



Planning a Church Child Care

Congregations and their representatives must be careful not to enter into any agreements, before final written approval is obtained from the church council.

Some individuals have the perception that a child care program is a profitable business that can add revenue to the church. It is important to note that churches often subsidize the child care program with in-kind of space, supply of consumables, free or reduced utilities, etc.

Types of program structures

- **Church Directed – Directly**

The church can directly run the program and hire the director as an employee of the church. The church will oversee common management practices and deal with the finances through their administrative structure.

- **Church Directed - Indirectly**

The church can indirectly run the program through a hired director as an employee of the church. The director will report to the council or designated committee on a regular basis. The director will oversee common management practices within child care program and deal with the finances.

- **Third Party Lessee – Shared Space or Dedicated Space**

The church can offer shared space to an outside non-church body as a third party lessee. The church will remain in contact with the owner/operator of the program. The third party lessee will oversee all child care business matters, while working with the church on space management

Considerations When Creating a Contractual Agreement

- Duration of Lease or Agreement
- Child care program may be managed in ways contrary to your church's values and beliefs
- Wear and tear or damage in the leased space
- Additional cost maybe incurred for property tax/insurance
- Spaces available for use
- Alterations to indoor and outdoor space
- Designated maintenance/janitorial responsibility
- Building security measures
- Contact hierarchy
- List what is included in rent
- Complaint or dispute process
- Outline long term rate increases
- Payment information
- Termination policy

It is important for the church to check with their insurance carrier or broker before allowing third party use of the premises. It is always recommended that both parties do their due diligence to review their contractual agreements on an annual basis.