Aides	\$ 60,000
Personnel Sub-Total	\$303,000

Fringe Benefits

- Calculate:
  - ♦ FICA
  - ♦ Unemployment compensation
  - ♦ Workers' compensation
- Determine whether you will offer such additional benefits as:
  - ♦ Health insurance
  - ♦ Tax deferred annuities
  - ♦ Child care
  - ♦ Paid sick time
  - ♦ Paid holidays/vacations
  - ♦ Cafeteria plan

Approximately 25% of  
Total = \$75,750

Approximate Cost of Fringe Benefits

Personnel Total	\$378,750
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OPERATING EXPENSES

Activities—Based on \$25 per child per year	\$ 1,600
Advertising <ul style="list-style-type: none"> <li>• Business cards</li> <li>• Advertising</li> <li>• Distribute flyers and/or brochures</li> </ul>	\$ 1,500
Audit	\$ 1,200
Books and Subscriptions	\$ 600
Contingency Fund—recommend no less than 3% of operating budget	\$ 14,000
Dues and memberships	\$ 250
Equipment—Major (Equipment lasting longer than two years, \$500 or more, anything you can depreciate)	

FIGURE 10 - 1 Sample budget form (continued).

• Kitchen—equipment for meal preparation (stove, refrigerator)	
• Housekeeping—vacuum	
• Office—computer, desk, copier, file cabinet	
• Educational	\$ 6,000
♦ Additional furniture for the children	
♦ Additional toys/manipulatives for:	
◦ Large and small motor activities	
◦ Dramatic play	
◦ Language development	
◦ Intellectual stimulation	
Equipment—Minor	
• CD players	
• Microwave	\$ 3,500
• Camera	
• Meal cart	
Fees—Licensing fee, fingerprinting costs, and so on	\$ 1,500
Food—Meals and snacks	
• The current national average is approximately \$1.52 per day. Formula for calculating the cost of food is \$1.52 × the # of days × the # of children	\$25,293
Garbage—calculate per month cost × the # of mos. of operation	\$ 600
Insurance	
◦ Liability	
◦ Building and premises	\$ 5,000
◦ Personal property	
◦ Professional liability	
◦ Auto	
Interest	\$ 1,000
Legal/Accounting/Consultation	\$ 1,500
Maintenance/Repairs—(plumbing, lawn care, snow removal, repair, maintenance of heating/air condition, and so on)—calculate per week cost × the # of mos. of operation	\$ 3,200
Postage—Mail brochures or packets to prospective parents, newsletters	\$ 600
Printing	\$ 800
Rent/Mortgage	\$15,000
Repairs—calculate per month cost × the # of mos. of operation	\$ 500
Office Expenses and supplies—calculate per week cost × the # of mos.	\$ 600
Supplies—Housekeeping, kitchen, and classroom consumable supplies	\$ 4,000
Telephone	\$ 720
Travel and transportation	
• Staff Travel—Pay staff travel for conference attendance, and so on	\$10,500
• Auto Expenses—Lease/purchase a van and related auto costs	
Utilities—Water, electricity, heat, air conditioning—Project 5% increase per year	\$ 3,600
TOTAL EXPENSES	\$491,113

FIGURE 10 - 1 Sample budget form (continued).