

UNIT 3 Managing an Early Childhood Program

Child Care Portfolio Project

Plan a Program Budget

Directions You are planning on opening a new child care center. Use the information below to complete and analyze your proposed program budget.

1. You plan to enroll 16 children in your center—4 infants, 4 toddlers, and 8 preschoolers. The center charges \$1,200 per month for infants, \$900 a month for toddlers, and \$800 a month for preschoolers. Calculate the program’s total monthly income.

2. Child care program expenses fall into two categories: fixed and variable. Fixed expenses are reoccurring costs that do not change or change very little, such as rent and salaries. Variable expenses change depending on your usage, such as utilities or art supplies. You have estimated the following monthly expenses for your program. Categorize each expense as fixed or variable.

Art supplies	\$100	Office supplies	\$135
Building maintenance	\$200	Rent	\$3,250
Gas and electricity	\$500	Staff salaries	\$9,500
Internet	\$100	Telephone	\$250
Marketing	\$750	Water	\$150
Minibus gasoline	\$200		

Fixed expenses: _____

Variable expenses: _____

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3. Complete the budget plan based on the program's estimated expenses. Group expenses into larger categories such as utilities, supplies, building maintenance, and vehicle maintenance. Calculate the difference by subtracting total expenses from total income.

INCOME	Budgeted Amount	TOTALS
Tuition		
Total income		
FIXED EXPENSES	Budgeted Amount	
Rent		
Total fixed expenses		
VARIABLE EXPENSES	Budgeted Amount	
Utilities		
Total variable expenses		
Total expenses		
Difference		

4. Analyze the program budget plan. Will your child care center make a profit? Or will your center be operating at a loss? If your center is operating at a loss, what adjustments could you make in the budget in order to be profitable?
