BUDGET CALCULATOR TOOL
USER GUIDE

This tool was developed to help Chicago child care programs understand their true cost of providing high quality services. It allows programs to see how their budget is impacted by changes to salary scale, staffing patterns, funding sources, and number of children eligible for each funding source. It uses the most recent per-child amounts included in the DFSS Chicago Early Learning Community-Based Programs RFP.

STEP 1: Familiarize yourself with the tool. The spreadsheet has 7 tabs along the bottom:
1. Variables
2. Single Site Budget
3. Multi-site Budget
4. Salaries & Staffing Patterns
5. Non-personnel expenses
6. Revenue Sources
7. Group Sizes

Throughout the tool:
- GREEN cells have drop-down menus and require you to choose a variable;
- ORANGE cells require numerical input.

STEP 2: Start on the Variables tab. There are 2 GREEN drop-down cells. Cell B10 is "salary scale" and cell B11 is "fringe amount."

To see what these options include, click on the Salaries & Staffing Patterns tab. This provides a list of CURRENT AVERAGE SALARIES, RECOMMENDED SALARIES (these match the RFP), HIGHEST SALARIES. Choose a salary scale and fringe (i.e. employee benefits) rate.

RECOMMENDED SALARY scale includes salary amounts listed in the Early Learning RFP.

Advanced tip:
STEP 3: The Variables tab also has ORANGE cells that require numerical input.
- For cell B14 enter the number of days your program provides child care (exclude holiday, staff development days, and other days you are not eligible to claim CCAP).
- For cells B17, B18, B21, B22 & B25 enter the percentage of children you serve that are (or you anticipate will be) eligible for DFSS funding. This includes Early Head Start/Head Start, Prevention Initiative/Preschool for All, Early Head Start-Child Care Partnership.
- For cells B28 & B29 enter the percentage of children you serve that are (or that you anticipate will be) eligible for CCAP.
- For cells B32 & B33, enter percentages for private pay.
- For cells B36, B37, & B38, enter percentages for CACFP free, reduced and paid meals.

STEP 4: Choose either SINGLE SITE BUDGET tab or MULTI-SITE BUDGET tab. On this tab, fill ORANGE cells with the appropriate numerical values.

- For single site programs, fill in the number of classrooms in each age group.
- For multi-site programs:
  - Fill in the # of full-time employees for cells C5 – C13.
  - For cell B26, enter the number of individual sites in your program.
  - Under Enrollment, fill in the number of classrooms by age group at each individual site. (*If you do not have 3 individual sites, you can leave one blank)

If you need to add additional staff positions, insert additional row(s) BEFORE the last personnel row "Other" (A27 in Single Site Budget; A14 & A56 in Multi Site Budget). This ensures the added salary will be included in Total Personnel.

If you need to add additional non-personnel expenses, insert additional row(s) BEFORE the "Miscellaneous" row (A50 in Single Site Budget; A75 in Multi Site Budget). This ensures the additional expenses is included in Total Non-Personnel.

STEP 5: Review the budget that was created based on the number of classrooms and salary scale you entered. If an expense(s) in the non-personnel section is significantly different from your annual operating budget, you can change it. It is best to change it on the Non-Personnel Expenses tab. This ensures the new expense amount will be used consistently for each individual site or each time you make changes to the budget tool. Similarly, if a salary or staffing structure differs significantly from your program, you can change it in the Salaries & Staffing Patterns tab.

We strongly recommend establishing a method to track cells you change in the budget tool as you go along. For example, use red font in any cell you change.

The data on the Non-Personnel Expenses tab come from the budgets of local child care programs as well as the Provider Cost of Quality Calculator (a national tool for measuring child care costs). The data on the Salaries & Staffing Patterns tab come from extensive surveys of local programs, in-person meetings with local programs, national & local research (such as the Bureau of Labor Statistics and the IDHS Salary & Staffing Survey).

STEP 6: On the Single Site & Multi Site Budgets tabs, there is a Revenue section. This section will auto-populate based on the percentages of eligible children you set on the Variables tab and the number of classrooms you entered on the Budget tabs.

STEP 7: (**Notes for Multi-Site Budget tab only**)
- If you have more than 3 sites, you can add more sites to the tab. Select column I or column J, then "Insert" another column. Insert 2 columns for each additional site your agency operates. Copy the formulas from columns G & H, paste onto the new columns. Make sure formulas are calculating correctly.
- Add the new site's expenses to the Total Sites Expenses (cell D81). Add the site's revenue to the Total Center Revenue (cell D148).
- Cell B85 is the percentage of Indirect Administrative Expenses for your program. If you have a significant number of agency-wide personnel (for example, finance manager, HR director, etc.), your program's Indirect costs might be quite low or nothing. However, if you do not have significant agency-wide administrative staff, be sure to enter an appropriate percentage in cell B85 to capture this annual cost.

STEP 8: Go to the Revenue Sources tab (second to last). If you have private pay families, fill in the ORANGE cells with your weekly private pay rate for each age group.

STEP 9: Go back to the Variables tab (first tab). Your program's net revenue (or deficit) will be listed in cell B41 (single site) or cell B45 (multi-site).

STEP 10: On the Variables tab, you can change the salary scale and/or percentage of children eligible for various funding sources to see how it impacts your program's budget!

To provide feedback or ask questions, contact:
Kate Ritter   Kate.Ritter@actforchildren.org
Theresa Hawley   Theresa.Hawley@actforchildren.org