**ABC Early Education Business Plan 2022**

**Our Mission**: To provide you and your child a happy, safe, home-like environment in which to thrive. Our early childhood program provides a fun and interesting environment that promotes learning and growth.

**Our Vision**: We work as a team with our families as we provide open communication and up-to-date information about your child’s development. Here at ABC Early Education, children learn through play-based curriculum as they form lasting relationships with each other and our highly-trained staff.

**Center Description & Planned Expansion Summary**:

Tearsa’s original program, ABC Early Learning center began as a family childcare program and became a licensed home program 9 years ago. This program has a capacity of 12, however 17 children were often enrolled, due to the fact that part-time children share spots during the week. In addition to serving the 17 children, Tearsa consistently had a waitlist over the years, including during the Covid-19 Crisis. Throughout her time as a center owner and director, Tearsa remained committed to running a high-quality program and currently has a 5 STAR quality rating at her home program.

Tearsa had initially planned to expand and build on land in Castleton and put this project in motion in the fall of 2020. The opportunity presented itself when she inherited 3.62 acres of land in close proximity to Castleton University just a couple of months after they decided not to go ahead with opening an early education center on their campus. Opening a center in Castleton would create significantly more space for families in the surrounding geographic area, and also give Castleton a nearby early education program in which they could train student teachers. Tearsa already employs Castleton students at her current program and would continue to build this relationship with the University.

Tearsa’s project came together in 2020/2021 with multiple funders on board and a local construction company planning to do the build. Her plans eventually came to a halt when the appraisal for the future center came in too low to allow for the necessary loans to build the center. Tearsa’s team was told that if she was building in Chittenden County, then her project would’ve appraised high enough to secure the funding she needed, but in Rutland County things appraised at a lower value. The team started amending the project into phases, but then her construction company filed for bankruptcy. Tearsa was not deterred, she found another construction company and amended her plans to allow for phased development. Unfortunately by this time it was almost summer 2021 and construction costs had risen so much that now the phase 1 plan for her center was more expensive than the entire project was just a few months prior.

Again, Tearsa was not deterred. She rented a space in West Haven and opened in summer 2021 so she could accommodate her waiting list. Castleton University donated all of their brand new childcare equipment to Tearsa in a good faith effort to support her center expansion. Within a few months, Castleton University students began training in her temporary program. The space in West Haven is not ideal, as it needed quite a bit of work in order to be suitable for childcare, it’s not in an ideal location for commuting families, the lease agreement is temporary and now has an eviction notice.

The space at the Castleton Village School would serve between 76-86 children, including 36 infant & toddler spaces. Stability is a consideration for Tearsa’s new program, as she wants to secure a suitable space so that families don’t have their childcare disrupted in the future.

**Planning strategy for the expansion process**

Tearsa’s planning strategy has included many stakeholders including Castleton University, the Vermont Economic Development Authority, Vermont Community Loan Fund, The Rutland Chamber of Commerce, Let’s Grow Kids, and the Agency of Commerce. She has also had early education consultant, Heather Martin, to design and secure funding for the project. Heather was the consultant that worked with Castleton University to design their early education center that was scheduled to open summer 2020.

**Community Relationships**

Community relationships are at the heart of Tearsa’s childcare center plans, as she knows what an essential service high-quality childcare is to any region. She has been operating a licensed home childcare program for the last 9 years and working in the childcare field for over 20 years. During her time in the field, she has developed professional relationships in the area. She is an active member of the Castleton Early Childhood Network, has an established relationship with Castleton University for working students, and is well connected to families and the larger community. Over the years, she has served many families that had parents employed by the school district and local businesses.

Tearsa will sustain a high level of community engagement by continuing to be an active member of the Castleton Early Childhood network, working closely with Castleton University, becoming an Act 166 partner with the Slate Valley School District, and collaborating with other agencies and service providers in the area.

**Market Analysis/Need for Care**

There are several factors in my region that contribute to the shortage of early care slots. Rutland county is the second most populous county in VT, with an estimated 60K people. Pre-Covid, 70% of the parents were in the workforce according to the 2016 Blue Ribbon Commission Report. That same report estimated that over 24K children under 6 were in need of regulated childcare in VT, with Rutland being the second most populous county, that leaves quite a few children in need of care. The 2020 Stalled at the start report estimated over 1900 children in Rutland county in need of care, and that was pre-Covid crisis. We know that the number of available childcare slots has declined in the last 2 years due to program closures.

My program could help improve the situation in Rutland County by not only offering childcare slots, but also a potential source of training for the Early Childhood workforce. It is critical that Rutland County increase the level of qualified ECE staff in order make Rutland more attractive to families. The US census indicates the population has decreased by about 3K people in the last 10 years and having sustainable high-quality childcare programs could help revitalize Rutland.

**Affordability & Financial Strategy**

I know from my community engagement process that major contributing factors to the shortage are inability to afford care and a severe Early Educator staffing shortage. Rutland Families really struggle to pay childcare tuition that is high enough to support a center that pays higher quality wages. For example, according to the US census the median household income for Rutland county is about 54K per year vs 69K in Chittenden County. Timing is perfect for this center to open because the state has just increased the subsidy reimbursement rates to a much more sustainable rate. This will stabilize the center’s income while also keeping the center affordable for families.

Although the financial landscape for childcare is tight, it can be navigated with some careful planning. Tearsa’s center is already STARS accredited, which allows for the increased subsidy reimbursed rate, helping to eliminate co-payments for families. The center will also become an Act 166 prekindergarten partner, making preschool services free for families. When funds are available, the center will establish a scholarship fund. This will make the program even more affordable to families, but keep consistent revenue for the program.

I am aware that maintaining a full enrollment is critical to success as well as the careful financial planning. I have already been in communication with Castleton University and the local community to help spread the word and generate a large waitlist. In addition to the “word of mouth” recruitment I use the resource and referral office for Rutland County and social media posts to let the public know that my program has anticipated openings. In addition to the above strategies, I make sure to maintain a presence within the community through participation in events hosted by the elementary school and the Fair Haven Chamber of Commerce as well as the Independence Day parade and the Month of the Young Child Celebrations.

**Workforce Strategy**

Tearsa will implement several strategies to help obtain a qualified workforce, while also training Castleton University student and helping to build a larger early education workforce. She offers competitive wages, professional development support, a 401K plan, vacation and holiday pay. Her relationship with Castleton University helps to obtain quality staff and help students gain experience as they work toward their education degree.

**Sustainability**

Tearsa has used a number of strategies that will help my program maintain financial viability. She has worked with Heather and Vermont Community Loan Fund to create a business plan that includes a budget that projects annual income and expenses for the center. Vermont Community Loan fund has approved her previous budget and could do so with the amended budget for a CVS location. Developing a business plan ensures clear, attainable goals with a framework that has allowed for incredible flexibility and resiliency to her business planning. Her relationship with Castleton University will increase the visibility of the program, and a strong professional network will allow her to further increase her existing reputation in the area. She will continue to seek professional collaboration from other programs, support organizations and the larger community.

**Timing**

The timing is particularly critical for Tearsa’s childcare project because she has spent almost 2 years now building and adapting this program. She has secured funding and managed to keep her stakeholders on board in spite of numerous setbacks. The funding that Tearsa has secured for the project will likely not be available much longer as she has already stretched things from fall of 2020 to June 2022. She has kept her entire team informed and her stakeholders do support the project, but much of the project is grant funded and grants have specific timelines that must be adhered to. Tearsa will lose substantial grant funding if this project does not happen now, or if she has to scale back the size of her project too much.