Fairhill Partners Project

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Executive Summary

The objective of this project was to run a feasibility study for Fairhill Partners and to determine whether or not the space they have available would be suitable for a daycare. Determining which space to use, finding funding, calculating expenses, researching the licensing process, and estimating the recommended staff ratios/wages all factored into this study. The scope and methodology we used for this project contained many of the different aspects mentioned above. We first wanted to determine which of the two spaces would be more suitable for a daycare within the facility. We then based our study and analysis of the daycare off a start-up number of 25 kids. Research was conducted to locate potential donors who would be able and willing to fund a project like Fairhill's. Determining what type of application process each of these organizations required was also very important. More research and calculations needed to be done in order to determine how much Fairhill would need to apply for. Staffing, food, furniture and other categories all factor into the start-up costs and operating expenses, which were then organized into Excel spreadsheets. Another large part of the scope was to determine licensing and marketing. Having the credentials to run a daycare and getting the word out through word-of-mouth are both essential to the success of a high-quality daycare. Through our research, we found and determined a list of potential donors, as well as the total expenses that Fairhill would need to cover. As a group, we determined that the project was feasible for Fairhill to begin. Recommendations are also included regarding efficiency and marketing strategies.

Introduction

Background

Having served the Greater Cleveland area for more than 78 years, Fairhill Partners is a non-profit organization dedicated to providing services for lifelong learning, programs for enhancing intergenerational relationships, caregiving for adult family caregivers, and assisting elders for successful aging. Fairhill is currently looking into the childcare industry and aims to establish a child daycare center with quality that is above the industry level. Due to years of experience working with kinship families and understanding their needs, they hope to build a daycare center that would support kinship families through providing platforms, resources, and opportunities for them to enhance kinship relationships and to improve child development.

Project Overview

A place has been vacated recently and Fairhill is considering repurposing it into a childcare resource center. Through research, we will calculate the related expenses to start and operate the daycare center, determine the pricing and funding, and locate daycare center requirements in order to analyze the possibilities and challenges of building a daycare center in the area. In addition, we will provide financial and marketing recommendations to help Fairhill be able to implement the plan effectively.

Project Objectives

The primary objective of the project is to utilize the space and establish a viable model for building a high-quality[1] kinship daycare center. The model aims to make the daycare center sustainable for at least 2 to 3 years, with the start-up funds. In addition, the daycare center should be able to accommodate 20 to 30 kids in the first year and be able to increase to 70 to 80 kids after 2 to 3 years of operation.

5-star Quality Daycare

According to the standards published by the NAEYC (National Association for the Education of Young Children)[2], we found the requirements for a 5-star quality daycare, which can be summarized into five categories: staffing, curriculum, environment, families and communities, and management. (1) Staffing requirements: The qualifications of teachers and caregivers involve their education level, professional training they get, and their teaching ability. The staff should be able to use appropriate and effective approaches to assess and enhance child development. A high staff-to-children ratio[3] is also an indicator of high-quality. (2) Curriculum: The daycare center should design programs and classes to maximize the children's education, learning, and development. Activities should also be incorporated because they are essential in letting kids explore their own interests and skills. (3) Environment: The environment of the daycare center should support the health and wellness of the children, refraining them from any

[1] Refer to *5-star Quality Daycare* for high-quality daycare center standards; Refer "A Guid for Child Care Providers" for detailed requirements by ODJFS available from http://www.odjfs.state.oh.us/forms/num/JFS01597/pdf/

[2] "The 10 NAEYC Program Standards" available from https://www.naeyc.org/our-work/families/10-naeyc-program-standards

[3] Refer to Staffing Ratio for detailed requirements

injuries. (4) Families and Communities: Specific to our situation, a 5-star kinship daycare should emphasize on enhancing the relationship between children and their kinship families. It is necessary to involve the kinship families in the children's development process by informing and communicating with the family members in timely manners. (5) Management: The daycare center should be appropriately licensed, and there should be policies in place to guide the operation effectively.

Scope

Incorporating the 5-star requirements and the objectives, we determined the scope of the project (See Appendix A for scoping diagram), which could be divided into four categories: funds, workforce, budgets for capital, and other variables. (1) Since funding is the primary source of income for a non-profit organization, it is essential to look for potential donors that can offer grants for start-up and that can also provide funds for the daycare center's continued development. (2) Staffing is one of the biggest operating expenses for a daycare center, so it is important to determine the numbers of staff, salaries, and hiring requirements for directors and caregivers. (3) Capital costs include acquiring and preparing the facility and renovating the space. By budgeting the fixed costs to include food, childcare (ex: diapers for infants) and furniture, we can quantify the expenses to start a daycare center. (4) Other variables such as licensing, marketing, and branding are central to catalyze proper images, clientele, and brine the daycare into actuality. Together, these four elements compose the scope of our discussion and analysis.

Findings

Space Utility

Although, as aforementioned, we will open the daycare with a limited number of children to be able to accurately estimate costs and mitigate risk before scaling the project, it is important to keep in mind the potential for future expansion. In any business, the value is created through the amount, timing, and certainty of future cash flows. This means that top line revenues must not only be predictable but also have the potential to grow over time. In estimating this potential growth, we first must be able to estimate the demand from our end users. Thus, it is important to keep in mind the potential for growth in and beyond the greater Cleveland area.

By visiting the place and examining the floorplan (See Appendix B for the floor plan), it is clear that the facility has the capacity to scale up and is ready to serve as a potential headquarter. This space is suitable for building a daycare center because of the ample natural light, being fully handicap accessible due to the multiple easy entrances, a built-in kitchen to create snacks and/or meals for the children, and the separate rooms that could be used for independent activities for different age groups. Additionally, this facility already has an existing playground that can be improved, updated, and retrofitted to become fully handicap friendly. The playground may catch the eyes of potential customers, helping to naturally draw customers in without any extra marketing cost.

Potential Donors

Like any non-profit organization, additional donor funding will be central to a capital raise. The following represents a list of 20 potential donors that may be interested in covering the

funds from start-up costs to ongoing grants (See Appendix C for each donor information including contact information, types of grants, application requirements, and application deadlines). The amount of grants that the different foundations are willing to offer are based on the percentage of costs that the applicant budgets.

- Child and Adult Care Food Program At-Risk Meals
- Ohio Children's Foundation Grant
- Neighborhood Connections
- Sisters of Charity Foundation of Cleveland
- W.K. Kellogg Foundation
- The Fund for Our Economic Future
- Saint Luke's Foundation
- Cleveland Foundation
- Kiwani's Club Project Grant
- United Black Fund of Greater Cleveland, Inc.
- JumpStart Inc
- Weinberg Foundation
- Ohio Children's Trust Fund (OCTF)
- Ohio Department of Job and Family Services (ODJFS)
- Lego Children's Fund
- Sparkplug Foundation
- The Duke Endowment
- Walmart Foundation Community Grant Program
- Early Childhood Education Grant
- The George Gund Foundation

One of the programs that we recommend Fairhill to especially look into is the "Child and Adult Care Food Program At-Risk Meals," which is a federally funded program of the United States Department of Agriculture, because this program may potentially help cover some of the food costs for the daycare.

Licensing Requirements and Procedures

We recommend that Fairhill obtain the Child Care License to be able to accommodate for 13 or more children in their facility. The licensing process should follow the rules released in the Ohio Child Licensing and Quality System (OCLQS). Before applying for the actual license, applicants should complete pre-licensing training in the Ohio Professional Registry (OPR) online as well as orientation training at one of the 5 childcare licensing field offices (the training is offered monthly at the offices). Once the training is completed, applicants can begin the initial application online on the Ohio Child Licensing and Quality System website. The final step is to pay a $500 fee to the Ohio Department of Job and Family Services.

The application process is expected to take at least 6 months. However, childcare centers may start the pre-licensing training even before all the furnishings and staffing are settled for the facility. Once the license is obtained, the provisional license will be valid for 12 months; if the program is found to be in compliance during inspections, the actual license is made and will remain continuous as long as the daycare meets the licensing regulations.

Staffing

Staffing Ratios

There are certain regulations regarding staffing ratios in Ohio for daycare centers. To accommodate for infants up to 12 months, the staffing ratio has to be either 1:5 or 1:6, with the maximum being 12 infants per group. For infants/toddlers that are 12-18 months, the staffing ratio is 1:6, with the maximum being 12 infants/toddlers per group. For children 18-30 months, the staffing ratio is 1:7, with the maximum being 14 children per group. For children 30-35

months, the staffing ratio is 1:8, with the maximum being 14 children per group. For 3-year olds, the staffing ratio is 1:12, with the maximum being 24 preschoolers in a class. Lastly, for 4-5-year-olds, the staffing ratio is 1:14, with the maximum being 28 children in a class.

One of the main difficulties with staffing ratios is that in mixed age groups, the ratio appropriate for the youngest child applies, "unless there is only one child over the age of 30 months in a group of older kids.[4]" Therefore, the younger the children and toddlers Fairhill decides to account for, the more costs they would have to take on due to the extra staffing that will be required to meet the ratio. Furthermore, in case of situations where caregivers show up to the daycare with multiple toddlers on a given day, the daycare center would have to have enough staffing at all times to accommodate for a sudden increase in the number of young children.

Staff Requirements

As regulated by ODJFS, in order to get legal licenses in Ohio, there are requirements[5] for hiring the staff. All directors[6] and caregivers should present a verification of at least high-school education. They also need to sign a medical statement, a non-conviction statement, and an employee policy statement with the organization. Furthermore, the daycare center is also required to request criminal background checks. At least one staff member (can be covered by multiple staff) onsite must have completed training in First Aid, Management of Communicable Disease, Child Abuse Prevention (1-hr online course) and CPR. In addition, the state of Ohio requires that the director have working experience of at least 24 months, at a minimum of 12

[4] "How Preschool Works in Ohio"; available from https://www.noodle.com/articles/how-preschool-works-in-ohio
[5] There is checklist for staff requirements released by ODJFS; available from http://jfs.ohio.gov/cdc/docs/Howdoesachildcareprogramgetlicensed(1).stm
[6] Director is a person who can manage staff and oversee the operation.

hours per week.[7] At least two full-time and one part-time staff in each classroom unit are also required by the licensing regulation.

Because Fairhill already does criminal checks when hiring their staff and helps them get First-Aid/CPR certified, the main challenge will be to find a qualified individual for the director position, especially in a childcare-competitive neighborhood. Some of the full-time and/or part-time staff positions may be held by some of the kinship caregivers if they meet the requirements; this would help Fairhill to potentially save on costs while still being able to accommodate for a high staffing ratio.

Budgets[8]

Assumptions

When calculating costs, we assumed that there will be 25 kids in the initial operating year. Since we already have a facility, we are not factoring in the rental costs. The operation hours of the daycare center is planned to be from 7 a.m. to 7 p.m. on the weekdays. Transportation service is currently not considered, assuming that the grandparents and/or guardians will be responsible for bringing the children to and from Fairhill.

Childcare costs

(1) Supplies: The daycare center should have educational materials and supplies, such as books, toys, and art supplies, in place for the children to be able to learn and explore their interests; the purchase of equipment should also take into account what curriculum (cultural,

[7] Luanne Kelchner, "The Qualifications for a Child Day Care Administrator, " availbale from "https://work.chron.com/qualifications-child-day-care-administrator-15993.html

[8] See Appendix - D for detailed calculation

lingual learning, arts, etc.) is going to be set up. The average cost for educational supplies in a high-standard daycare center is $600 per child a year. (2)Food: The assumption for calculating meals is that the daycare will provide breakfast, lunch, and one snack. According to federal nutritional guidelines, the price for standard meals are $1.31 for each breakfast, $2.46 for each lunch, and $0.73 for each snack.[9] Because of the constant need for food and meals, as well as dietary restrictions the children may have, some daycare centers will hire a chef to be in charge of all the food-related issues at the daycare. (3)Infant supplies: If the daycare center decides to accommodate for infants and toddlers, an extra $760+/month would incur because the daycare center would have to supply diapers, blankets, formula, and other items to support a healthy baby.

Marketing costs

Expenses for marketing include the costs for printing booklets and flyers, advertising on public websites and getting accredited by authorized organizations to become featured on their websites and programs. The total estimation of marketing expenses would be around $800 for the first year.

Furniture, fixture and improvements[10]

The capital expenses to get the daycare center ready for operation include the following areas: (1) Furniture: Although Fairhill already has some desks, chairs, and a refrigerator, there is still a need to purchase more furniture to be able to set up an office for the staff and to organize

[9] "Daycare Tax Tips", available from https://www.familychildcaretaxes.com/tax_tips_article.php?blRecordNumber=82

[10] "Operating Budgets for Child Care Center", available from http://www.earlychildhoodnyc.org/resourceguide/resources/OperatingBudgets-Child%20Care%20Inc%20publication.pdf

the classrooms for the children. Used furniture is acceptable for some situations, but they would need to be disinfected, sanitized and/or washable. Furniture for infants and toddlers, such as the cribs, are not recommended to be second-hand or used. (2) Equipment: The estimation of equipment include computers for the staff, printers, CD players, cabinets, vacuum, and etc. (3) Supplies: Kitchen, housekeeping, classroom, and other consumable supplies will incur annually. (4) Renovation: The current facility may need to hire people to improve and furnish the area to fully meet industry and licensing standards.

Administrative Expenses

Administrative Expenses include: (1) Legal licenses for a daycare center in Ohio is $500[11] and is a one-time cost. (2) Insurance costs may vary depending on how the daycare center wants to customize the coverage.[12] The average price for a daycare center package is $2,000 per year. (3) Development programs that provide training for caregivers, such as CPR/First-Aid, are crucial in helping develop high-quality staff.

Personnel Expenses

Staffing expense is the biggest cost in the budget of a daycare center, and its amount depends on the numbers, composition, and qualification of the staff. The average salary[13] of a director in Ohio is $33,687 per year but increases if the director has a higher educational level and/or work experience related to childcare; this raise can range from $10 to $20 per hour in the industry. The average salary of certified caregivers in Ohio is $21,042. Infants and toddlers

[11] "How Does a Child Care Center Become Licensed in Ohio"
[12] "177,000 U.S. Childcare Centers Carry This Coverage", available from https://www.trustedchoice.com/small-business-insurance/children-pet/daycare/
[13] Data distributed from *Indeed*, (assessed Dec 3,2018); available from https://www.indeed.com/salaries/Child-Care-Director-Salaries,-Ohio

would require more caregivers, and thus, comparing the spreadsheets, the budget with infants is $26,303 more than the budget without infants in terms of personnel expenses. Additionally, Fairhill currently pays a salary of $6,000 per year for a person to be in charge of the management and other works such as oversight, bookkeeping, and marketing.

To lower salary costs, hiring part-time employees is an attractive approach since the chart (See Appendix E) shows that the salary for part-time staff would be lower than the full-time staff. Hiring college students, volunteers, and interns can also make the cost more affordable for kinship families and donors.

In addition to wages, the daycare center is mandated to provide benefits including FICA, disability and employee compensation, unemployment insurance, and is recommended to provide pension and other insurances, which are estimated to be approximately 25% of the total salaries.

Income

(1) Tuition and Registration Fee: In Ohio, the average tuition fee[14] is $748 a month for infants and $612 a month for 4-year-olds (when calculating the total tuition fees, we estimated that 5 infants and 20 children older than infants are enrolling for 12 months). A high-quality daycare center may need to charge higher in order to cover the expenditures. However, some kinship families with low-income may be eligible to apply for child care subsidies, based on the ranges of income, to alleviate the daycare payments.

(2) Food reimbursement: The daycare center can get subsidies from the USDA for food and the preparation of meals for the children that are eligible for the CACFP (Child and Adult

[14] "Ohio Child Care Cost as Almost As Much As College," availble from https://patch.com/ohio/cleveland/ohio-child-care-costs-almost-much-college-0

Food Care Program). The amount of subsidies depend on the rates upon the children's eligibility for free, reduced, and/or paid meals or snacks (See Appendix F for Food Program Reimbursement Rates).

(3)Fundraising: The funds are included in the budget only when they are guaranteed. The daycare center should have a contingency fund of approximately two months of expenses to ensure normal operation when financial problems occur.[15]

Financial Conclusions

Functional Area Cost Analysis

Through comparing the budgeted costs of percentages for respective functional areas with standard rates (See Appendix G for comparison), no marked deviations were found, indicating an efficient and reasonable budgeting plan for a high-quality daycare center.

Budget Conclusions

The projected budget, including the fixed and operating expenditures for the initial year, is approximately $280,000 and the potential income is around $200,000 (excluding funds). Technically, $80,000 in funds need to be raised in order to reach the break-even point. If enough funds and grants cannot be collected, Fairhill may want to consider raising the price of tuition to cover the expenses; however, the affordability by kinship families needs to be heavily considered as well. The high expenses may cause Fairhill to not make much profit, if at all, in the first few years.

[15] "Operating Budgets for Child Care Centers," p.16

While some expenditures are fixed, the estimation of some items is subject to changes. The accommodation of infants/toddlers increases the total expenses by $27,062 per year[16] since the daycare would need to consider the costs of infant supplies, staffing costs, and other potential expenses. Thus, it is important for Fairhill Partners to determine the best number of infants, caregivers, and staffing ratios to be able to adjust the expense into an acceptable range.

If the vacant space wasn't able to be repurposed into a child daycare center, it would be leased out for $40,000 per year, which is considered to be an opportunity cost for a daycare center plan. However, it is noticeable that some of the expenses that are currently budgeted, such as furniture, equipment and improvement costs, are one-time costs and would be eliminated in the future operating costs; as a result, this would largely lower the total expense in the long-run. In addition, the daycare is expected to generate more income after 2 to 3 years of operation due to an increase in the number of children (70 to 80) utilizing the fixed resources. Therefore, building a daycare center is optimal in terms of financial benefits when looking past the initial operation years.

Feedback from First Baptist Daycare

Our team met up with First Baptist Daycare, a NEAYC accredited daycare center, to ask about the challenges that they might have encountered when starting a daycare in the area. Though First Baptist's target audience is not the same as Fairhill's, since most of their clients are doctors and professors at Case Western Reserve University, it was still very important for us to meet with them because we were able to hear about operating challenges and licensing regulations. To ensure that costs are maintained, First Baptist recommended Fairhill to make sure

[16] Calculated from the sum of highlighted cells in Appendix - D(2)

that families make their payments on time, make good use of subsidies and organizations for assistance, and to follow the staffing ratio closely.

First Baptist has 140 children that come into their daycare daily, with 40 caregivers to take care of them. Their pricing is $315/week for infants, $305/week for toddlers, and $265/week for pre-school age children. Because their clients tend to be financially well-off, only 10 of their children are on county subsidy. Their caregivers ideally have either an associate's or bachelor's degree, but some of their staff are also part-time Tri-C students. In fact, some of their staff are even high schoolers, at least the age of 18, that is overseen by a teacher. As expected, the average hourly wage for the caregivers is quite low, with $15/hour being the maximum price First Baptist is willing to pay. The facility is open from 7 a.m. to 6 p.m., year-round and operating only on weekdays; they do not operate on the weekends anymore because maintaining staffing regulations on the weekends were difficult.

First Baptist does not do any explicit marketing; rather, they rely on word-of-mouth and referrals. Being accredited by the NAEYC and having a high Step-Up-Quality rating is crucial for parents to determine which daycare they want to send their kids to. First Baptist is also one of the very few daycares that have an infant and toddler care, which is essential because this serves as a pipeline for preschool-age children.

Opportunities and Challenges

Opportunities

Having this daycare will provide so many opportunities for the neighboring children and families in the area. These children will have the opportunity to interact with other children that are the same age and with the same upbringing. Being surrounded by peers with the same

kinship background will allow these kids to feel comfortable and welcomed. It will also give these children an opportunity to make friends, have fun, and learn, all at the same time. Furthermore, the daycare will allow their guardians to have some time to themselves and give them a break from giving care. We understand that it isn't easy taking care of children, especially as you get older, so this program will be very beneficial for both the children and their guardians.

Challenges

Starting a daycare is no easy feat to accomplish and there will be many challenges that present themselves along the way. Funding will be one of the biggest challenges that Fairhill will face. Running a daycare is not cheap, so securing the money to do so will not exactly be easy. The expenses we have categorized for Fairhill will occur on a monthly basis and will need to be paid for accordingly. Finding reputable and qualified staff and paying for them will be the biggest expense. Preparing the space and getting it ready for the children will also be another great challenge. Reaching out to the donors and securing some sort of funding will be a tedious process that Fairhill must go through. Starting any type of business or program from scratch will have its many challenges, but we feel that Fairhill is more than capable of overcoming these obstacles to successfully start and run this daycare.

Recommendations

Efficiency Recommendations

In order to maximize efficiency, it is strongly recommended for Fairhill to use the plan and recommendations set aside for them. Having a plan set forth is essential in ensuring the success of this daycare. The first step in ensuring efficiency is to secure funding for this project.

Using the available donors, we recommend that Fairhill begins applying for different grants and fundings. While applying for these grants, it is also very important for Fairhill to begin preparing the available space and to start prospecting for potential kinship families with children in need. Additionally, since staffing is one of the key elements of running a daycare, it is extremely important for Fairhill to start their search for potential caregivers and staffs early on. Assuming that the daycare has anywhere from 20 to 25 kids at start-up, it is crucial to have the recommended staffing ratio to children to maintain costs. Figuring out the staffing number is also important because this will be their largest expense in their budget.

Marketing Recommendations

After meeting with First Baptist, we learned that a large part of their marketing is simply word-of-mouth. We know that Fairhill has prospective children for start-up, so we recommend that they reach out to them first. Once the program begins and these children are part of the daycare, we recommend Fairhill to ask these families to reach out to other families in the area to increase the number of children in the program; these families that recommend Fairhill to others may be eligible for referral promotions. Additionally, posting flyers around town and ads on credible websites, such as the NAEYC's official website and Cleveland Department of Aging's website, can increase the exposure of the program and gain more children. We recommend Fairhill to not emphasize digital marketing and advertising as much because it can make their daycare program look too commercialized and less authentic, which is the opposite image of what we believe Fairhill wants to convey to the community.

The networking groups at Fairhill, like the grandmothers' networking group, can also be a strong way to gain more customers. The grandparents can even try to work part-time at the

daycare, if they are eligible and meet the hiring requirements, to receive county subsidies and/or discounts. Having monthly open houses can also help the daycare receive exposure in the community, where families that have been referred can stop by to see what programs Fairhill's daycare and resource center offers.

Ultimately, the goal for Fairhill is to gain recognition for having a quality daycare program, which will greatly influence their reputation. Having this reputation will give them the proper recognition they need in order to gain a larger number of children.

Next Steps

As this project comes to an end, we hope that Fairhill takes our recommendations and begins their next steps in the process of starting this daycare. The next steps for them would be to begin the application process and start preparing the space. Applying for the grants and funding may take a bit of time. Including the project plan and scope in the applications may help in receiving the funding, as well as emphasizing how this daycare will be essential for the kinship children that are looking for an enriching and welcoming community. Preparing the space includes organizing, hiring staff, furnishing, and taking steps toward licensing. The estimated timeframe[17] for preparing the operation of the daycare center is 6 to 15 months, which includes renovating the space, incorporating the high-quality standards, hiring/training the staff, and setting up the curriculum. Moreover, a director has to be in place for at least three months before the projected date of operation to be able to recruit children, orient the staff, and finalize the licensing process. The staff should be on board for at least 1 to 2 weeks to finish the training, setting up the facilities, and to be able to familiarize themselves with the operating process. Once

[17] "Operating Budgets for Child Care Centers," p.8

the preparation is underway and the funding is secured, the potential kinship families can be notified about the daycare. This notification can allow families and Fairhill to begin applying for subsidies within the county. Further marketing and advertising may also begin during this period.

Works Referenced

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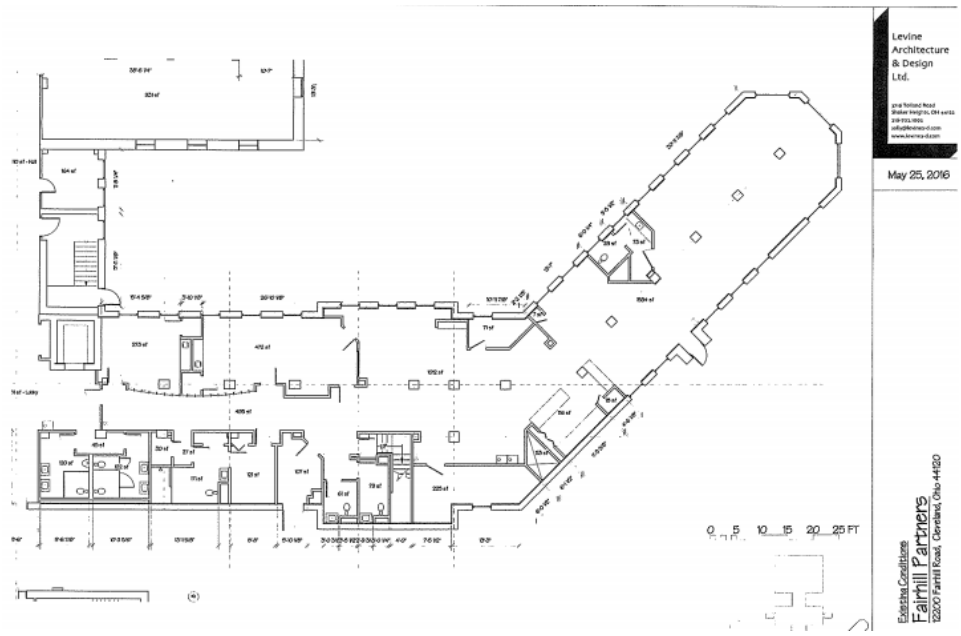
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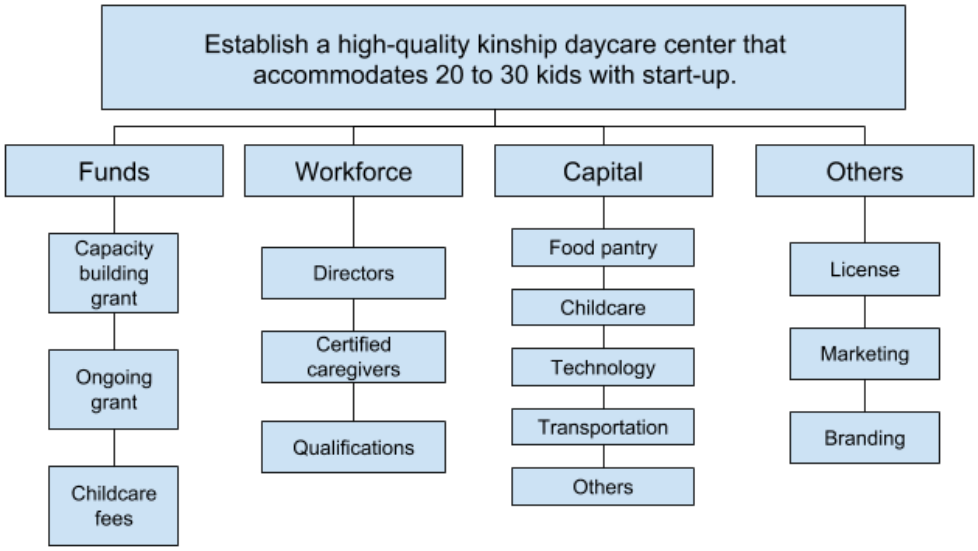
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Appendix

Appendix A – Floor plan of Vacant Space



Appendix B – Scoping Diagram



Appendix C – Donor Information

Name of Organization	Contact Information	Link to Forms	What type of Grant?	Notes
Child and Adult Care Food Program At-Risk Meals	(614) 466-2945	http://education.ohio.gov/getattachment/Topics/Other-Resources/Food-and-Nutrition/Child-and-Adult-Care-Food-Program-CACFP/CACFP-Center-Based-Component/Adding_a_New_Facility_Site_FY17_rev_12-2-16.pdf.aspx		Overall Information and link to other applications: http://education.ohio.gov/Topics/Other-Resources/Food-and-Nutrition/Child-and-Adult-Care-Food-Program-CACFP/CACFP-After-School-Snack-Component
Ohio Children's Foundation Grant	info@ohiochildrensfoundation.org	http://ohiochildrensfoundation.org/grant-requests/		The Foundation's primary interest is in early childhood development and learning, targeting children ages 0-5. To apply for a grant, send an email with a request that should include: A 1-3 page letter that describes the project, its objectives, time frame, total cost, the amount you are requesting, contact person(s), phone number and Federal Employer Identification Number. A page containing the budget (revenue and expenses) for the organization or program, including the grant requested from the Foundation TO: Barbara Miller, President
Neighborhood Connections	216-361-0042	http://www.neighborhoodgrants.org/wp-content/uploads/2014/10/2017-APPLICATION-Word-.pdf	small grants	up to $5,000 each year; next application date: Feb 8,2019

Sisters of Charity Foundation of Cleveland	ucraig@socfcleveland.org or 216-357-4472	http://socfcleveland.org/grantmaking/guidelines/	operating support, planning or capacity building, program support	
W.K. Kellogg Foundation	https://www.wkkf.org/	https://wrm.wkkf.org/uWebRequestManager/UI/Application.aspx?tid=24bf1841-48f7-4971-b7a7-96bd78992f62&LanguageID=0		
The Fund for Our Economic Future	216-456-9800	http://www.thefundneo.org/		
Saint Luke's Foundation				
Cleveland Foundation	216.861.3810	https://www.clevelandfoundation.org/grants/apply-for-a-grant/		
Kiwanis Club Project Grant		https://odkf.org/what-we-do/grants.html		May have to be partnered with Kiwanis Club, but unsure.
United Black Fund of Greater Cleveland INC.	216-566-9263	http://unitedblackfund.org/		
JumpStart Inc.	216-363-3400	https://www.jumpstartinc.org/apply/		
Weinberg Foundation	410-654-8500	https://hjweinbergfoundation.org/grants/process/	ongoing grants: capital; operating	Does not fund for organization that have operated less than 3 years. Other criteria:https://hjweinbergfoundation.org/grants/guidelines/. Grant proposal example: https://hjweinbergfoundation.org/wp-content/uploads/downloads/2014/08/HJWF-Capital-Project-Grant-Application.pdf
Ohio Children's Trust Fund (OCTF)	OCTFgrants@jfs.ohi	http://jfs.ohio.gov/OCTF/Vendor		up to $100,000 fund; application deadline is Oct 29,2018.

	o.gov	_Proposal.stm		
Ohio Department of Job and Family Services(ODJFS)	844-640-6446	http://www.odjfs.state.oh.us/forms/num/JFS07200/pdf/	cash, food and medical assistance	Requirements:http://www.odjfs.state.oh.us/forms/num/JFS07501/pdf/
Lego Children's Fund	http://www.legocommunityfund.org/	http://www.legocommunityfund.org/grants-opportunities		quarterly grants to 501c3
Sparkplug Foundation	https://sparkplugfoundation.org/content/how-apply			Deadlines for spring posted on Dec. 3rd, 3 step application process
The Duke Endowment	https://dukeendowment.org/child-care-apply-for-a-grant	https://dukeendowment.org/grants/apply-grant		
Walmart Foundation Community Grant Program		http://giving.walmart.com/walmart-foundation/community-grant-program		
Early Childhood Education Grant	877-644-6338	http://education.ohio.gov/Topics/Early-Learning/Early-Childhood-Education-Grant		Applications for approval due October 15, 2018
The George Gund Foundation	216-241-3114	http://gundfoundation.org/		

Appendix D – Budget Spreadsheets

(1) Budget for Expenses with No Infants

Budget for Expenses with No Infants		
Expense Item	**Expense Cost**	
Child Care Cost		
Educational Supplies/Equipment	$15,000.00	at least $600 per child
Food and snacks	$28,125.00	$4.5 x 250 of days x 25 children
Other		
Marketing Costs		
Advertising	$800.00	
Other		
Furniture & Fixture, Improvements		
Indoor Furniture/Equipment	$19,780.00	
Kitchen Equipment/Supplies	$2,000.00	
Office Furniture	$2,000.00	
Safety Equipment/Supplies	$500.00	
Cleaning Supplies	$200.00	
Renovation/Building costs		
Other		
Occupancy Expenses		
Facility	$44,251.00	includes maintenance, utilities, housekeeping @$8.50/sq. ft.
Administrative Expenses		
Licencing/Fees	$500.00	
Insurance for Daycare	$2,000.00	
Professional Development	$173.00	
Other		
Personnel Expenses		
Directors	$33,687.00	
Caregivers	$84,168.00	4 caregivers x $21,042

Management	$6,000.00	
Others (cook, janitor, assitants)		
Fringe Benefits	$30,964.00	25% of total salaries
Total Initial-year Costs	$270,148.00	

(2) Budget for Expenses with Infants

*Cells highlighted are changes made from Budget (1)

Budget for Expenses with Infants		
Expense Item	**Expense Cost**	
Child Care Cost		
Educational Supplies/Equipment	$15,000.00	at least $600 per child
Food and snacks	$28,125.00	$4.5 x 250 of days x 25 children
Supplies for infants	$760.00	Diapers: ~$0.20/each (toddlers change ~10x/day);Wipes: ~$20/month
Other		Potential additional expense: ~$1000/month
Marketing Costs		
Advertising	$800.00	
Other		
Furniture & Fixture, Improvements		
Indoor furniture/equipment	$19,780.00	
Kitchen equipment/supplies	$2,000.00	
Office Furniture	$2,000.00	
Safety Equipment/Supplies	$500.00	
Cleaning Supplies	$200.00	
Renovation/building costs		
Other		
Occupancy Expenses		
Facility	$44,251.00	includes maintenance, utilities, housekeeping @$8.50/sq. ft.
Administrative Expenses		

Licencing/Fees	$500.00	
Insurance for daycare	$2,000.00	
Professional Development	$173.00	
Other		
Personnel Expenses		
Directors	$33,687.00	
Caregivers	$105,210.00	5 caregivers x $21,042
Management	$6,000.00	
Others (cook, janitor, assitants)		
Fringe benefits	$36,224.00	25% of total salaries
Total Initial-year Costs	$297,210.00	

(3) Budget for Income

Budget for Income		
Income Item	**Income Cost**	
Tuition Fees	$191,760.00	$748 per month for infants; $612 per month for 4-year-old kids
Registration Fees	$1,250.00	$50 per child a year
Food Program Reimbursement	$5,900.00	assumed 5 child is eligible for reduced meals
Fund		
Others		
Total Initial-year Income	$198,910.00	

Appendix E – Salary Pattern for Full-time and Part-time

FULL-TIME CARE (25 or more hours per week)	$267 for children up to 18 months $255 for children from 1 1/2 to 2 years $180 for children 3 to 5 years $177 for children 5 to 13 years[19]
PART-TIME CARE (under 25 hours per week)	$225 for children up to 18 months $215 for children from 1 1/2 to 2 years $150 for children 3 to 5 years $145 for children 5 to 13 years

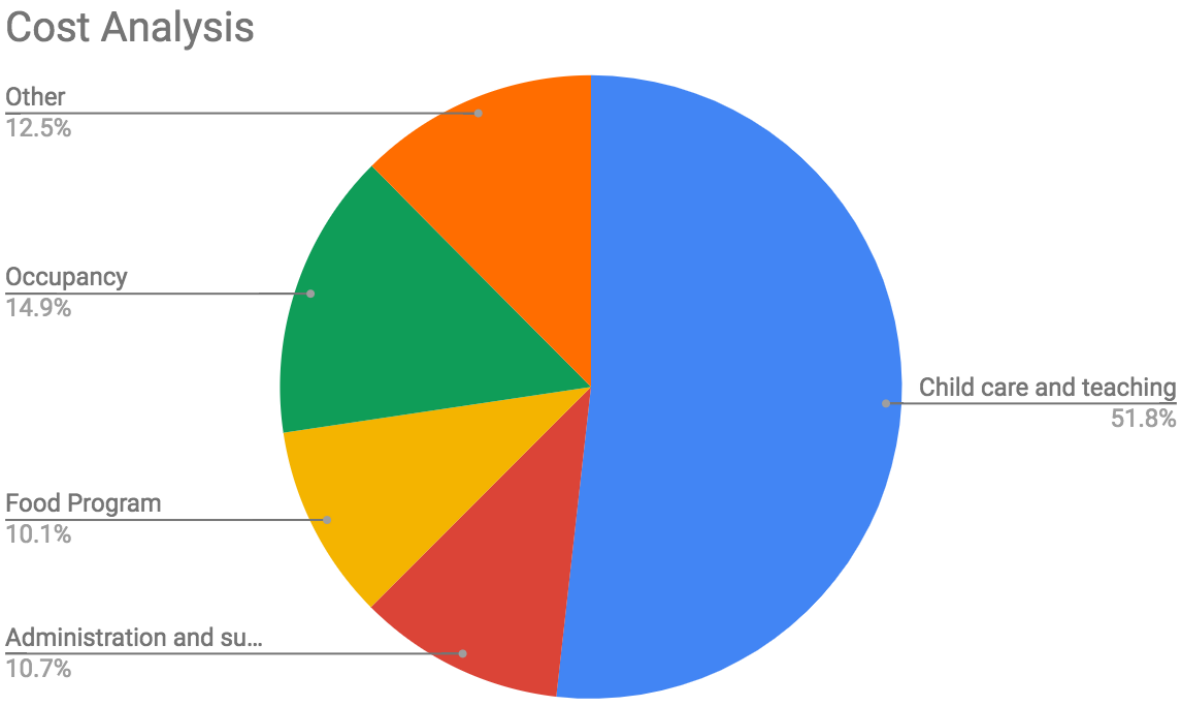
Appendix F – Food Program Reimbursement Rates in 2018

CHILD AND ADULT CARE FOOD PROGRAM (CACFP) *Per Meal Rates in Whole or Fractions of U.S. Dollars* *Effective from July 1, 2017- June 30, 2018*				
CENTERS		BREAKFAST	LUNCH AND SUPPER[1]	SUPPLEMENT
CONTIGUOUS STATES	PAID	0.30	0.31	0.08
	REDUCED PRICE	1.45	2.83	0.44
	FREE	1.75	3.23	0.88

Appendix G – Functional Area Cost Analysis

- Analysis from Budget with Infants

Functional Area Cost Analysis		
	Amount	Percentage
Child care and teaching	$153,897.00	51.78%
Administration and supervision	$31,913.00	10.74%
Food Program	$30,125.00	10.14%
Occupancy	$44,251.00	14.89%
Other	$37,024.00	12.46%
Total	$297,210.00	100.00%



Functional Areas

Child care and teaching (teacher salaries, classroom equipment)	50% to 60%
Administration and supervision (administrative salaries, office supplies, phone)	12% to 20%
Food program (food, kitchen supplies, kitchen staff)	6% to 19%
Occupancy (rent/mortgage, maintenance, repairs, etc.)	10% to 20%
Other (health, transportation, social services, etc.)	5% to 20%

- Standard Percentage: