



## **Las Positas College Child Development Center**

**2013 – 2016 Business Plan**



## **Executive Summary**

In response to the current income-revenue gap and to determine the financial viability of the Las Positas Child Development Center (The Center) this 2013-2016 business plan analyzed the following factors: the local markets for child development services, potential revenue sources and those qualities that give the Center a sustainable competitive advantage. This document outlines the 3-year plan to ensure the Center's financial sustainability as a vibrant, high quality, well-respected child development center for families and lab program for college students. This conscientious staffing and marketing plan provides for continued growth to close the current income-revenue gap, without sacrificing the quality education received by the enrolled children or the College students.

The Center offers comprehensive and nurturing learning experiences to children 18 months to five years old and to college students who use the Center as a lab for their classes. To maintain this asset for the Tri-Valley community and college it is recommended to implement the plan outlined herein.

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## **College Mission Statement**

As set forth in the Executive Summary, “The Center offers comprehensive and nurturing learning experiences to children 18 months to five years old and to college students who use the Center as a lab for their classes.” This is in keeping with the Las Positas College Mission Statement:

Las Positas College is an inclusive, learning-centered institution providing educational opportunities and support for students’ transfer, degree, basic skills, career-technical, and retraining goals (LPC Mission Statement adopted spring 2013).

The Center supports the College Mission by creating an inclusive, learning-centered environment for both enrolled children and college students. It is the centerpiece of the Early Childhood Development (ECD) Program, providing educational opportunities for college students’ transfer, degree, career-technical, and retraining goals. It reflects the mission by encouraging children and college students to grow and develop. Like most programs at the College, the Center has a unique perspective that includes its own vision and mission with supporting values and goals. This perspective is based on the College Mission and the best practices in early childhood education as taught in the ECD Program.

President Obama’s Early Learning Initiative, announced in 2013, emphasizes increasing access to high quality early childhood education. The President’s commitment to invest in early childhood education and his belief in the beneficial outcomes for children is unfaltering. The Center supports the mission outlined by President Obama by providing high quality education for children and by educating and developing competencies in future teachers that will elevate the quality of programs within our community.

## **Center Mission, Vision, Values, and Goals**

### **A. Description of the Organization**

The Center offers families a secure, diverse, and inviting early care and education experience for their children. Through the collaboration between the Center staff and the faculty at the college, children benefit from teachers who understand and use the most up-to-date methods to prepare children for current and future success. Valuing the crucial role of family, the Center puts families at the heart of the program and strives to partner with families to support and nurture children’s individual needs, abilities, and culture. The Center has small group sizes, low teacher to child ratios, as well as state-of-the-art classrooms and outdoor learning environments. The teachers are among the most highly skilled and educated in the area and create rich, nurturing experiences for children.

In addition to the enriching social and educational experiences provided to the children, the Center also provides academic instruction to students enrolled in Early Childhood Development courses. The Center offers a model of “best practice” in early childhood education, and the children in the classrooms benefit by the innovative projects and personal interaction that the college students provide in the application of their coursework.

## **B. Mission**

The Center develops and enriches each child to his/her fullest potential through meaningful teacher-child relationships and engaging learning experiences.

## **C. Vision**

The Center nurtures the development of inquisitive, creative, well-grounded children and supports families to be the best they can be for their children.

## **D. Values Statement**

The Center values:

1. Families as children's first teachers and key partners in their children's education;
2. The crucial role that highly competent teaching professionals have in supporting positive outcomes from children;
3. A rich, play-based environment that engages learners and supports optimal development of each child;
4. A teaching process that inspires inquisitive thinking, problem-solving, and creativity;
5. An approach that fosters the development of the whole child, including social, emotional, cognitive, physical, and creative development;
6. Diversity and inclusive practices;
7. Small group size and low adult-to-child ratio as key to rich, nurturing relationships between teachers and children.

## **E. Goals**

The goals of the Center are to:

1. Strive toward sustainable levels of enrollment and staffing to maintain quality instruction and learning;
2. Demonstrate developmental gains for children in all domains;
3. Establish family-school partnerships in the child's education;

4. Provide opportunities for observation and participatory laboratory experience to support the college students' learning outcomes; and
5. Develop the knowledge, skills, and dispositions of the future early childhood professional workforce.

## **Core Competencies and Competitive Advantage**

The Center is a premier institution on the campus and within the Tri-Valley community for the following reasons:

1. The partnership between Center staff and the College faculty creates quality opportunities for the center. The evidence-based best practices taught in the Early Childhood Development courses are demonstrated in the Center, thereby increasing marketability and quality of the program. Through their college education students hone their skills and strategies for working with children. While gaining knowledge and mastering skills, Early Childhood Development students serve as volunteers in the classroom, adding diverse perspectives and languages.
2. The Center is a premier learning environment for children, featuring:
  - a. An environment designed specifically for children's optimal growth and development;
  - b. Spacious and eco-friendly classrooms;
  - c. Creative and large outdoor learning spaces;
  - d. Well-appointed, purposely built classrooms that provide teachers optimal line-of-site to the children;
  - e. Age-appropriate heights for counters and kitchens to accommodate children;
  - f. Classrooms designed for the specific age group and developmental stage of the children using it (no re-purposed spaces as seen in many other programs);
  - g. Observation rooms adjacent to each classroom allowing families to observe their children developing and interacting with their peers; and
  - h. 24-hour security provided by Campus Security and cameras located throughout the Center.
3. The Center provides professional guidance and support for families, including:
  - a. Family education events;
  - b. Informal parent conversation through the monthly Parent Cafe meetings;
  - c. Family resource lending library;
  - d. Family access to Early Childhood Education resources; and
  - e. Daily mentoring and support from highly qualified teachers through teacher-family relationships.
4. The Center features diverse teaching staff, families, and children.
5. The Center has formed partnerships with the Livermore Valley Joint School District and other Community agencies that enhance the educational experience for all.

## Situation Analysis

The following narrative describes the review of the Center in terms of its strengths, weaknesses or opportunities for improvement, opportunities, and threats. This analysis is referred to as a SWOT Analysis and is used to understand the strategic placement of the Center in relation to its competitors and how best to use its strengths to overcome any inherent weaknesses in the market.

### A. Strengths

1. Highly qualified and educated teachers and Director  
This is in line with best practices and above industry standards. The level of education and experience of the teachers make the Center more competitive and marketable. It also positions the Center well for grant opportunities.
2. Collaboration with the Early Childhood Development Department  
This directly benefits parents through increased opportunities for parent education from teachers, faculty, staff, and community partners.
3. Location of the Center on campus  
The Center is located on a college campus with access to campus resources. The Center enhances the District's standing in the community by meeting community demand for high quality early childhood education.
4. Location of the Center is near freeways  
The Center is located on the 580 and 84 transit corridor providing easy access to commuting families.
5. Center Facilities  
The Center is new, with classrooms optimized for teacher-child interactions, observation rooms where families can see their children at work, high quality child furniture and learning materials, cooking stations, and large and engaging outdoor spaces. Leadership in Energy and Environmental Design (LEED) certification makes it exceptionally safe for children's growing bodies as well as cost effective and environmentally friendly.
6. Center Families  
The Center has strong support from the enrolled families and appreciates the varied needs and culture of its members. The Parent Advisory Board enables parents to contribute expertise and provide feedback to the Center.
7. Student Satisfaction

In a student survey conducted in fall 2012, the student data indicated that 90% of those who used the Child Development Center were satisfied or very satisfied.

8. Security and Safety

The Center benefits from its on-campus location since Las Positas College is “one of the safest college campuses in California,” according to the Campus Safety and Security website. The College provides 24-hour security, has emergency plans in place, participates in earthquake safety drills, provides safety training, and uses a system called AlertU to disseminate information about emergencies.

9. Lab School

The Center is a Lab School established to educate future early childcare and education providers.

**B. Weaknesses**

1. Center growth limited by lack of personnel

Without additional strategically planned personnel the Center cannot grow based on mandated teacher to child ratios. The Center needs to hire teachers to comply with regulations and to maintain quality. The timing of hiring versus funding is a challenge.

2. Director needed in classrooms

Currently, the Director is counted in the classroom ratio to be compliant with regulations. This is a costly way to meet required staffing, and prevents the Director from doing additional planning, marketing, and fundraising.

3. Quality is costly

Reducing costs impacts quality through increased class size, lowered teacher qualifications, and/or increased teacher-to-child ratios. These lowered practices can hamper the Center’s efforts to include children with special needs.

4. Changing economy and priorities

As revenues to the District have decreased, the vision of the Board of Trustees and college administration for the Center has changed. Lack of clear support through signage, a high profile web presence, open houses, and lack of adequate staffing have contributed to lower than ideal enrollment and staffing and to the revenue-expenditure gap.

5. Too costly for some families

While competitive in the area, the Center is cost prohibitive for some members of the campus community. The Center has not yet garnered sustained funds for scholarships, grants, or for a sliding fee scale.

6. Location of Center

Travel to the Center from the 580 Freeway takes 5 – 10 minutes with a re-entry to the Freeway an additional 5 – 10 minutes. The time to go to the Center, drop off a child, and return to the Freeway may take more than 30 minutes. In addition, lack of signage, a high profile web presence, open houses, and funds for marketing have prevented greater community awareness of the Center. In fall 2012, the Director of Research and Planning conducted a student survey, with over a 1,000 students responding. Thirty percent of respondents did not know that there was a Child Development Center on campus.

7. Only a 10-month program

As a start-up business, the Center is only a ten-month program whereas most Tri-Valley centers are year-round.

8. Lack of part-day slots to meet student-parent schedules

Students need care when they are in class, not necessarily full time.

**F. Opportunities**

1. Community support

In 2004 the local community passed Measure B Bond to support having a high quality early childhood education program with a laboratory component for the Early Childhood Education Department.

2. Many potential customers

The 2010 census shows 5300 children under age 5 who live in the City of Livermore. The Alameda Childcare Planning Council (2012) reported that “county-wide there is an 11% vacancy rate for licensed child care centers; 3% in East County; 5% in North County, and; 10 % in South County. (Data provided by Resources for Family Development, Bananas, and 4C’s). The Center’s East county location provides greater potential for growth due to limited vacancy rates of childcare in the area.

3. Only area Community College with Childcare Services

There are no other childcare programs on college center campuses in the local area.

4. Need for more toddler care

Other programs in the Tri-Valley Area have a limited number of toddler slots.

5. Current focus on high quality early childhood education

The national, state, and local focus on the importance of high quality early childhood education programs means more money may become available to support the Center.

## **G. Threats**

1. Focus on costs

A narrow focus on cost ignores the importance of early childhood developmental as a service for families and for the academic role the Center has at the College.

2. Center status

Untimely program closures undermine family confidence in the stability of the Center and impact future enrollments and standing within the community.

3. Cuts to education

State cuts to education funding mean fewer opportunities for grants and other supportive services that have been more available for child development programs.

4. Economic recession

The recession makes it difficult for some families to afford high quality early childcare programs.

## **Environmental Analysis**

The following environmental factors may influence the Center's role in the community and its potential for growth.

1. Response to emergencies. The Center benefits from its on-campus location since Las Positas College are "one of the safest college campuses in California," according to the Campus Safety and Security website. The College provides 24-hour security, has emergency plans in place, participates in earthquake safety drills and safety training, and uses a system called AlertU to disseminate information about emergencies.
2. Poor quality or licensing complaints in other childcare facilities may lead to increased enrollment at the Center as its educational philosophy becomes better known in the community and the Center is viewed as not only educationally superior but also accessible, safe, secure, and well-monitored.
3. Families' use of unlicensed childcare in the Tri-Valley area may positively impact the Center's enrollment.
4. Varied quality standards for childcare centers impact quality educational programming, grant potential and modeling for college students.

The following chart describes the difference in quality standards, ranging from the highest quality standards (Title 5 and NAEYC) to the most minimal allowed by California Community Care Licensing Regulations.

**STANDARDS FOR HIGH QUALITY CHILDCARE PROGRAMS**

| <p><b>Title V</b><br/>Meets State &amp; Federal contract standards for campus centers<br/><b>High quality</b><br/><b>Competitive edge for grants</b></p>  |   |  |
|---|---|--|
| Ratio   | Group Size  | Teacher Qualification  |
| <p>1:4 for Toddlers<br/>(18-30 months)</p> <p>1:8 for Preschool (2-5yrs)</p>  | <p>1:4 with maximum group size = 12</p> <p>1:8 with maximum group size = 24</p>   | <p>Title 5 requires 24 units and 16 additional units of general education credits</p> <p>**this also meets the minimum educational qualification for Title V California standards for oversight in lab settings</p>  |
| <p><b>National Association for the Education of Young Children (NAEYC) Standards</b><br/>Qualifies for Accreditation and Higher Professional Standards<br/><b>Competitive Edge for Grants</b></p> |   |  |
| Ratio   | Group Size  | Teacher Qualification  |
| <p>*1:6 (18 months – 30 months)</p> <p>1:9 for 3 year olds</p> <p>1:10 for 4 year olds</p>  | <p>1:6 with the maximum group size = 12<br/>Children 18 months – 30 months must be in this program</p> <p>3 year olds maximum group = 18<br/>4 year olds maximum group = 20</p> | <p><b>Criterion 6.A.05 for Teachers states:</b> All teachers have a minimum of an <a href="#">associate's degree</a> or <a href="#">equivalent</a>. At least 75% of teachers have a minimum of a <a href="#">baccalaureate degree</a> or <a href="#">equivalent</a> in early childhood education, child development, elementary education, or early childhood special education, and this training encompasses child development and learning of children birth through kindergarten; family and community relationships; observing, documenting, and assessing young children; teaching and learning; and professional practices and development.</p> |
| <p><b>Community Care Licensing (Title 22)</b><br/>Minimal Care Standards</p>  |   |  |
| Ratio   | Group Size  | Teacher Qualification  |
| <p>1:6 for Toddlers</p> <p>1:12 for Preschool (2-5yrs)</p>  | <p>*1:6 with the maximum group size = 12<br/>Children 18 months – 30 months</p>   | <p>12 units (minimal standards not quality or best practices)</p>  |

## Childcare Industry Analysis

Given factors such as the recession, population changes, and the use of unlicensed childcare, it is difficult to determine the actual number of potential child enrollees. Alameda County had 78,508 children between 2 and 5 years old in 2010, the most recent year the California Child Care Resource & Referral Network has data. Toddlers under 2 are not included in this number, and that number would be added as additional potential enrollees since the Center enrolls children at 18 months of age. In 2010, Alameda County had 24,393 slots for children between 2 and 5 years old, indicating a significant potential shortfall in childcare slots and an increased potential demand.

The Labor Market numbers for preschool teachers and child care workers are also encouraging. The data indicate a projected growth of 19.9% for preschool teachers and 10.2% for childcare workers between 2004 and 2014. Kindergarten teachers and special education teachers are also projecting growth during this period of time – 18.3% and 15.3%, respectively. Thus, lab students who complete a course of study at Las Positas College are highly likely to find work in their field in Alameda County with a projected total of approximately 400 annual job openings in the four categories.

An analysis of the tuition of the Center is found to be comparable to that of the surrounding community, according to data from March 2013 provided by Child Care Links. The full-time rate for preschool in the Tri-Valley averages \$1199/month and for infant/toddler averages \$1518.

The price for full-time toddler programs in the area ranges from \$970 to \$1785, and the Center charges \$1500 to community members and \$1350 to college employees. The price for full-time preschool or 3 to 5 year olds in the area ranges from \$945 to \$1498 and the Center charges \$1200 to community members and \$1080 to college employees. The same comparison can be made for less than full-time care. Thus, the Center's rates are in line with those of the surrounding community.

The following chart compares the Center to other local competitors based on data for 2012-2013 for monthly tuition for full-time childcare.

**Comparison of Tuition Rates in Surrounding Community**

| Program                                | Monthly           | Full Time           |
|--|-------------------|---------------------|
|  | Toddler/2's       | 3-5 year old        |
| The Center                             |                   |                     |
| • Community                            | \$1500            | \$1200              |
| • Faculty/staff                        | \$1350            | \$1080              |
| • Subsidized                           | \$1285            | \$860               |
| Valley Montessori                      | \$2000            | \$1664              |
| Hacienda CDC<br>Pleasanton             | \$1785            | \$1285              |
| <b>Quarry Lane School</b><br>Full-time | Toddler<br>\$1775 | Preschool<br>\$1445 |

**Customer Analysis**

The potential customers for the Center include college employees, college students, and members of the community who live or work in the Tri-Valley area.

**Current Customers (2012-2013 school year)**

The Center’s current composition consists of students, employees, and community families. The Center’s current family percentage make-up of its 23 families is:

Preschoolers = 15 (1 preschool class)

Toddlers = 8 (1 toddler class)

Composition:

Sixty-two percent of the Center’s Families are from the Las Positas Community College community.

41% Faculty/Staff - 10 families

38% Community - 8 families

21% Student - 5 families

### **Potential Customers**

As noted earlier, Alameda County has many more toddlers and pre-school children than slots available in the target market for the Center. According to the 2010 Census, there were 5,300 children in Livermore aged 0 to 5 years. That's approximately 9% of Livermore's total population. In addition, according to school enrollments by level of School, almost 10% of preschool aged children attend preschool in Livermore. That is higher than the state average of 5%. Livermore parents are more apt to put their children in preschool, making Livermore a good potential source of customers.

Additionally, the Center has 20 families expressing interest in enrolling their child. The Center is unable to meet this demand because personnel are not available to serve additional children and maintain state mandated ratios. There are at least 15 families interested in enrolling their children full-time in the current Center interest list. Currently, there are only two of the potential seven rooms open yet limited personnel prevents these room from being filled to capacity.

Las Positas College employees are another important potential source for the Center's customer base. Children of Las Positas College employees currently make up the largest group enrolled at the Center, but a recent survey shows that there is an even greater potential for growth in this area. A total of 173 college employees responded to a recent survey. Of these employees, 34 indicated that they had children less than 5 years of age. There were a total of 45 potential children in the identified age group. Since only 10 employee families are currently enrolled, this indicates an area of potential growth once staffing is adequate to accommodate larger numbers.

Another important potential customer base are Las Positas College students. The Cooperative Agencies Resources for Education (CARE) provides eligible students Child Care reimbursement while they attend school. Out of the 170 students served by CARE at the College, 40 families have 52 children between 18 months and 5 years of age. These potential customers would likely require a subsidy to enroll their children in the Center. Additionally, there are student parents who are not enrolled in CARE, therefore additional potential customers exist at the College. The Center received a Sybase grant from the Foundation that is available to supplement the reimbursement for low-income families. The department is in the process of applying for a grant that would help further offset the costs for families in need of financial assistance for campus childcare.

## **Market Product Focus**

The following objectives, target market, and analysis of the Center and other competitors are outlined as the basis upon which to define the rationale used to develop a sustainable comprehensive marketing plan.

### **Objectives**

1. To maintain sustainable levels of child enrollment and staffing. This is essential to sustain a program that enables each child to develop to her/his fullest potential.
2. To provide opportunities for observation and participatory laboratory experience to support the College students' and the Early Childhood Development department's learning outcomes.
3. To provide knowledge, build competencies, and develop an effective early childhood professional workforce.

### **Target Market**

1. Families with children 18 months to 5 years old looking for a secure, high quality, and engaging learning environment staffed by Early Childhood Development professionals.
2. Parents who commute to within 5 - 7 miles of the Center.
3. Students enrolled at Las Positas with children of target age.

### **The Center and its Competitors**

The Center has many competitive advantages over the typical child care businesses located in the Tri-Valley area. While there are concerns expressed by parents who visit the center about security and safety of their children, adequate staff to child ratios and cleanliness, the center offers the public a licensed facility that adheres to high quality standards and offers features and benefits to families and their children that exceed parents' expectations. The following are a few features and benefits that make the Center a very desirable program and facility for the Tri-Valley community.

1. The Center is part of an educational program designed by and staffed by highly qualified Early Childhood professionals.
2. It is a learning environment enriched by research and the study of Early Childhood Development.

3. It has a low adult-to-child ratio, especially when students and volunteers are included in the equation.
4. Teachers are professionals-with degrees in the field of early care and education.
5. The state-of-the art facility was intentionally designed and built for early childhood education and development use. Classrooms are spacious, child-friendly, and provide teachers with excellent visibility of the children.
6. Observation rooms are built into each classroom to provide opportunities for Early Childhood Development students and families of the children to observe without interrupting the children's space and interactions.
7. Collaboration takes place regularly between the Early Childhood Department staff, faculty, and administration to best meet the needs of the children, the families, and the college students who utilize our program.
8. Spacious outdoor learning environments provide children with many areas to explore and imagine, including play structures, a windmill with water features, sandboxes, planting beds, tricycles paths, and child-friendly landscaping with natural inviting elements, such as a creek bed.
9. The college campus provides additional points of interests for field trips, including the theater, science labs, auto and welding, horticulture lab, soccer fields, library, and other campus departments.
10. Security is provided by Campus Security. Monitored security cameras are present at the Center.
11. The Parents Advisory Board and the Early Childhood Development Advisory Board are committed to supporting and improving the program.
12. Easy access - the Center is conveniently located just minutes from the 580/Isabel exit.

### **Market Positioning**

1. Affordable quality early childhood education and development.
2. State-of-the-art physical space and educational program.

### **Marketing Program Plan**

The Center's goal is to create a presence in the community that connotes a nurturing learning environment based on the sound learning principles of Early Childhood Development in a state-of-the-art facility. Marketing will focus on pricing, keeping in mind what the market can bear.

Additionally, the Center strives to provide subsidies for student parents. The following promotions will support the goal of creating a presence in the community:

## **Promotion**

### College Community Activities

Place Advertisements in LPC Schedule of Classes

Hang large, colorful banners at College entrances, exits, and areas of high visibility

Strategically place signage around the Center

Create links on the Las Positas College home page providing updates on events, open houses, book fairs, soccer classes, etc.

Promote the program and events via email, flyers, and displays.

Participate in campus events, such as Club Days, Senior Night, and Veteran's Day salute.

### Community Events

Presence at Local Farmers Markets

Create Week of the Child Celebration/Events

Offer regularly scheduled Center Open Houses

Provide Community Education e.g. Baby and Me sessions at the Center

Fundraising at July 4<sup>th</sup> Celebration on campus

Participate in Livermore Street Fair

Create major annual fundraising event

College campus student fairs, college days, and campus events

Secure and promote Partnership Agreements with Livermore Valley Joint Unified School District and City of Livermore

### Online

Seek agreements with Tri-Valley Schools Districts for Employees' children

Create Yelp and other review sites

Post Weekly Craigslist opportunities

Create a Facebook page

Promote The Center's on the College website

Provide Baby and Me classes and online parenting groups

Post parenting tips on Twitter or Facebook

Create a parents' blog with responses from ECD staff and professionals

Print Advertising

Bay Area Parent, other parenting magazines

Livermore's Your Town

Fliers at pediatrician's offices

Cross promotion with Costco, Babies R' Us, and swim and gymnastic schools

Eat Bay Preschool Fairs

Tri-Valley Preschool Fair

### **Donations and Fundraisers**

An additional source of revenue is to integrate a visible and ongoing Las Positas College Child Development Center Endowment Fund that is tax deductible on the Centers' website. These funds could be allocated to the Center's general fund and used for center operating costs. The Center also engages in fundraising through book fairs and the sale of children's artwork throughout the academic year.

### **Grant Funding**

The Center continually seeks additional revenue by actively participating in local, state, and federal grant funding for the Center whenever it is eligible for such grants. The Center is currently preparing for the upcoming CCAMPIS (Child Care Means Parents in School) grant through the U.S. Department of Education. Minimum grant funding per campus children's center is \$10,000/year for 4 consecutive years. A list of other potential grants is found in Appendix A at the end of the Business Plan.

### **Financial Analysis**

Following this discussion appear five years of Income Statements. The first two represent the first and second year of the Center's operation and demonstrate actual revenues and expenses. During the first year, which represents only eight months of operation, there is a significant gap between revenues and expenditures totaling \$ 218,600. This gap was reduced in the following ten-month academic year to a gap of \$ 183,000. While still significant, it represents a 14% improvement considering the Center was closed and reopened with a substantial number of new families as the previous families chose to find services elsewhere.

The projections provided for the next three-year period emphasize holding expenses steady with minimal increase in personnel in order to maintain minimal expenses in salaries and benefits. Modest growth of enrollments is projected at a 2.5% rate annually. This is realistic for this type of start-up business and is far less than the Center has grown during its first two years.

The significant addition to the Income Statements during the next three years is an emphasis on implementing the marketing plan discussed above. The Business Plan Steering Committee has committed to the strategies contained in the Plan to increase community-wide visibility and awareness of the benefits of a high quality, educationally sound early care and education program. It will be essential to provide adequate personnel to provide this care and support the Director and members of the Parent Advisory Committee to implement all aspects of the Marketing Plan for the successes to be realized.

The three-year projections beginning with 2013 – 2014 fiscal year indicate that the Center will approach self-supporting status in year five of its existence. It is very typical for a small start up business to not break even until this point in its business life. It is also important to remember that the Center is a Lab School as well as a provider of early care and education for young children. As such, and like other programs that offer college students lab experiences, it is not unrealistic to have some level of subsidy by the college to sustain the lab portion of the Early Childhood Development Program.

# Income Statements: Year 1

## Income Statement

July 2011 - June 2012

### REVENUES

|                         |                       |
|-------------------------|-----------------------|
| Registration            |                       |
| Preschool               | \$2,250 (7 children)  |
| Toddlers                | \$2,475 (6 children)  |
| Tuition                 |                       |
| Preschool               | \$28,031 (7 children) |
| Toddlers                | \$59,501 (6 children) |
| Workshops               | \$0                   |
| Grants                  | \$6,000 (SAP)*        |
| Fund Raising            | \$432                 |
| Book Fair               | \$0                   |
| Donations               | \$0                   |
| Educational Partnership | \$0                   |
| Yearbook                | \$140                 |
| Summer School           | \$0                   |
| <b>TOTAL REVENUE</b>    | <b>\$98,829</b>       |

### OPERATING EXPENSES

#### Salaries + Benefits

|                                  |                        |
|----------------------------------|------------------------|
| Program Director                 | \$127,720 (12 months)  |
| ECD Specialist #1                | \$63,186 (10 months)   |
| ECD Specialist #2                | \$62,240 (10 months)   |
| ECD Specialist #3                | \$48,621 (10 months)** |
| ECD Specialist #4                | \$0                    |
| ECD Assistant #1                 | \$0                    |
| ECD Assistant #2                 | \$0                    |
| ECD Assistant #3                 | \$0                    |
| ECD Assistant #4                 | \$0                    |
| Federal Work Study Student       | \$1,059                |
| ECD Specialist Summer Only #5    | \$0                    |
| ECD Assistant Summer Only #5     | \$0                    |
| ECD Substitute                   | \$4,323 (10 months)    |
| ECD Residual Pay                 | \$0                    |
| Workshop Educator                | \$0                    |
| Administrative Assistant         | \$0                    |
| <b>TOTAL SALARIES + BENEFITS</b> | <b>\$307,149</b>       |

#### General Expenses

|                               |                 |
|-------------------------------|-----------------|
| State Licensing Fee           | \$2,200         |
| Advertising                   | \$1,278         |
| Janitorial                    | \$0             |
| Repairs                       | \$387           |
| Classroom Food                | \$2,282         |
| Classroom Supplies            | \$3,814         |
| Office Supplies               | \$365           |
| Special Events                | \$0             |
| Professional Development      | \$0             |
| Miscellaneous/Other           | \$0             |
| <b>TOTAL GENERAL EXPENSES</b> | <b>\$10,326</b> |

|                                 |                    |
|---------------------------------|--------------------|
| <b>TOTAL OPERATING EXPENSES</b> | <b>\$317,475</b>   |
| <b>NET PROFIT (LOSS)</b>        | <b>(\$218,646)</b> |

\* Grant from SAP reserved for low-income families

\*\*Paid by CCLPC District

## Income Statements: Year 2

### Income Statement

July 2012 - June 2013

#### REVENUES

|                         |  |                        |
|-------------------------|--|------------------------|
| Registration            |  |                        |
| Preschool               |  | \$2,625 (11 children)  |
| Toddlers                |  | \$1,950 (9 children)   |
| Tuition                 |  |                        |
| Preschool               |  | \$86,579 (11 children) |
| Toddlers                |  | \$64,636 (9 children)  |
| Workshops               |  | \$0                    |
| Grants                  |  | \$0                    |
| Fund Raising            |  | \$380                  |
| Book Fair               |  | \$800                  |
| Donations               |  | \$200 (ASLPC)          |
| Educational Partnership |  | \$0                    |
| Yearbook                |  | \$300                  |
| Summer School           |  | \$0                    |
| <b>TOTAL REVENUE</b>    |  | <b>\$157,470</b>       |

#### OPERATING EXPENSES

##### Salaries + Benefits

|                                  |  |                       |
|----------------------------------|--|-----------------------|
| Program Director                 |  | \$129,980 (12 months) |
| ECD Specialist #1                |  | \$80,303 (10 months)  |
| ECD Specialist #2                |  | \$76,846 (10 months)  |
| ECD Specialist #3                |  | \$0                   |
| ECD Specialist #4                |  | \$0                   |
| ECD Assistant #1                 |  | \$0                   |
| ECD Assistant #2                 |  | \$0                   |
| ECD Assistant #3                 |  | \$0                   |
| ECD Assistant #4                 |  | \$0                   |
| Federal Work Study Student       |  | \$100                 |
| ECD Specialist Summer Only #5    |  | \$0                   |
| ECD Assistant Summer Only #5     |  | \$0                   |
| ECD Substitute                   |  | \$1,615               |
| ECD Residual Pay                 |  | \$20,430              |
| Workshop Educator                |  | \$0                   |
| Administrative Assistant         |  | \$0                   |
| <b>TOTAL SALARIES + BENEFITS</b> |  | <b>\$309,274</b>      |

##### General Expenses

|                                 |  |                    |
|---------------------------------|--|--------------------|
| State Licensing Fee             |  | \$1,100            |
| Advertising                     |  | \$144              |
| Janitorial                      |  | \$30,000           |
| Repairs                         |  | \$0                |
| Classroom Food                  |  | \$2,290            |
| Classroom Supplies              |  | \$2,830            |
| Office Supplies                 |  | \$160              |
| Special Events                  |  | \$330              |
| Professional Development        |  | \$0                |
| Miscellaneous/Other             |  | \$188              |
| <b>TOTAL GENERAL EXPENSES</b>   |  | <b>\$37,042</b>    |
| <b>TOTAL OPERATING EXPENSES</b> |  | <b>\$346,316</b>   |
| <b>NET PROFIT (LOSS)</b>        |  | <b>(\$188,846)</b> |

# Income Statements: Year 3

## Income Statement

July 2013 - June 2014

### REVENUES

|                         |                                      |
|-------------------------|--------------------------------------|
| Registration            |                                      |
| Preschool               | \$2,700 (18 children)                |
| Toddlers                | \$2,100 (14 children)                |
| Tuition (9.5 months)    |                                      |
| Preschool               | \$155,097 (18 children)              |
| Toddlers                | \$118,503 (14 children)              |
| Workshops               | \$4,050                              |
| Grants                  | \$10,000 (Parents in school funding) |
| Fund Raising            | \$400                                |
| Book Fair               | \$1,000                              |
| Donations               | \$0                                  |
| Educational Partnership | \$1,000                              |
| Yearbook                | \$300                                |
| Summer School           | \$0                                  |
| <b>TOTAL REVENUE</b>    | <b>\$295,150</b>                     |

### OPERATING EXPENSES

#### Salaries + Benefits

|                                  |                               |
|----------------------------------|-------------------------------|
| Program Director                 | \$129,980 (12 months)         |
| ECD Specialist #1                | \$80,303 (10 months)          |
| ECD Specialist #2                | \$76,846 (5 hrs/wk-10 months) |
| ECD Specialist #3                | \$5,000                       |
| ECD Specialist #4                | \$0 (10 months)               |
| ECD Assistant #1                 | \$24,547 (10 months)          |
| ECD Assistant #2                 | \$12,032                      |
| ECD Assistant #3                 | \$0                           |
| ECD Assistant #4                 | \$0                           |
| Federal Work Study Student       | \$100                         |
| ECD Specialist Summer Only #5    | \$0                           |
| ECD Assistant Summer Only #5     | \$0                           |
| ECD Substitute                   | \$1,000                       |
| ECD Residual Pay                 | \$0                           |
| Workshop Educator                | \$2,400                       |
| Administrative Assistant         | \$0                           |
| <b>TOTAL SALARIES + BENEFITS</b> | <b>\$332,208</b>              |

#### General Expenses

|                                 |                   |
|---------------------------------|-------------------|
| State Licensing Fee             | \$1,100           |
| Advertising                     | \$500             |
| Janitorial                      | \$30,000          |
| Repairs                         | \$0               |
| Classroom Food                  | \$3,500           |
| Classroom Supplies              | \$3,200           |
| Office Supplies                 | \$200             |
| Special Events                  | \$350             |
| Professional Development        | \$0               |
| Miscellaneous/Other             | \$200             |
| <b>TOTAL GENERAL EXPENSES</b>   | <b>\$39,050</b>   |
| <b>TOTAL OPERATING EXPENSES</b> | <b>\$371,258</b>  |
| <b>NET PROFIT (LOSS)</b>        | <b>(\$76,108)</b> |

## Income Statements: Year 4

### Income Statement

July 2014 - June 2015

#### REVENUES

|                         |                                    |
|-------------------------|------------------------------------|
| Registration            |                                    |
| Preschool               | \$3,600 (24 children)              |
| Toddlers                | \$2,700 (18 children)              |
| Tuition (9.5 months)    |                                    |
| Preschool               | \$206,796 (24 children)            |
| Toddlers                | \$167,884 (18 children)            |
| Workshops (quarterly)   | \$7,200 (10 weeks)                 |
| Grants                  | \$10,000 (Parents in School Fundir |
| Fund Raising            | \$450                              |
| Book Fair               | \$1,200                            |
| Donations               | \$0                                |
| Educational Partnership | \$1,000                            |
| Yearbook                | \$320                              |
| Summer School           | \$0                                |
| <b>TOTAL REVENUE</b>    | <b>\$401,150</b>                   |

#### OPERATING EXPENSES

##### Salaries + Benefits

|                                  |                              |
|----------------------------------|------------------------------|
| Program Director                 | \$129,980 (12 months)        |
| ECD Specialist #1                | \$80,303 (10 months)         |
| ECD Specialist #2                | \$76,846 (10 months)         |
| ECD Specialist #3                | \$5,000 (5 hrs/wk-10 months) |
| ECD Specialist #4                | \$5,640 (10 months)          |
| ECD Assistant #1                 | \$24,547 (10 months)         |
| ECD Assistant #2                 | \$12,032 (10 months)         |
| ECD Assistant #3                 | \$12,032 (10 months)         |
| ECD Assistant #4                 | \$0                          |
| Federal Work Study Student       | \$1,000                      |
| ECD Specialist Summer Only #5    | \$0                          |
| ECD Assistant Summer Only #5     | \$0                          |
| ECD Substitute                   | \$1,500                      |
| ECD Residual Pay                 | \$0                          |
| Workshop Educator                | \$4,800                      |
| Administrative Assistant         | \$54,477                     |
| <b>TOTAL SALARIES + BENEFITS</b> | <b>\$408,157</b>             |

##### General Expenses

|                                 |                   |
|---------------------------------|-------------------|
| State Licensing Fee             | \$1,100           |
| Advertising                     | \$650             |
| Janitorial                      | \$30,000          |
| Repairs                         | \$150             |
| Classroom Food                  | \$3,190           |
| Classroom Supplies              | \$3,730           |
| Office Supplies                 | \$225             |
| Special Events                  | \$350             |
| Professional Development        | \$0               |
| Miscellaneous/Other             | \$300             |
| <b>TOTAL GENERAL EXPENSES</b>   | <b>\$39,695</b>   |
| <b>TOTAL OPERATING EXPENSES</b> | <b>\$447,852</b>  |
| <b>NET PROFIT (LOSS)</b>        | <b>(\$46,702)</b> |

# Income Statements: Year 5

## Income Statement

July 2015 - June 2016

### REVENUES

|                         |                                      |
|-------------------------|--------------------------------------|
| Registration            |                                      |
| Preschool               | \$4,500 (30 children)                |
| Toddlers                | \$3,600 (24 children)                |
| Tuition (9.5 months)    |                                      |
| Preschool               | \$258,599 (30 children)              |
| Toddlers                | \$130,720 (24 children)              |
| Workshops (quarterly)   | \$8,550 (10 weeks)                   |
| Grants                  | \$10,000 (Parents in School Funding) |
| Fund Raising            | \$480                                |
| Book Fair               | \$1,400                              |
| Donations               | \$0                                  |
| Educational Partnership | \$1,000                              |
| Yearbook                | \$350                                |
| Summer School           | \$0                                  |
| <b>TOTAL REVENUE</b>    | <b>\$419,199</b>                     |

### OPERATING EXPENSES

#### Salaries + Benefits

|                                  |                              |
|----------------------------------|------------------------------|
| Program Director                 | \$129,980 (12 months)        |
| ECD Specialist #1                | \$80,303 (10 months)         |
| ECD Specialist #2                | \$76,846 (10 months)         |
| ECD Specialist #3                | \$5,000 (5 hrs/wk-10 months) |
| ECD Specialist #4                | \$5,640 (10 months)          |
| ECD Assistant #1                 | \$24,547 (10 months)         |
| ECD Assistant #2                 | \$12,032 (10 months)         |
| ECD Assistant #3                 | \$24,547 (10 months)         |
| ECD Assistant #4                 | \$0                          |
| Federal Work Study Student       | \$1,200                      |
| ECD Specialist Summer Only #5    | \$0                          |
| ECD Assistant Summer Only #5     | \$0                          |
| ECD Substitute                   | \$2,000                      |
| ECD Residual Pay                 | \$0                          |
| Workshop Educator                | \$5,600                      |
| Administrative Assistant         | \$54,477                     |
| <b>TOTAL SALARIES + BENEFITS</b> | <b>\$422,172</b>             |

#### General Expenses

|                                 |                   |
|---------------------------------|-------------------|
| State Licensing Fee             | \$1,100           |
| Advertising                     | \$800             |
| Janitorial                      | \$30,000          |
| Repairs                         | \$200             |
| Classroom Food                  | \$3,790           |
| Classroom Supplies              | \$4,330           |
| Office Supplies                 | \$250             |
| Special Events                  | \$350             |
| Professional Development        | \$0               |
| Miscellaneous/Other             | \$400             |
| <b>TOTAL GENERAL EXPENSES</b>   | <b>\$41,220</b>   |
| <b>TOTAL OPERATING EXPENSES</b> | <b>\$463,392</b>  |
| <b>NET PROFIT (LOSS)</b>        | <b>(\$44,193)</b> |

## Conclusions

The 2013-2016 Business Plan for the Center details the three-year plan to ensure the Center's sustainability as a vibrant, high quality, well-respected child development center for families and educational lab program for college students. The Center plans to implement a conscientious staffing and marketing plan for continued growth to close the current revenue-expense gap, without sacrificing the quality for the stakeholders.

Through the development of the Business Plan for the Center, the Parent Advisory Committee officers, Early Childhood Department faculty, and Center Director have gained valuable information and insights about the viability and sustainability of the Center's operational situation. The conclusions drawn from this four-month analysis include the following conclusions.

1. The Center has confirmed program quality
2. The Center has a larger than expected potential market
3. The Center has identified revenue targets
4. There is a realistic growth potential based on the Center's identified market
5. The Center needs to increase and implement more significant marketing and fundraising strategies

In line with the Las Positas College Mission, the Center possesses the core competencies to be a valued educational beginning for the Tri-Valley youth, a significant resource for students preparing for a career in early childhood care and education, and a Tri-Valley community asset. Sustainability of the center is attainable through careful planning, consistent revenue generation through grant funding, skillful marketing, administrative support, and business guidance from the College.

## Recommendations

The Business Plan Steering Committee recommends the implementation of the sustainability plan outlined herein for a three-year growth of revenue through strategic marketing, fundraising efforts, and grant acquisition within the specified timeframes noted in the plan. The following recommendations are proposed based on the conclusions drawn by the joint committee.

1. Implement marketing strategies that grow the Center and support the Center needs
2. Pursue available grant funding
3. Implement all fundraising opportunities
4. Hire necessary teaching staff incrementally to increase child enrollment and support quality services for children
5. Collaborate with local agencies for educational partnerships

6. Continue administrative support in upholding Center laboratory experiences for Early Childhood Development students
7. Continue necessary District support

## **Acknowledgement**

### **The Business Plan Steering Committee**

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## Appendix

### Low Income Families

The Center currently uses Child Care Links, local Tri-valley Resource & Referral Agency

- Registered with Family Resource & Referral, Tracy for East county families
- Registered with Contra Costa Child Care Council for Contra Costa county families

#### **Child Care Links Subsidy Contracts accepted by Center by semester:**

Fall 2011 = 1 toddler, 1 preschooler = 2 children  
 Spring 2012 = 1 toddler, 1 preschooler = 2 children  
 Fall 2012 = 1 toddler, 1 preschoolers = 2 children  
 Spring 2013 = 1 toddler, 2 preschoolers = 3 children  
 Summer 2013 = 2 preschoolers = 2 children (approved)  
 Total = 11 Children

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#### **Local, State & Federal Grant Funding**

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CDE = California Department of Education

USDE = US Department of Education

| <b>GRANT FUNDING SOURCE</b>                          | <b>DESCRIPTION</b>   | <b>STATUS</b>   |
|--|--|---|
| CDE's General Child Care (CCTR)                      | Awards for administration and implementation of full-day child care services for Title V qualified child care centers.         | Application for Funding/Funding Cycle not available.  |
| CDE'S State Preschool Program (CSPP)                 | Awards for administration and implementation of full-day child care services for Title V qualified child care centers.         | Application for Funding/Funding Cycle not available.  |
| CDE's Child and Adult Food Program (CCFAP)           | Child & Adult Food Program awards for healthy meal and snack reimbursement based on low-income families served.                | Center does not have means for meal preparation or adequate number of low income students.    |
| USDE's Child Care Means Parents In School (CCAMPIS ) | Awards to support participation of low- income parents in postsecondary education through provision of campus-based child care | <b>Application in process.</b><br><b>Available: May 24, 2013</b><br><b>DUE: June 24, 2013</b> |

|   |   |  |
|---|---|--|
|   | services.   |  |
| First 5 of Alameda Targeted Grants            | Awards for caregivers are better able to support their child's development/school readiness and awards for children to receive appropriate behavioral and developmental support services.   | Center must be in operation for at least 2 years.  |
| First 5 of Alameda Community Grants           | Awards for activities that creatively address unmet community needs for families with children 0 to 5.  | Center is understaffed to create workshops.  |
| First 5 Neighborhood Grants                   | Awards to provide family-centered school readiness activities to children 0 to 5 and their parents/caregiver at library branches, parks, and/or recreation centers in high-need neighborhoods.  | Open only to public libraries, public parks, and public recreation places only.            |
| Child Care Facilities Fund                    | Funds support start-up of new programs, expansion or maintenance of existing programs or preservation of programs at risk of losing existing slots.   | Center in current good repair, and has no need of immediate expansion.                     |
| Child Care Preschool Energy Efficient Program | Awards for a greener and energy efficient electrical and lighting system for child care centers.  | Must be located in Southern California Edison area. Center already has LEED certification. |
| Quality Improvement Grants                    | Funds are awarded for child development materials and equipment, minor facility improvements or repairs and other quality improvement projects designed to address areas identified in the child care program's Quality Improvement Plan. | Center is has to be selected for the pre-pilot of the Quality Resource Improvement Scale.  |