



Holding Hands Montessori

Program Overview

Prepared for Good Shepherd Lutheran Church

Empower children. Value teachers. Strengthen communities.

<https://holdinghandsmontessori.org>

1. Executive Summary:

Holding Hands Montessori (HHM) is a 501(c)(3) nonprofit Spanish-bilingual Montessori preschool program dedicated to empowering children, valuing teachers, and strengthening communities.

Our mission at HHM is to revolutionize childcare by offering a Spanish bilingual Montessori education that empowers children with the skills, values, and knowledge needed to become responsible and compassionate citizens, while simultaneously prioritizing the well-being and professional growth of our dedicated teachers.

We strive to:

- *Provide a quality education:* We are committed to providing an exceptional Spanish-bilingual Montessori education that fosters a love for learning, critical thinking, and independence in children.
- *Support and develop our teachers:* We value our teachers and ensure they have access to professional development opportunities and career advancement, addressing the issue of underpaid educators.
- *Strengthen the communities we serve:* By offering affordable childcare, we support working families in our community, helping parents pursue their careers while ensuring their children receive a high-quality education.
- *Develop compassionate citizens:* HHM emphasizes values like empathy, kindness, and respect, nurturing children to become compassionate citizens who care for others and their community.

Our preschool program addresses a crucial need in our community, especially in the Spanish-speaking population, which is significantly underserved. By teaching the Spanish language and Latin-American culture, we are actively encouraging diversity and acceptance within our community. Accessible, high-quality early childhood education is essential for children's development and future success. HHM will create two full-time and one part-time positions, and all staff will be CPR & First-Aid certified, with a background in Early Childhood Education. Our hours of operation are expected to be 7:30 am - 5:30 pm.

By joining Holding Hands Montessori, families gain a trusted partner in their child's education, and contribute to building a stronger, more compassionate community.

2. Our Program:

Holding Hands Montessori offers an engaging Spanish-bilingual Montessori program designed for children aged 2 to 6. Our core mission is to foster holistic child development, encompassing cognitive, emotional, physical, and social growth, all within a nurturing and secure environment.

In our Montessori classroom, children are given the freedom to select activities that pique their curiosity, while simultaneously benefiting from a comprehensive bilingual education. Bilingualism offers a multitude of developmental benefits, including enhanced cognitive flexibility, increased academic achievement, improved memory retention, and more. It's not just about learning a language; it's about developing the skills that will serve them throughout their lives, while also instilling a profound appreciation for different cultures and perspectives.

Our curriculum spans a breadth of subjects, including math and science, language, art, practical life, sensorial, cultural studies, and geography - igniting active learning with clear objectives and self-correcting activities - empowering children to complete tasks independently, nurturing self-confidence and essential life skills. Lessons in grace and courtesy lay the groundwork for respect, kindness, and responsibility, equipping children with essential life skills. We create an environment that respects each child's autonomy and unique learning pace, encouraging self-directed exploration that transcends academic proficiency - building strong social aptitude and independence, preparing students to become future global citizens who respect diversity and embrace multiculturalism.

We establish a classroom culture that values cooperation, kindness, and responsibility, enabling children to make thoughtful choices and comprehend the impact of their actions within a supportive and non-judgmental environment. We focus on social and emotional development, teaching children not only how to navigate conflicts but also how to cultivate empathy and self-regulation.

Our Montessori-trained educators offer personalized guidance, recognizing the importance of nurturing curious minds. Our low student-to-teacher ratios allow our teachers to build strong connections with students that foster trust and a joyful learning experience.

3. Our People:

Our program was founded by a dedicated board of directors and led by Julia Wolfe, a dedicated early childhood educator with over 15 years of experience nurturing young minds. Fluent in Spanish, she brings a multicultural perspective to her teaching. Julia holds a Montessori Certificate from California State University, East Bay and is an active member of the American Montessori Society. Her commitment to excellence is further reflected in her Site Supervisor Permit, granting her the responsibility to oversee state-licensed childcare centers in California.

Julia's journey in the field includes 7 years spent in the successful founding, development, and eventual sale of “A Step Ahead”, a thriving preschool program in Oakland, CA. This year, A Step Ahead celebrates its 10th anniversary serving families in Oakland.

Her deep passion for early childhood education extends to her own family life, where she shares her home in Concord with her family, including a dynamic three-year-old daughter. Julia's unwavering dedication to creating enriching educational environments is the driving force behind her work, ensuring that young learners receive the best possible start in life.

Robert Capps has nearly 30 years of experience in business startups and a successful track record of successful company exits. He combines his background in engineering and construction with his financial acumen. His career spans diverse areas, from designing entire homes to leading remodels of residential and commercial real-estate.

As Board Treasurer at Holding Hands Montessori, Robert leverages his expertise in cash management, financial oversight, and budgeting. His deep understanding of company operations and technology makes him an invaluable asset, ensuring the sound financial management of our preschool program.

4. Our Need:

Holding Hands Montessori is in search of approximately 600 square feet of classroom space (plus administrative space) with an adjacent outdoor play area, so that we can establish our first Montessori classroom.

Based on our initial discussion with Good Shepherd Lutheran Church (GSLC) Leadership and review of the currently available space, we have identified the lower level of the Sanctuary that would satisfy our current needs. We believe that this space will have no issues receiving approval for 12 students, and could ultimately be approved for a maximum capacity of 15 students when the State of California issues our final license to operate.

In order to utilize this space, some refurbishment work will need to be performed to make the space inviting and child-safe. We believe that minor repairs and updates will be needed throughout the space, including egress signage, doors, fire alarm, light fixtures, addressing some deferred maintenance issues in the two restrooms, removal of the unused choir risers that are currently installed in the Choir Room, and paint.

The empty field area adjacent to the flag pole, near the planter boxes, and below the Fellowship Hall can meet the State requirements for a safe fenced-in outdoor play area for the children, with some refurbishment.

HHM would also need to place a sign advertising the preschool on the east side of the northeastern driveway to Clayton Road.

Based on our initial review of the lower level of the Sanctuary, we believe we can open our doors to our first students after an investment of approximately \$54,000 to make the space ready for occupancy.

5. Proposal:

HHM proposes to enter into an initial 3-year lease agreement with GSLC, for approximately 1,160 sf of the lower level of the Sanctuary, with access to approximately 2,000 sf of adjacent outdoor space. We propose the rent for this space be \$1,566/mo (\$1.35/sf/mo), inclusive of basic utilities (internet, electricity, water, trash, and sewer). This is an increase from our previous proposal of \$1.25/sf/mo.

With this lease proposal, we would ask that the costs of making the space ready for use be split as follows:

<u>Task Type</u>	<u>Task</u>	<u>GSLC</u>	<u>HHM</u>	<u>Notes</u>
Update	Life Safety	\$1,000.00		– Compliance with fire department walk-through findings.
Install	Hot Water Heater	\$2,000.00		– Reinstall the hot water heater in the sanctuary building.
Remove	Remove Risers	–	\$2,500.00	Remove Risers and patch flooring.
Update	Doors	–	\$6,500.00	Add crash hardware to 2 upper sanctuary doors, repair 2 exterior doors for weather tightness (GSLC), add access controls (HHM). Existing bid of \$3,600 for upper door work.
Repair	Ceiling	\$250.00		– Repair/replace missing or damaged ceiling tiles.
Repair	Bathrooms	\$750.00		– Repair fixtures, shutoff valves, and flooring.
Replace	Classroom Lighting	–	\$3,000.00	13 Fixtures (Ceiling mount 4' long full-spectrum LED)
Install	HVAC	–	\$11,000.00	Mini-Split System (Approximately 18k BTU, 2-4 cooling units.)
Paint	Interior paint	–	\$2,000.00	Paint all interior areas.
Install	Playground	–	\$25,000.00	Install 6' wooden fence, play surfaces, and structures.
TOTAL		\$4,000.00	\$50,000.00	

We ask that GSLC cover the necessary repairs and code compliance work for the lower level of the Sanctuary. HHM will assume the up-front cost of installation for the mini-split HVAC and self-locking doors that were requested by the GSLC Leadership as a condition of occupancy. The total amount HHM pays for these specific upgrades will be offset by a partial abatement of base rent until the total is reimbursed to HHM. HHM will cover the remainder of the listed costs to open our doors.

6. Financial Sustainability:

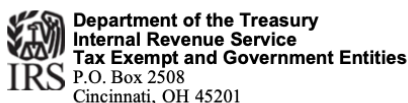
Labor is our largest expense, and we expect to employ 2 full-time, and 1 part-time staff member on-site, including a Director, a Head Teacher, and an Assistant. Operational costs make up the second largest expense category for our school, and include insurance, educational materials, general business expenses, marketing, student food costs, and provisions for unexpected expenses. Real estate makes up the remainder of our expenses.

Securing an approval for 15 students would be beneficial to our financial operating position, but our projected operating expenses are in line with revenue from 12 enrolled students. The proposed program is financially viable and self-sustaining as detailed. We would like to expand our program to encompass more students, and we would be interested in discussing other options to partner with GSLC to expand our footprint in the future.

<u>Year 1 Cash Flow</u>	<u>MONTHLY</u>	<u>YEARLY</u>
Student Revenue	\$17,500	\$210,000
Lease Expense	-\$1,566	-\$18,792
Operating Expense	-\$4,475	-\$53,700
Labor Expense	-\$11,200	-\$134,400
NET CASH FLOW	\$259	\$3,108

Since receiving our 501(c)(3) designation this year, we have raised the initial funds to cover our startup costs and maintain an operations reserve. As a nonprofit organization, we are eligible and will apply for private, local, and state funding to help offset our costs, and to expand our program to serve more families. We continue to investigate such opportunities.

7. Legal Structure and Compliance:



HOLDING HANDS MONTESSORI
1401 21ST ST SUITE R
SACRAMENTO, CA 95811-5226

Date:
June 8, 2023
Employer ID number:
92-2785287
Person to contact:
Name: Harold J Fodor
ID number: 31675
Telephone: 877-829-5500
Accounting period ending:
June 30
Public charity status:
170(b)(1)(A)(ii)
Form 990 / 990-EZ / 990-N required:
Yes
Effective date of exemption:
March 8, 2023
Contribution deductibility:
Yes
Addendum applies:
No
DLN:
26053509010893

Dear Applicant:

We're pleased to tell you we determined you're exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). Donors can deduct contributions they make to you under IRC Section 170. You're also qualified to receive tax deductible bequests, devises, transfers or gifts under Section 2055, 2106, or 2522. This letter could help resolve questions on your exempt status. Please keep it for your records.

Organizations exempt under IRC Section 501(c)(3) are further classified as either public charities or private foundations. We determined you're a public charity under the IRC Section listed at the top of this letter.

If we indicated at the top of this letter that you're required to file Form 990/990-EZ/990-N, our records show you're required to file an annual information return (Form 990 or Form 990-EZ) or electronic notice (Form 990-N, the e-Postcard). If you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked.

If we indicated at the top of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov/charities. Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

Sincerely,

Stephen A. Martin
Director, Exempt Organizations
Rulings and Agreements

Holding Hands Montessori is a registered 501(c)(3) nonprofit organization. Our employer ID is 92-2785287.

Our board of directors is comprised of

- Executive Director/President: Julia Wolfe
- Treasurer: Robert Capps
- Secretary: Carol Fritz

HHM will apply for a commercial child care license through the California Community Care Licensing Division, part of the Department of Social Services. We will comply with all local, state, and federal regulations with regards to our employment and enrollment practices. Our non-discriminatory policy will be posted on our website upon completion.

Holding Hands Montessori will maintain liability, tenants improvement, and worker's comp insurance through DC Insurance Services, Inc.

8. Preliminary Project Timeline:

- December 2023:
 - **12/17/2023** - Proposal and Presentation to Church Council - vote to approve motion to present matter at the annual congregational meeting.
 - Refine proposal for congregation.
 - Develop business partnership documents.
 - Planning and obtaining quotes for lower level refurbishment work..

- January 2024:
 - **01/28/2024** Annual congregational meeting to vote on motion to delegate permission for the council to move forward with Sanctuary lower level refurbishment and negotiate a lease agreement with HHM.

- February - May, 2024:
 - Planning for tenant improvements, including fenced playground and lower level refurbishments.
 - Sanctuary lower level refurbishment.

- June 2024:
 - Community Care Licensing Application Submission.
 - Fenced playground installation.
 - Fire Clearance Walkthrough.
 - Hire/Train Staff, Classroom Setup.
 - Community Care Licensing Approval.

- August 2024:
 - Welcome our first students to their first day of class.