Establishing a Budget for My Early Childhood firm

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Every program has guidelines that are followed to effects its undertakings. Research indicates that an appropriate portrait for an early childhood program must be unique. However, each program should have specifications such as the name of the organization, the ages of the children, and the number of children for each level of learning. Also, the program should be specified whether it is a for-profit firm or non-profit and should contain an ephemeral statement of the mission or values of the program. I established a monthly budget, which I used as a strategizing tool for subsequent budgets. It further assisted me in tracking the expenses on a monthly basis as well as identifying the variances. I have outlined the applicability of the budgeting in prioritizing the necessary costs to reach my goals.

**Part 1**

At the moment, I have an early childhood organization named Precious Moments Child Care. I personally operate the firm. Precious Moments Child Care is in-home family-like child care for making a profit. Presently, I have the capacity for 12 children who are the nurslings of ages eight weeks, four months as well as six months. I currently have six kids of ages two and a half years. I also have three years old, four-year-old, who are three and two consecutively. There are further three age-school kids who incorporate my daughter aged five years but not part of my ratio, two-five years old and single six-year-old children. The kid aged four months and the other at three years one belongs to me. However, they are part of the ratio until they reach four years.

I get help for the three toddlers in the infant area among the child care from my mother. She assists these infants with their milestones as well as their development. I have established a working curriculum for entire preschool-age kids, who are five in number. In this curriculum, I have the four older toddlers included in it as we go through our days of the week as well as months of the year. The other specifications include weather, shapes, letters, and colors, together with numbers. In the coming year, I will have the whole group of my school-aged children proceeding to kindergarten. I further work with my school-aged kids to help them know how to trace numbers, letters, and write their names. My class has a total number of 10 children. The mission of our organization, Precious Moments Child Care, is to offer a caring, supportive and safe environment any family in need of high quality child care.

**Part 2**

After establishing my monthly strategy, I will apply this as a proposal for the subsequent year. I will be in a position to monitor my actual monthly revenues as well as expenses against the monthly budgeted amounts. I can utilize the monthly budget to check whether my enrollment is up to standards. The plan will also help me in identifying whether I need to hire more workforce, reduce the number of assistance I get, or lower the amount of help I currently have. The strategy will further indicate the time frame to anticipate revenue to reduce, which will be helpful in fluctuating my expenses, maybe by lowering the number of suppliers that are being bought (Thessin, 2019). I would base this fluctuation on when the revenue starts to reduce to avoid stacking into deficit by the end of my financial year. The salaries of the employees are also a vital factor in the entire expense budget. Therefore, by having a large deficit in a not-so-big scarcity, it may be necessary to consider the employee wage since this part can help in saving money. My task as the administrator is to regulate the staff expenses to minimize the amount of the year-to-date discrepancy. When the enrollment peaks, then the number of employees that were slashed can be retrieved.

Budgeting will help in evaluating the surplus target needs on a monthly basis. When the surplus target needs for every month is determined, then the amount to be reduced can be known that will help to lower or eliminate the year-end deficit. Hence, to avoid risking the quality of my program by lowering hours by a single hour daily to maintain the quality. For example, with my two workers, one who works 30 hours while the other one works 20 hours part-time (Maine.gov. 2017). The part of the timer-come should be during the active part of the day, which is supposed to be morning between 9 AM and 11 AM. When an hour is cut down every day, then about $30 will be saved, which is $150 every week. This amount goes up to $600 per month, which is a good saving. This plan will be successful without compromising the quality of services offered when the enrollment is down. The program should be executed when there are no other means of reducing expenses.

References

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