

# CHILD CARE CENTER PLANNING CHECKLIST

When planning to expand, renovate, build or purchase a child care center, it is essential to think through the entire process by breaking activities down into four stages: **planning, pre-development, development, and start-up.**

Although this document lists the steps in order, not every step will apply to every project. Some steps may happen at the same time, while others may not be needed, depending on the size and type of project. This document outlines many common activities involved in developing a child care facility, but every project is different. Be sure to consider whether there are additional steps specific to your situation.

[NevadaCCSC.org](http://NevadaCCSC.org) has many useful tools to support you during your journey. Create a free login so you can access the resource links below.

For personalized one-on-one support with opening your child care business, contact the Provider Success team at [ProviderSupport@ChildrensCabinet.org](mailto:ProviderSupport@ChildrensCabinet.org) or 702-915-6906.

## PLANNING STAGE

The planning stage is one of the most important parts of the business facilities development process. **Investing time and attention early on helps reduce the risk of costly mistakes later.** This stage also helps you determine early whether you and your business are prepared to take on the financial risks involved in a start-up or expansion project.



**MONEY NEEDED DURING THIS STAGE:** Equity (planning grants, internal resources) and limited Debt (soft loans)

### Market Analysis

- ☐ Estimate the number of families demanding services in your area and the rate to be charged. Note: this is not an estimate of those who just need services, but of those who need the services **and** can pay your rates or can use state subsidy. Estimate how many other child care centers are in your defined area and what their rates are.
  - *Resource:* [2025 Early Education & Care Fact Sheet](#)
  - *Resource:* [Nevada Census Data](#)
  - *Resource:* [Find Child Care](#)
- ☐ Decide whether your services will target low-income, middle-income, and/or affluent families. This decision will affect both the rates you charge and your eligibility for subsidy programs.
  - *Resource:* [Guide to Starting or Expanding a Child Care Business](#)
- ☐ Decide what age group(s) your services will cater to. This will affect your assessment of local supply and demand. Keep in mind that different age groups have different requirements of staff ratios and required equipment, which will impact your operational budget and site selection.
  - *Resource:* [Defining a Business Model](#)
- ☐ Assess whether the rates you intend to charge will generate enough revenue to meet the costs of operating expenses and the debt incurred by the facility development project.

# CHILD CARE CENTER PLANNING CHECKLIST

- *Resource:* [Financial Planning](#)
- *Resource:* [Revenue & Setting Competitive Rates](#)
- Begin to write a business plan that addresses these issues.
  - *Resource:* [Defining a Business Model](#)
  - *Resource:* *Contact your Small Business Administration to find out what local resources are available to you (e.g. Small Business Development Centers, Women's Business Centers, and/or Service Corps of Retired Executives advisors). This information can be found at 1-800-8-ASK-SBA, or online at [www.sba.gov](http://www.sba.gov). If you are developing a nonprofit entity then other resources may be available through local nonprofit management assistance programs as well.*

## Financial Feasibility

- Estimate the overall start-up or capital cost of the facility development process. A contractor can help you with these estimates. Divide the overall costs into:
  - Soft costs (design, permits, legal, and financing fees)
  - Hard costs (acquisition, construction, equipment)
  - Hidden cost (staff and board time and attention)
  - Contingency costs (a portion of construction costs set aside to cover unexpected costs)
  - Lost income (if the program must close for any period of time during construction).
  - *Resource:* [Financial Planning](#)
- Design, or update, an operating budget for your child care business. In calculating your expected revenue (incoming money from parent fees and vouchers, state subsidies, etc.) you shouldn't project that your program will be more than 85% full because it usually takes at minimum six months to reach full capacity and even then, it is quite common for enrollments to fluctuate throughout the year.
  - *Resource:* [Financial Planning](#)
  - *Resource:* [Revenues Cover Per-Child Cost](#)
  - *Resource:* [Cost of Care Calculator](#)
- Identify the financing you will need to cover your start-up and operating expenses.
  - *Resource:* [Financial Planning](#)
- Analyze your ability to apply for financing (i.e. loans) by determining debt capacity, or debt service coverage.
  - *Resource:* [Financial Planning](#)
  - *Resource:* [Access Community Capital](#)

# CHILD CARE CENTER PLANNING CHECKLIST

- ☐ Ensure that you will have enough working capital (cash available to fill in the gap between revenue and expenses) at the end of the facility development process to cover at minimum 3 months of operating expenses because revenue takes time to come in as enrollment builds. It is best to have a larger cash reserve if possible, to prepare for any cash flow problems that may occur, especially for new programs.
- ☐ Identify donor relationships and investigate new ones for development grants and for donations of toys, equipment, furniture, dress-up clothes, building supplies, etc. You should also identify potential partnerships with other community organizations like churches, hospitals, and schools that might be able to collaborate with you to provide certain services and share some expenses.
- ☐ Determine your legal status as a nonprofit or for profit child care program. This will directly affect your approach to obtaining financing. To become a nonprofit, you will need to establish a Board of Directors, form a nonprofit corporation 501c(3), and file for your tax-exempt status with the IRS. To become a for-profit, you will need to decide if you want to be a sole proprietor, a corporation, or a partnership.
  - *Resource:* [Nevada Business Portal](#)
  - *Resource:* [Non-Profit Board](#)

## Organizational Capacity

- ☐ Establish a development team of individuals to lead the facility development project. Seek volunteer, pro bono, or in-kind assistance before hiring paid consultants.
- ☐ Ensure that the staff, the board, and the leader(s) share a commitment to take this project in the same direction and assess whether you have the staff/skills needed for the long-term process of facility development.
- ☐ Evaluate your financial readiness as an organization by identifying red and green flags:
  -  Red flags: difficulty paying bills, deficits in recent years, large amounts of uncollected receivables such as parent fees, and a lack of any cushion or cash reserve.
  -  Green flags: services are constrained by a lack of space, you are in a financially strong and growing position, and there is a clear demand for your services
    - *Resource:* [Go/No Go Workshop](#)
- ☐ Identify local support - know the community and the demand for services; have relationships beyond just the early care and education field; and make sure the community knows what you have to offer.

## PRE-DEVELOPMENT STAGE



**MONEY NEEDED DURING THIS STAGE:** Equity (planning grants, internal resources) and limited debt (soft loans)

# CHILD CARE CENTER PLANNING CHECKLIST

## Site Selection

- ☐ The site must have certain physical requirements to be capable of operating as a child care facility.
  - *Resource:* [Becoming Licensed](#)
- ☐ If you do not own the site, you will need written permission from your landlord to operate a child care business.
- ☐ The site must be zoned by the city appropriately. Some locations may require additional permit requirements to operate a child care facility.
  - *Resource:* [Check with your local planning department for specifics on your location.](#)
  - *Resource:* [City of Reno Toolkit](#)
- ☐ **Expanding or renovating an existing facility:** Evaluate the site and the neighborhood in relation to the project concept, the size of the lot, zoning and licensing requirements, health and safety issues, the quality of the existing structure, and design, engineering, repair and renovation costs.
- ☐ **Finding a new site:** Evaluate the site in relation to the project concept, site costs (direct and indirect), quality of the neighborhood, licensing requirements, zoning and land use restrictions, size, plans for new developments in the area, health and safety issues, infrastructure (utilities, roads, easements), traffic patterns, transportation, parking, and access to the building. Connect with your local city planning department for the zoning map.

## Site Control and Approval Process

- ☐ Explore site control alternatives and decide which method best fits with your project needs, such as using an option, using a conditional lease or purchase contract, using a joint venture agreement, etc.
- ☐ Complete the Licensing Application Process (LAP) training offer by Child Care Licensing.
  - *Resource:* [Child Care Licensing LAP Training](#)
- ☐ Contact your local Child Care Licensing surveyor to review the site plans and to advise you on licensing requirements.
  - *Resource:* [Contact List](#)
- ☐ Seek information about required public approvals (e.g. land use/zoning; building code, health, safety; community care licensing requirements; fire clearance, insurance) and find out if your identified site will have any problems obtaining these approvals once the facility development process is complete. Work with your local planning department.
  - *Resource:* [Contact List](#)

# CHILD CARE CENTER PLANNING CHECKLIST

## Project Design

- ☐ Discuss project design with an architect to translate the project concept into a physical design that meets the organization's program goals and budget constraints, and that satisfies public approval requirements. Include input from parents, children and your staff when designing the project.
- ☐ Review required vs. recommended elements of design for the project.
  - *Resource:* [Whole Building Design Guide](#)
- ☐ Visit other similar facilities in and around your community and talk with other child care providers to identify successful designs and mistakes to avoid.
- ☐ Research cost-effective design options, taking into account the initial costs and the long-term quality and maintenance consequences of using certain materials and equipment.

## Securing a Contractor

- ☐ Solicit and review at least three bids from qualified contractors. Note: funders may have requirements.
- ☐ Check license, references, qualifications and insurance.
- ☐ Negotiate a contract that includes a scope of work, a work schedule, a payment schedule, a cancellation policy, and agreement about what happens if there are cost overruns or delay. Also specify a payment type, either lump sum or guaranteed maximum price.

## Obtaining Financing for the Development Process

- ☐ Finalize the business plan with the following components: an executive summary of the plan, the objective of the project, a market analysis, a marketing plan, an operations plan, a financial management plan, and supporting documents.
  - *Resource:* [Financial Planning](#)
- ☐ Determine the start-up/capital budget for the project including: facility related costs and deposits, personnel costs prior to opening, supplies and equipment costs, and other costs like insurance, advertising, legal, professional and licensing fees, and contingency costs to cover unexpected expenses).
  - *Resource:* [Saving Money](#)
- ☐ Identify likely funding sources (e.g. public, philanthropic, nonprofit, and commercial sources). Look first at financial institutions where you already have a relationship. If there are none, think about local community lenders, and be sure to price shop for the best overall terms.
  - *Resource:* [Early Learning Grants & Resources](#)
- ☐ Apply for funding, secure commitments, close loans and have cash in hand.

# CHILD CARE CENTER PLANNING CHECKLIST

## DEVELOPMENT STAGE



**MONEY NEEDED DURING THIS STAGE:** Debt (loans) and Equity (internal resources, grants)

### Construction or Renovation of the Site

- ☐ Identify the key person responsible for overseeing all site and design developments.
- ☐ Ensure that the construction process is conducted according to the arranged design, budget, and timeline.
- ☐ Develop a "punch list" of corrections that need to be made after the final inspection.
- ☐ Release the final payment (the "retention") only after the punch list is completed. e. Clarify call back and warranty procedures.
- ☐ Prepare a maintenance schedule for the facility.

### Equipping the Classroom

- ☐ Purchase appropriate furniture and curriculum specific materials for the classroom(s). Make sure the timing of this step correlates with the timeline established for developing and opening the facility.
  - *Resource:* [Saving Money](#)
- ☐ Develop a plan for receiving, installing, and taking inventory of all supplies and equipment.

### License Approval for the Facility

- ☐ Submit a completed application and pay fees to the Child Care Licensing Office.
  - *Resource:* [Becoming Licensed](#)
- ☐ Submit copies of work cards, TB tests, required classes, and director application.
- ☐ Set up appointments with your state and/or local fire and local health department for an inspection to obtain approval permits.
  - *Resource:* [Contact List](#)
- ☐ Make sure that you have obtained all required public approvals (refer to the Predevelopment Stage).
- ☐ Set up an appointment with Child Care Licensing to come inspect the facility, and they will either approve or deny your license. If they deny it, you will have the opportunity to make the necessary changes and re-apply.

# CHILD CARE CENTER PLANNING CHECKLIST

## Hiring Personnel

- ☐ Identify how many staff members you will need. Also identify when they will work, what their responsibilities will be, and how much they will be paid, including benefits and staff training opportunities.
  - *Resource:* [Compensation & Benefits](#)
- ☐ Begin advertising for staff at least 60 days in advance of your anticipated start date by contacting local teachers, college placement offices, vocational high schools, and the local employment agency. Also, place job advertisements on Job Boards. Include the job title, a brief job description, required qualifications, application deadline, resume request, telephone number, address of center and name on the job advertisement.
  - *Resource:* [Recruitment & Hiring](#)
  - *Resource:* [Job Ads](#)
  - *Resource:* [Nevada Registry Job Board](#)
- ☐ Review applications, conduct interviews, contact references, and notify all candidates of your decisions.
  - *Resource:* [Interview Guides](#)
- ☐ Clearly define personnel expectations and responsibilities for your staff.
  - *Resource:* [Job Descriptions](#)
  - *Resource:* [Employee Handbook](#)
  - *Resource:* [Staff Training – Nevada Registry](#)
- ☐ Recruit volunteers who can help with clerical and administrative tasks in order to save staff time.
- ☐ Contact government agencies, and The Nevada Registry to learn about public dollars that pay the salary of those needing job training and apprenticeship experience in child care settings.

## Marketing the Program in the Community

- ☐ Create a unique message about the business that clearly and concisely describes what is special about your child care business.
  - *Resource:* [Creating an Elevator Pitch](#)
- ☐ Start marketing your services at least three months before you open. Include the program's name, address, hours of operation, ages of children served, fees, contact information, your unique message, and expected opening date on all advertising materials.
  - *Resource:* [Marketing your Program](#)
- ☐ Devise an effective plan to promote your services and message. This plan will depend on your community and the type of organization you are promoting, but will most likely include a number of different techniques, such as word of mouth networking, creating a distinctive logo, distributing business cards, flyers, signs and brochures, participating in community events, seeking free media

# CHILD CARE CENTER PLANNING CHECKLIST

coverage, offering on-site workshops and lectures, creating a website, hosting an open house, and making a good first impression!

- *Resource:* [Business Website](#)
- *Resource:* [Facebook Marketing](#)
- After you are licensed, make sure that your program is registered with The Children's Cabinet so that they can refer parents in need of care to any slots you have available.
  - *Resource:* Email: [providersupport@childrenscabinet.org](mailto:providersupport@childrenscabinet.org)

## START-UP STAGE



**MONEY NEEDED DURING THIS STAGE:** Equity

### Phase in Staffing and Children

- Remember that you need to build up to full capacity. You may not start with a full staff or full enrollment the day you open.
- Try to open in the early fall (August/September) or January, if possible. These are the times of year when parents are most likely to make changes in care arrangements since they correlate with breaks in the school schedule.
- Create parent/provider contracts in order to outline, in advance, all expectations and responsibilities for both you and the parents whose children are enrolled in your child care program.
  - *Resource:* [Family Handbook](#)
  - *Resource:* [Enrollment Agreement](#)
- Maintain your image and publicity even after the facility is up and running. For example, bring business cards with you whenever you go out with the children, make T-shirts for the children to wear on field trips, and make sure your services are well known throughout the community.
- Establish a waiting list if possible because child care enrollment can fluctuate easily and you will want to fill vacancies as quickly as you can to ensure regular cash flow.
  - *Resource:* [Enrollment Tracking](#)

### Program Sustainability

- Maintain relationships with funders and build new relationships with potential funders consistently, even when you don't need money because it is important to stay aware of funding opportunities.
- Establish an operating reserves budget so that you are prepared for unexpected expenses and cash flow inconsistencies.
- Be realistic about the fees you charge and adjust them over time as your expenses change, but always give parents advance warning of these changes.



# CHILD CARE CENTER PLANNING CHECKLIST

- *Resource:* [Principals of the Iron triangle](#)
- *Resource:* [Revenue and Setting Competitive Rates](#)
- Above all, balance your service obligations with your business obligations. If you don't attend to the business matters of your child care program you won't be able to provide high quality services!