Little Oaks Family Child Care — Business Plan

Daycare in Sacramento, CA · Startup plan

Executive summary

Little Oaks Family Child Care is a new daycare in Sacramento, CA offering full-time care for toddlers and preschoolers; part-time and half-day spots; before- and after-school care for school-age siblings; and a simple daily routine of play, meals, naps and early learning. The model is a small licensed home setting, enrolled to capacity with a waiting list, priced from real costs, with trust and routine as the whole pitch.

Startup budget: $10,725 across 11 items, funded from savings. Target: $7,500 in monthly sales.

Twelve months from now, success looks like this: Six enrolled children with a waiting list, a helper hired for the afternoons, and every parent leaving a review

Products and services

Little Oaks Family Child Care's core service is full-time care for toddlers and preschoolers. Every day follows the same written routine of meals, naps, play and learning, enrollment never exceeds the licensed ratio, and parents see exactly what their child did each day.

- Full-time care for toddlers and preschoolers
- Part-time and half-day spots
- Before- and after-school care for school-age siblings
- A simple daily routine of play, meals, naps and early learning

Market analysis

The customers are working parents nearby who need care they can rely on every weekday, and who prefer a small home setting where their child is known by name to a large center.

- Working parents within a short drive who need reliable weekday care
- Families who prefer a small home setting to a large center
- Parents of siblings who want one provider for a toddler and a school-age child
- Employers and neighbors nearby with shift-based schedules

Marketing strategy

Most families will find Little Oaks Family Child Care on Google and through word of mouth from other parents — searching for a daycare near them, then trusting the one other families recommend. Reviews on the Google Business Profile, listings on the state referral network, and a website with the routine, ages and a tour request form turn a search into an enrollment.

- Google Business Profile and Google Maps — “daycare near me” and “home daycare” plus your city
- Word of mouth from enrolled parents — the main source for home providers
- Your state's child-care referral network and local parent groups
- Pediatricians, preschools and churches that families already trust
- A website with your daily routine, ages, openings, tuition from and a tour request form

Operations plan

The provider runs the day in year one, keeps attendance, incident and medication logs, collects tuition in advance, and adds an assistant only when enrollment is full and the pricing proves it can cover wages.

- Enrollment capped by your state's ratio and your license — never over
- A written daily schedule of meals, naps, play and learning that parents can see
- Tuition collected weekly or monthly in advance, with a signed enrollment agreement
- Childproofing, emergency plans and daily health checks as routine
- Attendance, incident and medication logs kept every day

Startup costs

What it will take to open the doors, funded from savings.

Startup costs

ITEM	AMOUNT
State licensing application, inspection and background checks	$300
CPR, first aid and required pre-service training	$250
Childproofing, gates, fire extinguishers and safety equipment	$1,250
Cribs, cots, high chairs, tables and storage	$2,500
Toys, books, art supplies and learning materials	$1,250
Outdoor play equipment and fencing	$1,750
Child-care liability insurance (first year)	$1,250
Business registration and EIN	$175
Website and Google Business Profile	$0
Enrollment, billing and parent-communication software (first year)	$0
Working capital (first two months)	$2,000
Total	**$10,725**

Typical range to start a daycare in the US: $4,250–$19,300. Your list is what you decided to spend — replace estimates with real quotes as you get them. Website and Google Business Profile: Your Zarla plan includes the website and walks you through your Google Business Profile — a designer typically charges $1,500 or more to build one. Enrollment, billing and parent-communication software (first year): Your Zarla plan includes invoicing and a family contact list with your website — no separate billing subscription to start.

Financial plan

The numbers below come from your own startup list and typical monthly costs for a home daycare in the US. Overhead is low and income is capped by licensed capacity, so tuition and full enrollment decide the outcome.

Typical monthly operating costs for a daycare: $450–$4,270 a month, before the owner's own pay.

At $7,500 in monthly sales, Little Oaks Family Child Care would clear $3,230–$7,050 a month before owner pay and tax, and recover the $10,725 startup budget in roughly 2–4 months.

Typical monthly operating costs

COST	TYPICAL RANGE
Food and snacks (some offset by the federal food program)	$200–$800
Diapers, wipes, art and cleaning supplies	$100–$400
Liability insurance	$40–$170
Extra utilities and home wear	$100–$300
Billing and parent-communication software (included with Zarla)	$0–$50
Ongoing training hours and renewals	$10–$50
An assistant (once enrollment supports it)	$0–$2,500

US ranges for a small operation; replace with your own figures as you learn them. Lines marked (included with Zarla) are what those tools cost separately — with Zarla they are part of one monthly plan.

Risks and honest downsides

Every daycare plan should say out loud what can go wrong. For Little Oaks Family Child Care, the real risks are:

- Income is capped by licensed capacity — one empty spot is a large share of revenue
- Licensing takes weeks to months; you can't enroll until it's done
- It's long days with no cover — illness or a family emergency means closing
- Liability is real; insurance, logs and safety routines aren't optional
- Parents' work changes and families move; enrollment turns over every year

Licenses, permits and insurance

What Little Oaks Family Child Care needs before it can legally trade in the US. Rules vary by state and city — confirm each item with your local licensing office and an accountant.

- State child-care license or registration — Required in every US state above a small number of children; involves an application, a home inspection, background checks and training. Rules and thresholds vary by state.
- CPR, first aid and pre-service training — Nearly every state requires current CPR/first aid and a set of pre-service training hours before licensing.
- Child-care liability insurance — Not always legally required, but essential — standard homeowner and renter policies exclude a daycare.
- Business registration and EIN — Register the business; an EIN lets parents claim the child-care tax credit with your number instead of your SSN.
- Local zoning and home-occupation rules — Some cities and HOAs restrict home businesses; check before you spend on the space.
- Food program enrollment — Optional in the US: the federal Child and Adult Care Food Program reimburses eligible providers for meals.

Milestones: the next 30 days

The first month's to-do list for Little Oaks Family Child Care, in order:

- Read your state's home child-care licensing rules and start the application
- Complete CPR, first aid and the required pre-service training
- Childproof the space and fix anything the inspection checklist flags
- Get a child-care liability insurance quote and register the business
- Set tuition from local rates and your true costs, and write the enrollment agreement
- Set up a free Google Business Profile and put a website with your routine and openings live
- Tell every parent, pediatrician and preschool you know that you're opening
- Enroll in the food program if you're eligible, and ask early families for reviews

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Appendix: what a lender will ask for

This plan tells the story and shows the numbers. If you take it to a bank, expect to be asked for these documents as well:

- Two years of personal tax returns and a personal financial statement
- A month-by-month 12-month cash-flow projection based on realistic enrollment
- Your license or the status of the application, plus proof of insurance
- A list of enrolled or waitlisted families with expected weekly tuition
- Quotes for any home modifications you're borrowing for
- Your credit report and anything you can offer as collateral

Sample plan for a fictional business, written by Zarla's free business plan generator. Every figure is a typical US range or calculated from the sample's own numbers — nothing is a market projection. Make it yours in five questions: zarla.com/business-plan-generator?industry=daycare

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