

Childcare Business & Daycare Operations — Workbook

This workbook turns the course into the working documents you actually need to open and run a childcare business. Each section maps to a course module and mixes exercises, fill-in worksheets, and inspection-ready checklists. Use the templates at the end to build your licensing tracker, ratio-and-staffing calculator, and centre budget.

Licensing, Legal Structure, and Setting Up the Centre

Decide your model, map the licensing path, and confirm the physical space can pass inspection.

Exercise: Choose Your Operating Model

Work through these prompts to commit to a centre or home daycare model with explicit reasoning, then keep the answer visible as you make every later decision.

- Centre or licensed home daycare, and the single biggest reason for your choice?

- How much capital can you put at risk in the first 12 months with no income drawn from the business?

- What is the clearest unmet demand in your catchment: infant, toddler, preschool, or school-age care?

- What is your 3-year goal: a sustainable owner-operator income, or a scalable multi-room or multi-site business?

Worksheet: Licensing Application Tracker (Quick Capture)

Fill in the responsible agency, contact, and target date for each approval. Anything without a named owner and a date is a delay waiting to happen.

Zoning / land-use confirmation — agency, contact, target date

Fire inspection and evacuation plan — agency, contact, target date

Building / occupancy approval — agency, contact, target date

Public-health inspection (kitchen, washrooms, diapering) — agency, contact, target date

Staff qualifications and background checks — owner, target date

Written policies package (health, emergency, supervision) — owner, target date

Liability insurance certificate — provider, coverage amount, date

Final licensing visit — regulator contact, requested date

Checklist: Facility Readiness Checklist

- Usable indoor play area per room measured and divided by the per-child minimum to set room capacity
- Outdoor play area fenced, shaded, and fitted with a soft fall surface under climbers
- At least two unobstructed exits from every space children occupy
- Washroom count meets the required ratio and diapering is beside a handwashing sink
- Locked storage in place for medications, cleaning chemicals, and hazardous items
- Line-of-sight checked from each educator's likely position with blind spots removed

Staffing, Ratios, and Daily Operations

Turn ratio rules into a schedule that holds compliance from open to close.

Worksheet: Ratio and Staffing Calculator (By Room)

For each room, record the age band, the required ratio, enrolled children, and the educators needed across the full operating day including breaks. This is the input to both compliance and your labour budget.

Room / age band

Required staff-to-child ratio

Maximum group size

Enrolled children

Educators needed in-room at all times

Operating hours to cover

Floater / break coverage required (FTE)

Total full-time-equivalent staff for the room

Exercise: Stress-Test the Day for Ratio Breaks

Walk an imaginary full day and find every moment ratio could break. Most enforcement findings live in these gaps.

- At lunch, who covers a room when two educators take their breaks at once?

- If one educator calls in sick at 6:30 a.m., what is the exact callout and coverage plan?

- During the 5:00 p.m. pickup rush, is any room left below ratio while staff manage sign-outs?

- Can you prove your ratio for any single minute of the day from your attendance and staffing records?

Exercise: Cost of Turnover and Retention Levers

Estimate what losing one educator really costs, then choose the retention moves you will actually fund.

- What does it cost to recruit, screen, and train one replacement educator, including lost stability for the children?

- Which non-wage levers will you commit to: predictable schedules, paid prep time, a clear raise path, or a real voice in decisions?

- What is your target annual turnover, and how will you measure it?

Checklist: New-Hire Onboarding Checklist

- Recognized early childhood credential verified and on file
- Criminal-record and vulnerable-sector / child-abuse-registry checks cleared before start date
- Current first aid and infant/child CPR certification on file
- Documented orientation on supervision, emergency, and behaviour-guidance policies completed
- Health or immunization screening per public-health rules completed
- Educator counted in ratio only after all checks and orientation are complete

Enrolment, Parents, and Health & Safety

Fill the centre, keep families, and run the protocols that protect children and your licence.

Worksheet: Fee Schedule and Occupancy Worksheet

Set fees by age band and model your occupancy. Remember that occupancy, not fee level, usually decides whether the centre is profitable.

Infant full-time monthly fee

Toddler full-time monthly fee

Preschool full-time monthly fee

Part-time / daily rate by band

Registration / supply fee (annual)

Licensed capacity (total children)

Target mature occupancy (%)

Projected monthly revenue at target occupancy

Exercise: Design Your Parent Communication Rhythm

Decide the cadence and channel for each communication so families never feel out of the loop, the main reason they leave.

- What goes in the daily note (meals, naps, mood, a moment), and through which app or format?

- What is your standing monthly update, and who writes it?

- What is the rule for same-day calls on incidents, illness, or behaviour, so nothing is a surprise at pickup?

- What are the touchpoints in your onboarding: tour, enrolment meeting, gradual entry, first-week check-in, 30-day review?

Checklist: Daily Health and Safety Checklist

- Arrival health check done with the illness-exclusion list applied
- Handwashing completed before meals, after toileting/diapering, and after outdoor play
- Safe-sleep practice followed for infants with sleep checks logged at set intervals
- Diapering and sanitation procedure followed at the dedicated surface
- Documented allergies, emergency plans, and locked medication storage verified
- Real-time attendance and ratio count visible by room

Exercise: Incident and Serious-Occurrence Readiness

Pressure-test your ability to respond to and report an incident before one happens.

- What is your step-by-step response to a child injury: first aid, comfort, assess reportability, document, notify parent?

- Which events are serious occurrences in your jurisdiction, and what is the reporting deadline (often 24 hours)?

- Where is the standard incident form kept, and who reviews completed forms?

Financial Sustainability

Budget from real numbers, find break-even, and manage cash flow for the long term.

Worksheet: Centre Budget Builder

Build each line independently so you can question it. Labour should come from the schedule that holds ratio, not from a wished-for headcount.

Projected monthly revenue (from occupancy worksheet)

Labour cost (wages + payroll taxes + benefits)

Labour as % of revenue

Occupancy cost (rent/mortgage, utilities, maintenance)

Food cost (per child per day x children x days)

Supplies and program cost

Insurance, licensing, and professional fees

Administration and technology

Operating reserve target (2-3 months of expense)

Exercise: Calculate Your Break-Even Occupancy

Find the single occupancy number that decides whether you make or lose money each month, then judge how fragile the model is.

- What are your total fixed and semi-fixed monthly costs (rent, ratio-driven staffing, insurance, admin)?

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- What is your contribution per enrolled child after variable cost (mainly food and supplies)?
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- Fixed costs divided by contribution per child gives how many children, and what occupancy percentage, to break even?
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- Is break-even above roughly 80% occupancy, and if so, what will you change to make the model more resilient?
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Exercise: Subsidy and Cash-Flow Plan

Map your funding environment and protect cash flow against payment timing.

- What is your jurisdiction's funding model: fee subsidies, operating grants, wage enhancements, or fee-reduction schemes?

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- Does funding flow to the centre or the family, and how does that change your billing and the fee gap?

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- How many weeks can government payments lag service, and what reserve covers that gap so payroll is never at risk?
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Checklist: Monthly Financial Review Checklist

- Occupancy reviewed against break-even, with action triggered on any sustained dip
- Labour as a percentage of revenue inside the target band (commonly 60-75%)
- Cash on hand confirmed at 2-3 months of operating expense
- Aged receivables and any missed parent payments followed up
- Subsidy payments reconciled against attendance and eligibility records
- Seasonal enrolment dips and upcoming transitions to school anticipated

Your Action Plan

1. Commit to your model (centre or home daycare) and write the one biggest reason behind it
2. Confirm zoning and occupancy for childcare before renovating or signing any lease
3. Build the licensing application tracker and assign an owner and date to every approval
4. Measure usable indoor and outdoor space to set each room's licensed capacity
5. Complete the ratio-and-staffing calculator for every room across the full operating day
6. Draft the enrolment contract and age-banded fee schedule, billing in advance for held spots
7. Set up your parent communication rhythm and onboarding sequence, with a tool if you use one
8. Finalize daily health, safety, and incident protocols and train every educator on them
9. Build the centre budget and calculate break-even occupancy from real numbers
10. Establish a 2-3 month operating reserve and schedule a monthly financial review

