

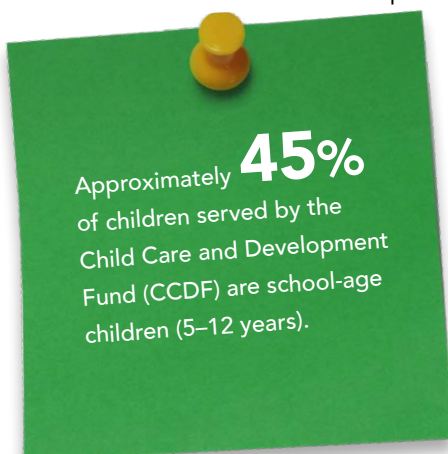
BUSINESS PRACTICES TIPS FOR OUT-OF-SCHOOL TIME CHILD CARE



The American Rescue Plan Act of 2021 provided funds to support families and child care providers to recover from the hardships endured by the COVID-19 pandemic. One of the lessons learned was that many providers, while deeply committed to providing quality services, could benefit from support around business practices.

In response, the Office of Child Care created resources, such as the [Resource Guide: Starting and Operating a Child Care Business](#), with essential information to help providers view their meaningful work as a business and to plan and prepare for its sustainability and growth. The Out-of-School time (OST) field remains unique in that the provision of child care for school-age children is typically part-time during the school year, with many families needing before-school and after-school care, but full-time during school breaks and summer. This duality can make establishing an afterschool child care business challenging.

Approximately 45% of children served by the Child Care and Development Fund (CCDF) are school-age children (5–12 years).¹ Providers who extend services need to carefully consider business planning. This tip sheet provides ideas and resources to support sustainable, quality school-age care.



¹ Child Care Technical Assistance Center (n.d.). State school-age data profiles database. <https://childcareta.acf.hhs.gov/school-age-profiles>

BUDGETING

A budget is a spending plan based on a program's income and expenses. One helpful way to begin budgeting is to identify the actual cost of providing a high-quality OST program. Here are two tools to help you identify the cost of quality:

- [Provider Cost of Quality Calculator \(PSQC\), National Center on Childhood Quality Assurance](#)
- [Out-of-School Time Cost Calculator, The Wallace Foundation](#)

Develop a best-, medium-, and worst-case budget, considering various revenue expense scenarios.

Things to keep in mind as you develop your OST budget:

1. Compare the previous year's expenses to the current year and note any changes that will impact the budget.
2. Identify any new goals or initiatives and consider both the revenue they will generate as well as the expenses to implement them.
3. Identify multiple funding streams to ensure program viability, such as parent fees and CCDF subsidies or 21st CCLC funds. Also funding from community funders, business support, and special event fundraising.
4. Develop partnerships that include in-kind contributions, such as free space or specialists for enrichment activities.
5. Work toward having a cash reserve of at least three months of revenue to manage unexpected issues.



MARKETING

Whether you currently provide OST care or want to expand your program to do so, these steps are crucial: (1) determine what services families need, (2) market your program so families and potential partners know about your services, and (3) do periodic reviews because communities change.

- **Survey** – Some questions to ask: What other providers serve the same age group(s) in the area? Is the community demographic changing? Are there more or fewer families and local businesses with staff who might require child care?

- What does your program offer that stands out from other programs in the area? For example, discounts, nontraditional hours, transportation, or field trips and other program highlights.
- Marketing tools: Local publications, medical offices, social media, community relationships, partnerships, word of mouth, websites, and email or phone campaigns.

- Interactive marketing: Encourage families and staff to share about your business. Incentivize family retention with before-school and after-school care when their children reach school-age.

STAFFING

Recruiting and retaining qualified child care staff is an ongoing challenge, which is compounded for OST school-age care as many positions are part-time or seasonal. Following are some suggestions to help.

Hours for Staff

These options can help ensure staffing meets program goals and compliance, as your budget allows:

- Split shift schedules to ensure current staff can cover before-school and after-school care
- Hire temporary or seasonal staff for school breaks
- Consult your state licensing regulations about staffing requirements

Recruitment Strategies

While finding staff can be challenging, working with these groups may help your recruitment efforts:

- Older teens (especially those with younger siblings enrolled) through local high school and training programs
- Local colleges with education programs and students needing practicum hours
- Paraprofessionals, teachers, or retired teachers from K–12 systems
- Veterans through the area's veteran's organizations
- Create full-time positions and ensure access to health care and other benefits

Retention

Retaining staff is essential. Investing in your workforce shows commitment, appreciation, and value. Here are some ways to invest in your staff:

- Provide free or low-cost training and professional development opportunities
- Secure employment for returning seasonal staff
- Offer coaching and mentoring opportunities
- Provide health coverage as well as wellness activities and incentives for all staff
- Show appreciation for and give accolades to your staff during regular staff meetings
- Increase salaries through bonuses, stipends, and wage increases