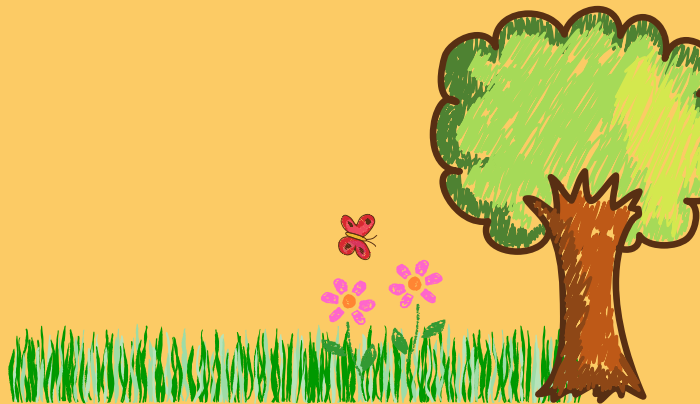




# CHILD CARE SOLUTIONS

Family Friendly Policies  
for Businesses in  
Hendricks County





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# About This Project

It's no secret, Hendricks County is facing a crisis largely impacted by the lack of affordable child care. The 2022 Community Needs Assessment conducted by Hendricks County Community Foundation reported that for 23.3% of respondents it is "Hard to find affordable, high-quality early childhood education and/or child care," an issue that jumped eight spots from the 2019 survey. With the rising cost for child care and limited available affordable child care facilities in our county, our Leadership Hendricks County capstone group decided to create a local resource to help businesses in our community address this challenge.

This booklet will guide your business as you consider implementing family-friendly policies to support working parents and recruit and maintain staff. The information in this booklet will be helpful to businesses of any size and has been written with the needs of small businesses in mind. This guide will be most useful to business owners, managers, and human resources personnel, but can serve as a conversation-starter for any employee seeking to advocate for more supportive workplace policies that benefit all Hoosiers.



# Employee Benefits of Family-Friendly Policies

Within this booklet you will learn about the benefits to employers implementing family-friendly policies. One of the biggest benefits to employers is that these policies play a big role in the recruitment and retention of talented employees! Family-friendly policies allow employees the opportunity to meet both their family and professional responsibilities through programs that offer:

- Flexibility to handle both scheduled and unscheduled family events
- Financial relief from rising child care costs
- Tax credits and other financial benefits
- Opportunities for working parents to bond with infants
- And more, depending on the policy!

Family-friendly policies benefit everyone, because employees are more focused and less worried at work knowing that their home life tasks can be handled more easily.

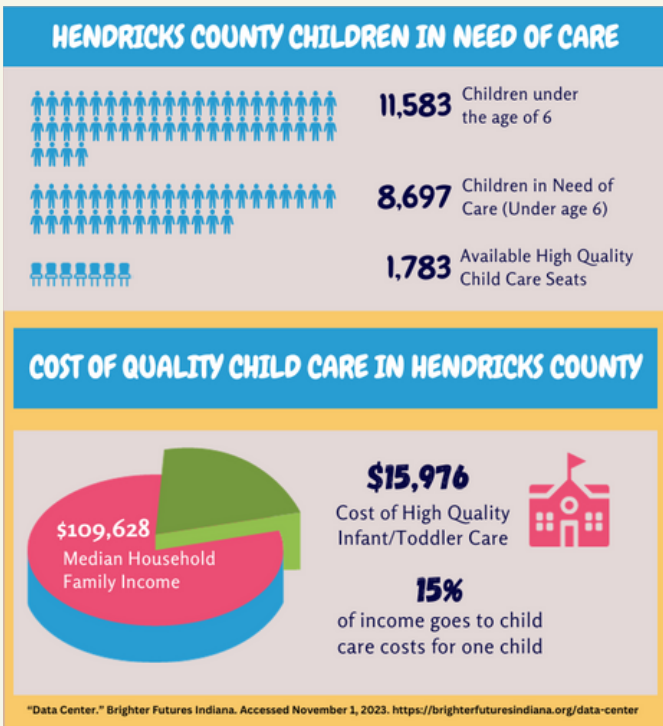


# Did You Know?

Each year, businesses lose an average of \$1,640 per working parent due to child care-related absences.<sup>1</sup>

Absences and employee turnover related to child care cost businesses in Indiana \$1.8 billion each year.<sup>2</sup>

88% of working mothers say flexibility, predictable hours, or child care support make them more likely to choose an employer.<sup>3</sup>



1. "\$122 Billion: The Growing, Annual Cost of the Infant-Toddler Child Care Crisis," Council for a Strong America, February 22, 2023, <https://www.strongnation.org/articles/2038-122-billion-the-growing-annual-cost-of-the-infant-toddler-child-care-crisis>.

2. Laura Littlepage, "LOST OPPORTUNITIES: The Impact of Inadequate Child Care on Indiana's Workforce & Economy," Indiana University Public Policy Institute, September 28, 2018, [https://ppidb.iu.edu/Uploads/ProjectFiles/Economic.Impact\\_Early.Learning\\_Sep.28.2018.pdf](https://ppidb.iu.edu/Uploads/ProjectFiles/Economic.Impact_Early.Learning_Sep.28.2018.pdf), 1.

3. "The Business Case for Childcare," Moms First, August 10, 2022, <https://momsfirst.us/childcare-report/>, 8.

This chart summarizes the basic details of each family-friendly policy. Considering the context of your business, scan to determine which policy might be the best fit. Then, turn to the page corresponding to that policy in the booklet to read more in-depth information and find additional resources for taking action.

# Comparison Chart

Type Of Benefit	Page #	Cost	Employee Recruitment & Retention	Tax or Financial Benefits	Positive Reputation Impact
Dependent Care FSA	Page 5	Free	☑	☑	☑
Bring Your Baby to Work	Page 6	Free	☑		☑
Flexible Hours/Work from Home	Page 7	Free	☑		☑
Nursing Room	Page 8	\$	☑		☑
Employer-Provided Child Care Credit	Page 9	\$	☑	☑	☑
Partner with a Child Care Facility	Page 10	\$	☑		☑

# Dependent Care FSA



## *How does it work?*

Dependent Care FSA plans are set up by employers according to IRS rules. Dependent Care Assistance Programs (DCAPs) may be provided by a flexible spending arrangement (FSA) under a Section 125 cafeteria plan. A cafeteria plan, including an FSA, provides participants an opportunity to receive qualified benefits on a pre-tax basis. It is a written plan allowing employees to choose between receiving cash or taxable benefits, instead of certain qualified benefits for which the law provides an exclusion from wages. If an employee chooses to receive a qualified benefit under the plan, the fact the employee could have received cash or a taxable benefit instead won't make the qualified benefit taxable. Thus, an employee may contribute to the DCAP through salary reduction, and the DCAP may reimburse the employee for dependent care expenses incurred during the year. The reimbursements of dependent care expenses are excluded from gross income.

## *How does it benefit Employers?*

The employer offers fringe benefit plan on a pre-tax basis which helps employers and employees save money. With DCHSA the employee's taxable income is reduced which also reduces employer's tax liability per employee. See [IRS guidance](#) to learn more about fringe benefit plans.

## *Next Steps*

Contact payroll administrator to discuss how to set up pre-tax deductions for dependent care. See [IRS Publication 15b](#) on how payroll administrator can set up. Businesses in Hendricks County interested in learning more about how to set this up can contact Jon Becker: <https://www.cchalaw.com/our-people/jon-a-becker>.



# Bring Your Baby to Work

## *How Does it Work?*

Employees are allowed to bring their babies to work for a set period or until certain developmental milestones (like crawling or walking) are reached. A formal policy outlines baby-friendly areas, diaper-changing, feeding spots, baby-free zones, and responsibilities of both the employee and employer in order to ensure the program's success.



## *How Does it Benefit Employers?*

- Cost savings on recruitment and training.
- Promotes return of employee post-childbirth or adoption.
- Talent recruitment and retention of institutional knowledge.
- Positive publicity from Baby-at-Work program.

## *Next Steps:*

- Bring together key leaders and employees to discuss how a Baby-at-Work policy might be implemented in your workplace.
- Develop a plan specific to your workplace and create a policy.
- Policy templates and other resources can be found at <https://www.babiesatwork.org/resources>.

# Flexible Hours & Work From Home



## *How Does it Work?*

Employees can flex hours within the work day, can flex days within the work week, and can work from home a certain quantity of days per week.

## *How Does it Benefit Employers?*

- Reduces absenteeism because employees can work even when something happens at home.
- Increases time worked because employees do not need to take PTO as often.
- Employees are more productive because they have fewer worries about home life and a higher sense of control.



## *Next Steps:*

- Talk with staff that support HR and management functions to ensure feasibility within business context and obtain buy-in.
- Maintain accountability for hours worked using a system that fits your company's needs.
- Use multiple methods of communication for when employees are not in the office (email, Teams, Slack, texting, etc.)

# Nursing Room

## *How Does it Work?*

Nursing mothers are given a designated space for expressing breast milk which includes a refrigerator, comfortable chair, and sink.

## *How Does it Benefit Employers?*

- Employees who wish to breastfeed are more likely to return to a worksite that provides a supportive breastfeeding environment.
- Employees use less time off caring for sick infants and children because breast milk supports immune function.
- Improves the corporate image.
- Reduces employee turnover rates.

## *Next Steps:*

- Identify a space that could be designated as a nursing room
- Consider a local contractor for a small office renovation to create a nursing room or wellness room.
- Explore other options such as a nursing pod from Mamava, Nessel, or Panel Built.
- For more suggestions based on type of workplace visit <https://www.womenshealth.gov/supporting-nursing-moms-work/lactation-break-time-and-space-all-industries>



# Employer-Provided Child Care Credit



## *How Does it Work?*

Employers can offer diverse child care benefits like subsidies, FSAs, onsite care, vouchers, etc., reducing their tax liability for both the employer and employee. Program specifics vary per employer, regulations, and industry.



## *How Does it Benefit Employers?*

- Reduced income tax liability.
- Increased employee retention and loyalty.
- Increased employee productivity.
- A better workplace environment.

## *Next Steps:*

- Research specific programs that might fit your context.
- Speak with a Legal/HR professional to determine if it might be possible to offer this benefit.
- For more information contact Kathryn A. Larin at the U.S. Government Accountability Office: (202) 512-7215 or [larink@gao.gov](mailto:larink@gao.gov)

# Partner with a Child Care Facility for Discounted Prices

## *How does it work?*

Employer partners with a nearby child care that is willing to offer their employees a discount and/or hold spots for their children of their employees.

## *How does it benefit the Employer?*

- Reduces absenteeism and increases productivity because employees have a consistent child care provider.
- Recruits new employees because the cost of child care is discounted and/or because they have guaranteed spots at a convenient child care.
- Retains employees because they do not worry as much about the cost of child care and/or where they will find child care.



## *Next Steps:*

- Determine if your business might be able to offer child care discounts. If not an option, inquire if the child care provider can offer one based on your company's business or secure child care spots.
- Contact [Child Care Answers](#) for a list of local providers and help in negotiating discounts or spots.

# Child Care Answers

**For more information about family friendly policies and child care options, contact your local child care resource and referral agency!**

Child Care Answers is Hendricks County's child care resource and referral agency. Since 1985, Child Care Answers has been a go-to resource for all things child care: an advisor, a collaborator, a guide, and—most importantly—a hand to hold. Our goal is to create seamless experiences for you, working together to minimize any unnecessary hoops. We help central Indiana's children thrive through early care and education by supporting families, community organizations and businesses, and child care programs. Please visit [childcareanswers.org](https://childcareanswers.org) or call 317-636-5727 for more information.



# Leadership Hendricks County

This resource is brought to you by the Leadership Hendricks County Class of 2023 “Child Care Solutions” capstone project. Since 1993, Leadership Hendricks County, Inc. (LHC) has given citizens the leadership tools and county-wide information they need to take on effective leadership roles. LHC is a registered 501(c)3 nonprofit organization. The generous support of corporations and individuals enables LHC’s continued service to the county, its people, and employers by offering top-notch leadership and engagement programs for current and emerging leaders.

The goal for this booklet is to assist and guide local businesses and their employees on how they can work together to gain quality child care for their employees. Business owners can use this booklet as a ‘How To’ resource with their employees. Offering family friendly policies to assist with child care needs provide benefits not just to employees but employers as well.



