

# Guide to Starting a Child Care Facility in Nova Scotia



  
**NOVA SCOTIA**  
Community Services

*Revised July 2011*

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## 1.0 Introduction

Thank you for your interest in starting a child care facility in Nova Scotia. In this document, the term “child care facility” is used to identify all types of licensed child care centres. These include:

- Full- and part-day child care centres that offer early learning programs for children between the ages of birth to 5 years; and
- School age programs that offer child care for children who are 12 years of age or younger, and attending school, at any of the following times: morning, lunch, after school, in-service days and holidays.

You must complete three steps in order to obtain a license to operate a child care facility. The steps are:

1. Submit and obtain approval for a [Proposal to Operate a Child Care Facility \(ECDS-801\)](#) form;
2. Submit and obtain approval for a; and Child Care Facility Proposal (ECDS-802); and
3. Submit and obtain approval for an Application for a License.

## 2.0 Steps in Starting a New Child Care Facility

### 2.1 Proposal to Operate a Child Care Facility

The Proposal to Operate a Child Care Facility (ECDS-801) form must be submitted to the regional [Department of Community Services](#) office in your area.

Upon receipt of the Proposal to Operate a Child Care Facility form, you will be contacted by an [Early Childhood Development Consultant \(ECDC\)](#) to confirm approval of the proposed name for the facility and to assist you throughout the proposal process. The ECDC can assist you in ensuring that all of the proposal requirements identified in the Child Care Facility Proposal (ECDS-802) form are complete.

Below are a few tips to consider when selecting a potential name:

- Avoid names beginning with the words such as: ABC, Apple, Busy, Children’s, Happy, Kiddie, Learning, Little, Tiny, and Wee. This will help to prevent duplication.
- Avoid using hyphens and slang words or acronyms.
- Use the proper spelling for all words. Cute or invented spelling can be confusing.
- Consider a name that indicates the location/area of the child care centre. This will reduce the chances of duplication and is helpful to parents and the community.
- Refer to the Directory of Child Care Centres to obtain an overview of types of names presently in use, particularly in your area. <http://www.gov.ns.ca/coms/>

The Early Childhood Development Consultant (ECDC) assigned to work with you, will provide Child Care Facility Proposal form (ECDS-802) and any additional information and support that you may require. The Proposal must be presented in a bound document (binder acceptable) and must

describe the key elements of the programs for children to be offered at the proposed child care facility. It must be submitted and approved by the ECDC before an application for a license will be provided to you.

The Proposal must contain each of the items identified on the Child Care Facility Proposal (ECDS-802) form, including facts and supporting documentation that highlight the benefits for families and children that the establishment of this new child care facility will provide. Your Proposal will help to ensure that you have thought through any risks or potential problems and identify that you have a successful strategy for opening and sustaining the child care facility.

**Please Note: Child Care Facility Proposals that are inactive for 6 months will be considered to be withdrawn. The Early Childhood Development Consultant assigned to work with you will attempt to make contact to confirm this in writing.**

## 2.2 Resources and Supports

The Early Childhood Development Consultant (ECDC) assigned to work with you can assist throughout the planning and proposal process. The ECDC will help to answer any questions that you have and can provide relevant information and resources to help you as you prepare the proposal. The ECDC will provide sample documents and templates for you to use in completing the requirements for your Child Care Facility Proposal (ECDS-802).

The ECDC will also put you in contact with [Licensing Services](#) if questions arise that are specific to the application for a license.

In addition, contacts with the [Public Health](#), [Early Child Education training institutions](#), other licensed child care operators, and [professional child care resource organizations](#) may also provide useful information.

## 2.3 Submission and Approval of an Application for a License

Once an Early Childhood Development Consultant (ECDC) has recommended your Child Care Facility Proposal Form (ECDS-802), you will receive an Application for a License. This form will identify additional information that must be provided in order to receive a license.

Upon receipt of the Application for a License, a Licensing Officer will arrange for an initial inspection of the facility. If all of the requirements under the [Day Care Act](#) and [Regulations](#) are met at the time of the licensing inspection, then you will receive a license to operate from the [Department of Community Services](#). If there are outstanding requirements at the time of the inspection, then you will be required to re-submit the application form and a subsequent re-inspection of the centre will be required.

## 3.0 Requirements under the Day Care Act and Regulations

The **Day Care Act** and **Regulations** and the required **Standards** identify the minimum requirements for operating a child care facility. These requirements set the standard below which it is illegal to operate and are intended to ensure that a minimum level of quality is maintained in regulated child care facilities throughout the province of Nova Scotia. It is important that you are familiar with all requirements set out in the **Day Care Act and Regulations** and accompanying **Standards**. A license will not be issued until the Department of Community Services is satisfied that the facility is in full compliance with the **Day Care Act, Regulations** and **Standards**.

### 3.1 When a License is required

A license to operate a child care centre is required when:

- Care is provided to more than six children between the ages of birth to 12 years, including the caregiver's own children; or
- Care is provided to more than eight children, who are attending school and between the ages of 5 to 12 years, including the caregiver's own children who are also school aged.

**NOTE:** Having more than one adult present does not alter the number of children allowed in a home. The penalty on conviction of operating a child care centre without a valid license is a maximum of \$100.00 for each day of operation in default of payment or up to 50 days imprisonment.

### 3.2 Casual Child Care Services

A license is **not** required under the following circumstances:

- A playgroup that meets occasionally (i.e. once per week) for 3 or fewer hours;
- The parents are on the premises and they provide the care and guidance or they are on the premises readily available to provide care and guidance, for example, at a fitness centre or a shopping mall; or
- The program is seasonal, such as a day camp that is recreational in nature and operated by a recognized provider of recreational activities.

### 3.3 Exempted Child Care Services

For more information on exempted services please refer to Section 3 of the Day Care Regulations.

## 4.0 Licensed Child Care

### 4.1 Operators

An organization or business must register at the [Registry of Joint Stock Companies](#), in order to be licensed. A child care facility may be operated by either a non-profit or a commercial organization:

- Non-profit agencies are established under the Societies Act and are managed by a group of volunteers who form a Board of Directors, or by a non-profit organization such as a church or community organization. The Board is legally responsible for all policy, administrative, and service delivery decisions. Non-profit organizations are required to reinvest any surplus revenue back into the organization.
- Commercial agencies are private businesses operated by a sole proprietor, a partnership or a corporation. Decisions are made by the owner, usually in consultation with the facility director and/or staff. The owner may reinvest surplus revenue in the organization or distribute it for private use.

Once you have decided on the legal structure for the proposed child care facility and have received approval from the [Early Childhood Development Consultant \(ECDC\)](#) for the proposed name for the facility, then you are ready to start the process of registering your organization or business with the Registry of Joint Stock Companies.

Information on how to establish a sole proprietorship, partnership, corporation, or non-profit society can be obtained from:

- Any Access Nova Scotia Centre (see the Blue Pages of your local telephone book)
- Online at <http://www.gov.ns.ca/snsmr/rjsc/register/solep.asp>, or Directly from the Registry of Joint Stock Companies

#### E-mail

[joint-stocks@gov.ns.ca](mailto:joint-stocks@gov.ns.ca)

#### Telephone

Local: (902) 424-7770

Toll-free in NS: 1-800-225-8227

#### Fax

(902) 424-4633

#### Mail

Registry of Joint Stock Companies

P.O.Box 1529

Halifax, NS, B3J 2Y4

#### In Person

9th Floor, Maritime Centre

1505 Barrington Street

Halifax, NS, B3J 3K5

**NOTE:** The information in this document relates only to the requirements for licensing a child care facility under the [Day Care Act](#) and [Regulations](#). Each small business or non-profit organization must also follow all other laws and regulations that apply to setting up and running a small business or non-profit enterprise (for example, tax laws, occupational health and safety requirements, and municipal by-laws).

Applicants should review the many resources that are available to assist individuals in setting up small businesses. These resources are available through [Access Nova Scotia Centres](#) and online at the [Government of Nova Scotia](#) website <http://www.gov.ns.ca/snsmr/business/>

## 5.0 Terms of the License

### 5.1 Licensed Capacity

Licensed capacity refers to the maximum number of children allowed onsite at the facility at any one time. The licensed capacity is finalized at the time of the initial licensing inspection and reflects:

- The amount of unobstructed play space in the centre which must provide 30 square feet per child;
- The number of toilets and sinks (one of each for every ten children (18 months and older).
- The amount of outdoor play space, which must provide 75 square feet of play space per child using the space, at a minimum it must be large enough to accommodate all of the children in the largest age group. A separate infant outdoor play space based on 75 square feet per infant based on the capacity of infant if providing infant care;
- Part-day facilities are not required to have an outdoor play space but, when they do, the outdoor play space must meet all regulatory requirements.

### 5.2. Licensed Age Range

Licensed age range refers to the range of ages for which the operator is licensed to provide child care. Child care services may be provided to children from birth to 12 years of age. The required number of adults per children and maximum group size varies according to the age of children in the group and must reflect the age of the youngest child in the group.

The age groups, required staff-to-children ratios and maximum group sizes are as follows:

<b>Table of Staff-to-Children Ratios and Maximum Group Sizes</b>		
<b>Age Range of Children in Group</b>	<b>Staff-to-Children Ratio</b>	<b>Maximum Group Size</b>
<b>Full-Day Program</b>		
Infant	1 to 4	10
Toddler	1 to 6	18
Preschooler	1 to 8	24
<b>Part-Day Program</b>		
Toddler older than 30 months old	1 to 12	24
Preschooler	1 to 12	24
<b>School-Age Program</b>		
School age	1 to 15	30

- The age range should reflect the community need for services. The requirements for the program for each group of children, including toys, materials and required equipment will vary according to the ages of the children.
- When age groups are mixed together, the ratio of staff to children and the maximum group size must reflect the age of the youngest child in the group.

### 5.3 License Type

A license can be issued for the following programs or any combination thereof:

- 1) Full-day, for facilities that offer programs for children who are not attending school and is in operation for more than 4 consecutive hours per day or more than 30 hours per week;
- 2) Part-day, for facilities that offer part-day programs for children older than 2.5 years who are not attending school and is on operation for fewer than 4 consecutive hours per day or fewer than 30 hours per week.
- 3) School age, for facilities that offer programs for children attending school.

Note: A person wishing to provide, as a term of the license, extended hours care must include this information in the Child Care Facility Proposal and meet the [Standards for Extended Hours Care](#).

## 6.0 Preparing to Start a New Child Care Facility

### 6.1 Community Need

In deciding to open a new child care facility, it is advisable that you first determine that there is a need for child care in the area where you want to open. This is to ensure the financial viability of your business and to help in determining factors such as the size, age range and appropriate location for the facility.

The needs assessment should be done before you invest a great deal of time in finding a specific location for the facility and before you do financial forecasting or planning for your program. A needs assessment will help determine the type of child care programs, if any, that are needed in an area.

It is recommended that you choose a tool that can help you to assess the child care needs in the community such as a survey. This survey can be a formal document such as a [questionnaire](#) that you could provide to families in the area you want to serve. Alternatively, the needs assessment could be conducted online, by telephone or in person.

There are six basic steps in developing and using a child care needs survey:

1. **Define the objectives:** Before beginning the survey, set a clear goal for the results. Ask yourself what information you need to ensure your facility will be successful.  
Think about:
  - Who you should contact to determine the type of care parents in the area most need?  
For example, parents, schools, family resource centres.

How many parents and community members should you contact to ensure that you have a representative sample?

What is the most efficient way to contact people? For example, telephone, personal interview, e-mail or some other means.

Is this information already available elsewhere? For example, the local municipal office may have relevant statistics or [Nova Scotia Community Counts](http://gov.ns.ca/finance/communitycounts/default.asp) (<http://gov.ns.ca/finance/communitycounts/default.asp>).

2. **Prepare the questions:** Ensure that survey questions are designed to get the information you need and are based on your objectives. For each question, ask yourself the following:  
Will this information help me in determining the size and age range for my facility?  
What will this information tell me that I don't already know?  
Are the questions in a logical order, with each leading into the next?

3. **Gathering the information:** There are various methods to collect data, including:  
Personal Interviews: These are the most costly and time-consuming, but result in the best information. It is important to ensure the questions are presented to each participant in the same way and that the answers are recorded in a uniform manner.

Paper or Electronic Questionnaires: These are less expensive, but usually have a low rate of return. Give participants clear instructions on how to fill out the survey and a date by which the survey must be returned. To increase the number of returns you should include a stamped, self-addressed return envelope or make the email return address very clear to participants. It also helps to follow up an e-mail reminder or telephone call.

Telephone Interviews: These can also be costly and time-consuming, especially if you hire someone to complete the survey on your behalf. Telephone interviews are useful for asking in-depth questions on a topic.

4. **Canvas the community:** Inform local community and service organizations of your plans for a new child care facility. Services such as health clinics, libraries and family resource centres may be able to assist you in connecting with parents and distributing questionnaires.
5. **Evaluate the findings:** The information you collect must be analyzed and presented in an organized format. You may include information such as the number of participants, who they were (e.g. parents, community members), and the common themes. You can discuss the format for this information with your Early Childhood Development Consultant.
6. **Take action:** The information gathered and analysed may confirm that the proposed child care facility will be a welcome addition to the area, or it may lead to a revised plan that will better serve the area. You will be required to revise your proposal if the needs assessment indicates that it is not a viable project.

A significant investment of time is required to prepare a proposal for a new child care facility. The average time period between submitting the proposal receiving an application for a license is 3 to 6 months.

**Before** making any decisions that may be difficult to change at a later date, such as purchasing a property or signing a lease, applicants should contact the municipal development office, the office of the Fire Marshal and a Public Health Inspector from the Department of Agriculture. Each of these authorities will have requirements related to zoning, health and safety that must be met before a license can be issued.

**It is important to ensure that your facility proposal is financially viable before signing a lease or purchasing a property.**

## 6.2 Choosing a Site

A major step in planning a child care facility is finding a suitable location, whether it is leased or purchased. A well-located facility that can be safely and easily accessed will reach more families and children than a facility that is poorly located and difficult to access. It is important to consider factors such as parking, distance from public bus routes and other services that families use regularly.

The following points should be considered in choosing a location for a child care centre:

- The space is sufficient to deliver the types of programs for children as described in your business case and statement of philosophy. For example, if the centre will provide programs for infants through to school age children, then a considerable amount of indoor and outdoor play space will be required.
- The space used as children's activity rooms must provide natural light at a minimum of 10% of the floor space. (e.g. a room that is 30ft x 25ft gives 750 sq. ft, so the window glass area should be at least 75 sq ft.)
- The space must adequately address all of the requirements under the [Day Care Act and Regulations](#) and support the program's philosophy, mission statement and approach to children's programming. There must be adequate space for children to play and for the administrative aspects of the centre (for example, a staff room and staff washroom, director's office, storage, and laundry facilities).
- The child care facility is accessible so that children, parents and staff with special needs may be welcomed.
- The facility is located in a neighbourhood that offers easy access to green spaces and other community resources such as libraries, schools and playgrounds. Locations that are highly commercial and/or industrial, on major thoroughfares, or that may be subjected to ongoing noise or environmental hazards, should not be considered.

Assistance in locating a building in a specific area may be obtained from real estate agents, boards of education, churches, advertisements, personal contacts and by canvassing the area.

### **6.2.1 Other factors to consider when choosing a site for a child care facility include:**

- Is the building attractive from the outside and compatible with other buildings in the neighbourhood so that the child care facility can establish itself as part of the community?
- Is the building in good repair or requiring only minimal renovation to reduce capital costs?
- Does the building have an acceptable water supply as determined by an inspector from the Department of the Environment?
- If the building is leased, what is the length of the term? This is especially important if you are making a large capital investment.
- If the premises will be shared, investigate any potential drawbacks, such as whether any of the equipment has to be put away at night, whether the place will be left clean after the evening activity, and if the children's work can be displayed.

### **6.2.2 To help determine the suitability of the neighbourhood:**

- Develop a description of the neighbourhood, listing ways in which the area will be appropriate.
- Develop a plan to ensure that the neighbourhood will welcome the establishment of the child care facility and see it as positive.
- Consider whether there are other public facilities in the area that will help to support the program for children, (for example, a library, resource centre, community centre, early intervention program, etc.).
- Consider the accessibility of public transportation to the child care facility, as well as the safety of the area for dropping off and picking up children and the amount of parking space.
- Analyze space needs based on the requirements of the Day Care Act and Regulations, and the number of staff, children and families who will access the facility.

## **6.3 Zoning and Municipal Building Inspection**

Contact the [Municipal Planning Department](#) to determine if there are any by-laws, such as zoning or parking that may affect the operation of the child care facility.

The location of the facility must meet zoning bylaws of the county or municipality. Proof of the facility's compliance with municipal bylaws and zoning, as well as an Occupancy Permit, must be provided in order for a license to be issued. For new constructions, this will require a building inspection.

## **6.4 Fire Safety**

Before a license can be issued, you must arrange to have a site approval by a municipal or provincial fire inspector. For detailed requirements on fire safety, it is advisable that you contact the [Office of the Fire Marshal](#) directly.

Some basic fire safety requirements include:

- Two approved exits from every level of the building occupied by children.
- A one-hour fire resistant wall around the furnace room.

- A suitable number of fire extinguishers appropriately located in the centre.
- A facility located in a basement must have at least one exit that leads directly outside.
- A detailed evacuation plan is to be posted at each exit. This includes a written list describing the duties for each staff member.
- A pull-alarm system is required when there will be 40 or more occupants.
- A sprinkler system is required when infants are accommodated.
- A fire drill must be conducted and documented each month.

## 6.5 Food Safety Permit and Health Inspection

All facilities must receive a positive health inspection from the [Department of Agriculture](#) in order to receive a license and annually thereafter. Facilities that serve lunch must also meet requirements for an eating establishment as required by the Department of Agriculture. This includes a requirement that at least one person, preferably the cook and/or the director, complete a recognized Food Handlers course presented by a certified Food Safety Specialist.

Facilities that use well water must also meet all regulations and guidelines for drinking water as established by the [Department of the Environment](#).

## 6.6 Occupational Health and Safety

The [Occupational Health and Safety Act \(OH&S\)](#) requires that employers with more than five employees have a written occupational health and safety policy and a Health and Safety Representative. An occupational health and safety policy is the statement of an employer's commitment to employees' health and safety in the workplace. It describes how the employer and employees can work together to prevent workplace accidents and illness.

The written OH&S policy must:

1. state clearly the employer's commitment to safety in the work place;
2. declare what the employer intends to do to eliminate the causes of accidents and illness;
3. provide direction regarding human resource and financial issues; and
4. help to achieve the organization's health and safety objectives.

Some important points to consider when writing the policy are:

1. promoting health and safety at work;
2. protecting employees from hazards, such as fire, noise, slips and falls; violence, and hazardous product; and
3. complying with health and safety laws.

It is the employer's responsibility to make sure a Health and Safety Representative is chosen. The Representative must be a non-management employee and must be chosen by the employees they represent.

To find out more about the Occupational Health and Safety Act, writing a policy, or the responsibilities of a Health and Safety Representative, contact the [Department of Labour and Workforce Development](#).

## 7.0 Basic Requirements to Operate a Child Care Centre

### 7.1 Program for Children

Your proposal must include Information that details how you will meet the [Standards for Daily Program for Licensed Child Care Facilities](#) for each age group of children to be served and the approach to programming that will be used. This will include an explanation of how staff will foster children's growth and development in a positive and nurturing environment.

The Day Care Regulations stipulate that the program offered to children must promote full participation of all children, including those with diverse abilities, and must stimulate their cognitive, physical, emotional, social and language development. The Regulations set out requirements with respect to:

- Requirements for trained staff
- Ratio of staff to children and Maximum Group size
- Developmentally appropriate and child-centred program plans
- Safe and engaging classroom environments with sufficient toys, materials and equipment that is organized to meet the needs of children
- Effective record keeping systems and progress reports

## 7.2 Physical Environment

Additional requirements that relate more specifically to the physical environment in the child care facility include:

- General cleanliness and air quality (adequate ventilation)
- One sink and one toilet for every ten children, 18 months and over (washrooms should be adjacent to the playrooms)
- Diaper areas must be located next to a hand-washing sink and must not be used for any other purpose. Supervise the playroom and ratio must be maintained when staff are changing diapers.
- Water supply (if not municipal) and sewage system (if onsite) must be tested and approved by Nova Scotia Department of Agriculture and/or Department of Environment.

## 7.3 Nutrition

The facility operator must ensure that the following provisions to meet children's nutritional requirements are met:

- Child care facilities must provide nutritious meals and/or snacks that follow the [Standards for Food and Nutrition in Regulated Child Care Settings](#).
- Part-day facilities must provide daily snacks made up of at least two food groups.
- Full-day facilities must serve lunch and provide morning and afternoon snacks.
- Facilities providing extended hours care provide for the additional nutritional requirements of children.
- All facilities are required to provide utensils and dishes for each child and to maintain them in a sanitary condition.

## 7.4 Storage/Supplies, Health and Safety

The facility operator must ensure the following provisions are in place to ensure that children's health and safety are not compromised while in the facility:

- A cot or mat and bedding for each toddler and preschool age child to use during the rest period;
- A crib for each infant;
- An adequate storage space for food, cots or mats, play equipment, program supplies, cleaning and medical supplies;
- A locked storage space for medical supplies, drugs or medicines; and
- A medical kit for first aid treatment that includes supplies that are suitable for day-to-day use in the child care facility as well as an additional medical kit that can be taken on outdoor excursions.

Requirements for staff members:

- Staff members must be at least 16 years old to be including in the staff to child ratio for the facility;

- Staff members who work directly with children must have a criminal record and a child abuse register check;
- Staff members who work directly with children must be trained in first aid and infant CPR;
- When there are 20 or more employees onsite, a facility must provide a First Aid Kit #2 (required by Occupational Health and Safety); and
- There must be a separate staff washroom.

## 8.0 Hiring a Director, Educators and Staff

### 8.1 Hiring a Director

All facility must be administered by a director, typically referred to as the “centre director.” In some cases this person might also be the sole proprietor/operator. The director works onsite and is responsible for the day-to-day management of the centre. The director must have the required qualifications as outlined in Section 40 of the regulations. There must also be a designate who is qualified, as per Section 40, to act as the facility director when the director is absent from the facility.

Hiring a director is a critical step in establishing a child care centre. In addition to training in Early Childhood Education, it is an asset to have a director with administrative experience in a licensed child care centre. The director oversees all aspects of the child care centre when it is in operation.

Choosing a person whose philosophy and goals match those of the operator will contribute to setting up and running a smooth operation. Prepare a preliminary job description prior to the interview process so the person has a clear idea of what is expected and of the tasks involved in developing the program and managing the child care centre.

Management and leadership skills are critical to the success of the operation. The financial side of child care requires knowledge and skills in the areas of budgeting, accounting, optimizing the use of space, collection of fees, and cash flow analysis. It is advisable to acquire the services of an accountant to assist in this process.

In addition to management skills, it is important that the director is sensitive to the needs of families and children and respects the varying circumstances in which families may find themselves. All families are unique and their reasons for choosing or requiring child care will differ. It is essential that all families and children are treated in a fair and equitable manner by the facility operator and staff.

The pre-opening duties of the Director may include tasks related to preparation of your [Proposal to Operate a Child Care Facility \(ECDS-801\)](#) form and the Child Care Facility Proposal (ECDS-802) form.

The Director can also assist in:

- Preparing an equipment list and purchasing the equipment;
- Writing job descriptions for program and support staff, being involved in interviews for hiring staff;

- Working on the proposal for the centre with you on things such as the development of policies for the child care centre, including the following documents:
  - mission statement
  - philosophy statement
  - behaviour guidance policy
  - parent and employee handbook which cover issues such as procedures for reporting allegations and suspicion of child abuse, sanitary practices, supervision and program planning, holidays and sick leave
  - plan for how you will share centre policies with parents, including an orientation process
  - budget forecasts
  - funding proposals
  - file organization (ensuring forms and procedures are in place)

## 8.2 Hiring Educators

Early Childhood Educators and staff who work directly with children should possess the following:

- Qualifications as required by Section 36 of the regulations.
- Respect for children and a strong understanding of child growth and development, the importance of play, and child-initiated learning.
- Knowledge and understanding of the importance of warm and welcoming early learning environments for children and the educator's role in developing genuine relationships with children and families;
- Interest in being with children, participating in their activities, stimulating their curiosity, encouraging their creativity, and the ability to see things from a child's perspective;
- Respect for individual differences and the needs of children, families and colleagues;
- Sensitivity to the concerns of parents who may have a wide variety of experiences, circumstances, backgrounds and needs;
- Skills and competencies that will support them to contribute to and cooperate in a supportive team environment.

An employee handbook must be developed and provided to all employees. The employee handbook must include information on the services offered, facility policies and expectations for staff employed by the facility.

## 8.3 The Employment Process

As an employer, you should familiarize yourself with the Labour Standards Code and Regulations available from [Nova Scotia Department of Labour and Workforce Development](#). You should also contact [Canada Customs and Revenue Agency](#) for information about income tax, pensions, unemployment insurance deductions, etc. The main office for business and individual tax enquiries and payment services is located at the Ralston Building, 1557 Hollis Street, P.O. Box 638, Halifax, Nova Scotia B3J 2T5, National Toll Free Phone 1-800-959-8281.

## 8.4 Training Requirements

A minimum of 2/3 of the staff required to meet ratio must meet training requirement as specified in the regulations. For more information, please refer to Sections 35, 36, 37 38 39, 40 in the Day Care Act and Regulations. For information related to the classification of child care staff at <http://gov.ns.ca/coms/families/provider/ClassificationforStaff.html>.

## 9.0 Criminal Record and Child Abuse Register Checks

### 9.1 Child Abuse Register Screening

All staff members must be screened through the [Child Abuse Registry](#), **prior to employment**. You may want to offer a position to the successful candidate with the condition that his or her name is not on the Child Abuse Register.

The Child Abuse Register is a central record of the names of people who have abused children as determined by a Criminal or Family Court. The Child Abuse Register is confidential and can only be used under certain conditions and when certain procedures are followed.

Before a person's name can be checked:

1. The person must be applying for a position where they will be working directly with the children. This may be a paid or volunteer position.
2. You must have the written consent of the person whose name you want to screen. The procedures and forms required to request a search of the Child Abuse Register are available online at the [Child Abuse Registry](#) or you may request the form by calling (902) 424-6798.

### 9.2 Criminal Record Check

All staff members and volunteers who are 18 years old or older and who will have contact with children, must complete a criminal record check. Criminal records screening is one factor used to determine the suitability of an applicant who will be working with or providing services to children. The intention is to identify criminal records which may present risk to children. You may want to offer a position to the successful candidate with the condition that they have no criminal record relevant to their employment. The criminal record check form can be obtained from the police department in your region. It is the responsibility of the employer to determine how the results of the Criminal Record Check will be used as screening tool in the employment process.

## 10.0 Parent Communication

### 10.1 Parent Handbook

A facility operator must develop a parent handbook that describes the services offered and facility policies. This will assist parents in making informed decisions regarding the care of their children. The parent handbook must contain all of the information required in the [Regulations](#).

## 10.2 Notice of Significant Change

A facility operator must notify parents of any significant changes (Section 46) to the services provided.

## 10.3 Parent Committee

As stated in Regulation 47, a facility licensee must establish a parent committee to provide a forum in which parents can provide input and receive notice of any matters of interest of concern to the parents. The parent committee must meet at least twice yearly and consist of at least 3 parent representatives, the licensee or director and 1 staff representative.

# 11.0 Finances

## 11.1 Preparing a Business Case

Using the information gathered during the community needs assessment, you will need to develop a business case to support your plans to start a child care centre. A business case is a written proposal which explains to the government the reasons for establishing a child care centre in the area you wish to serve. At a high level, it should explain the community need and the expected benefits and risks of setting up the facility.

The business case should also explain how many spaces will be offered in each of the age groups served, the projected capacity and staffing requirements, including projected wages. It should also reflect particulars of the needs assessment, including:

- A description of the area you wish to serve, including the location of the facility, contact information for the operator and any other staff who may already be hired.
- An indication of the approximate population or number of families in that area including the estimated number of children between 0-12 years of age.
- Information on demographics of the area to show whether the population is aging or whether new families are moving in and the population is growing.
- Information on the number and types of other child care centres already serving the area.
- A summary of other data you collected which demonstrates the need for your service.

## 11.2 Describing the Proposed Site

As part of the proposal you must include a description of the proposed site for the child care centre. This may include a sketch of the layout, a description of the physical location or photographs of the building and layout, information about accessibility for disabled persons, a description of where the child care centre will be in relation to other businesses, schools, libraries and potential supports for the child care centre.

### 11.3 Preparing a Budget

Closely linked to the business case is preparation of a 1-year operating budget for the child care centre. This estimated operating budget must show expected revenues and expenditures and must demonstrate that the child care centre will be financial viable. The **operating budget** should show the anticipated income and expenses once the child care centre has established a normal pattern of operation. It is important to note that many expenses are fixed, even though most centres take six months to a year to reach full enrolment. The proposed budget must acknowledge and plan for ways to cover costs while enrolment is low.

The Department of Community Services provides some operational funding to eligible licensed child care centres. For information on grant funding that is available through the [Department of Community Services](http://gov.ns.ca/coms/families/provider/index.htm) please visit the website. <http://gov.ns.ca/coms/families/provider/index.htm>.

The ECDC assigned to work with you can also provide information about funding for which your facility may be eligible. Some families may also be eligible to receive a subsidy to assist with daily fees through the [Child Care Subsidy](#) program.

### 11.4 Budgeting and Sample Budgets

Preparing budgets is part of planning for a centre. There are two types of budgets you need to prepare:

1. **Operating Budget:** This is the income and expense plan once the children are enrolled and the program has established a normal pattern of operation. It is important to note that many expenses are fixed, even though most centres take six months to a year to reach full enrolment, so allow a cushion of money to cover costs while enrolment is low.
2. **Start-Up Budget:** This budget includes the expenses in actually setting up the child care centre.

Sound financial management requires that financial statements pertaining to the centre's operation be prepared. Centres receiving funds from Government must submit financial statements as one of the reporting requirements for auditing purposes.

Annual financial statements must in a Balance Sheet that identifies:

- Assets, including cash/savings, accounts receivable, land, building, furniture and fixtures, materials and equipment; and
- Liabilities and Equity: Accounts payable, benefits payable, advance from sponsoring organizations, capital surplus/deficit account.

### 11.5 Recruiting Families

Reputation is the best advertisement. Child care facility directors with experience in the field have an advantage because they are known to parents in the community. Other forms of advertising include the Yellow Pages, signs (check zoning by-laws first) and the media (newspapers, television, radio, etc.).

**Please Note: An unlicensed child care service is not permitted to use the words child care, day care, preschool or nursery school in any advertising.**

## 11.6 Waiting Lists

It is important to maintain a waiting list so that vacancies are filled in a timely manner and families are able to access services as soon as possible.

## 11.7 Setting the Daily Fees

It is important to recognize that fees should be comparable to similar programs in the community, reflect the cost of providing the service and be as affordable for families as possible. The daily parent fee can be calculated using the following steps:

1. Estimate the amount of income the program will generate from sources other than parent fees (e.g., grants, fundraising, donations, etc.).
2. Subtract the above figure from the total operating expenditures on your operating budget. This gives the net operating expenditures which must be offset through charges to parents via fees (See #3).
3. Multiply the number of spaces in the program by the total number of days the facility will be open, eg., 35 children by 260 days (note: 260 days = 5 days per week for 12 months and includes statutory holidays). Then estimate the percentage of spaces that will be filled for 260 days. This is referred to as the occupancy factor (typically 90%).
4. To determine the daily parent fee: divide the net operating costs (step 2) by the figure determined in step 3 for enrolled days of care.

Example:

- A. Net operating expenditures = \$205,550
- B. Licensed Capacity (number of spaces): 35.
- C. Total number of days of operation: 260.
- D. Occupancy factor: 90% (for this example only).
- E. Total enrolled days of care (35 X 260 X .90) = 8190
- F. Daily fee (A divided by D): \$205,550 divided by 8222 = \$25.00

## 11.8 Collecting the Daily Fee

Facilities can end up providing care for families who cannot pay for it. This may happen on the short term for humanitarian reasons. However, it is risky if done regularly. Be assertive when collecting fees and set limits on overdue accounts. Ensure that all parents sign an enrolment contract and that they know whether they are expected to pay for their child's absent days, sick days, and vacation days, as well as days the facility may close voluntarily, such as storm days, Christmas and March break. Be clear about the amount of notice they must give before they withdraw their child and the consequences for insufficient notice.

The following suggestions may assist in ensuring the facility will be financially stable:

- Be firm and consistent in fee collection. Establish a quick follow-up to outstanding fees.
- Have clear policies on fees, enrolment, holidays and sick days that parents can easily understand.
- Set a payment schedule, ideally for advance payment. Ensure a numbered receipt is given for cash payment and a copy kept for your records. A written contract between the facility and parents, outlining payment amounts, schedule, advance notice of withdrawal and any special conditions is helpful in settling any future disputes.
- Provide payment options such as interact and credit card, when possible.

### **11.9 Monitoring the Finances**

Be aware that there is a risk that funds can be misused, embezzled, or stolen. It is good business practice to follow these steps:

1. Assign one person to be responsible for all bookkeeping and financial records;
2. Designate at least two signing officers to issue cheques;
3. Maintain a receipt book and individual ledger cards for parents' fees, a payroll journal and cash receipts and cash disbursements journals for recording transactions.