



SAMPLE BUDGET FOR CHILD CARE CENTER START-UP IN MARYLAND

The figures used to prepare this sample budget reflect the mid-range of expenses incurred by a variety of programs in Maryland over the last five years. Actual costs vary significantly depending on local costs, local regulations and the budget costs for individual program policy choices. The following sample start-up budget is based on a fictitious child care center designed to represent a typical center.

- Center capacity for 97 children:
 - ❑ One room for 6 infants (6 weeks to 18 months)
 - ❑ One room for 9 toddlers (18 months to 2 years)
 - ❑ One room for 12 two year olds
 - ❑ One room for 20 three year olds
 - ❑ One room for 20 four year olds
 - ❑ One room for 30 five year olds
- Indoor space of 75 square feet per child or 7,275 sq. ft. This includes the 35 sq. ft. per child required by Maryland regulations for use by the children, as well as additional 40 sq. ft. per child for space for lavatories, storage, office, hallway, and non-commercial (warm-up) kitchen. An allowance of 85 sq. ft. or more, per child, should be made if additions such as staff resource room, designated indoor gym, commercial kitchen, greater storage, etc. are desired.
- Outdoor space of 75 square feet per child. This figure reflects the average amount of outdoor space for playground, landscaping, walkways, and parking.
- Adding the 75 square feet per child for indoor space and 75 sq. ft. per child for outdoor space gives a total of 150 sq. ft. per child, or 14,065 sq. ft. total that is needed for the facility. The average cost for appropriately zoned land in Maryland is \$70,000 per acre, or \$1.60 per sq. ft.
- Equipment costs are estimated from child care supply catalogs and from information gathered from current providers of child care.

Renovation Options:

Prospective operators may consider the option of the renovation of an existing building rather than construction of a new building. The general rate is \$20.00 per square foot for modest renovations based on information received from various Maryland construction companies. Assuming the center is 7,275 sq. ft., renovation would be \$145,500.00. This does not include the possibility of asbestos and lead abatement of the building, which vary with each situation.

The renovation costs, plus the cost for purchasing the facility, in total would be approximately at the same level of cost as new construction. The only savings may be in the site preparation. Renovation costs differ depending on the jurisdiction and other factors.

Start-up Costs:					
Item	Description/Detail	Number of Children	Cost of Land or Construction (per square foot)	Item Cost	Total
Land	97 (# of children in center) X 150 (recommended # of total square feet per child, indoor and outdoor) X \$1.60 (cost per square foot) = cost of land	97	\$ 1.60	\$ 23,280.00	\$ 23,280.00
Building Construction	97 (# of children in center) X 75 (recommended # of square feet per child, indoors) X \$100 (cost of construction per square foot)	97	\$ 100.00	\$727,500.00	\$727,500.00
Site Preparation	Gradings, hook-ups, and parking			\$ 50,400.00	\$ 50,400.00
Architect Fees	Cost for architect is \$15,000, <i>minus</i> donation of \$7,000 = total expense			\$ 15,000.00	\$ 8,000.00
Professional Fees	Cost of lawyer, accountant, etc. is \$7,000, <i>minus</i> donation of \$2,000 = total expense		\$ 5,000.00	\$ 7,000.00	\$ 5,000.00
Playground	Equipment and landscaping			\$ 90,000.00	\$ 90,000.00
Other	Signs, landscaping, fencing			\$ 8,400.00	\$ 8,400.00
Indoor Equipment	Infant room			\$ 7,000.00	
	Toddler room			\$ 7,000.00	
	Two year old room			\$ 7,000.00	
	Preschool rooms (2)			\$ 14,000.00	
	Five year old room			\$ 5,000.00	
	Office			\$ 8,000.00	
	Non-commercial kitchen			\$ 7,000.00	
	Library, media (books may be donated)			\$ 4,000.00	
	Indoor gym/play area			\$ 5,000.00	
	Staff resource			\$ 2,000.00	\$ 66,000.00
Approval Costs	Zoning, occupancy, fire			\$ 1,680.00	\$ 1,680.00
Full Total				\$989,260.00	\$980,260.00