

Guide to Develop Family Child Care Contracts

The more carefully you spell it out, the more clearly your expectations are communicated!

Does your contract have these five essential parts?

- **Names of the contracted parties** – This would be you and the person/agency responsible for payment as well as the names of child(ren) being cared for. It's important to know who the contract is between.
- **Signatures of those parties** – Without the signature, the contract is meaningless. Whoever signs the contract is responsible for payment, so make sure you include both parents, if applicable. This would also include any co-signers, like in the case of a contract with a parent who is also a minor or someone who may not have a strong credit history. Adding an effective date is a great idea, so everyone is clear when the contract starts.
- **Termination clause** – How does one get out of this contract? Termination clauses do not have to be identical for both parties. Usually a child care provider will want to be able to terminate the contract immediately, known as “at will,” (for things like non-payment, for example). These need to be spelled out in the contract. Child care providers often require of the other party two weeks' notice and termination requests put in writing, with payment still due for that period (see below).
- **Hours of operation** – What exactly is being contracted for? You will want to be clear if the child is welcome to attend any of the hours you are open or if the parent is only paying for a set number of hours. Who sets those hours – you or the parent? This would also be the place to clearly state how payment for time off is made.
- **Terms of payment** – What is your rate of payment? Is your daily rate different than your drop-in rate? How do you expect to get paid? Will you accept cash, checks, money orders, credit cards, or other methods of payment? When is payment due – every Monday? The 1st of the month? Before the care is provided or after? What happens if a parent doesn't pay? Is there a grace period for a missed payment? What other fees are parents responsible for? These questions should be able to be answered by reading your contract.

In addition, YoungStar encourages providers to have paid time off. (See Indicators C.2.2 and/or C.4.2) Professionals receive paid time off as part of their benefits package. Family child care providers can use paid time off to attend conferences or other continuing education, have a vacation with their family, run necessary errands, or even have a day to recharge their batteries. Caring for children is difficult work and having some time away from children can improve the ability to provide good care.

It is appropriate to include a description of a provider's paid time off in the contract – this way, parents understand this is part of their agreement with the provider. Providers can use their contract to enforce the ability to take paid time off, by reminding parents if needed, that this is part of the document they signed, when agreeing to start care that program. Parents should always get a copy of the contract they sign.

Things to consider adding if it makes sense for your situation:

- ✓ If you are providing care for families participating in Wisconsin Shares Subsidy program, consider adding language which states that *the family is responsible to pay the full cost of care (your fee), this includes the difference between the subsidy amount that is available on the EBT card and your actual price.*
- ✓ If you have clients with a questionable or unknown credit history, consider adding a co-signer for the contract. If the client defaults on payment, the co-signer is responsible for paying the debt in full.
- ✓ You may wish to add a trial period to your contract of care.
- ✓ If you are holding a spot for a parent and they have paid a “holding fee,” consider adding language to your contract that states that this payment is non-refundable. Otherwise, if a parent changes his/her mind after several months, you may be out of luck if s/he demands their money back since you are now no longer holding a spot for him/her.
- ✓ You may wish to add a statement that outlines an annual rate increase of a certain amount.
- ✓ Consider adding these clauses:
 - *The client will pay for child care one week in advance.**
 - *The client must give two week written notice to end this contract. Payment is due for the notice period whether or not the child is brought to the provider for care during that time.**
 - *The client will pay for the last two weeks of care upon signing this contract.**

**From Tom Copeland's Family Child Care Contracts and Policies, 3rd Edition*

[REDACTED]
Child Care Contract

This agreement is between:

1. _____
Parent/Guardian (Full Name) Home Phone Work Phone

_____ Home Address, including ZIP code

_____ Employer/School Address and Phone Number

and

2. _____
Parent/Guardian (Full Name) Home Phone Work Phone

_____ Home Address, including ZIP code

_____ Employer/School Address and Phone Number

and

3. _____
Child Care Provider Home Phone

_____ Home Address

For the care of: _____
Child's Full Name Child's Birth date

With an agreed upon start date of _____ Deposit due: _____ Paid on _____

RATES & PAYMENTS

Payment shall be \$ _____ per month OR \$ _____ per week OR \$ _____ per hour
Two weeks of payment will be paid as deposit to hold a child's spot. This money will be applied to the last two weeks of care. This money is forfeited by the parents if the termination policy is not followed. [REDACTED] operates from _____ AM/PM to _____ AM/PM.

The child's normal schedule, within those hours, will be:

Monday _____ to _____ Tuesday _____ to _____ Wednesday _____ to _____
Thursday _____ to _____ Friday _____ to _____

This payment does not include extra charges that may be incurred for field trips/special events, as agreed upon in advance. These charges will be the parents'/guardians' responsibility.

Payment shall be due on: _____ last day of the month that the child attends for the following month
_____ 1st day of the week the child attends
_____ other: _____



Overtime rates:

For this agreement, overtime is drop-off before 7:25AM or pick up after 5:35PM, or 5 min. before/after scheduled care.

*If the parent/guardian makes agreed-upon arrangements with the provider, the child may attend overtime at the rate of \$3.00 per 15 minutes or portion thereof. Payment will be due when the child is picked up that day.

* If the parent/guardian has not made arrangements with the provider regarding schedule change, the parent/guardian will be charged at the rate of \$5.00 per 15 minutes or portion thereof. Payment will be due upon child's pick up, or when child is next dropped off for care, at the latest.

Rates for Holiday, Vacation, Sick, & Personal Days

*Due to the nature of my expenses, payment is expected even if the child cannot attend due to illness or short absences. Arrangements can be made with the provider for longer illnesses [missing over 3 days a week] or family vacations, etc. to make up those days of care, taking into consideration scheduling constraints.

*The following are paid holidays: MLK Day, Memorial Day, Labor Day, 4th of July, & Thanksgiving and the day after.

*The provider will receive eight (8) personal days that she may take at her convenience. Parents will be notified 2 weeks in advance, unless an emergency arises.

*Parents and provider will give each other 2 weeks advanced notice for scheduled vacation or other leave.

Closings

*No care will be available from Christmas Eve Day through New Year's Day (Winter Holiday).

* [redacted] will be closed for 10 days throughout the year so that the provider may attend Continuing Education activities. (Conference Days). Parents will be given 2-4 weeks notice.

**Payment is expected as normal for the months in which Winter Holiday, personal days, and/or Conference Days fall as the overall rates have been adjusted for these occurrences.

*If [redacted] must be closed unexpectedly due to emergency, etc., no payment will be expected for the hours of scheduled care during that closing.

* [redacted] does/does not follow the [redacted] School District calendar. Snow days or other weather related closings are at the discretion of the provider.

* Parents/guardians are responsible for finding their own care when [redacted] is closed.

Other:

*Parents of those children needing preferred formula, diapers, pull-ups, homemade baby food or other special food or supply needs are required to supply those items.

* Payment that is made late (without prior consent from the Provider) will be subject to an additional \$25.00 fee.

Termination Procedure:

*This contract may be terminated by either parent/guardian or provider by giving 2 weeks written notice in advance of the child's last day. Payment by parent/guardian is due, whether or not the child is brought to the provider for care. The provider may terminate the contract without notice if parent/guardian does not make payment when due or fails to abide by the terms of contract. Failure by the provider to enforce one or more of the terms of the contract does not waive the right of the provider to enforce any other terms of the contract.

SIGNATURES

By signing this contract, parents/ guardians agree to abide by the contract and the written policies of the provider. The provider may amend the policies by giving the parents/guardians a copy of the new or changed policy.

Provider's Signature _____

Date _____

Parent/Guardian Signature _____

Date _____

Parent/Guardian Signature _____

Date _____

Co-Signer Signature _____

Date _____

If the parent/legal guardian is under 18, a co-signer must sign this agreement and act as a guarantor to the contract and agree to be bound by all financial agreements held within this contract.