**Child Care Provider Expansion Initiative**

**Developing Your Business Plan**

# Center-based child care business permitted on or after March 1, 2022

**Value Proposition (this is not scored)**

Please share with us your value proposition.The value proposition is the “why you,” or why is it that families in your area are or will choose your child care business to care for their children. You want to provide the value proposition in the following form:

[Name of child care business] serves families with children between the ages of [ages served] in [geographic area]. Families love [why families keep coming back to you].

For example: **Florence Perez Child Care** serves families with children between the ages of **0-5** in **Austin**. Families love **how much we care about their children and the hours we are open**.

* Please enter your value proposition. This is not scored.

**Experience**

Answers in this section are worth 10 points.

* What is the director’s relevant experience in the child care business and/or field? (ECE, K-12, Business, Management, Program Directorship, etc.)

**(Provide years active, certifications, accreditations, any other relevant information. If you are planning to hire staff with relevant experience, please include this information in the Operations & Personnel section of your application.)**

* Is the owner also the director?
* If no:
  1. What is the owner’s experience in the child care business and/or field **Provide years active, certifications, accreditations,** **any relevant information**.

**Market & Location**

Answers in this section are worth 25 points.

Next, please tell us about the market you are serving as well as key information about the location of your child care business. Please be as specific and detailed as possible.

* In which zip code will your business be located?
* What is the geographic area you will be serving? (For example, neighborhood(s), street name(s), areas designated by nearby landmarks.
* What types of child care services will be offered? **(Check all that apply)**
  1. Tuition based care
  2. Scholarship (subsidy) care
  3. Early Head Start/Head Start (select only if you have a contract to provide these services currently)
  4. Contract-based (for example with a company to support their employees)
  5. Before school care
  6. Daytime care
  7. After school care
  8. Overnight care
  9. Weekend care
  10. Other [describe]
* What stands out about your child care business**? (Programs offered, staff credentials, star rating, etc.)**
* Will your expansion change the days or hours you are open? If so, how?
* The next three questions will ask about your enrollment for the past three years.
  1. What were your available slots and average enrollment in 2019?
  2. What were your available slots and average enrollment in 2020?
  3. What were your available slots and average enrollment in 2021?
* How do you know families in your area need the services you will provide? For example, do you have a wait list? Has something changed in your area such as the opening of a new, large factory where families will need care? Are nearby child care providers closing? Are there any other reason why you know that there is demand for care in your area?
* What makes your program uniquely qualified to serve families in your selected area? How do you differ from competitors?
* How much additional physical space, if any, do you need to expand? (For example, rooms, room sizes, new buildings, etc.)
* Will a build out, construction, or renovation be needed? How long will it take?
* Have you entered a lease or have funding to purchase, if needed?
  1. If yes: If so, is it zoned for child care?

**Operations & Personnel**

Answers in this section are worth 10 points.

Depending on your answer, you could be directed to another page to complete this section.

* Understanding your business operations and plans for staffing are critical in the development and success of your plan. Will you need to hire any teachers, assistants, or other staff?
  1. If yes,
     1. How many teaching staff members, administrative, and support staff will you need to hire? Will you need any additional categories of staff? Please specifically indicate the number needed within each category.
     2. Have you already hired the staff you need? Please describe your current progress and future plans for hiring.
     3. What are your top concerns with staffing to support your planned business operations?
        1. Finding staff
        2. Retaining staff
        3. Paying staff
        4. Training staff
        5. Other (please specify)
        6. None of the above
     4. How will you address your concerns on staffing?
     5. Please describe your staff onboarding/training plans. What do you anticipate this training will cost in terms of personnel and other costs?

**Financials**

Answers in this section are worth 30 points.

Please tell us about the financial aspects of your expansion or new child care business.

* Have you determined what rates you will charge families? How did you determine the amount?
* Please upload the anticipated start-up budget covering the first six to twelve months of operations Please note that there is a [budget narrative template](https://19993137.fs1.hubspotusercontent-na1.net/hubfs/19993137/Y2%20Module%20Files/Project%20Budget%20Narrative%20Template%20v4.docx) available that supports this. NOTE: Please review the allowable expenses listed in the [Application Guide](http://www.childcare.texas.gov/expansion-introduction) and note that construction and major renovations are not an allowable expense however if your project requires such, you will have to show that you have funding through other sources to cover those costs.

Sole proprietors can include their pay in the budget as long as it is issued in accordance with the [Paying Yourself guide](https://www.childcare.texas.gov/paying-yourself?hsLang=en).

* 1. [Project Budget Narrative Template](https://19993137.fs1.hubspotusercontent-na1.net/hubfs/19993137/Y2%20Module%20Files/Project%20Budget%20Narrative%20Template%20v4.docx)
* Please describe the anticipated cash position of the business for the first year of expansion. Please note that you will be asked to submit a projected cash flow statement that supports this. Learn more about cash flow at childcare.texas.gov.
  1. [Cash Flow Workbook](https://f.hubspotusercontent30.net/hubfs/19993137/pdf/Keep+Your+Cash+Flow+Positive.pdf?__hstc=203526031.7e0c328d54d23e196d404adb98bcedda.1632857735473.1655397490551.1655406784461.230&__hssc=203526031.2.1655406784461&__hsfp=67369463&hsCtaTracking=8395dcf7)
* What funding must be secured for your start-up and initial year of business or expansion, other than funding from this initiative? This could include your own funds, a business loan, tuition, and fees. **Please list the estimated amounts, sources of funding, and purpose of funds.**
* If you have selected other funding sources, aside from this initiative and your own investment, have you already secured those resources? Please explain your answer.
* Do you have liability insurance in place? If yes, please give a brief summary of what is covered.

**Timeline**

Answers in this section are worth 15 points.

**Providers who have not yet received their new or modified license:** Provide a timeline of the most important steps in expanding or opening your child care business and when they start and when they will end.

**Providers who have received their new or modified license:**

Provide a historical timeline of the most important steps in expanding or opening your business with start and end dates. Please include anticipated start and end dates for steps that have not yet been completed.

We recognize that the timeline may change due to unanticipated events, so this should be your best estimate at this time.

A simple table will have three columns: Step, Start Date, and End Date.

You may upload your timeline below.

There is a [timeline template](https://19993137.fs1.hubspotusercontent-na1.net/hubfs/19993137/Y2%20Module%20Files/Timeline%20Template%20v2.xlsx) that you can use and upload.

**Supporting Documents and Information**

* Please upload your business tax returns from the last three years (2019, 2020, and 2021). If you are not in business currently, please provide your personal returns for the past three years.

You can either upload all three tax returns as one document or upload the three tax returns as separate documents.

NOTE: For sole proprietors, this is Schedule C in your 1040 tax return.

Please attach proof of current permit below if you are currently licensed. Otherwise, please leave this section blank.

* Please attach your current permit.

**Eligibility**

**The next three questions ask you to verify your proof of eligibility for funding. Please supply all that apply.**

* Is your business located / will your business be located in a child care desert? If so, please upload proof of address location. Documents which would prove your address location include a utility bill, rental agreement, property deed, or mortgage bill.
* Are you partnering with an employer to offer child care services? If so, please attach a written agreement outlining opening or expansion in partnership with an employer or consortium of employers. Include time period covered in agreement, number of slots offered to employee children, age range of these slots, how the slots will be offered to employees.
* Are you adding infant care slots? If so, please upload a signed [Infant Capacity Increase Attestation](https://19993137.fs1.hubspotusercontent-na1.net/hubfs/19993137/Y2%20Module%20Files/Infant%20Capacity%20Increase%20Attestation%20v5.docx). This statement should list the number of infant care slots to be added, steps required to meet licensing requirements for this addition, and a timeline of how/when steps will be completed.

Build Out, Construction, or Renovation Estimates

Please upload the following, if you have them and they are relevant to your plan:

* Contractor’s estimate for a build out, construction, or renovation.
* Floor plans for your build out, construction, or renovation.

**Note these estimates are not covered by award funds but do need to be accounted for in your overall expansion budget.**

**Submit your application**

Are you ready to submit your application? Applicants selecting "no" will return to the start of the business plan section to continue their application (your answers will be saved).

Applicants will have the ability to save their applications and resume until they are ready to submit and can return using the original interest form link. However, for security purposes, **providers will need to return using the same device**.