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As the director, what are your key responsibilities in terms of the ‘money matters’ of running a community-managed EC centre?

The financial management of Co-op (where I work now) is always floating around in my head somewhere, even in my dreams, I’m sure. Some days it’s like a game of chess—I can’t move one thing until the other piece falls into place, and the money must come in before it goes out.

Coming to the Co-op taught me a new appreciation for the financial aspects of operating a not-for-profit community-managed centre. Of course, there are the everyday monetary tasks required to keep any business afloat—like paying wages, bills, invoicing families, comparison quotes from utility companies ... the list goes on. However, entering an organisation that was struggling financially opened my eyes to the importance of having a solid comprehension of the financial aspects of Co-op. I completed a financial management course for not-for-profit organisations to understand how to read profit and loss reports and balance sheets. Budgets became serious, down-to-the dollar detail and every possible expense and income was documented.

Knowledge of the financial aspects meant that I could also support the board of management in their role, whether it be through conversation, examples or organising committee training. Collaboration with the board has been critical in ensuring that the forecast expenses and business plan for Co-op are not just my thoughts. The goal for the Co-op is to remain viable long into the future—this means we must find the balance between financial viability and affordability for families without cutting quality. To do this I start with a budget template that is only my staffing expenses, outlining what isn’t negotiable. Food is our second biggest expense, and another item where I refuse to negotiate quality. Items such as craft materials, consumables, and excess Lego, puzzles and toys are things I try to reduce. We seldom order from teaching catalogues when households have so many items that we can use. Second-hand coffee tables make great child-size tables and look much more homely.

Good relationships with families are paramount in all aspects of the service being sustainable. We explain to families from the beginning that we have low ratios and well-qualified staff, which makes our fees a little higher than some in the area. Conversely, these good relationships support communication with families when times get tough—if families need to come and talk to you about financial strain, or if you need to approach a family regarding late payment of fees, established rapport with families reduces the stress of these difficult conversations.

How does your EC pedagogical knowledge inform your leadership decisions and recommendations about the centre’s financial viability?

Our financial records inform our business plan, and help create our projections and achieve our financial goals. It has been critical that I think of Co-op as a business and use that mindset to be strategic in forecasting. Paramount to our financial success has been the ‘magic’ number of children we are licenced for. By expanding our building a year ago, the addition of six children meant more income each year to invest in quality program delivery. This was used for funding additional educators to provide opportunities for our children to spend time in the community on a weekly basis, offer in-house professional development on curriculum matters for all staff and renovate our outdoor spaces in

the near future incorporating a variety of calming, hidden, open-ended spaces where the environment provides endless teachable moments. It was a worthy renovation for the longevity of our service.

What challenges have you encountered and how did you overcome these problems?

The greatest financial challenge for Co-op has been utilisation. In my first years, Co-op was running below the anticipated 95 per cent of our budget. For us at the time there weren't many three- and four-year-old children in the community. This meant restructuring the children's groupings, including building a kindergarten room for three-five year olds. I became so resourceful, because I was trying to save every penny I could. All of sudden you realise you don't need a \$2000 budget for art and craft, that storage cupboards full of matching boxes aren't necessary. Today, sustainability is embedded into Co-op, and it's occurring naturally.

There have been moments where I felt physically sick reading profit and loss reports. Regular monitoring of records increases predictability of finances, and today it is highly unusual that the financial records for each month would be a surprise to me. Grants were an important part of survival for Co-op and still are. As we recognised the time that it took to create high-quality grant applications, we prioritised our board members' roles for two people to be grants officers. This enabled us to share out the workload and have more time dedicated towards important applications.

In understanding an EC centre as a business enterprise, what advice would you give to an aspiring leader?

It has been important for me to ensure that although Co-op has had some hard times over the years, that we don't become run down and unsightly. Gratitude has played a big part for my staff and me. We are grateful to work in a lovely community and pride ourselves on the high-quality education and care that we provide, not on how expensive or how new our equipment is. At times as a leader you can walk into other spaces and be envious of what others have. Take these moments as opportunities to reflect on how you would like your centre to be in the future—they may just be your next financial goals.