



# YOUR GUIDE TO OPENING OR EXPANDING A CHILD CARE BUSINESS IN DELAWARE

Interested in starting or expanding a child care business or nonprofit program in Delaware? This guide will give you step-by-step advice, a checklist, and financing resources

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Before you get started, it helps to know which types of care you want to offer. The [Office of Child Care Licensing \(OCCL\)](#) issues licenses for [Family Child Care, Large Family, and Child Care Centers](#), as well as specialized settings like Residential Facilities. The type of license you need depends on how many children you plan to serve and your setting. Learn more on [the Delaware Department of Education's website](#).

## Getting Started: Your First 3 Steps

1. **Get Business Plan Support:** Meet with the [Small Business Development Center \(SBDC\)](#) and [Division of Small Business \(DSB\)](#) to build your budget and funding plan.
2. **Check on Your Location:** Confirm that your site can meet OCCL's licensing requirements and local zoning rules<sup>1</sup>. Before signing a lease, review building layout and space requirements with OCCL and consult the State or City [Fire Marshal/Delaware Public Health \(DPH\)](#) staff as needed for feasibility (formal inspections happen after you apply for a license).
3. **Register:** Contact the [Delaware Office of Child Care Licensing \(OCCL\)](#) → register for orientation and get your application packet.

<sup>1</sup> Ask specifically about parking, traffic flow, signage, and exterior changes. Some municipalities may restrict exterior signs, even though OCCL or Fire Marshal may require visible signage for licensing and emergency response.



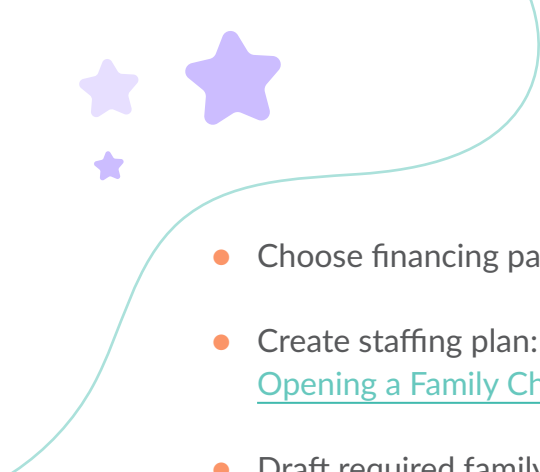
## The Journey: From Planning to Opening Day

### Phase 1: Research & Explore

- Attend OCCL orientation
- Contact OCCL early to confirm license type and ask general questions. For official capacity review or floor plan feedback, you may need to submit an application or an intent to apply
- Call Fire Marshal & DPH to share building layout / ask about major changes
- Check with your local municipality, planning department, or homeowners association (if applicable) to confirm that child care is permitted in your location
- Research staffing requirements (director qualifications, staff-to-child ratios, substitutes) and assess whether you can realistically hire or meet salary expectations in your area
- Meet SBDC for business plan framework and technical assistance (budget, tuition, cash buffer)
- Register your business or nonprofit with the [Delaware Division of Revenue \(business license\)](#) and [Division of Corporations \(LLC or nonprofit status\)](#)
- Consider [local child care needs](#) (infant care shortage? working parents nearby?) as well as the ages of children you plan to serve—infant/toddler, preschool, or school-age

### Phase 2: Plan & Prepare

- Confirm zoning and occupancy approvals
- Share blueprint/layout with Fire Marshal for feedback
- Plan required environmental testing: radon, lead assessment (if building pre-1978), and water testing (if required by Office of Drinking Water, or ODW)
- If your site is located in a southern county or near a watershed, the [Delaware Department of Natural Resources and Environmental Control \(DNREC\)](#) may also require an environmental impact or runoff assessment to ensure water/soil is not disturbed

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- Choose financing path (loan vs. grant mix)
  - Create staffing plan: roles, hiring timeline, backup plans. See pages 40–43 of [Opening a Family Child Care Home Business Guide](#).
  - Draft required family-facing policies (per OCCL): health & safety, emergency procedures, medication administration, behavior/discipline, and parent/guardian contract
  - Begin contacting insurance brokers about liability, property, abuse/molestation, and workers' compensation insurance. Coverage is required before licensing and may take weeks or months to secure

### Phase 3: Apply & Set Up

- Submit OCCL license application (with all supporting docs)
- Schedule and complete required inspections and testing: radon, lead (if pre-1978), water (ODW), and electrical inspection (every three years). Submit reports
- Schedule facility inspections: Fire Marshal, DPH (if applicable), OCCL walkthrough
- Complete staff background checks and required trainings (CPR/First Aid, Health & Safety, Child Abuse & Neglect, Medication Administration)
- Set up a [Delaware Department of Education \(DDOE\) EdAccess](#) account and connect your program/staff to [Delaware Educator Data System \(DEEDS\)](#), [Professional Development Management System \(PDMS\)](#), and Schoology for training, certification, and compliance (all required trainings are moving to these systems in FY26)
- Secure required insurance policies (liability, property, workers' comp, abuse coverage); some providers report it can take 60–90 days to bind coverage or renew
- Purchase or set up furniture, safety equipment, and classroom materials
- Enroll in [Purchase of Care \(POC\)](#) and [Child and Adult Care Food Program \(CACFP\)](#), if applicable
- After final inspections and approvals, receive license → open to families

## What You Need to Know: Licensing & Safety Basics

| Area                                                                                                                                                                                        | Requirements                                                                                                                                                                                                                                                                                                                                                                                      |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <a href="#">OCCL Licensing</a>                                                                                                                                                              | Obtain a license if caring for non-related children for pay. Attend free OCCL orientation, submit application and background checks, and comply with inspections. OCCL monitors health and safety standards and conducts most inspections. <sup>2</sup>                                                                                                                                           |
| <b>Insurance</b>                                                                                                                                                                            | Carry liability insurance; some programs must also carry property and workers' compensation coverage. Budget for high costs and anticipate limited broker availability.                                                                                                                                                                                                                           |
| <a href="#">Fire Marshal</a> & Electrical                                                                                                                                                   | Submit building plans for review and pass a fire safety inspection. Work with the Delaware State Fire Marshal unless located in cities (Newark, Wilmington, Dover, New Castle), where city fire marshals inspect. A separate licensed electrical inspection is required before licensing and every 3 years.                                                                                       |
| <a href="#">Radon, Lead, &amp; Water Testing</a>                                                                                                                                            | Test each child-use room for radon (initially and every 5 years). If the building was built before 1978, complete a lead assessment and obtain clearance. Test drinking water outlets for lead (and sometimes copper) as required by the Office of Drinking Water; testing must be completed by a certified operator (LLWO) and repeated regularly. Additional requirements apply for well water. |
| <a href="#">Staffing &amp; Training</a>                                                                                                                                                     | Hire a qualified director/provider, maintain proper staff-to-child ratios, and secure substitutes. Ensure staff complete trainings (e.g., CPR/First Aid, Medication Administration, and Health & Safety for Child Care Professionals).                                                                                                                                                            |
| <b>Policies &amp; Records:</b> <a href="#">Forms for Centers</a> & <a href="#">Forms for Family Child Care Providers</a>                                                                    | Emergency plan, attendance, medication, and incident logs. Be ready to present during inspections.                                                                                                                                                                                                                                                                                                |
| <p>Note: Some steps—such as environmental testing, inspections, or business registration—may involve fees. Many of these costs can be offset through the loans and grants listed below.</p> |                                                                                                                                                                                                                                                                                                                                                                                                   |

<sup>2</sup> OCCL conducts most inspections. DPH may inspect directly only in specific cases (such as well water, food service, or complaints).



## How Long is it Going to Take?<sup>3</sup>

- Orientation → ready to apply: 1–4 weeks
- Plan reviews + approvals: 2–10 weeks
- Environmental tests (radon, lead, water): 1–4 weeks
- Hiring & clearances: 4–12 weeks
- Final inspections → license issuance → open

## Funding & Finances

Different funding sources can help you start or grow your child care business. Options range from loans (which must be repaid) to grants and awards (which do not), as well as local competitions and community initiatives.

Plan for ongoing business costs such as insurance premiums, payroll taxes, workers' compensation, maintenance, accounting, and utilities. Many providers underestimate these costs in their first year.

### Loans & Capital

For start-up or facility improvement costs that require repayment.

- [Delaware SSBCI / DSB programs](#) - loan participation and capital access for facility or business expansion (brick-and-mortar eligible)
- [SBA / microloans / CDFIs](#) - available for startup costs such as renovations, equipment, or initial working capital (e.g., [True Access Capital](#), [NCALL](#))
- Community lenders: In addition to DSB/SSBCI loans and SBA/CDFI lenders, nonprofit child care programs can also access low-interest facility loans through groups like [The Reinvestment Fund](#). The SBDC Loan & Grant Fair (held twice a year) is a good place to connect with banks, CDFIs, and funders
- [ExciteSussex](#) - revolving loan program supporting business expansion and job creation
- County/local loan funds - check with your chamber of commerce or county economic development office

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 **TIP:** Combine loans with grants or subsidy income when possible.

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<sup>3</sup> These are estimates, not guaranteed timeframes, and depend on which steps may have been completed. Actual timeframes may vary.



## Grants & Competitions

Expansion, quality improvements, or nonprofit programs typically do not require repayment.

- [EDGE 2.0](#) - intended for early-stage or small Delaware businesses (check DSB)
- [Quality Improvement System \(QIS\) / Quality Improvement Awards](#) – for program upgrades, curriculum, and quality initiatives through DOE/DIEEC (not for startup costs or capital; only for materials & staffing wage supplements)
- [Swim with the Sharks pitch contest](#) - for New Castle County startups
- [21st Century Community Learning Center grants](#) – support before/after school and summer programming for school-age children; available to schools, nonprofits, and community agencies
- **Nonprofit foundation and corporate grants** – Delaware-based and regional funders (e.g., [Longwood](#), [Laffey-McHugh](#), [Crystal Trust](#), [Crestlea](#), [Kutz](#), [Wilmington Flower Market](#), [Delaware Community Foundation](#), [PNC](#), [M&T Bank](#), [WSFS](#), [TD Bank](#)) periodically support child care facilities, early learning, and community-based programs.

## Ways to Increase Income

- Become a [POC](#) provider – and, if eligible, apply for POC+ (enhanced reimbursement rates) for higher-quality programs – to serve income-eligible families
- Explore [ECAP \(Early Childhood Assistance Program\)](#): Delaware’s state-funded preschool program for eligible 4-year-olds. Programs must meet higher quality standards and apply through DDOE. ECAP funding covers the cost of providing preschool slots (similar to public pre-K, separate from POC).
- Apply for [CACFP \(meal reimbursement\)](#) to receive meal reimbursements. To participate, you must meet state food safety and kitchen requirements and either:
  - Apply to become a site under an existing sponsor (e.g., [Catholic Charities](#)), or
  - Apply to become their own sponsor (more control, but much higher administrative burden—best for larger centers).
- Offer employer-partner slots ([local businesses get federal child care tax credit](#))
- Market preschool wraparound care, before and after-school care, enrichment add-ons



## Who Can Help: Important Contacts

**OCCL (Office of Child Care Licensing)** - licensing & regulations  
302-892-5800 (New Castle) / 302-739-5487 (Kent & Sussex)  
[occl.doe@doe.k12.de.us](mailto:occl.doe@doe.k12.de.us) | [Start a Child Care Business](#)

**Small Business Development Center (SBDC)** - business planning, loans, marketing  
302-831-1555 | [DelawareSBDC@udel.edu](mailto:DelawareSBDC@udel.edu) | [delawaresbdc.org](http://delawaresbdc.org)

**Division of Small Business (DSB)** - capital & grants  
302-739-4271 (Dover) / 302-577-8477 (Wilmington)

**Delaware State Fire Marshal** - facility inspections  
302-856-5298 | [Existing Day Care Facility Inspections](#)

**First State Inspection Agency** – electrical inspections  
800-468-7338 | [inspections@firststate.com](mailto:inspections@firststate.com)

**Delaware Institute for Excellence in Early Childhood (DIEEC)** - training, coaching, QIS  
302-831-3239 | [ecinstitute@udel.edu](mailto:ecinstitute@udel.edu) | [dieec.udel.edu](http://dieec.udel.edu)

**Early Childhood Innovation Center (ECIC)** - staffing & credential support  
302-857-7400 | [ECIC@desu.edu](mailto:ECIC@desu.edu) | <https://ecic.desu.edu/>

**AccessCare (Children & Families First)** – child care referral service  
800-734-2388 | [Children & Families First](#)



# Quick Child Care Licensing Checklists

These checklists summarize key steps from Your Guide to Opening or Expanding a Child Care Business in Delaware. Use them as a quick reference while planning, applying, and preparing to open

## Before You Apply

- ☒ Attend OCCL orientation
- ☒ Contact OCCL to confirm license type and ask questions (may submit “intent to apply”)
- ☒ Pre-checks with Fire Marshal and Delaware Public Health (DPH) for building layout or major changes
- ☒ Confirm zoning/occupancy approval with the county or town planning office
- ☒ Check HOA/local land use rules (if applicable)
- ☒ Register business or nonprofit with the Division of Revenue (business license) and Division of Corporations (LLC/nonprofit status)
- ☒ Start business plan + budget (with SBDC or DSB if desired)
- ☒ Sketch draft staffing plan, core policies, and floor plan
- ☒ Plan environmental testing: radon, lead (if building pre-1978), and water testing (if required by the Office of Drinking Water)
  - If in Sussex/southern counties or near watershed areas — check if DNREC environmental impact or runoff assessment is required

## Before You Open (After You Apply)

- Submit OCCL license application with all supporting documents
- Schedule required inspections and testing:
  - Fire Marshal
  - DPH (if applicable)
  - OCCL walkthrough
  - Radon, lead, and water test results submitted
  - Electrical inspection completed (required before licensing and every 3 years)
- Create DDOE EdAccess account; connect staff/program to DEEDS, PDMS, and Schoology (for staff training/certification tracking — all moving here in FY26)
- Background checks cleared for all staff
- Staff hired and completed required training (CPR/First Aid, Medication Administration, Health & Safety, Child Abuse & Neglect)
- Purchase/install furniture, safety gear, and learning materials
- Enroll as a Purchase of Care (POC) provider and apply for CACFP (if offering meals)
- Final walkthroughs completed → license issued → open



If you have edits or additions to this document, contact [info@firststateprek.com](mailto:info@firststateprek.com). Find out more about what you can do to improve early care and education in Delaware at [www.firststateprek.com](http://www.firststateprek.com).