K12 ACADEMICS — FOUNDER'S GUIDE SERIES

How to Start a Child Care Program

A plain-English, sourced founder's guide to child care, preschool and family child care: the model fork, licensing, ratios, background checks, health and safety, facilities, funding, and Head Start.

K12 ACADEMICS

Find Your Community

2026 EDITION

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How to use this guide. Almost every hard requirement is set by your **state**, and rules change often. This guide teaches the process and the decision points; for the rules that apply to you, use the links in **Sources & Authorities** at the back.

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PART 1 OF 8

How to Start a Child Care or Preschool Program

Almost every state licenses child care, so there is no exemption shortcut here. The first real decision is the model: a family child care home, a child care center, or the Head Start grantee path. That choice sets your cost, your rules, and your timeline.

AT A GLANCE

First choice	**Home, center, or Head Start**
Federal floor	**Background checks + safety**
State sets	**Ratios, space, credentials**
Legal form	**Sole prop, LLC, or nonprofit**
Runway	**2–24+ months**
Scope	**United States**

THE IDEA

One field, three on-ramps

Child care is the most heavily regulated program in this library: essentially every state licenses it, and there is little of the exemption question that shapes afterschool. Instead, the decision that shapes everything is the **model**. There are three on-ramps, and they differ enormously in cost and regulation.

- **Family child care home** — run in your own residence, small group, lightest rules, lowest cost. The fastest way in.
- **Child care center** — a commercial facility with full licensing, zoning, building and fire approvals, strict ratios and credentialed staff. High cost.
- **Head Start / Early Head Start** — not a license at all, but a competitive federal grant. Most providers join it through a partnership rather than becoming a grantee.

Underneath all three sits one federal floor from the Child Care and Development Fund (CCDF): a comprehensive background check and health-and-safety rules. The numbers, ratios, group sizes, space and staff credentials, are set by your state.

THE CONTEXT

High demand, high cost

Demand is strong but price-constrained. Child Care Aware of America put the national average annual price at $13,184 in 2025, which takes about 10% of a two-parent household's median income and 33% of a single parent's. In most states, infant care costs more than in-state public college tuition. Meanwhile supply is shifting: licensed centers fell about 1% from 2024 to 2025, while family child care homes rose 1.4%. Families often cannot pay the true cost of care, so public funding, subsidy, food reimbursement and Pre-K, is usually part of the business model.

STEP 1

Form the legal entity

Match the structure to the model and your funding plan:

- **Sole proprietor** — simplest, common for a solo family child care home (no liability shield).
- **LLC or corporation (for-profit)** — liability protection and access to loans and equity; most private centers.
- **501(c)(3) nonprofit** — a board-governed charity (IRS Form 1023 $600, or 1023-EZ $275), needed for tax-deductible donations, most foundation grants, and many Head Start applications.

> Tax status is not the gate for child-care subsidy, which pays both for-profit and nonprofit providers. But donations and foundation grants need a 501(c)(3), and USDA food reimbursement treats independent for-profit centers differently. Choose with your funding plan in mind.

THE CLOCK & THE COST

Timeline and budget

No authoritative national dataset reports child-care startup costs, so the ranges below are planning estimates, anchored to the hard fees elsewhere in this section. The gap between a home and a center is large.

Model	Startup (estimate)	Time to open (estimate)
Family child care home	Low thousands to ~$15K	~2–4 months
Small center (~40–60 children, leased)	~$100K–$500K+	~6–12+ months
Larger center (100–200+, built)	$1M+	12–24+ months
Head Start grantee	Grant-funded (20% match)	NOFO cycle + start-up

Payroll is the biggest operating cost, and for centers it starts before classrooms fill, so budget months of operating reserve.

STEP 2

Work the sequence

Once the model is chosen, the path is a sequence. Beyond your model's page, see: facilities and enrollment, ratios and staffing, background checks and safety, and funding and accreditation. Federal rules beyond CCDF apply throughout: the ADA and IDEA (inclusion of children with disabilities), the FLSA (child-care staff are generally owed minimum wage and overtime), and mandated reporting.

FREQUENTLY ASKED QUESTIONS

What is the first decision in starting a child care program? The model: a family child care home (in your residence, lightest rules), a child care center (commercial, full licensing), or the Head Start grantee path (a federal grant, not a license). It sets your cost, rules and timeline.

Do I always need a license for child care? In almost every state, yes, child care is the most heavily regulated program of its kind, with little of the exemption question that applies to afterschool. The license type and rules depend on your model and state.

How much does it cost to start a child care program? A family child care home can start for a few thousand to roughly $15,000; a small leased center commonly runs $100,000 to $500,000 or more; a purpose-built center can exceed $1 million. No national dataset exists, so treat these as

estimates.

Should my program be a nonprofit or for-profit? It depends on funding. Sole proprietor or LLC fits a for-profit home or center; a 501(c)(3) is needed for tax-deductible donations, most foundation grants, and many Head Start applications. Child-care subsidy pays both.

What is the federal floor for child care? The Child Care and Development Fund (CCDF) requires a comprehensive background check and a set list of health-and-safety topics for licensed and subsidy-receiving providers. States set the ratios, group sizes, space and staff credentials on top.

READ THIS SECTION ONLINE

tools.k12academics.com/start-a-childcare-program/founding-a-childcare-program/

PART 2 OF 8

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Starting a Family Child Care Home

Running child care from your own home is the fastest, cheapest and least-regulated way into the field. The trade-offs: small capacity, home-based rules, and background checks for every adult in the household.

AT A GLANCE

Where	**Your residence**
Capacity	**Small (tiers by state)**
Status	**Registered or licensed**
Checks	**All adults 18+ in home**
Capital	**Low**
Trend	**Supply growing**

THE IDEA

The on-ramp with the lowest bar

A family child care (FCC) home is child care run in the provider's own residence for a small group. It is the lightest-regulated and lowest-cost way to start, and, uniquely in this field right now, a growing one: family child care supply rose 1.4% from 2024 to 2025 even as center supply fell. For a solo founder with limited capital, this is usually the realistic first step.

THE STRUCTURE

Registered, listed, licensed

Most states run tiers of home-based care, with lighter rules for the smallest. The names and numbers are state-specific, but the shape is consistent:

- **Texas:** a Listed Family Home (1–3 unrelated children), a Registered Child-Care Home (up to 12), and a Licensed Child-Care Home.
- **New York:** Family Day Care (up to 6) and Group Family Day Care (7–12 with an assistant).
- **Illinois:** Day Care Home and Group Day Care Home.
- **California:** Small and Large family child care homes (a large home with an assistant caps at 14).

A near-universal rule to plan around: the provider's **own children** usually count toward the capacity limit.

THE CATCH

It is your home, with rules

Operating from a residence brings its own issues. Check **zoning** (whether home-based child care is a permitted use; some states bar local governments from prohibiting small FCC homes), and any HOA or lease restrictions. Buy the right **insurance**, a standard homeowner's policy typically excludes a home business, so you need a family-child-care or business policy. And expect home-safety rules: smoke and carbon-

monoxide detectors, a fire extinguisher, two exits, secured hazards, a fenced outdoor area, pool barriers, and firearms-storage requirements.

THE BIG DIFFERENCE

Everyone in the house gets checked

The single most important FCC-specific rule: the federal comprehensive background check applies not just to you and any assistants, but to **every individual aged 18 or older who resides in the home**. Plan for that before you apply, it can affect whether your household qualifies at all.

THE UPSIDE

Why people choose it

Beyond low cost, an FCC home offers mixed-age continuity (siblings together, children staying with one provider for years), flexibility, and a real business: with CACFP food reimbursement, subsidy acceptance and NAFCC accreditation, a home can be a stable livelihood. Many providers start as a sole proprietor and later form an LLC as they grow.

FREQUENTLY ASKED QUESTIONS

What is a family child care home? Child care run in the provider's own residence for a small group of children. It is the lightest-regulated and lowest-cost way to start, often registered or listed (for the smallest) or licensed (for larger or group homes).

How many children can a family child care home serve? It varies by state and tier, commonly 1–3 for a listed home up to about 12 for a registered or group home. The provider's own children usually count toward the limit. Check your state agency.

Who needs a background check in a home daycare? Every adult aged 18 or older who lives in the home, not just the provider and assistants. This federal requirement can affect whether a household qualifies, so check it before applying.

Can I run a daycare out of my house in a residential zone? Often yes, and some states bar local governments from prohibiting small family child care homes, but you must confirm zoning and any HOA or lease restrictions, and carry proper business insurance.

Is a family child care home a real business? Yes. With food-program reimbursement, subsidy acceptance and accreditation, it can be a stable livelihood. Many providers begin as sole proprietors and form an LLC as they grow.

READ THIS SECTION ONLINE

tools.k12academics.com/start-a-childcare-program/family-child-care-home/

PART 3 OF 8

3 Starting a Child Care Center

A center is the most regulated commercial path: full state licensing on top of zoning, building, fire and health approvals, strict ratios, credentialed staff, and the highest startup cost in the field.

AT A GLANCE

Where	**Commercial facility**
Licensing	**Full state license**
Also need	**Zoning, building, fire**
Staff	**Credentialed; strict ratios**
Capital	**High**
Preschool	**Usually the same license**

THE IDEA

The full commercial build

A child care center serves children in a commercial, community, school or faith-owned facility, from a handful to well over a hundred. It is the most regulated and most capital-intensive path, but it is also how most larger programs, and most preschools, are built. Note the supply trend: licensed centers have been shrinking, which is a challenge and an opportunity.

THE PATH

Licensing, step by step

Centers license under each state's center rules (for example Texas 26 TAC Ch. 746, California Title 22, New York 18 NYCRR Part 418, Illinois Part 407, Massachusetts 606 CMR 7.00, North Carolina 10A NCAC 09, Georgia Rule 591-1-1). The typical sequence:

- Attend a pre-licensing orientation.
- Submit an application with a floor plan.
- Clear zoning, building/occupancy and fire approvals.
- Pass health and sanitation inspection.
- Meet director-qualification and ratio rules and complete background checks for everyone.
- Pass the on-site licensing inspection before opening.

Plan on roughly 6 to 12 or more months, depending on how ready your site is and how fast local permits move.

THE MONEY

Where it goes

The center's defining feature is cost. The largest variables are the **facility** (lease or purchase, plus build-out to code: child-height fixtures, fire separation, egress, kitchen, fenced playground) and **payroll**, which is set by ratios and begins before enrollment fills. Add insurance (general liability plus abuse-and-molestation coverage), safety-compliant cribs and furnishings, and licensing and background-check fees. Build an enrollment-ramp reserve into the budget.

A COMMON VARIANT

Preschools and part-day programs

A part-day preschool or nursery is, in most states, licensed under the **same center rules**, sometimes with a reduced or half-day ratio table. Watch two wrinkles: some states exempt certain part-day or school-operated programs (confirm with the agency), and public pre-K and kindergarten are usually regulated by the state education agency, not child-care licensing. State-funded pre-K (such as Florida's VPK, Georgia Pre-K, or New York's 3-K/UPK) is a contract layered on top of a license, with its own ratios and teacher credentials, and a possible revenue stream. See Starting a School for the K-12 side.

FREQUENTLY ASKED QUESTIONS

How do I start a child care center? License under your state's center rules: attend orientation, apply with a floor plan, clear zoning, building and fire approvals, pass health inspection, meet director-qualification and ratio rules, complete background checks, and pass an on-site licensing inspection before opening.

How long does it take to open a child care center? Commonly 6 to 12 or more months, driven by how ready your site is and how quickly local zoning, building and fire permits move. Purpose-built centers can take 12 to 24+ months.

Is a preschool licensed the same as a daycare? In most states, yes, a part-day preschool or nursery is licensed under the same center rules, sometimes with a half-day ratio table. Public pre-K and kindergarten, though, are usually regulated by the state education agency.

What is the biggest cost of a child care center? The facility (lease or purchase plus code build-out) and payroll, which is set by staff-to-child ratios and begins before enrollment fills. Budget months of operating reserve for the enrollment ramp.

Can I get public funding to run a center? Yes. Centers can accept child-care subsidy, participate in USDA food reimbursement, contract for state-funded pre-K, and earn quality-rating bonuses. See the funding page.

READ THIS SECTION ONLINE
tools.k12academics.com/start-a-childcare-program/child-care-center/

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PART 4 OF 8

Head Start, Early Head Start and Partnerships

Head Start is not a license you buy. It is a competitive federal grant for comprehensive services to low-income children. For most existing providers, the realistic way in is a partnership, not a grant of your own.

AT A GLANCE

What	**Federal grant program**
Serves	**Low-income, birth–5**
Enter via	**Competitive NOFO**
Match	**20% non-federal**
Standards	**Exceed state licensing**
Easier route	**EHS–Child Care Partnership**

THE IDEA

A grant, not a license

Head Start and Early Head Start are federally funded, comprehensive programs, education, health, nutrition and family services, for low-income children from birth to five and pregnant women, run by the Office of Head Start. The key thing to understand: this is **not a license you apply for and buy**. Grantees compete for five-year grants tied to specific geographic service areas. See Federal Programs for the funding context.

GETTING IN

How organizations become grantees

Organizations enter by responding to a Notice of Funding Opportunity (NOFO) on Grants.gov when a service area opens, which happens mostly through the Designation Renewal System, an incumbent must recompete if any of several conditions apply (such as deficiencies, low classroom-quality scores, or a license revocation), and areas also open when a grantee relinquishes or is terminated. Eligible applicants depend on the NOFO: some invite public, nonprofit *and* for-profit organizations; others are limited to public or private nonprofits. Read each NOFO's eligibility section.

THE DEAL

The 20% match and the standards

Two commitments define the grant:

- **Match:** federal funds cover no more than 80% of approved program costs, so the grantee must provide a **20% non-federal match** (equal to 25% of the federal award, so $250,000 on a $1,000,000 grant). In-kind donations and state funds can count, and waivers are possible.
- **Standards above licensing:** the Head Start Program Performance Standards require meeting state licensing *and* the stricter federal rules, including tighter group sizes (a Head Start preschool class caps at 17 to 20 with two adults; Early Head Start at 8 to 9), minimum annual hours, and at least 10% enrollment of children with disabilities.

THE REALISTIC ROUTE

Early Head Start–Child Care Partnerships

For an existing or new licensed provider, becoming a grantee from scratch is hard. The far more realistic on-ramp is an Early Head Start–Child Care Partnership: a licensed center or family child care home contracts with an existing EHS grantee, layers EHS funding on top of child-care subsidy, and agrees to meet the Performance Standards. It brings funding and comprehensive services without running your own federal grant.

> A policy change is pending: a proposed federal rule published in August 2026 would rescind and replace the Head Start Program Performance Standards, including the federal group-size, ratio and space rules, deferring more to state policy. It is proposed, not final, so confirm the current rules before planning around them.

FREQUENTLY ASKED QUESTIONS

Is Head Start a license? No. Head Start and Early Head Start are competitive federal grant programs for comprehensive services to low-income children birth to five, not a license you apply for and buy. Grantees compete for five-year grants tied to service areas.

How does an organization become a Head Start grantee? By responding to a Notice of Funding Opportunity on Grants.gov when a service area opens. Eligibility varies by NOFO, some allow for-profits, others are nonprofit-only, and applicants must provide a 20% non-federal match.

What is the easiest way for a child care provider to join Head Start? An Early Head Start–Child Care Partnership: a licensed center or family child care home contracts with an existing EHS grantee, layers EHS funding with subsidy, and meets the Performance Standards, without running its own federal grant.

What is the Head Start non-federal match? Grantees must contribute 20% of total program costs from non-federal sources (equal to 25% of the federal award). In-kind donations and state funds can count toward it, and waivers are possible in some cases.

Do Head Start rules exceed state licensing? Yes. The Head Start Program Performance Standards require meeting state licensing and the stricter federal rules, including tighter group sizes, minimum annual hours and at least 10% enrollment of children with disabilities. A 2026 proposal may change this.

READ THIS SECTION ONLINE

tools.k12academics.com/start-a-childcare-program/head-start/

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PART 5 OF 8

Ratios, Group Sizes and Staff Qualifications

Staff-to-child ratios are the strictest operating constraint in child care, and the single biggest driver of your budget. They are the tightest for infants, and they vary a lot by state.

AT A GLANCE

Infants	**1:3 to 1:6 (by state)**
Preschool	**~1:10 to 1:15+**
Mixed ages	**Usually youngest child's ratio**
Lead teacher	**Often CDA or ECE credits**
CDA	**120 hrs + 480 hrs + exam**
Training	**Pre-service + annual**

THE IDEA

Ratios run the business

Nothing shapes a child-care budget more than the staff-to-child ratio. It sets the minimum number of staff you must pay, and because infant ratios are the tightest, infant care is the most expensive to deliver and the scarcest. Federal law requires states to *set* ratios but does not set a national number, so they vary widely.

THE CONSTRAINT

Center ratios by state

A sample of center ratios shows the spread (ratio, with maximum group size where a state sets one). Always confirm the current figure with your state agency.

State	Infant	Toddler	Preschool (4 yr)
Massachusetts	1:3 (grp 7)	1:4 (grp 9)	1:10 (grp 20)
California	1:4	1:6 (grp 12)	1:12
New York	1:4 (grp 8)	1:5 (grp 12)	1:8 (grp 21)
Texas	1:4	1:9 (18–23 mo)	1:18
Illinois	1:4 (grp 12)	1:5 (grp 15)	1:10 (grp 20)

North Carolina	1:5 (grp 10)	1:6 (grp 12)	1:20 (grp 25)
Georgia	1:6 (grp 12)	1:8 (grp 16)	1:15

The infant ratio alone ranges from 1:3 (Massachusetts) to 1:6 (Georgia), which is why infant tuition and Massachusetts prices run highest: at 1:3 one teacher's salary is spread over three tuitions, at 1:6 over six. When ages are mixed, most states apply the **youngest** child's ratio.

CREDENTIALS

Director and teacher qualifications

States set qualifications, which typically rise with responsibility: a high-school diploma plus orientation for assistants, a "Child Development Associate" (CDA) credential or a set number of early-childhood credits for lead teachers, and an associate or bachelor's degree plus administrative coursework for directors. The CDA, the field's common entry credential, requires 120 clock hours of early-childhood training across eight subject areas, 480 hours of experience, a portfolio, an exam and a verification visit (application fee around $525).

KEEPING CURRENT

Ongoing training

CCDF requires pre-service or orientation training on the health-and-safety topics before staff care for children unsupervised, plus annual training. State examples: Illinois requires 15 hours of in-service a year; Texas requires 24 clock hours a year for center staff (at least five instructor-led) and 30 for directors. Most states run a professional-development registry and career ladder. See Careers & Workforce for the early-childhood workforce.

FREQUENTLY ASKED QUESTIONS

What are child care staff-to-child ratios? The required number of children per staff member, set by each state and tightest for infants: commonly 1:3 to 1:6 for infants, 1:4 to 1:9 for toddlers, and about 1:10 to 1:15 or more for preschoolers. When ages mix, most states use the youngest child's ratio.

Why is infant care so expensive? Because infant ratios are the strictest, one teacher's salary is spread over only three to six tuitions. That structural cost is the main reason infant tuition runs highest and infant slots are the scarcest.

What is a CDA credential? The Child Development Associate credential, the field's common entry qualification for lead teachers. It requires 120 clock hours of early-childhood training across eight subject areas, 480 hours of experience, a portfolio, an exam and a verification visit.

What qualifications does a child care director need? Typically an associate or bachelor's degree plus administrative or early-childhood coursework, set by the state. Lead teachers often need a CDA or a set number of early-childhood credits; assistants usually need a diploma plus orientation.

How much training do child care staff need? CCDF requires pre-service health-and-safety training before caring for children unsupervised, plus annual training. Amounts are state-set, for example 15 hours a year in Illinois and 24 (staff) or 30 (directors) in Texas.

READ THIS SECTION ONLINE
tools.k12academics.com/start-a-childcare-program/ratios-and-staffing/

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PART 6 OF 8

Background Checks and Health & Safety

This is the federal floor that applies in every state: a comprehensive, eight-part background check on every staff member, and a fixed list of health-and-safety topics every program must cover.

AT A GLANCE

Rule	**CCDF, 45 CFR 98**
Check	**8 components**
Home daycare	**All adults 18+ in home**
Timing	**Within 45 days; every 5 yrs**
Safety topics	**~11 required**
Infants	**Safe sleep mandatory**

THE IDEA

The one thing that's the same everywhere

Ratios and space vary by state, but two things do not: the federal CCDF comprehensive background check and the health-and-safety topic list. They apply to every licensed or regulated provider, and to every provider that receives child-care subsidy. Build to them from day one.

NON-NEGOTIABLE

The comprehensive background check

Every child-care staff member, anyone paid, and anyone with care, supervision or unsupervised access, must clear the full 45 CFR 98.43 check, with eight components:

- An FBI fingerprint check.
- A National Crime Information Center (NCIC) National Sex Offender Registry search.
- In-state criminal registry (with fingerprints), sex-offender registry, and child-abuse-and-neglect registry checks.
- The same three state checks in every state lived in during the past five years.

In a family child care home, this applies to **every adult (18+) who lives there**. Results are due within 45 days, and checks repeat at least every five years. A new hire may start only after one qualifying fingerprint result, and must be supervised until fully cleared. Registered sex offenders and people with certain violent or child-related felonies are disqualified.

THE SECOND FLOOR

Health-and-safety topics

Federal rule 45 CFR 98.41 sets the topics every program must address, in policy and in staff training:

- Infectious-disease control and immunizations.
- **Safe sleep** and SIDS prevention (critical for infant programs).
- Medication administration; food-allergy prevention and response.
- Premises safety, including hazards, bodies of water and vehicle traffic.
- Prevention of shaken baby syndrome and abusive head trauma.
- Emergency preparedness (evacuation, relocation, shelter-in-place, lockdown, drills, family reunification).
- Hazardous-materials handling; safe transportation.
- Pediatric first aid and CPR.
- Recognizing and reporting child abuse and neglect.

BEYOND CCDF

The other federal rules

Three more federal rules apply across every model:

- **ADA:** centers and homes are public accommodations and must make reasonable modifications for children with disabilities; a child cannot be excluded because of a disability.
- **IDEA:** early-intervention (birth–3) and preschool special-education (3–5) services can be delivered in child-care settings; coordinate with local Child Find.
- **FLSA & mandated reporting:** child-care staff are generally owed minimum wage and overtime, and are mandated reporters of suspected abuse and neglect under state law.

FREQUENTLY ASKED QUESTIONS

What background check do child care workers need? The federal CCDF comprehensive check (45 CFR 98.43): an FBI fingerprint check, a national sex-offender registry search, and in-state criminal, sex-offender and child-abuse registry checks, plus the same in any state lived in over the past five years.

Who needs a background check in a home daycare? Every adult aged 18 or older who lives in the home, in addition to the provider and any assistants. This is a federal requirement for family child care.

How often are child care background checks repeated? At least once every five years. Results on a new check are due within 45 days, and a new hire may start only after one qualifying fingerprint result, supervised until fully cleared.

What health and safety topics must a child care program cover? The CCDF list: infectious disease and immunizations, safe sleep, medication, food allergies, premises safety, abusive head trauma prevention, emergency preparedness, hazardous materials, transportation, first aid/CPR, and abuse recognition and reporting.

Does the ADA apply to child care? Yes. Child care centers and family child care homes are public accommodations under the ADA and must make reasonable modifications for children with disabilities; a child cannot be turned away because of a disability.

READ THIS SECTION ONLINE

tools.k12academics.com/start-a-childcare-program/background-checks-and-safety/

PART 7 OF 8

7 Facilities, Space and Enrollment

A compliant space, with enough square footage, safe infant sleep, and the right approvals, is the physical heart of a program, and clear family paperwork keeps it running day to day.

AT A GLANCE

Indoor space	**~35 sq ft/child (common min)**
Outdoor	**~75 sq ft/child**
Best practice	**42–50 sq ft indoor (CFOC)**
Approvals	**Zoning, building, fire, health**
Infant sleep	**Safe-sleep cribs**
Enrollment	**Handbook + contract**

THE IDEA

Get the space right first

The facility is both the biggest cost for a center and the most inspected part of any program. Getting space and approvals right early prevents expensive surprises later.

THE SEQUENCE

Four approvals before licensing

Before the licensing inspection, a center typically clears four layers: **zoning or land-use** approval (for a home, whether home-based care is a permitted use); a **building permit and certificate of occupancy** for the right occupancy class; a **fire-marshal** inspection; and a **health or sanitation** inspection, especially if food is prepared. Only then does the state's pre-opening licensing inspection happen.

THE NUMBERS

Square footage per child

The most widely used minimum is **35 square feet of usable indoor space and 75 square feet of outdoor play space per child**, a figure that appears in Head Start's own rule and in many state codes. The national health-and-safety standards (Caring for Our Children) recommend more, 42 to 50 square feet indoors, as best practice. Treat 35/75 as the common legal floor and the higher figure as a quality target. Your state code is what governs, so verify it.

THE SPACE ITSELF

What the rooms need

Beyond square footage, expect requirements for: a separate infant sleep area with **safe-sleep-compliant cribs**; diapering stations next to

handwashing sinks and kept separate from food prep; enough child-sized and adult toilets and sinks; an approved kitchen if cooking on site; playground surfacing and fall zones; and environmental safety, lead paint in pre-1978 buildings, lead in drinking water, asbestos in older buildings, and radon. A home faces a smaller version of the same list.

FAMILIES

Enrollment, contracts and tuition

Build a parent handbook and enrollment agreement covering tuition and due dates, deposits and registration fees, absence and vacation policy, late-pickup fees, withdrawal notice, illness exclusion, a discipline policy (most states bar corporal punishment), and the authorized-pickup list. Required records usually include the immunization record, a health assessment, emergency contacts, and allergy and medication authorizations. Nonprofits often run a sliding scale; if you accept subsidy, the state sets the family copayment.

FREQUENTLY ASKED QUESTIONS

How much space does a child care program need per child? The common legal minimum is about 35 square feet of usable indoor space and 75 square feet of outdoor play space per child (the figure in Head Start's rule and many state codes). National best-practice standards recommend 42–50 square feet indoors. Verify your state's rule.

What approvals does a child care facility need before licensing? Typically four: zoning or land-use approval, a building permit and certificate of occupancy, a fire-marshal inspection, and a health or sanitation inspection, before the state's pre-opening licensing inspection.

What are the rules for infant sleep in child care? A separate infant sleep area with safe-sleep-compliant cribs is standard, and safe sleep is a mandatory federal health-and-safety topic. Specific crib and sleep-position rules are set by your state.

What paperwork do families complete to enroll? A handbook acknowledgment and enrollment agreement (tuition, deposits, absence, late-pickup and withdrawal terms), plus records: immunization, a health assessment, emergency contacts, and allergy and medication authorizations.

Can I run a child care program in an older building? Yes, but older buildings bring environmental requirements, lead paint (pre-1978), lead in drinking water, asbestos, and radon, on top of zoning, occupancy and fire approvals. Budget for testing and any remediation.

READ THIS SECTION ONLINE
tools.k12academics.com/start-a-childcare-program/facilities-and-enrollment/

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PART 8 OF 8

Funding, Food Reimbursement and Accreditation

Tuition alone rarely covers the true cost of care, especially for infants. Strong programs layer public funding on top, and pursue quality ratings and accreditation that can unlock higher rates.

AT A GLANCE

Base	**Parent tuition**
Avg price (2025)	**$13,184/yr**
Subsidy	**CCDF vouchers**
Food	**CACFP reimbursement**
Quality	**State QRIS**
Accreditation	**NAEYC / NAFCC**

THE IDEA

Layer the funding

Child care has a hard economic truth: families often cannot pay what quality care actually costs. The national average price is already $13,184 a year, and infant care runs higher, yet tuition alone rarely covers the cost of the tight infant ratios. So durable programs layer public funding on top of tuition.

THE SOURCES

The funding stack

Beyond parent tuition (often on a sliding scale), the layers are:

- **CCDF child-care subsidy** — state-administered vouchers paid to providers for eligible low-income families; open to for-profit and nonprofit providers that meet the CCDF rules.
- **CACFP food reimbursement** — USDA meal and snack payments (below).
- **State-funded pre-K** — contracts layered on your license (Florida VPK, Georgia Pre-K, New York 3-K/UPK).
- **Quality bonuses** — higher subsidy rates and grants tied to your state quality rating.
- **Head Start / EHS** grants and partnerships.

> Federal child-care subsidy rules changed in 2026: a final rule effective July 13, 2026 removed some 2024 federal requirements (including a cap on family copayments), though states may keep them and must still pay providers promptly. Check your state's current CCDF policy.

THE FOOD MONEY

CACFP reimbursement

The Child and Adult Care Food Program reimburses meals and snacks that meet USDA patterns. Centers claim by income category; family child care homes join through a sponsoring organization and are paid by tier. For July 2026–June 2027 in the contiguous states, centers receive $4.76 per lunch at the free rate and $1.30 per snack; Tier I homes receive $3.31 per lunch and $0.98 per snack. For a home serving six children three eating occasions a day, that adds up to roughly $9,000 a year (estimate), a meaningful revenue line.

GOING FURTHER

Quality ratings and accreditation

Two quality systems matter. First, most states run a **Quality Rating and Improvement System** (North Carolina's Star Rated License, Georgia's Quality Rated, Florida's Gold Seal), and higher ratings often unlock higher subsidy rates and grants. Second, national **accreditation** signals quality to families: NAEYC for centers (a five-year term; roughly $1,825 in pursuit fees plus about $650 a year for a small program) and NAFCC for family child care homes (120 hours of training, a self-study and observation). See Accreditation for how review works.

FREQUENTLY ASKED QUESTIONS

How do child care programs pay for themselves? Mostly parent tuition, layered with public funding: CCDF child-care subsidy, USDA food reimbursement (CACFP), state-funded pre-K contracts, quality-rating bonuses, and Head Start grants or partnerships. Tuition alone rarely covers infant care.

How much is child care tuition? The national average price was $13,184 a year in 2025 (Child Care Aware of America), with infant center care running higher, often more than in-state public college tuition. Prices vary widely by state, so use state data.

How much does CACFP pay child care programs? For July 2026–June 2027 in the contiguous states, centers receive $4.76 per lunch (free rate) and $1.30 per snack; Tier I family child care homes receive $3.31 per lunch and $0.98 per snack. A small home can earn several thousand dollars a year.

What is a QRIS and why does it matter? A state Quality Rating and Improvement System (such as North Carolina's Star Rated License or Florida's Gold Seal). Higher ratings often unlock higher subsidy reimbursement rates and quality grants, so they affect revenue, not just reputation.

Is NAEYC or NAFCC accreditation worth it? Accreditation signals quality to families and, in some states, unlocks higher rates or grants. NAEYC accredits centers (a five-year term, roughly $1,825 in pursuit fees plus annual fees); NAFCC accredits family child care homes.

READ THIS SECTION ONLINE
tools.k12academics.com/start-a-childcare-program/funding-and-accreditation/ →

REFERENCE

Sources & Authorities

Primary government, nonprofit and accreditor sources. Verify current fees, deadlines and state rules at these links before relying on them.

HHS Office of Child Care — CCDF regulations (45 CFR Part 98)
https://www.ecfr.gov/current/title-45/subtitle-A/subchapter-A/part-98

45 CFR 98.43 — Comprehensive background checks
https://www.law.cornell.edu/cfr/text/45/98.43

45 CFR 98.41 — Health and safety requirements
https://www.ecfr.gov/current/title-45/subtitle-A/subchapter-A/part-98/subpart-E

HHS Office of Child Care — Technical assistance
https://childcareta.acf.hhs.gov

Office of Head Start
https://headstart.gov

Head Start Program Performance Standards (45 CFR 1302)
https://www.ecfr.gov/current/title-45/subtitle-B/chapter-XIII/subchapter-B/part-1302

Early Head Start–Child Care Partnerships
https://acf.gov/ecd/early-learning/ehs-cc-partnerships

Head Start space rule (45 CFR 1302.21)
https://www.ecfr.gov/current/title-45/subtitle-B/chapter-XIII/subchapter-B/part-1302/subpart-B/section-1302.21

USDA FNS — Child and Adult Care Food Program (CACFP)
https://www.fns.usda.gov/cacfp

NAEYC — Early Learning Accreditation Fees
https://www.naeyc.org/accreditation/early-learning/fees

NAFCC — Family Child Care Accreditation FAQ
https://nafcc.org/accreditation/accreditation-faq/

Council for Professional Recognition — CDA
https://www.cdacouncil.org

Child Care Aware of America — Price & Supply
https://info.childcareaware.org/price-and-supply-2025

Caring for Our Children — space standards
https://nrckids.org/CFOC/Database/5.1.2

IRS — Form 1023 FAQ (nonprofit)
https://www.irs.gov/charities-non-profits/frequently-asked-questions-about-form-1023

U.S. SBA — Start a business
https://www.sba.gov

A note on accuracy. Cost and timeline figures are informed estimates; no authoritative national dataset exists. State rules change often, confirm at the source.