



Budgeting For Child Care

Child Care is essential for the economy and for the family. It allows parents to concentrate on their jobs, and it helps children learn the social, emotional, and intellectual skills needed to succeed in school. Finding affordable, accessible, high quality child care can be challenging. Care during non-traditional hours, part time care, and temporary care can be more expensive as well. Child care is costly, but it is only a temporary. It is very important to include child care into your monthly budgets. Single parents may be especially affected by the high cost of child care, especially when they have more than one child. The U.S. Department of Health and Human Services recommends that parents spend no more than 10 percent of their family income on child care.

The average costs for Full Time care in South Dakota* are as follows:

Infants-- \$7,884

Toddlers-\$6,717

School Age-\$3,312

Many providers do offer multiple child discounts, or sliding fee scales.

*According to the National Association of Child Care Resource and Referrals, 2009.

The state of South Dakota does provide Child Care Assistance for those who are eligible. You may be eligible if:

- You are working at least 80 hours per month and within established income guidelines (175% of the Federal Poverty Level)
- You receive TANF and are in an approved work activity
- You are a college student who works or attends school a minimum of 80 hours per month
- You are a high school or GED student
- You are a licensed foster care family

For more information on South Dakota Child Care Assistance, or to apply, please call 1-800-227-3020, or visit South Dakota Department of Social Services website www.dss.sd.gov.

In order to determine the amount your family can reasonably afford to spend on child care, you must first take stock of your finances. Sit down with your partner, or if you are a single parent, a trusted friend or relative, and determine your income and all your expenses. Next, gather information about the average costs of the daycares you are considering. Determine if the providers you like will be able to fit into your budget. Consider other fees that the daycare may have, such as transportation, lunches, or any other unforeseen extras. Don't start your child in a program you will not be able to afford long-term. You must be honest with yourself about your financial situation, and you do not want to have to pull your child out of a program midway through. Keep in mind that the years that you will need child care will not last forever. Please use the budget form as a draft to help you decide how to appropriately plan for daycare.

Budget Sheet

Total Monthly Gross Income	\$ _____
Total Health Ins. & Other Payroll Deductions	\$ _____
Savings, 401K & Other Deferred Money	\$ _____
Total Monthly Income	\$ _____

Housing Expenses-Monthly Payments

Rent or Mortgage	\$ _____
Utilities	\$ _____
Homeowner's Insurance <i>(set \$ aside if paid annually)</i>	\$ _____
Repairs <i>(set \$ aside for future expenses)</i>	\$ _____
Taxes <i>(set \$ aside if paid annually)</i>	\$ _____

Housing Total \$ _____

Car Expenses- Monthly Payments

Loan Payment(s)	\$ _____
Gas	\$ _____
Insurance <i>(set \$ aside if paid annually)</i>	\$ _____
Maintenance & Repairs <i>(set \$ aside for future expenses)</i>	\$ _____

Car Total \$ _____

Debts-Monthly Payments

Creditor #1	\$ _____
Creditor #2	\$ _____
Creditor#3	\$ _____
Creditor #4	\$ _____

Debt Total \$ _____

Other Expenses

Child Care	\$ _____
Charitable Contributions	\$ _____
Groceries	\$ _____
School Tuition/Supplies	\$ _____
Medical Bills & Co-Pays	\$ _____
Prescription Medicines	\$ _____
Pet Supplies & Vet Costs	\$ _____
Entertainment & Cable	\$ _____
Newspaper & Magazine Subscriptions	\$ _____
Clothing	\$ _____
Gifts	\$ _____
Savings	\$ _____
Other	\$ _____
Other	\$ _____

Other Expenses Total \$ _____

Monthly Expense Totals

Housing Total + Car Total + Debt Total + Misc. Total=

\$ _____

These are your Total Expenses

Total Monthly Income – Total Expenses =

\$ _____

*A positive number is your monthly surplus
A negative number is your monthly shortage.*

If negative, you may need to adjust your budget in appropriate areas to break even, or have a positive surplus.