

Establishing a Child Care Business Checklist

Determine Type of Child Care Business - Based on VA Department of Social Services Regulations

Center – Based	Family Home – Based
<p><u>Child Day Centers (CDC)</u> Licensed Child Day Centers are child day programs offered to (i) two or more children under the age of 13 years in a facility that is not the residence of the provider or of any of the children in care or (ii) 13 or more children at any location. A child day program is a regularly operating service arrangement for children where, during the absence of a parent or guardian, a person or organization has agreed to assume responsibility for the supervision, protection and well-being of a child under the age of 13 years for less than a 24-hour period. http://www.dss.virginia.gov/facility/child_care/licensed/child_day_centers/</p>	<p><u>Licensed Family Day Homes (LFDH)</u> The Code of Virginia mandates the licensure of family day homes that provide care for five or more children (exclusive of the provider's own children and any children who reside in the home). The care may be offered in the home of the provider or in the home of any of the children in care. For more information on applying to become a licensed home provider, visit: https://www.dss.virginia.gov/facility/child_care/licensed/fdh/index.cgi</p> <p><i>Peninsula Licensing Office</i> 11751 Rock Landing Drive, Suite H6, Newport News, VA 757-247-8020 <i>**A license, granted by the VDSS, does NOT constitute complete approval to operate a child care facility.**</i></p>
<p><u>Religiously Exempt Child Day Centers (REDCD)</u> Child care centers operated by religious institutions may be exempt from licensure, per § 63.2-1716 of the <i>Code of Virginia</i>, if the religious institutions submit certain documents to the Virginia Department of Social Services prior to opening the child day center and then annually prior to the expiration date of their exemption. http://www.dss.virginia.gov/facility/child_care/unlicensed/recdc/index.cgi</p>	<p><u>Voluntarily Registered Family Day Homes (VRFDH)</u> Voluntary Registration is a form of regulation offered to family day homes that care for four or less children are not required to be licensed. http://www.dss.virginia.gov/facility/child_care/unlicensed/vrfdh/index.cgi</p> <p>To apply to be a Voluntarily Registered provider, contact: Virginia Department of Social Services <i>Voluntary Registration Consultant – Division of Licensing Programs</i> Cindy Heflin - Cynthia.carneal@dss.virginia.gov (804) 726-7140 http://www.dss.virginia.gov/files/division/licensing/vrfdh/intro_page/current_providers/notices/vr_initial_application.pdf</p>

Prepare a Business Plan

What is your mission or purpose in starting a childcare service? What can you provide the children in your care? How do you want your business to operate? What is your budget and what costs can you expect to have? A business plan is important to develop and assists you in creating a structured and well thought out business model. This document in turn will also assist you in developing a budget. If you do not know where to start, consider calling a counselor at the Small Business Development Center at (757) 664-2590 for assistance and training opportunities.

Talk to your City

Some city's ordinances are more stringent than the VA Department of Social Services regulatory status requirements. Make sure you contact your city to obtain specific information you will need to run a business within your city limits.

Gain approval by your City Planning and/or Zoning Departments

Contact your local Planning Department (or your local city department responsible for zoning) and find out if your home or ideal space is eligible under the zoning ordinance established by the city. If it is, inquire about any additional requirements you will need to meet— such as building requirements and conditional use permits. Most cities and counties will require you to obtain a Conditional Use Permit in order to operate your family day home and/or day care. This permit is used to determine whether a particular activity or use can be conducted in a particular zoning district based on zone ordinances and a public hearing. The Planning & Community Development Department may ask you to complete a Conditional Use Permit application when you first apply for zoning approval. Below you will find the contact information of your local department. *Keep in mind that zoning and use permits can take some time to process. Inquire about wait times when you call.

Check for any Necessary Permits or Inspections

Know your building codes and regulations. The Virginia Uniform Statewide Building Code (USBC) establishes regulations applicable to all dwellings and structures, existing and newly constructed, to protect the health and safety of all individuals. Regardless of your desire to select a licensed or unlicensed facility for child care, the USBC provides minimum standards for the structure which may require permitting and inspections by the city. **USBC website:** <http://www.dhcd.virginia.gov/index.php/va-building-codes/building-and-fire-codes/regulations/uniform-statewide-building-code-usbc.html>

Newport News	Hampton	Williamsburg	James City	Poquoson	Gloucester	York County
(757) 933-2311 http://www.nnva.gov/441/Codes-Compliance	Planning & Zoning: (757) 728-2444 http://hampton.gov/index.aspx?NID=258 Development Services Center (757) 728-2444 http://www.hampton.gov/442/Development-Services-Center-Permits	(757) 220-6130 http://www.williamsburgva.gov/Index.aspx?page=39	(757) 253-6671 http://www.jamescitycountyva.gov/403/Development-Management	(757) 868-3040	(804) 693-1224 http://www.gloucesterva.info/PlanningandZoning/tabid/571/Default.aspx	(757) 890-3523 http://www.yorkcounty.gov/CountyGovernment/Administration,County/DevelopmentServices.aspx

Gather a Team

Gather a team of qualified professionals to assist you in your start-up process. Utilize your banker, accountant, attorney, insurance agent, and a Small Business Development Counselor to assist you in your planning needs. If you do not have an attorney or insurance agent, shop around and find someone whom you can connect with and inquire about their services.

Consider Finances

Arrange Financing

If you have set up your business plan you are in a good place for determining what costs you will need to get started. Project what you will need and why, as well as, how you plan to pay it back. Consult with your banker about financing opportunities.

Set Up a Business Checking Account

It is important to keep your personal finances and business related finances separate. Visit your banker and set up a business checking account. All of your business income and expenses should go through this account.

Choose your Business Structure

Your legal entity varies and should be based on the type of business, the goals of the business, and your personal finances. In this step it is important to arrange a meeting with your attorney and/or accountant to assist you in determining what business structure will work best for your company. Before attending the meeting you can familiarize yourself with the different business structures at the State Corporation Commission website (<http://www.scc.virginia.gov/clk/begin.aspx>).

Register and File your Business Name

First, find out if your business name of choice is available through the State Corporation Commission (SCC) via <https://sccefile.scc.virginia.gov/NameAvailability>. The name that you choose for your business must be available through the SCC. Your next step is to utilize the Virginia Online Business Registration at <https://bosapp.cyberdatainc.com/bos/> to register your Family Day Home or Childcare Center by viewing their resources and then clicking the Start button. It is recommended that you consult with a tax professional and/or attorney when determining your corporate structure.

Tax Registration

Federal Tax Registration

Gaining an Employer Identification Number (EIN) through the Federal Government is the first step in setting up your taxes. An EIN is used in connection with your business activities. You will provide this nine-digit EIN on all forms sent to IRS or Social Security Administration. Forms at the state and local level will also request your EIN number. Applying through the IRS is free for applicants. [https://www.irs.gov/Businesses/Small-Businesses-&Self-Employed/Apply-for-an-Employer-Identification-Number-\(EIN\)-Online](https://www.irs.gov/Businesses/Small-Businesses-&Self-Employed/Apply-for-an-Employer-Identification-Number-(EIN)-Online)

State Tax Registration

If you plan to conduct business in the State of Virginia, it is required that you register your business with the Virginia Department of Taxation (TAX). In order to fully complete the form you will need to know your company's business entity and EIN.

The Virginia Department of Taxation website has a free and convenient online application. The application even has specialized features for assisting home businesses. After visiting this link, scroll to the bottom of the page to learn more. (<http://www.tax.virginia.gov/site.cfm?alias=RegBus>)

Contact your City Commissioner of the Revenue

<input type="checkbox"/> File a Certificate of Assumed or Fictitious Name				<input type="checkbox"/> Obtain a Business License		
Also known as trade names, any name for a business being conducted by persons or corporations that is not their own must be registered with the city. If you are a Sole Proprietor who is not registered with the SCC it is extremely important to register with the City. To register your business name with your city/county, contact your local Commissioner of the Revenue office.				A Business License is a document obtained by an individual that allows them to conduct business in a particular city. To obtain a business license or gather more information, visit your city or county's Commissioner of the Revenue web page or contact their office.		
Newport News	Hampton	Williamsburg	James City	Poquoson	Gloucester	York County
(757) 926-8651 http://www.nngov.com/commissioner-of-the-revenue	(757) 727-6700 http://hampton.gov/index.aspx?nid=558	(757) 220-6151 http://www.williamsburgva.gov/Index.aspx?page=456	(757) 253-6695 http://www.jamescitycountyva.gov/439/Business-Licenses	(757) 868-3020 http://www.ci.poquoson.va.us/160/Business-Licenses	(804) 693-3451 http://www.gloucesterva.info/CommissioneroftheRevenue/BusinessandExciseTax/BusinessLicenseInformationandForms/tabid/733/Default.aspx	(757) 890-3383 http://www.yorkcounty.gov/CountyGovernment/CommissioneroftheRevenue/Forms.aspx

Obtain Any Additional City Permits

Every city or county has different permit requirements. Contact your local Planning & Community Development Department about any additional permits you will need to obtain to operate. They can provide you with information and applications, or you may be able to find them via their website.

<input type="checkbox"/> Health Inspection		<input type="checkbox"/> Fire Inspection	
Peninsula Health Center – 594-7340	Newport News Yorktown Poquoson	Newport News – 926-8404	Hampton - 727-1210 Williamsburg – 220-6220 James City – 220-0626 Poquoson – 868-3510 Gloucester – (804) 693-2148 York County – *Regulations Department will request for child care operator
Hampton Environmental Health – 727-2570	Hampton		
Williamsburg Environmental Health – 603-4277	Williamsburg James City County *York County residents with "Williamsburg" address		
Gloucester Health Department – (804) 693-2445	Gloucester		

Meet Employer Requirements

Before hiring your first employee you must be aware of the documents and requirements of employment. If you have never hired an employee before consider taking a few minutes to read the U.S. Small Business Administration's (SBA) *10 Steps to Hiring Your First Employee*. (<http://www.sba.gov/content/10-steps-hiring-your-first-employee>)

Step 6 of the SBA's Starting and Incorporating Your Business is a great resource for employer requirements (http://www.sba.gov/bgsearch/permitme2_0.do?q=suffolk%2C+VA&pstate=0&bcat=90)

The Virginia Employment Commission is another great resource for employment-related questions about taxes and forms. You may contact them by phone at (804) 786-4313.

Determine Insurance Needs

Be sure to consider insurance needs like workers' compensation, unemployment, property, childcare, liability, automobile insurance, etc. Set up a meeting to connect with your insurance provider and discuss your risk potential and look into additional coverage options for your business. You can also learn more about insurance by visiting <http://www.sba.gov/content/business-insurance>.

Note that unemployment insurance tax and worker's compensation insurance are extremely important if you have employees or plan on having them in the near future. Virginia Law requires every employer who regularly employs three or more full-time or part-time employees to purchase and maintain workers' compensation insurance. If you have less than three employees, you may voluntarily come under the Workers Compensation Act.

For more information visit the VWC website at <http://www.vwc.state.va.us> or contact the VWC directly.

VWC toll free line – 1-877-664-2566

VWC e-mail – questions@workcomp.virginia.gov

Register to work with the Department of Social Services

Any Child Care business that would like to accept Department of Social Services Subsidy Funds should apply by visiting, http://www.dss.virginia.gov/family/cc/assistance_providers.cgi. Once your application has been received, it will be assigned to the appropriate agency for review and processing. The last steps include an on-site inspection and vendor approval. Below are links to your local branch of the Department of Social Services.

Newport News	Hampton	Williamsburg	James City	Poquoson	Gloucester	York County
https://www.nnva.gov/human-services Lucy Holland – lholland@nnva.gov	http://hampton.gov/index.aspx?NID=269	https://www.williamsburgva.gov/index.aspx?page=35	http://www.jamescitycountyva.gov/290/Social-Services	http://www.yorkcounty.gov/CountyGovernment/York-PoquosonSocialServices.aspx	http://www.gloucesterva.info/SocialServices	http://www.yorkcounty.gov/CountyGovernment/York-PoquosonSocialServices.aspx

Please Note: This checklist is by no means all-inclusive. The reporting process and requirements may be different in each city or county. Do your homework by reading and studying the websites and booklets prepared for your use by the federal, state, and local government offices. Consult your business accountant, attorney, or SBDC counselor if in doubt.

Other Exceptional Resources

Smart Beginnings Virginia Peninsula (SBVP) Beverly Becker, Child Care Specialist – <http://www.smartbeginningsvp.org/professionals.html>
Virginia Quality (VQ) Hilari Devine, Regional Coordinator - http://www.smartbeginningsvp.org/virginia_quality.html
Hampton Roads Small Business Development Center (SBDC) Debra Hamilton Farley, Associate Executive Director - <http://www.hrsbdc.org/>
U.S. Small Business Administration (SBA) - <http://www.sba.gov/>
Virginia Department of Social Services (DSS) - <http://www.dss.virginia.gov/>
Smart Beginnings Caregiver Tool Kit -http://www.smartbeginnings.org/portals/5/pdfs/vsqi/toolkit_7_5_11_2.pdf
Virginia Shared Services Network - <http://www.vasharednetwork.org/default.aspx>
Child Care Virginia: <http://childcareva.com/>